

Report
Workshop on Ethics in Local Government

This Workshop was co-chaired by Michael Lippe, Urban Co-ordinator of Transparency International, and Johann Mettler of the Community Law Centre of the University of the Western Cape.

Speakers at the Workshop presented four examples of local government experiences, three of them from cities and one from a region. Each presentation highlighted how different each situation was and how local conditions determined what the best response and approach to corruption issues would be. Each presentation was followed by questions. At the conclusion of all presentations, there was a general discussion. The conclusions of the Workshop are set forth below.

Miami

The first presentation concerned the City of Miami and Dade County, Florida, in the United States. Karen Paul, representing Transparency Miami and the Alliance for Ethical Government, both NGOs in Miami, discussed the situation in Miami and provided examples of the corruption that the city had dealt with in the 1990s. Following Hurricane Andrew, which had devastated the city, numerous instances of corruption in building construction approvals came to light. In addition, numerous false claims were made to insurance companies for compensation for inflated damages. This was followed by a number of highly publicised cases involving the Port Authority of Miami, vote rigging for local elections, and examples of widespread malfeasance by city of Miami and Dade County officials. The power of campaign contributions by lobbyists and their subsequent easy access to Dade County Councilors (called Commissioners) was also highlighted.

In response, the community and the city began to organise itself to confront this pervasive corruption. Although the situation is complicated by the changing ethnic composition of the city, there have been three major kinds of responses. The first has been a comprehensive effort at investigation and prosecution of offenders. The second is the establishment, following a referendum of the voters, of an independent Commission of Ethics and training on ethics for all 28,000 Dade County employees. The third has been the formation of an inclusive organisation, the Alliance for Ethical Government, that is dedicated to bringing the force of civil society to bear on corruption in Miami. Transparency Miami, a grassroots organisation without offices, that consists of a group of concerned citizens has been a part of this movement toward a more ethical life in Miami. The Chamber of Commerce is working on a stronger business ethics code for its members. Public events such as Ethics Sabbath and Ethics for Youth have been held to highlight and publicise what civil society can do.

In the discussion, Ms. Paul noted that, thus far, lawyers, academics, journalists, clergy, and the business community had been the leaders. However, the groups that had not been

in the forefront to date included the bankers and financial community, the construction industry, trade unions, civil servants, the police, social workers, and many others.

The issues that remained in order for Miami to become a more ethical environment stemmed from this. Broader representation of citizens was needed to strengthen the civil society movement. Better communication was needed with the grassroots in Miami's diverse ethnic communities in order for the process to become less top down.

A second major issue concerned the powers of the new Commission on Ethics, which needed to be strengthened.

Finally, concerning the perceptions and expectations of the community, much educational work remained to be accomplished in order to instill a broader view of what should be expected from those who are entrusted by the public with its business.

Mombasa

The second presentation concerned the city of Mombasa, Kenya - presented by the former Mayor of Mombasa, Najib Balala.

Mayor Balala had been elected in 1998 on a reform ticket. He had been persuaded to run for election by numerous people who had promised him their support in efforts to clean up the city, which was bankrupt after many years of mismanagement and corruption. The Mayor told the Workshop that the city had not had audited accounts since 1982.

The local authority situation in Kenya was carefully outlined by the Mayor. The Mayor is a non-executive position, so that while he or she is the head of the Council, there are no special powers attached to this. Indeed, Council officials such as the town clerk and treasurer are all appointed by the central government in Nairobi. Tribalism remains an issue within the council, as it does generally in the society. Decentralisation is not strongly supported, except perhaps in name, by the Kenya government. Without this support, little can be accomplished in real terms.

On the Mombasa side, local corruption permeates the council, indeed most councils in Kenya. As the conference heard from Wangaari Maathai, the practice of grabbing of public land for private use is widespread and local councillors are involved in this. Kickbacks for favours are common and rarely prosecuted, unless there are political differences involved. The city was unable to provide services.

Although Mayor Balala had been promised co-operation by the city's powerful when he ran, he soon found that once he was elected, these same people and his colleagues on the Council expected him to participate in doing business in the same old corrupt ways. He found no co-operation in trying to change the Council and in trying to concentrate on providing better services to the public.

In a pervasively corrupt city council in which it was impossible to work from within and there was no support from the Kenyan central government, Mayor Balala resigned to continue the fight for clean government from the outside.

In discussion, the Mayor was asked whether this had been the correct course of action. Was it not better to continue to work from inside rather than to simply resign? Mayor Balala responded that he viewed his resignation as a last ditch but active response to the problem of corruption. He had found it impossible to do anything else of a positive nature, given the circumstances inside the Council, where he found he had no support from his colleagues, and the circumstances in Nairobi, where he found no support from central government. The Mayor said that under these circumstances it was better to highlight the situation and fight the battle from outside.

Bhaktapur

Bhaktapur is a city of about 80,000 persons in Nepal. The presentation was made by Ramesh Nath Dhungel of Transparency International - Nepal, which had come together with the city, its employees and its suppliers to create an island of integrity.

Bhaktapur is located near Kathmandu in the country's major population centre, the Kathmandu Valley. It has many small farmers and craftsmen within its extended boundaries. Nepal is currently, as with many other countries, undergoing decentralisation. Bhaktapur, with very limited human and financial resources, is required to provide many different kinds of basic services.

The kind of corruption to be found in Bhaktapur is found in most local authorities. Salaries paid are quite low and invite supplementary self-help measures by both staff and councillors. While the corruption may be said to be largely low level, it still has an impact on the ordinary person, known as the dollar a day person, because that is the amount of money that a poor person makes. If someone like this is forced to pay anything for a service that should be free or is forced to pay something in addition to the normal fee, this has a large impact on him and his family.

Building construction permits are generally a large source of bribes, as people change their plans after being given approval to build in a certain way. This is important in the Kathmandu Valley, which has been the site of numerous earthquakes. Citizenship certificates, required for many transactions are also commonly a source of bribes to speed up service or to come by them illegally. Business registration and sales of land are also sources of bribes.

The problem that TI and the city faced was that even when corrupt actions were identified and publicised in the local press, in great detail, no action was taken by the police or the judiciary. Thus, there seemed to be no legal consequences for corrupt behaviour.

In order to do something about this, the city and TI-Nepal decided that some kind of preventive actions would be needed. They decided that the best thing they could do, one that would be very Nepalese in character, was to try and involve all, or the most important, parties to potential corrupt transactions. This meant having extensive discussions with the employees of the Council, a process which took over 6 months and proved to be not very easy, but ultimately successful. It also meant talking with the city's suppliers. In the end the city and TI succeeded in having all parties sign pledges of non-corrupt behaviour.

In this way, they have tried to create an island of integrity with city employees and city suppliers of goods and services pledging to stop giving and accepting bribes. TI's role is to monitor and publicise the results, through surveys of public perception of corruption, as well as continuing to meet with all the parties concerned.

Eastern Europe

Juliet Gole, of the Open Society Institute's Local Government Initiative, presented a number of general considerations and conclusions based upon the work that LGI had undertaken throughout Eastern Europe and the former Soviet Union.

Ms Gole described the situation in most of the countries as being one in transition in a number of different ways. There were shifts to market based economies, competing political parties, decentralisation, and privatisation. Sometimes there was little fiscal decentralisation to accompany the political decentralisation that had been carried out on paper. This often left local government without the wherewithal to provide the services that citizens were beginning to demand. Because of this scarcity of supply of services, there was a resulting enormous opportunity for corruption.

Added to this, Ms Gole described the general lack of a concept of public service. Local government was seen under the old regimes as merely an extension of the central government and in most places being a part of this was viewed with little respect.

On the other side, there was little experience in many countries with the responsibilities of citizenship, i.e. the responsibility of civil society to closely monitor what "their" government was doing and to hold it to public account for failing to provide what had been promised. Lack of faith in the police and the judiciary complicated the task.

Of course, the situation is changing as time passes. The work of many TI chapters has been encouraging. Ms Gole said that what people in civil society now need most are the tools to hold their local governments responsible. LGI and TI were engaged in this in a number of different countries. These tools included public opinion polls, monitoring of local government activities, integrity pacts, and identification of responsible local level persons who would work within their communities to heighten awareness.

Speakers and participants in the Workshop were asked to consider 3 questions:

1. What can be done to change the conditions in cities that lead to corruption?
2. How can a successful anti-corruption campaign be made sustainable?
3. What can be done if a local authority is unwilling to address corruption?

There were numerous recommendations, detailed below, in response to these questions and to the other issues posed by the speakers and the discussion.

1. There needs to be support from all those concerned with effective local government, including central governments and donors, for real decentralisation and the strengthening of local authorities in all its facets, including good governance. Local economic development will help diminish corruption. It requires local solutions involving local people. Sometimes these solutions might well include enshrining local government in the constitution of the country in order to avoid the centralisation of power.
2. Coalitions of organisations and people at the local level to monitor and promote good government are essential. This is the lesson of Miami and Bhaktapur. Sometimes working from within is not enough, where there is insufficient support. Sometimes dramatic gestures, such as the example of Mayor Balala's resignation in Mombasa, are needed.
3. Partisan politics at the local level need to be reduced, eliminated, or made more ethical. Local government is usually concerned with providing the services that the ordinary citizen needs at the local level. When partisan politics becomes important at the local level, it is often only a cover for and source of corruption and a diversion from real local community needs.
4. Small successes are also important and need to be celebrated. In Bhaktapur, municipal employees began to wear name badges. This was a major advance because it began a process of making citizens aware of their rights. In Eastern Europe, the first steps of increasing citizen power sometimes only involve standing up and asking questions in public and monitoring the response of local government officials. In Miami, events such as Ethical Sabbath can have an enormous impact on the community.
5. Local governments and local organisations need more effective tools to monitor, diagnose, and address corruption. Sometimes this can be as simple as making known best practices from other countries or from within the same country. There is usually

no shortage of willing people within and outside a municipality who can adapt these best practices, if the leadership in the community is present and if the city is willing. Key to this willingness is leadership that is committed to change. Identification of people who are interested in improvements and publicity of corruption cases are also potential tools. Transparency International should continue its efforts to provide these tools.

6. Absolute power within one office, in the absence of checks and balances, should be avoided. Similarly, absolute discretion in the granting of licenses and other local measures, needs to be minimised.
7. Donors should support real decentralisation and should insist on effective participation by regional and local governments in conferences concerning their development, including holding such meetings away from the capital cities.
8. International treaties that bind countries to certain courses of action are important and need to be pursued. However, their implementation also needs to be monitored at the local level, which is the level at which people are most impacted.
9. Corruption needs to be defined broadly and more attention needs to be given to its various forms at the local level.