

EStimados Doctores:

Global Corruption Barometer 2005

Transparency International Poll shows widespread public alarm about corruption

Berlin 9 December 2005 -- The 2005 Global Corruption Barometer, based on a Gallup International survey conducted on behalf of Transparency International for International Anti-Corruption Day 2005, reveals widespread concern about corruption around the globe.

"Today's survey shows that people believe corruption is deeply embedded in their countries," said Huguette Labelle, Chair of Transparency International. "When a poor young mother believes that her government places its own interests above her child's, or that securing services like that child's basic health care requires a hand under the table, her hope for the future is dampened. But embedded corruption can be rooted out when people join together to change the system that facilitates it."

Personal experiences of bribery

The Barometer indicates that corruption's impact on personal and family life is most dramatic on poor households. In addition, citizens in low income countries tend to pay a significantly larger percentage of their income in bribes than in higher income countries.

A global view of corruption

Close to 55,000 people in 69 countries were polled as part of the Gallup International Voice of the People 2005 survey, between May and October 2005 to assess their views on corruption.

-Asked to indicate the degree of change over the past three years, the overall view of citizens in 48 countries out of 69 is that corruption has increased.

-In six countries, citizens' views overall are that corruption declined over that period: Colombia, Georgia, Indonesia, Hong Kong, Kenya and Singapore.

-In 13 countries – Bolivia, Costa Rica, Dominican Republic, Ecuador, India, Israel, Nicaragua, Nigeria, Panama, Paraguay, Peru, Philippines and Venezuela – more than 50 percent of those responding feel that corruption increased a lot.

-Africans and Latin Americans are the most negative about the past. Looking to prospects for the next three years, the picture is somewhat more upbeat.

-In 12 countries, respondents overall expect corruption to decline, with Indonesians being the most optimistic (63% expecting corruption to decrease a lot).

-The most optimistic countries according to the survey are: Indonesia, Kosovo, Nigeria and Uruguay.

-In 34 countries respondents are clearly pessimistic about the future for corruption levels.

-The most pessimistic countries are: Costa Rica, Ecuador, India, Nicaragua and Philippines.

-From a regional perspective, Africa stands out as a region of relative optimism.

"Like a bad disease, corruption is often predictable, preventable and curable," stated David Nussbaum, Chief Executive of Transparency International. "The Global Corruption Barometer offers a harsh diagnosis, but effective treatment is at hand. Legal changes such as anti-corruption codes and conventions are being put in place. Companies are introducing anti-corruption programmes. The world is turning against the corrupt."

Regional perspectives

Central and Eastern Europe and Central Asia

-Respondents in Kosovo, Ukraine and Romania are the most optimistic, with at least one third believing that the situation will improve.

-People in Bosnia and Herzegovina and Russia are more pessimistic, with

respectively 40 and 50 percent of respondents holding negative views about the future.

Latin America

-Half the respondents in five countries – Costa Rica, Ecuador, Mexico, Nicaragua and Venezuela - are pessimistic about the future, believing corruption will increase. Nicaraguans are the most pessimistic, with more than 6 out of 10 believing the situation will get much worse.

-Respondents from Chile, Colombia and especially Uruguay are very positive about the future.

Africa

-Of the eight African countries covered in the Barometer, five take an optimistic view, especially Nigeria and Ethiopia, where about half the respondents feel that corruption will decrease in the next three years.

Asia

-While people in the Philippines and India express strong concerns about future levels of corruption in their country, with approximately 60 percent believing the situation will get a lot worse, Indonesians are even more optimistic than last year, with 63 percent expecting significant improvement.

Countries that are pessimistic or optimistic about their past tend to take the same view of their future.

-In the United States and in Germany, 65 and 66 percent respectively of those surveyed believe corruption has worsened in the past three years, and 56 and 57 percent respectively expect this to continue.

-In the view of 48 percent of Kenyans, corruption decreased over the past three years, and 43 percent believe that trend will continue.

-Similarly, positive views of the past three years in Colombia, Indonesia, and Turkey are also reflected in their optimism for the future.

However, there are countries whose future prospects seem to differ from the recent past. The public in Ethiopia, Nigeria, Ghana, Kosovo, Macedonia, and Uruguay, for example, is markedly more optimistic than their experience of the past 3 years would suggest.

In specific countries, pessimism may actually indicate some progress in addressing corruption, because of the heightened awareness of corruption that results from visible anti-corruption efforts. Pessimism may, however, result from a perceived absence of political will to fight corruption, or a lack of effectiveness in doing so. Insufficient knowledge about ongoing reforms will diminish public support for governments and others tackling bribery and corruption.

How common is bribe-paying?

The prevalence of bribery varies considerably. At one end, a very low percentage of families in a group of mostly high-income countries bribed over the course of the past year. At the other end, a relatively high proportion of families in a group of Central Eastern European, African, and Latin American countries paid a bribe in the previous twelve months.

Table: Countries and the prevalence of bribery

Question :

In the past 12 months, have you or anyone living in your household paid a bribe in any form?

Answer: Yes

31% - 50%

Cameroon, Paraguay, Cambodia, Mexico

11% - 30%

Ethiopia, Ghana, Guatemala, Lithuania, Moldova, Nigeria, Romania, Togo
Bolivia, Czech Republic, Dominican Republic, Ecuador, Greece, Indonesia,
India, Kenya, Pakistan, Peru, Russia, Senegal, Serbia, Ukraine

5% - 10%

Argentina, Bulgaria, Bosnia and Herzegovina, Colombia, Croatia, Kosovo,
Luxembourg, Macedonia, Malaysia, Nicaragua, Panama, Philippines, Poland,
South Africa, Thailand, Turkey, Venezuela

Less than 5%

Austria, Canada, Costa Rica, Denmark, Spain, Finland, France, Germany, Hong Kong, Iceland, Ireland, Israel, Japan, South Korea, Netherlands, Norway, Portugal, Singapore, Switzerland, Taiwan, UK, Uruguay, USA
Source: Transparency International Global Corruption Barometer 2005
Based on the survey, the countries with the highest prevalence of bribery are from Latin America (Guatemala, Mexico and Paraguay), Africa (Cameroon, Ethiopia, Ghana, Nigeria and Togo), Central and Eastern Europe (Lithuania, Moldova and Romania) and Asia (Cambodia), with at least a fifth of respondents stating that their family paid a bribe in the course of the past year.

The poor pay more

Per capita income and purchasing power vary substantially across countries, meaning that the economic significance of bribes for an individual or family differs from one country to another. The Barometer includes respondents' estimates of the cost of bribery in 19 countries. From the data collected, it seems that households in Africa pay relatively more in bribes as a share of their annual income.

-Families in Cameroon, Ghana and Nigeria seem subject to particularly high levels of bribery between a fifth and a third of per capita income.

-In India, Kenya, Moldova, Togo and Ukraine, families pay between 10 and 20 percent of per capita income in bribes.

Table: Size of bribes compared to GDP / capita

Average amount paid in bribes per household per year, as a percentage of GDP per capita (2003)

20%

Cameroon, Ghana, Nigeria

10-20%

India, Kenya, Moldova, Togo, Ukraine

10%

Bolivia, Dominican Republic, Guatemala, Lithuania, Mexico, Pakistan, Paraguay, Peru, Romania, Russia, Serbia

Source: Transparency International Global Corruption Barometer 2005

According to these estimates, the average amount of bribes paid per household annually varies widely across these 19 countries, from a low of US\$ 36 in Paraguay to US\$ 205 in Cameroon. These differences can be observed even in economically comparable countries in the same region. In some countries, smaller bribes may be paid frequently. In others, bribes may be less frequent but larger.

Table: How much is spent on bribes

Bribes paid by household members over the previous 12 months

Nominal amount in Current USD

Amount in purchasing power parity USD (2003)

Bolivia

66

190

Cameroon

205

560

Dominican Republic

76

274

Ghana

181

1095

Guatemala

147

303

India
102
523

Kenya
50
114

Lithuania
195
432

Mexico
111
166

Moldova
86
280

Nigeria
114
280

Pakistan
45
169

Paraguay
36
158

Peru
69
164

Romania
56
154

Russia
129
393

Serbia
171
No data

Togo
46
216

Ukraine
160
860

Source: Transparency International Global Corruption Barometer 2005 and World Bank Development Indicators Online, <http://publications.worldbank.org/WDI/>.

Why do people pay bribes?

Bribery is usually a hidden or tacit transaction. An illegal payment may be understood to be required in order to obtain a free service, or to speed up delivery of a required approval, such as a business permit or licence, or to resolve a problem, even when a bribe is not explicitly demanded.

-Among the 20 countries surveyed studied, a majority of respondents in Bolivia, Dominican Republic, Ethiopia, India, Mexico, Nigeria, Paraguay and Peru who paid a bribe say they did so because the money was directly solicited.

-Approximately half of those who paid a bribe in Ghana, Moldova and Pakistan say the same.

-However, a majority of those surveyed in Lithuania, Romania, Russia, Serbia and Ukraine who paid a bribe report that they had offered it to obtain a public service they were legally entitled to.

"An unspoken request for payment is no less corrupt than an open demand for a bribe, especially if refusing to pay means that you may not get the medicine you need to survive," said Huguette Labelle.

Many sectors are rife with corruption: once again, politics tops list

In a broad range of sectors affecting everyday life, the Global Corruption Barometer 2005 suggests that corruption continues to damage the daily lives of people around the world and impairs their ability to take full advantage of basic human rights and services.

For the second year running, political parties are viewed as the most corrupt sector. This year 45 of the 69 countries surveyed ranked political institutions at the top of the chart. At 4.0 on a scale of 1 to 5, with 5 considered "extremely corrupt", political corruption is a dominant concern of respondents. Parliaments/legislatures (3.7) and the police (3.6) follow closely.

"The fish rots from the head," said David Nussbaum. "When a government is corrupt at the top, the power to make fundamental reform lies in the hands of those least likely to do so."

Graph: Sectors and institutions most affected by corruption
barometer graphic

Source: Transparency International Global Corruption Barometer 2005

Three quarters of all respondents indicate that the political life of their country is affected by corruption to a moderate or large extent.

This view of pervasive corruption in political parties transcends income and regional grouping.

-Among high income countries, citizens from France, Italy, Greece, Japan, Israel, and Taiwan had serious doubts about the integrity of their political parties.

-Respondents from upper middle-income countries such as Mexico, Panama, Argentina and Costa Rica, as well as those from lower middle-income countries such as Bolivia, Ecuador, and Paraguay indicated similar concerns.

Not all countries labelled political parties the most corrupt sector.

-In many Central and Eastern European countries, including Bulgaria, Kosovo, Moldova, Romania, Serbia and Ukraine, customs officials are considered the most corrupt.

-In Africa (Cameroon, Ghana, Kenya, Nigeria, Senegal and South Africa) and Latin America (Dominican Republic, Guatemala, Mexico, Peru and Venezuela) it is often the police or legal systems/judiciary.

-In several high income countries, including Denmark, the Netherlands and Norway, the business sector and media are considered the most corrupt.

-Ethiopia and Turkey rate their taxation agencies as the most corrupt sector. Respondents in a range of Asian and Latin American countries also indicate significant concern about these agencies.

-While only Kosovo ranks the medical sector as the most corrupt, other countries in the region – including Bulgaria, Moldova, Poland, Serbia and Ukraine - also give this sector relatively high ranks. Respondents in Cameroon, India, Nicaragua, Pakistan and Turkey express similar opinions.

Table: The most corrupt sectors by region

ASIA (12 countries)

Political parties 4.2

Parliament / Legislature 3.9

Police 3.9

Tax Revenue 3.5

AFRICA (8 countries)

Police 4.4

Political parties 4.2

Customs 4.0

Parliament / Legislature 3.8

W.EUROPE(16 countries)

Political parties 3.7

Parliament / Legislature 3.3

Business / private sector 3.3

Media 3.3

C.E.EUROPE(14 countries)

Political parties 4.0

Police 4.0

Parliament / Legislature 3.9

Legal system / Judiciary 3.9

LAC(15 countries)

Political parties 4.5

Parliament / Legislature 4.4

Police 4.3

Legal system / Judiciary 4.3

Source: Transparency International Global Corruption Barometer 2005

Why measure public opinion on corruption?

Today's survey results lay a foundation for action by governments, international institutions, civil society and individuals. Knowledge of how people experience and perceive corruption is vital for the design of anti-corruption measures. In identifying the sectors of society most affected by corruption, Transparency International's Global Corruption Barometer 2005 can be a catalyst for reform. People's perceptions of the prevalence of corruption over time can also be an important measure of the long-term success of a government's anti-corruption policies and initiatives.

Considerable progress has been made in joint international actions such as the United Nations Convention against Corruption, adopted in 2003 on International Anti-Corruption Day, 9 December by the United Nations General Assembly, signed by 137 countries and to date, ratified by 37. It will enter into force on 14 December 2005.

Through its many anti-corruption activities, Transparency International has placed corruption on the world agenda and increased awareness of the issue around the world. Unlike its Corruption Perceptions Index, which is a compilation of surveys measuring the perception of corruption among the business community and other analysts, the Global Corruption Barometer takes the temperature of the people whose lives and views are touched by corruption. This year's survey includes previously uncovered nations such as Cambodia, Ethiopia, Paraguay, Serbia, Thailand and Togo.

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Transparency International is the global civil society organisation leading the fight against corruption.