

The Case of the Philippines

(UNDP Programme for Accountability and Transparency and the OECD Development Centre on
Comparative Country Case Studies in Anti-Corruption)

Since 1986 (fall of Marcos), fight against corruption is high on the political agenda.

Today corruption remains a major issue, and the perception of corruption is high:

- International perception
- Internal perception
- SWS, Sept. 98: Only 9% of the respondents to this survey on corruption believed that:
- “there is no corruption in the government at present”.

Causes

Economic:

- Transition from an **economy of rents**, with role of the State that continues to be important

Political:

- **local bossism**, the existence of local fiefdoms and the plunder of public resources
- tradition of **political dynasties** (non renewal of the political elite)
- **rigged elections** followed by shifts of party allegiance after each Presidential election

Consequences

- High-level corruption
(misallocation of resources and posts)
- Bureaucratic corruption
(probably aggrieved by strict Salary Standardization Act)

Anti-corruption Initiatives in the Philippines

Government: the “legal route”

- Traditions of a litigious society
- Multiplication of laws and institutions aiming at curbing corruption and increasing transparency.
- Poor records of these institutions epitomized by the PCGG which didn’t succeed in recovering Marcos wealth.
- Despite attempts at coordinating activities, overlaps creating delays and inefficiencies

Detection of Corruption

Commission on Audit:

- promising innovations like Government Purchases Information System (computer-based system that provides participating agencies information on the lowest prices of material and supplies)
- initiatives towards a full use of its mandate (first audit of the Bureau of Internal Revenue)

However:

- limited funding, which impairs efficiency and

- coverage.

Ombudsman:

- Broad mandate (including unique prosecution power)
- Interesting initiatives: resident ombudsmen dealing with “graft-prone agencies” and involvement of civil society (JGU and CPU)

However:

- negative perception linked with inadequate process of staffing and involvement of the office in controversies
- overworked and understaffed, and not many results in resolution of cases

Sandiganbayan

- Special court for cases involving graft and corrupt practices

However:

- 24% of the terminated cases are “archived”: accused could not be found
- reversal of some convictions by SC

Generally, judiciary

- poor funding
- huge delays
- perceived as highly corrupt (Supreme Court judges involved in corruption scandals)

The Difficulty of Launching Structural Reforms

Economic reforms:

- Governmental commitment since 1986 towards liberalization and decrease of the control of the State on the economy
- But oppositions slow down the process:
- Internal political opposition
- And/or rank-and-files opposition

Public service reform:

- Broad reform program encounters political opposition

Non-governmental Initiatives

- Strong tradition of civil society mobilisation and advocacy
- Not fully tapped to demand accountability and transparency

Strongest component:

- The freest media in Asia, which have continuously exposed malfeasance in government
- Also perceived as corrupt
- Lack of follow-up on corruption reports

Conclusion for the Fight Against Corruption in the Philippines

Corruption and the political capacity to fight it:

Necessity

- to fight electoral corruption
- to implement the constitutional provisions on nepotism

- to eliminate the discretionary parliamentary funds (pork barrels).

Shortcomings of the legal route

Need for sustaining structural reforms towards:

- simplification of the rules
- access to information
- further liberalization of the economy

Need to structure the civil society demand for accountability (high literacy)

Importance of a role model - leadership by example