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Public-Private Partnerships against Corruption in Russia

ASSESSING CORRUPTION & ANTICORRUPTION PROGRAMS
IN IRKUTSK OBLAST

COMPARISON OF SURVEYS, 2004-2006

DECEMBER 14, 2006

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1. Introduction

It is a widely held belief that little can be done – especially over the short-term – to rid a community of corrupt practices. However, since 2003, a coalition of nongovernmental organizations, business associations and media outlets, in coordination with the Irkutsk Oblast administration, planned and implemented a multifaceted program against corruption in government that has resulted in significant and positive impacts on the problem. While corruption certainly has not been eliminated in Irkutsk, many positive conclusions are clearly observable. For example,

- the problem has been elevated on the public agenda,
- more people are aware of the costs of corruption on their quality of life,
- reforms have been put in place to make corruptive practices less likely,
- government has established more effective ways to monitor and control the operations of corruption-vulnerable departments,
- law enforcement agencies have become more actively engaged in investigating and prosecuting corrupt officials,
- citizens and businesspeople have outlets to register their grievances about corruption and seek redress, and
- civil society has mobilized itself into effective public oversight bodies and advocacy groups that place greater demands on government to enforce the rule of law and see to it that reforms are not only enacted but implemented rigorously.

These activities and their implications for the everyday lives of citizens, businesspeople and government officials in Irkutsk have been positive. Before and after public opinion surveys demonstrate that people notice that, incrementally, the anticorruption campaign over these three years has contributed to a reduction in the detrimental effects of corruption. Comparison of survey data collected in May-June 2004 as a baseline for the program with survey data collected in mid-2006 corroborate these findings. These surveys collected data on both public perceptions and behaviors related to corruption and demonstrate quantitatively that the corruption situation in Irkutsk is now reduced.

But perhaps, one might say, the corruption problem in Russia, as a whole, has gotten better, and it was not the special efforts undertaken in Irkutsk that made the difference. To test for this possibility, we compared Irkutsk survey results with Russia-wide survey results and found that while the corruption situation in Russia has either stabilized or gotten worse over these years, the situation in Irkutsk has improved. This report documents these before-and-after comparisons of citizen perceptions and behaviors related to corruption in Irkutsk.

2. Objectives

The goals of this report are threefold:

- To compare the two surveys to identify where there have been major changes in response to the corruption situation in Irkutsk and where things have not changed substantially over the years.

- To assess the impact of the Anti-Corruption Program in Irkutsk since 2004.
- To develop recommendations based on these findings that help in developing a new targeted agenda to fight corruption based on past successes and failures for Irkutsk citizens and policymakers to pursue.

3. Background

Public sector corruption, commonly understood as *the misuse of public office for private gain*, exists throughout the world and is widespread in many places. Corruption has been shown to be very costly to economic growth and inhibits the development of effective governing practices. From an economic perspective, corruption increases the cost of doing public and private business and is a major disincentive for investors. From a governance perspective, corruption distorts the intent and implementation of laws and regulations, limits the delivery and quality of government services, excludes citizens from open participation in their government, and reduces government accountability, transparency and legitimacy.

For many years, the Irkutsk Oblast Administration has demonstrated its political will to fight corruption by enacting a variety of reforms and institutional changes. With the concurrence of the Oblast administration, the United States Agency for International Development (USAID) initiated a technical support activity to develop an integrated anti-corruption program in Irkutsk Oblast focused on implementing reforms to enforce the law, prevent opportunities for corruption from occurring, and educate the public to make it aware of the costs of corruption and increase its legal literacy. USAID and its partner organization, Management Systems International (MSI), have provided support to this program since 2003.

As first steps in this program, anticorruption activities to be implemented cooperatively by government and civil society groups were developed and an NGO-business coalition against corruption was launched. Mechanisms for coordination between the government and the Coalition were established.

Over the years, the Oblast government has implemented many reforms to streamline bureaucracy and institute stricter internal controls. As well, the Coalition has been extremely active in mobilizing civil society, business and the mass media in a wide variety of anticorruption actions. Its actions have put pressure on government authorities to reform targeted laws, procedures and institutions so they become more transparent and accountable to the public. The Coalition has also been successful at increasing the population's legal literacy and ensuring that the corruption issue remains high on the public agenda. (See the Coalition's website: <http://www.ccies.ru/anti/>.)

This report compares the results of a baseline survey conducted in May-June 2004 with a follow-up survey conducted in June 2006. The 2004 survey was based on a systematic

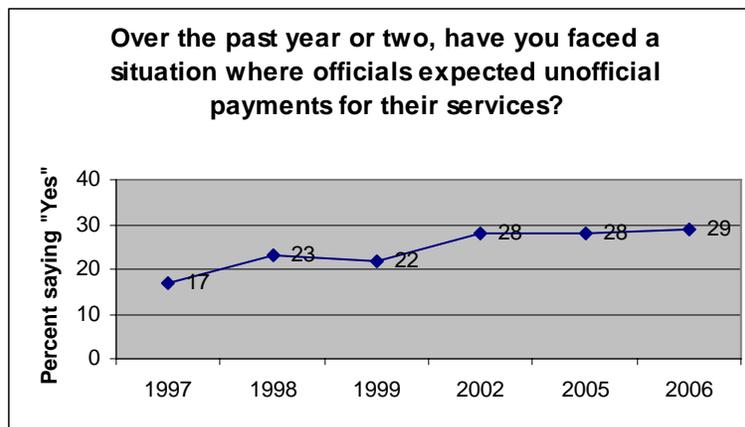
representative sampling of 1200 households in Irkutsk.¹ The survey questionnaire was designed based on corruption and governance surveys conducted by MSI and the World Bank in other countries. The sampling methodology, interviewing and data collection were conducted by the Center for Independent Social Research and Education (CISRE), a survey research organization based in Irkutsk, in cooperation with the Institute for Comparative Labour Relations Research (ISITO) in Samara. In 2006, the survey was again conducted by CISRE, covering a representative sample of 1200 households in Irkutsk using many of the same questions.

In addition to comparing these corruption surveys conducted in Irkutsk, several all-Russia corruption surveys conducted by the Public Opinion Foundation between 1997 and late 2006 are also analyzed in this report. These latter surveys provide a useful context within which to understand the impact of Irkutsk's Anti-Corruption Program over time. Overall, the findings from these survey comparisons can help the Irkutsk Oblast and city administrations and the Coalition pinpoint where their activities have worked and those sectors where additional efforts need to be targeted in the future.

4. Russia-wide Results: 1997-2006

The Public Opinion Foundation (Russia) conducted nationwide representative public opinion surveys concerning corruption for many years (data for 1997, 1998, 1999, 2002, 2005 and 2006 are currently available).² Across a variety of basic questions, their results clearly demonstrate a continually worsening or status quo corruption situation in Russia overall.

For example, since 1997, respondents report a steady increase in the incidence of being extorted for bribes by government officials: from 17% in 1997 to 29% in 2006. In 2006, 27% of respondents indicated that they have bribed an official.



¹ Management Systems International (2004) "Public Opinion of Corruption in Irkutsk: Results of a Public Opinion Survey, May 2004," Washington, DC: MSI.

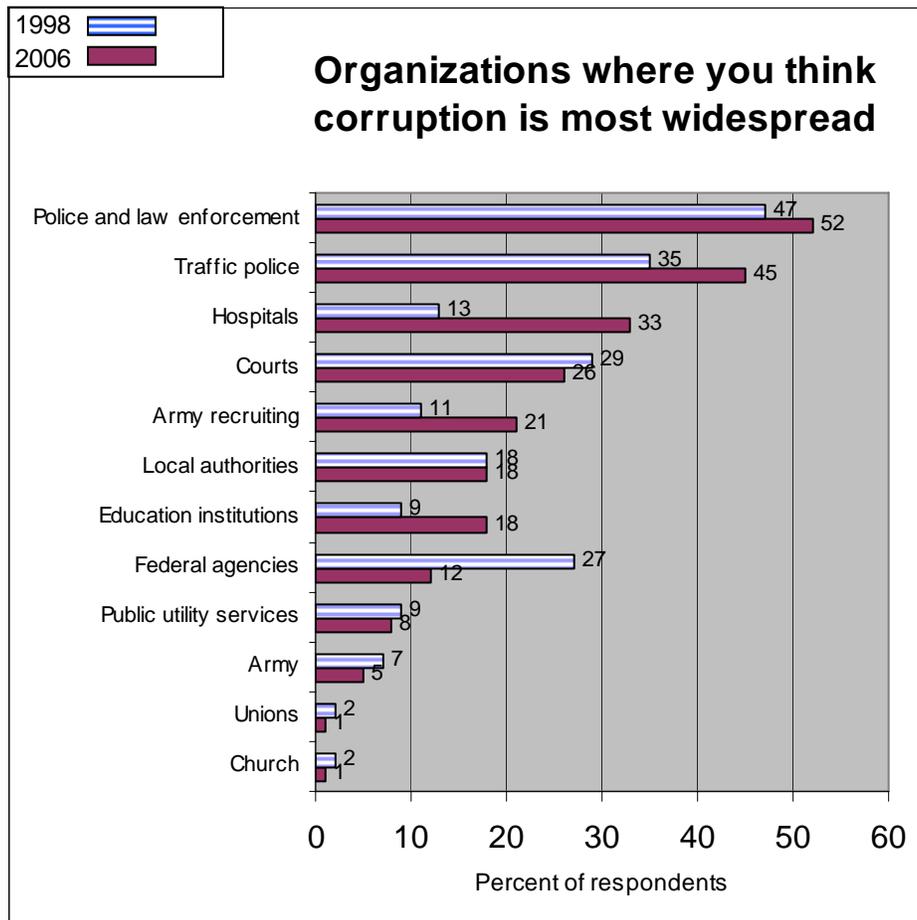
² National surveys were conducted in 44 regions, territories and republics with sample sizes of 1500 respondents. The results are posted on the Foundation's website: www.fom.ru.

When asked their opinion on whether officials in Russia are getting more corrupt, the result remains rather steady. In 2002, 54% and in 2005, 57% say that they believe that all or the majority of government officials are corrupt.

Does the population perceive that this level of corruption has changed over the past few years? The results suggest that there has been little change of opinion: 86% believed that corruption has increased or stayed the same in 1998 and 83% believed that in 2005.

Is corruption more widespread in different levels of government? Again, over the years, there is little change in opinion: in 2002, 61% of respondents believed that corruption at the local and federal levels was the same and in 2005, 59% believe that they are the same.

In which institutions or agencies of government is corruption most widespread? The top two on the list have not changed between 1998 and 2006, although respondents believe the corruption problem in each of these institutions has gotten worse over the years. The worst is the police and law enforcement (47% believed corruption was most widespread there in 1998 and 52% believed it in 2006). Second is the traffic police (in 1998, 35% believed it was the most corrupted and in 2005 45% believed that).



Next in line are the hospitals, which are perceived to have had a dramatic increase in corruption over the past eight years, from 13% in 1998 to 33% in 2006. Fourth, while viewed as among the most corrupted institutions, the courts are seen to have stabilized the situation over time (29% in 1998 and 26% in 2006).

In fact, out of 12 institutions monitored, only one got markedly improved ratings over the eight years from 1998 to 2006: 27% believed that corruption was widespread in Federal agencies in 1998 compared with 12% in 2006. All other institutions showed either a marked increase in corruption spread over the eight years or a relative status quo.

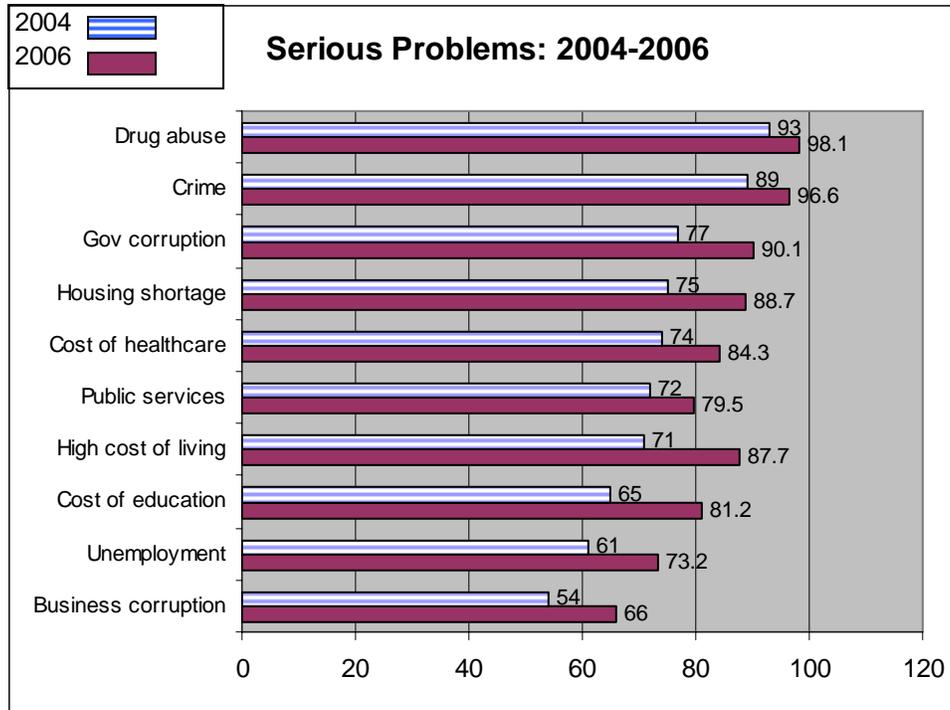
Finally, do people think it is possible to eradicate corruption in Russia? The majority think it is impossible and that opinion has been increasing over the years. In 1999, 61% of respondents thought it impossible, while in 2006, 67% thought it impossible. Part of the problem is that a minority of respondents believe that the Russian government has the political will to fight corruption: 40% in 2002 and 37% in 2006 believe that authorities want to fight corruption.

5. Irkutsk Results: 2004-2006

The results presented in this section compare the Irkutsk corruption surveys conducted in mid-2004 and mid-2006. Significant changes over time on key indicators related to corruption, as well as maintenance of the status quo, are described below.

5.1 Problems in the Oblast

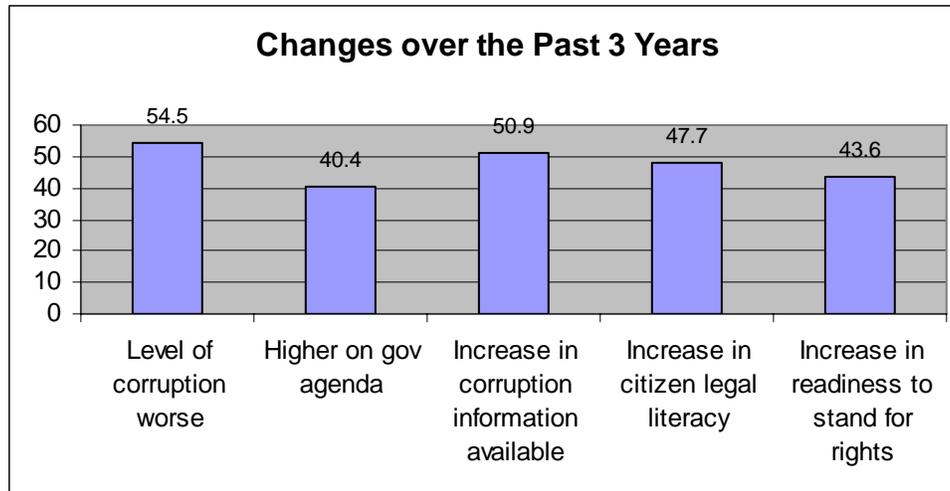
Respondents in 2006 believe that *all* public policy problem areas are significantly more serious now than they had been in 2004. The top three critical issues in Irkutsk are crime, drug abuse/drug trafficking and government corruption. These are followed closely by housing shortages, the high cost of living, and the cost of healthcare and education. Corruption has remained in third place from 2004 to 2006.



5.2 Overall Changes in the Past Three Years

When asked how life has changed in the Oblast over the past three years, almost 55 percent of respondents in 2006 acknowledge that the level of corruption has gotten worse, but other indicators suggest that solutions to the corruption problem are receiving greater priority. For example,

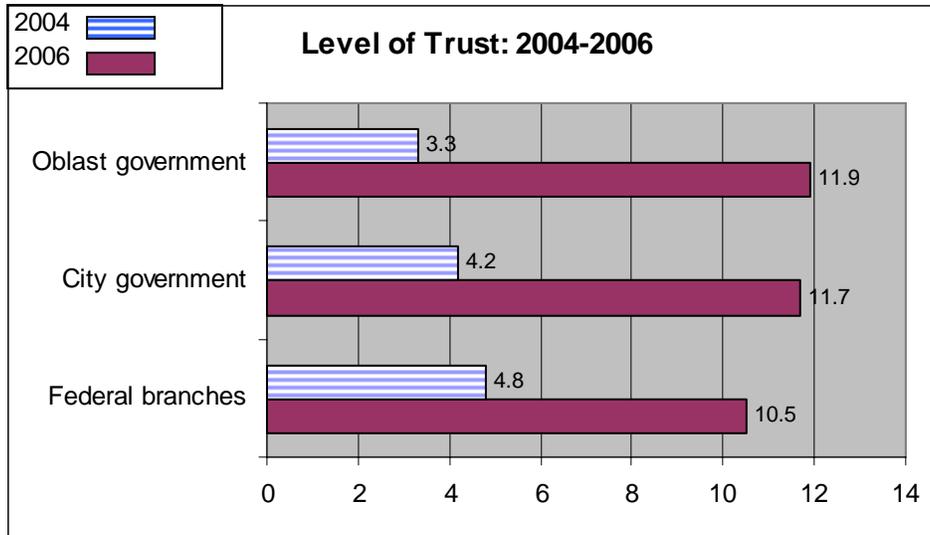
- More than 40 percent of respondents believe that corruption issues now higher on the government's agenda
- Almost 51 percent believe that more corruption information is available now than it was three years ago
- Almost 48 percent believe that citizens now have greater legal literacy about corruption issues
- Almost 44 percent of respondents believe that citizens generally are more willing and ready to stand up for their rights now than they were three years ago.



Analyzing some of these results by age group, we find that the greatest shift in legal awareness over the past three years is clearly among the youngest group of respondents (between 18-34 years): 60.9% of this younger group believe that citizen legal literacy has increased over the past 3 years, as opposed to 43.3% of the group of 35-54 year olds, and only 29.2% from the oldest group (over 55 years). As well, there is a statistically significant difference in beliefs about citizen readiness to stand up for one’s own rights among respondents from different age groups. If confronted by a corrupt official, 54% of respondents in the 18-34 year old group indicate a greater readiness as compared with only 27% among the oldest group (over 55 years).

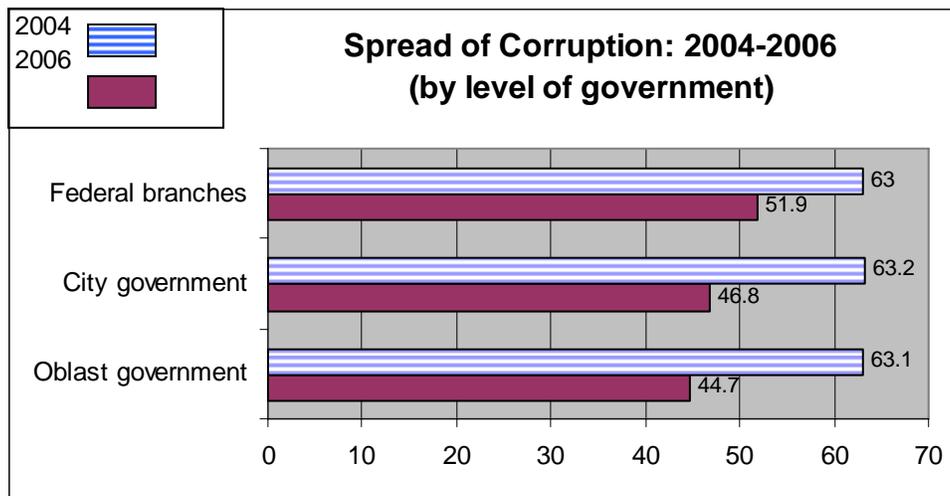
5.3 Trust in Government

The surveys demonstrate a trend that the level of trust citizens have in all levels of government is increasing. There are very small differences in trust between each level. Despite this trend, it must be noted that the level of trust citizens have that their government is operating with the interests of the people in mind is still rather low in all three cases.



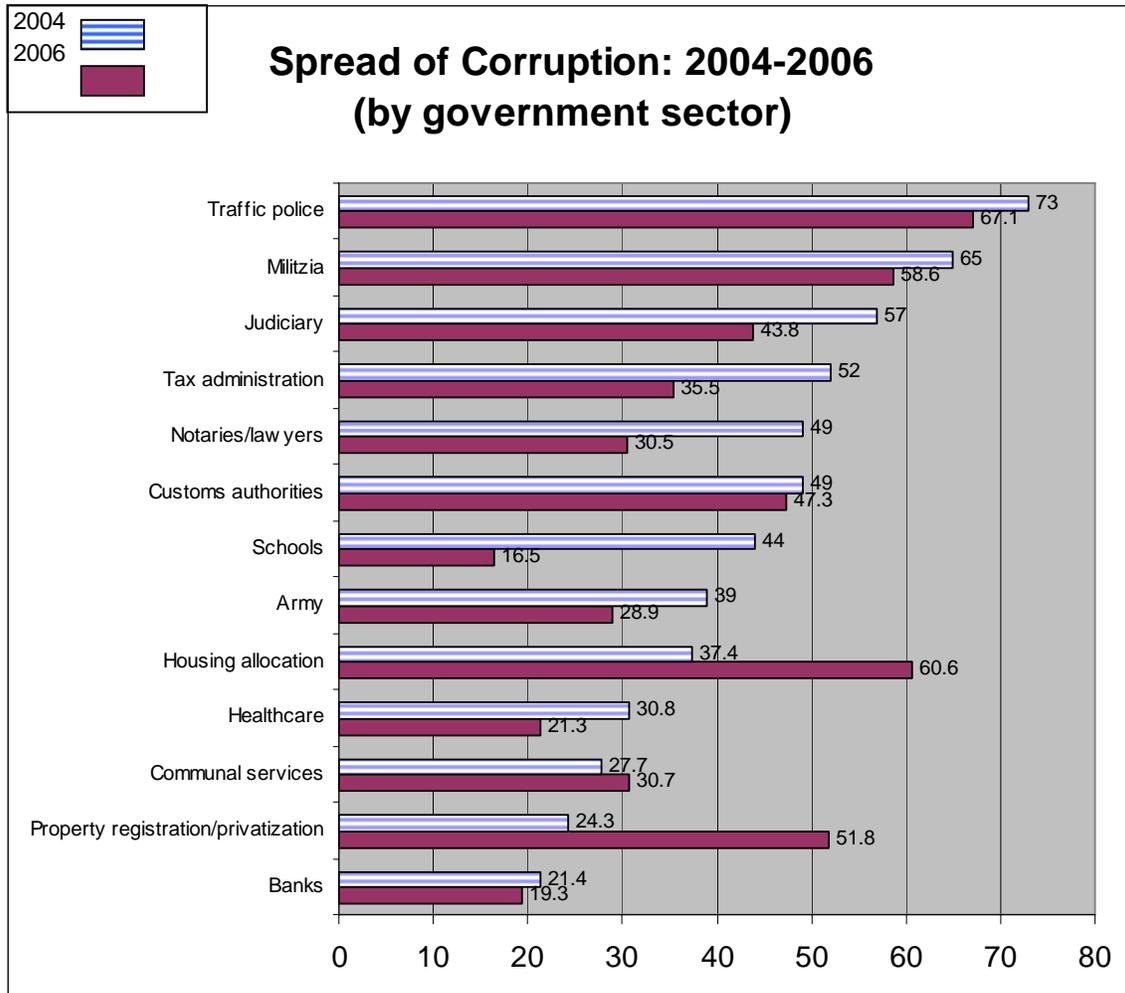
5.4 Spread of Corruption

Public perceptions suggest a rather dramatic trend of *decreasing* corruption among officials at all levels of government over the past three years. These results suggest the public belief that now fewer officials are corrupt throughout government. However, it should be noted that between 45 and 52 percent of respondents still believe that all or most officials are corrupt.



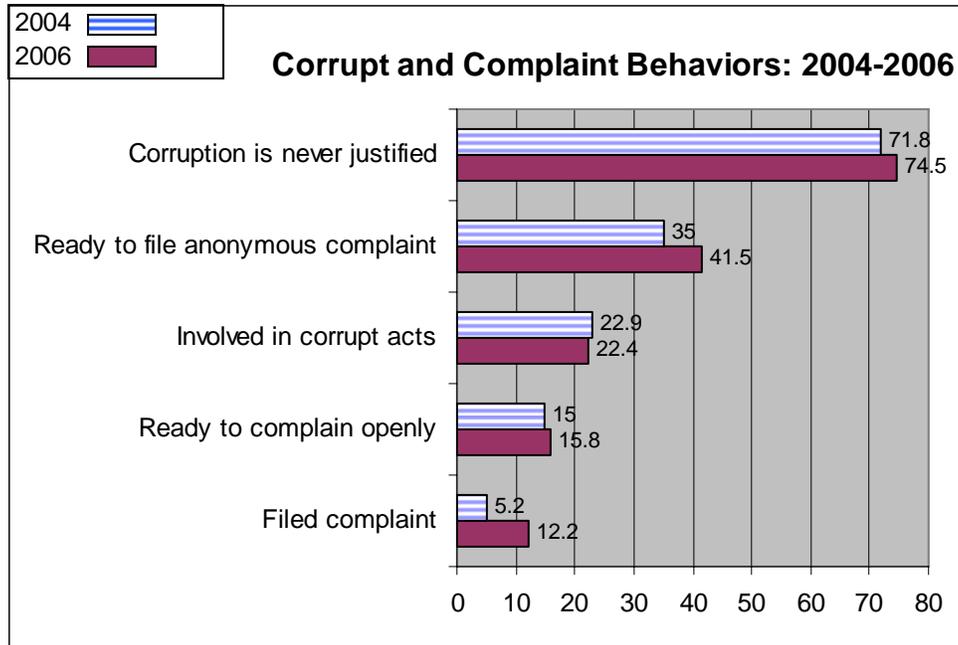
When asked how widespread corruption is among government officials in various key sectors and institutions, the public belief suggests major reductions over the past three years in many sectors, but not all. The traffic police, the militia and the judiciary remain among the worst offenders over the years, while corruption in housing allocation and privatization/property registration have significantly increased and can be counted now within the top five most corrupted sectors. At the same time major reductions in

corruption are perceived in the judiciary, tax administration, notaries and lawyers, and schools.



5.5 Corruption and Complaint Behaviors

Over the three years, respondents indicate a small increase in the belief that corruption is never justified (from 72% in 2004 to 75% in 2006). Despite this belief, the percent of respondents who indicate that they had been involved in a corrupt act remained about the same between 2004 and 2006 at about 22-23%. There was also a small but growing number of citizens indicating that they had filed an official complaint about corruption incidents they had been involved in (from 5% in 2004 to 12% in 2006). However, there is a much larger group of people indicating that they would be ready to file a complaint if it could be done anonymously (almost 42%).

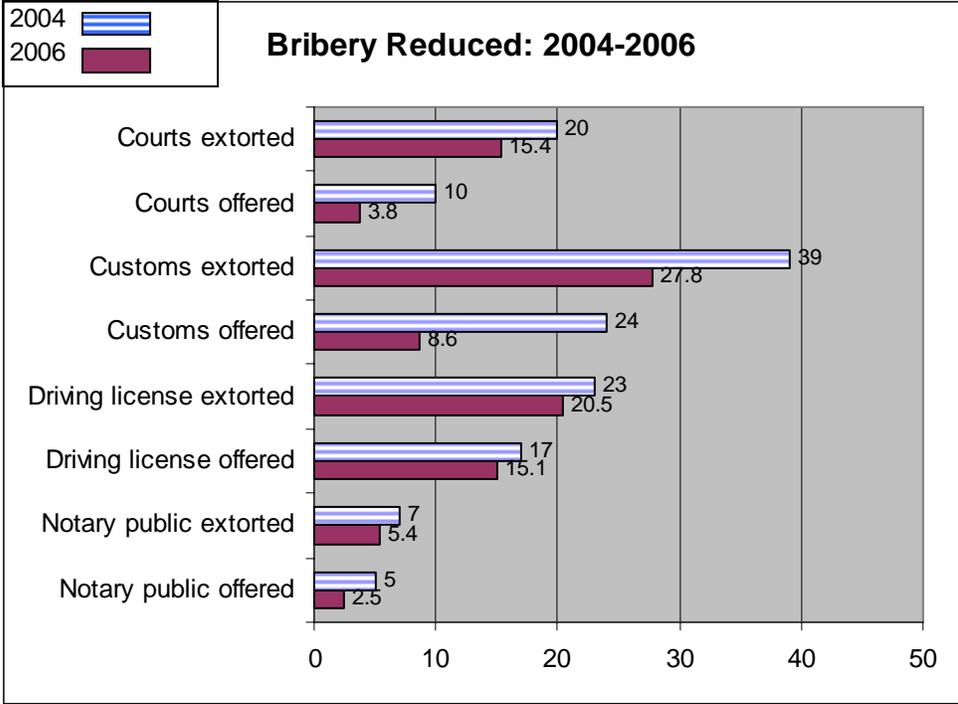


5.6 Bribes Extorted and Offered

Trends in bribe extortion by officials and bribe offering by citizens have decreased over time in several government functions, but have increased in some other key functions. In almost all cases, extortion of bribes by officials is far more common than offers of informal payments or gifts by citizens to officials across all government functions.

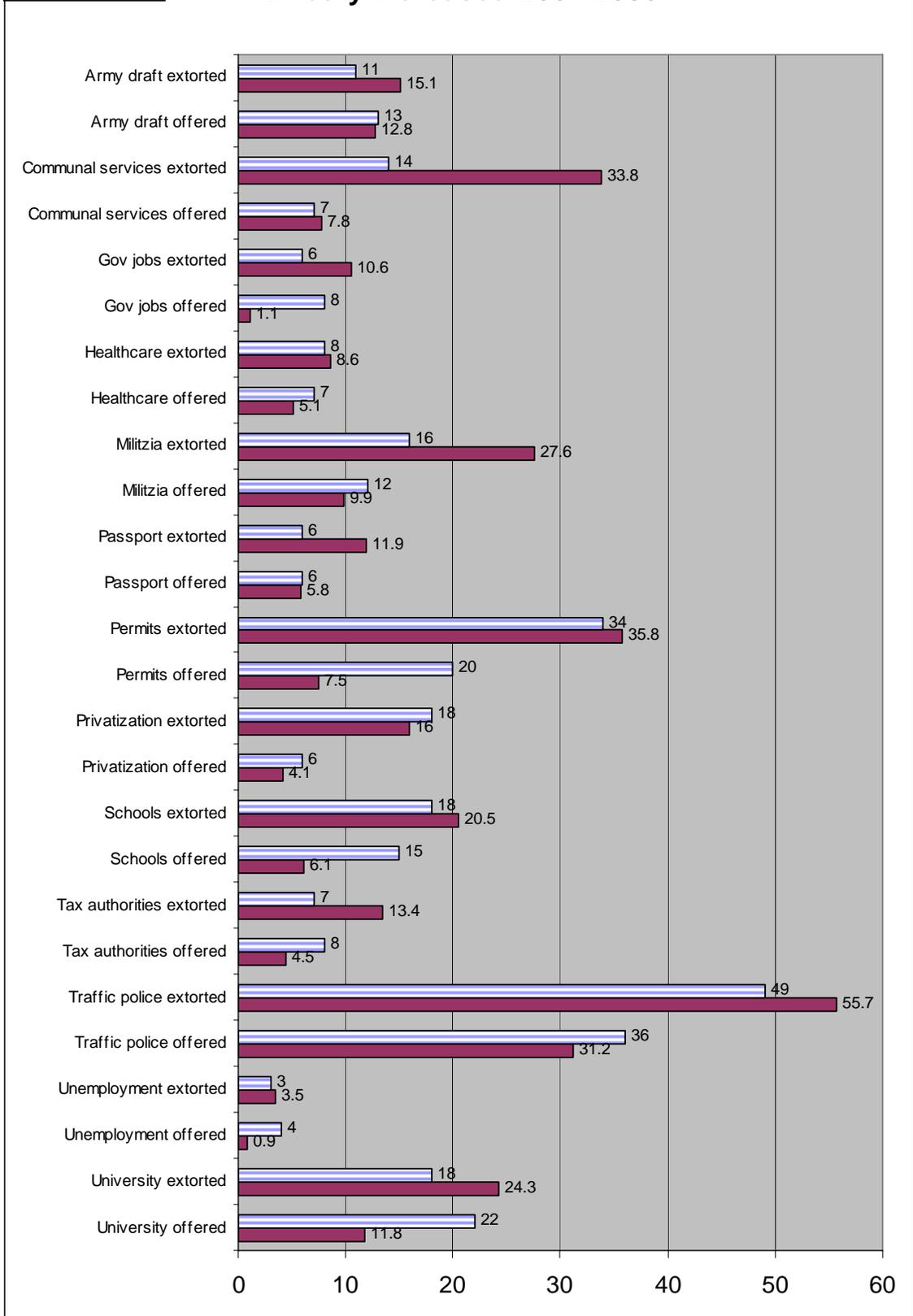
Bribe giving and bribe taking have decreased among several government institutions and functions: in the courts, customs, driving license department, and notaries. Extortions have decreased most dramatically in customs (from 39% to 28%).

The government institutions and functions where bribery has increased over the years – where bribes are requested by officials or offered by citizens -- remain the traffic police, permits, communal services, the militia and the university. In these sectors, bribe extortion has increased substantially over the past three years (for traffic police from 49% to 56%, for communal services from 14% to 34%, for the militia from 16% to 28%, and for universities from 16% to 24%).



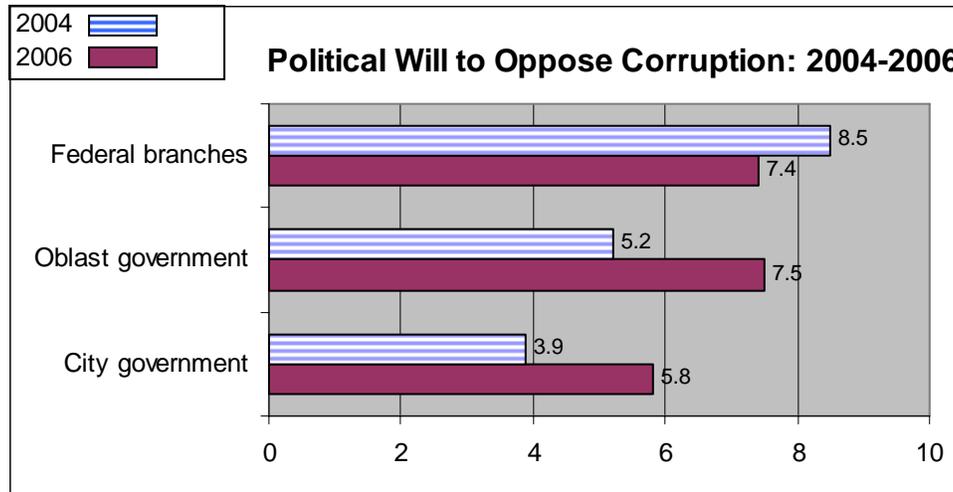


Bribery Increased:2004-2006



5.7 Political Will

Interestingly, the public's perception of political will, commitment and leadership to deal effectively with fighting corruption -- at all levels of government -- remains at very low levels over the years (in 2006, between 6-8% believe there is political will to oppose corruption). Citizens believe there is slight improvement at the oblast and city government levels, but a worsening among Federal branches operating at the regional level.



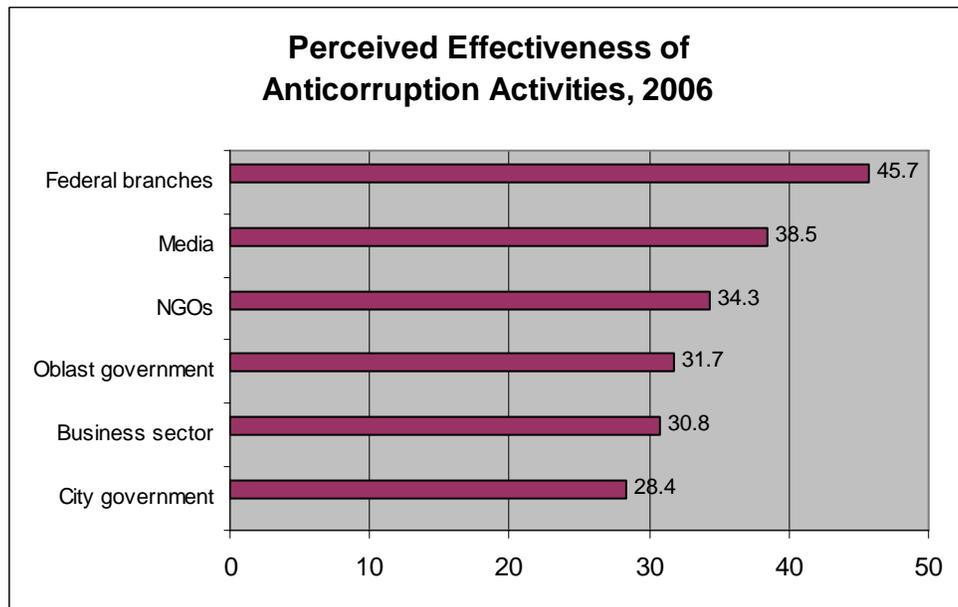
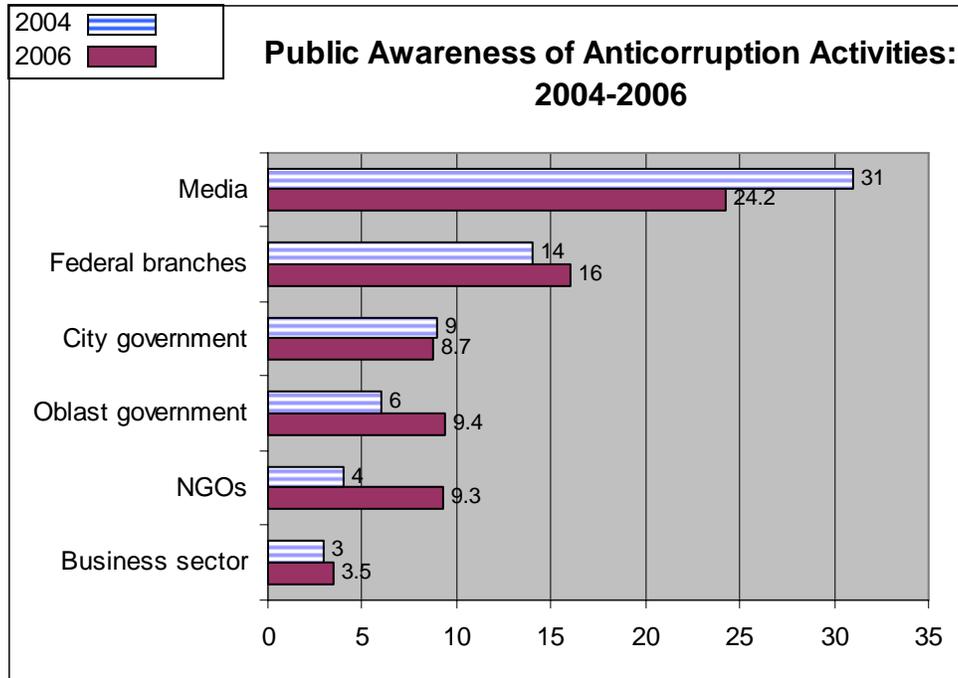
5.8 The Media and Public Awareness

Most people get their information about corruption issues from the mass media and that trend is increasing slightly (61% in 2004 and 63% in 2006). The majority of media information available to the public (76%) is seen as journalistic analysis and investigative fact-based reporting.

5.9 Perceived Awareness and Effectiveness of Anticorruption Activities

There is public awareness about anticorruption activities as undertaken by different institutions and organizations. More than 24% of respondents are aware of mass media anticorruption actions, with Federal actions at the regional level next most visible. Approximately 51% of respondents indicate that there has been a major increase in the availability of information about corruption issues over the past three years. Citizens have become more aware of corruption issues due primarily to the activity of the mass media and the Federal branches operating at the Oblast level.

The most effective anticorruption programs – in the minds of respondents – are conducted by the Federal branches operating in the Oblast, with the mass media, NGOs, the oblast government, business sector and city government not far behind.



Of the wide range of possible actions, the anticorruption measures that are perceived by the public to be the most effective all relate to controlling government officials more persistently. They include increasing government transparency, improving laws and regulations, improving internal controls, and reducing the bureaucracy.

6. Analysis

To what extent does it appear that the anticorruption initiatives in the Irkutsk region have had an impact on reducing the problem and changing official and public attitudes toward it? Comparison of the before and after surveys in Irkutsk, plus comparison of the all-Russia trends with those in the Irkutsk region, provide detailed evidence of the positive effects of the anticorruption program. While corruption is still very much a serious problem in Irkutsk, the Oblast may have turned the corner in changing attitudes of and tolerance for corrupt practices, as well as controlling corrupt behaviors in some key government institutions and functions. For example,

- Russia-wide, perceived corruption levels among government officials are high and have changed little over the years. In Irkutsk, while corruption is perceived to be increasing overall, there are many government functions and institutions where this trend has been reversed and citizen empowerment to fight appears to have made major advances.
- Many of the government institutions and functions where corruption reduction has been observed were the targets of government as well as NGO anticorruption initiatives over the past three years. Citizen watchdogs and the mass media closely monitored government decisions and activities in these areas, and citizen advocacy groups worked closely with government agencies to change procedures that hindered transparency and promoted corruption. In addition, the Citizen Advocate Office in Irkutsk defended hundreds of clients over the past three years in court and administratively to fight corruption in the judiciary and in the tax administration, among many others.
- Public awareness activities conducted by the nongovernmental Irkutsk Coalition against Corruption and its member groups appear to have had a major impact on citizen legal literacy and the public's readiness to stand up for its rights. Public anticorruption actions, business workshops on legal issues, brochures on what to do if confronted by corrupt officials, as well as many TV programs and newspaper articles on corruption issues have had a significant effect on mobilizing citizen understanding and response to corruption.
- The anticorruption program in Irkutsk has put much effort into training and supporting the mass media and investigative journalism. This appears to have paid off. Citizens get more of their information about corruption now from the media, and the vast majority of media reporting is viewed as fact-based and analytical.
- Over the past three years, the anticorruption program in Irkutsk put extensive effort into working with youth – through civic education programs in schools, extracurricular programs, and university-based initiatives. The survey results suggest that these efforts paid off. The younger group of respondents exhibited statistically different results from their older counterparts in terms of greater intolerance for corruption, increased legal literacy, and an increased sense of empowerment to stand up for their rights when confronted with corrupt officials.

- The anticorruption program has also supported the development of capacity among NGOs to address corruption issues in a positive and effective way. The result is a high degree of perceived effectiveness of anticorruption initiatives promoted by the NGO community.

7. Recommendations for Future Action

Key Survey Findings	Implications for Action
Public sector corruption remains the third most important problem in the Oblast.	Anticorruption initiatives continue to be important policy agenda items. Future anticorruption programs should focus attention on the corruption vulnerabilities in key priority areas, such as healthcare, housing, education, and delivery of public services. Programs should also target the nexus of corruption, drug trafficking and organized crime.
While the level of corruption is perceived as having gotten worse over the years, there are also several trends that counteract this corruption problem. Government has become more attentive to the problem, more information is available to citizens, citizens have greater legal literacy, and citizens are more ready now to stand up for their rights.	It is important to maintain public awareness and legal literacy programs that make citizens and businesspeople aware of their rights and ready to stand up for them if they are confronted with corruption. The Government needs to continue placing anticorruption programs toward the top of its agenda.
Corruption appears to have receded significantly in many government institutions and functions over the years. However, it is still a major factor in the traffic police, militia, housing, property registration and the courts.	The sectors where corruption is a significant factor should receive greater anticorruption attention. This may mean increased internal controls and transparency reforms, as well as increased public oversight of these institutions and functions. A study should be conducted to learn lessons from those institutions and functions where corruption appears to have been reduced.
Almost one-quarter of respondents indicate their personal involvement in corrupt incidents. But at the same time, they indicate a growing belief that corruption is never justified and if they could complain to officials anonymously, they would do it.	Complaint mechanisms should be improved, ombudsman/human rights functions should be reinforced, and Citizen Advocate Offices that provide legal services to corruption victims should be strengthened. All of these provide outlets for citizens who are victimized to receive redress for their grievances.
Bribery levels (extortion and offers of bribes) remain high and increasing with the traffic police, permits, militia, communal services, and universities. In other sectors, bribery levels are decreasing, but are still prominent.	More attention needs to be paid to control bribery in these institutions and functions.

<p>Political leaders are not perceived to have a strong commitment or will to fight corruption.</p>	<p>Public officials should receive frequent and quality training on the causes and costs of corruption, as well as on what they can do to reduce it. In addition, the Government-civil society declaration against corruption should be reinvigorated through developing a new joint plan of action, additional funding, and establishment of a Public Information function to make the public more aware of its activities.</p>
<p>Public awareness about corruption and anticorruption activities is promoted by the mass media which provides primarily fact-based investigative reporting. Of all institutions, the public is most aware of the mass media's activities against corruption.</p>	<p>The mass media has been an increasingly effective disseminator of information to the public about the corruption issue. Through responsible investigative reporting, the media has also fulfilled its role as an effective public watchdog in the corruption area. More training and resources should be put into supporting investigative journalism and providing legal assistance to these reporters.</p>
<p>NGOs, the media and business are perceived to be rather effective in their anticorruption actions. This is a testament to the effectiveness and leadership of the Irkutsk Coalition.</p>	<p>The Coalition should be encouraged to continue its work and additional financial support should be found.</p>
<p>Exerting more internal controls over government officials through better procedures, laws and transparency is viewed by the public as the best way of reducing corruption in government.</p>	<p>The Duma should continue to pursue an active legislative agenda to strengthen and enforce laws and regulations that reduce opportunities for corruption. In addition, government institutions should conduct Integrity Reviews that analyze and identify, in detail, where corruption weaknesses exist and propose particular revisions and reforms to regulations, procedures, and personnel that can reduce the threat of corruption.</p>