Participatory Corruption Appraisal: Assessing How Corruption Affects the Urban Poor

A joint initiative by the Partnership for Governance Reform Indonesia and the World Bank

Richard Holloway
Stefanie Teggemann

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Such a Methodology is necessary, because:

• few policy makers actually know the involvement and effect of ordinary corruption on the poor, and many choose not to know
• few policy makers know or choose to know about the effects of corruption on poverty-directed programs
• the poor are afraid to speak out about such matters, and do not know who will support them
• the poor have little data and are marginalised in the design and development of any programs
The Poor’s Voices on Corruption

“When we contacted a lawyer to defend our son in court he asked for Rp. 3 million as a bribe to the judge.”

“Peace is Beautiful, Provided…”, Jakarta

“We were told by the police officer who handled the case that our son could be set free if we paid Rp.300,000. We of course could not afford that amount of money.”

“Want Freedom? Pay First”

“A portion of the rice aid disappeared before it reached the community. When it was exposed that that rice was piling up at the house of the village head, the employee handling the rice distribution was replaced but the Sub-District Head remained untouched.”

“Rice Shrinks, Sub-District Head Smiles”
A Framework for Analysis:
Direct Involvement v. Indirect Effects

Direct Involvement:
• The poor pay up:
  – Police
  – Garbage disposal fees
  – Electricity
  – At School
  – Civic administration
  – Aid program
  – Employment

Indirect Effects:
• The poor are affected by a corrupt environment
  – Reduced investment, tax income and economic growth
  – “Porous” public expenditure mgd and pro-vested interest
  – Inefficient institutions, poor quality of service delivery
  – Increases inequality
Three components of the project

Data analysis:
Diagnostic Survey of Corruption (1,250 households in 12 provinces)

Fieldwork in Jakarta, Yogya and Makassar
- PCA: Participatory Corruption Appraisal
- Case interviews

Media outreach & follow-up activities
Fieldwork Methodology (familiar to all those acquainted with PRA)

- Pre-Focus Group Discussion to identify the poor (participatory techniques)
- 3 Focus Group Discussions with the poor using PCA
- In-depth Interviews to elicit corruption case studies
Step 1: Identifying a Community and an Organisation to carry out the work

- A community which is both poor and clearly self-defined
- An NGO or community association that has been active in a community for some time
- This only works if gain the trust of the poor in a community
- Need to train field workers in this methodology
Step 2: The First Phase (10 days)

- Introductory meeting – telling stories, wealth classification, community mapping, listing the poor people
- First FGD – with cards identify the places on the map that bribes have been paid in the last year, Make up a matrix from that information.
- Second FGD: Identify the 3 most troublesome bribes. Then the most troublesome. Using cards, identify causes of bribing, then causes of those causes, finally effects of such bribes. Make matrix.
- Third FGD: Using “Cause and Effect” matrix, ask “What can we, what can others, do to change this situation?”
itu rumah yang JELEK dekat pak RT
Step 3: Interviews and Case Histories

• Interviewers talk to +/- 30 people identified from the FGDs to learn their stories about how corruption has affected their lives.
• Essential to have their trust.
• This material written up in a journalistic style
• Clarifies the very important influence corruption has on the lives of the poor
Step 4: The Second Phase - 2 days after approx. 10 days

- Present to the community all the material collected (Maps, matrices, charts) always emphasizing that it is their information. Further discuss, perhaps add. Discuss follow up actions.
- If the community agrees, hold a public meeting in which the findings are presented to a larger audience (local government officials, local NGOs, local traditional leaders, local journalists).
- Amplify the community’s voice, and seek others involvement.
Follow-up Action/Implications
Achieved to Date

• Publication of “The Poor Speak Up” and a manual on Participatory Corruption Appraisal (PCA)
• Discussing the findings of the PCA with local communities, NGOs and media during a second round of visits to the research sites attracted a lot of media attention and…
• …created a vivid response among local NGOs: more than 40 initiatives to combat corruption have been carried out in Makassar and Yogyakarta, supported by the Partnership for Governance Reform.
Ownership is Key: Local Follow-up Initiatives in Makassar

• **Focus Group Discussions** empowered communities to voice concerns, learn about their rights and establish groups to monitor corruption; a multi-stakeholder discussion including government institutions resulted in making the application for ID Cards more transparent and improving local garbage collection.

• **Hearings and demonstrations:** commercial sex workers complained about illegal levies by city administrators; bus drivers demonstrated against illegal fees being collected on the streets.

• Two theater groups developed traditional shows on corruption issues. A **total of 10 shows** attracted an average of 250-300 villagers.

• A **media campaign** carried anti-corruption messages to almost all of South Sulawesi through radio broadcasts; six editions on anticorruption by the magazine *Tabloid Satu Indonesia*; and newspapers coverage of anti-corruption activities.
Outcome?

• Raised their level of awareness, knowledge, ability and courage.
• Some community groups started to pressure the legislature and law enforcement agencies to act upon corruption cases; others formed anti-corruption monitoring groups.
• Relationships with the press.
• The activities have allowed citizens to find their voice, sometimes to the discomfort of local government:
  “There has been an atmosphere created within public institutions to prevent any public servant from attempting KKN practices.”
Empowerment Framework

• Access to Information
• Local Organizational Capacity

• Inclusion/Participation
• Accountability (upward/downward)

What is needed:

• Local NGO familiar with local communities, corruption issues and participatory research
• Researchers/journalists for interviews and write-up
• Local NGOs willing and able to follow up
Corruption hurts the poor: Cost of Corruption

- Financial Cost
- Reducing Human Capital
- Social Cost: reducing social capital
- Moral Decay
- Cost of not bribing: exclusion from or lower quality of services

SOURCE: PCA
Financial Cost: Share of total bribe payments by income quintile (%)

<table>
<thead>
<tr>
<th>Service provider</th>
<th>1 (poorest quintile)</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 (richest quintile)</th>
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<tbody>
<tr>
<td>State-owned hospital</td>
<td>28</td>
<td>18</td>
<td>17</td>
<td>21</td>
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<td>Public school</td>
<td>9</td>
<td>15</td>
<td>18</td>
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<td>30</td>
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<tr>
<td>District/Sub-district Office</td>
<td>10</td>
<td>16</td>
<td>12</td>
<td>35</td>
<td>26</td>
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<tr>
<td>Civic Registration Office</td>
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<td>28</td>
<td>26</td>
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<td>Traffic police</td>
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<td>9</td>
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</tbody>
</table>

NOTE: Based on providers with 40 or more recorded bribes. Quintiles are based on income and expenditure averages.

SOURCE: Diagnostic Survey of Corruption in Indonesia, Partnership for Governance Reform
Financial Cost:
Bribe payments as percent of household income and consumption averages

NOTE: Quintiles are based on income and expenditure averages. “Itemized” is based on actual unofficial payments at 16 public institutions. “Aggregate” refers to estimated total bribe payments within the last year.

SOURCE: Diagnostic Survey of Corruption in Indonesia, Partnership for Governance Reform
Corruption Reduces Human Capital

Corruption affects poor people’s physical well-being and their skills

– delay enrollment in school because they cannot afford it or decide not to continue school after elementary school.

– If corruption in the provision of rice reduces the amount of rice and increases the price this hits the poorest of the poor first.

SOURCE: PCA
Corruption Reduces Social Capital

Corruption erodes relationships of trust within a community

In Ujung Pandang, a group complained that officials “lack discipline” since they are already so used to corruption. As a consequence, they say, the community dislikes and distrusts the officials. They also said it raises public anger, stands in the way for the community to become prosperous and just.

SOURCE: PCA
Corruption Reinforces Moral Decay

- Lack of role models
- Erodes the rule of law

“Bribing becomes a habit and is imitated by other people in the community. Over time, people become lazy in following correct procedures, too many things are solved by bribing and the rule of law is eroded.”

Group analysis of causes of corruption in electricity provision, Yogyakarta

SOURCE: PCA
Cost of Not Bribing

The poor are excluded from or receive lower quality of public services

For electricity installation the community group in Yogyakarta complained that corruption in the provision of electricity is an extra burden on each household which the poorest households cannot afford. They said that it in fact denies access to electricity or forces them to wait months until they get connected.

SOURCE: PCA