

# **CURING AND PREVENTING CORRUPTION IN LOCAL GOVERNMENTS**

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**FPDL Partners Foundation Local Development  
Romania**

**Skopje, Macedonia, 2009**

**The power that context has on shaping our behavior**

**How understanding this can help us develop an effective anticorruption approach**

**How this approach was applied in La Paz, Bolivia**

**What we did to transfer and replicate in our region and Romania the anticorruption approach**

# The Power of Context



**Is our behavior  
determined by the  
Context or by our  
inherent traits?**

***Malcom Gladwell***

***“The Tipping Point – How Little Things  
Can Make a Big Difference***

# The Power of Context

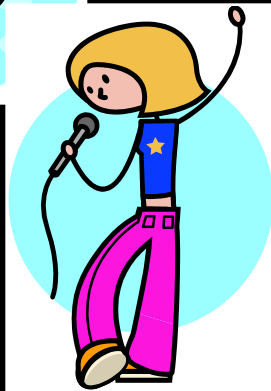
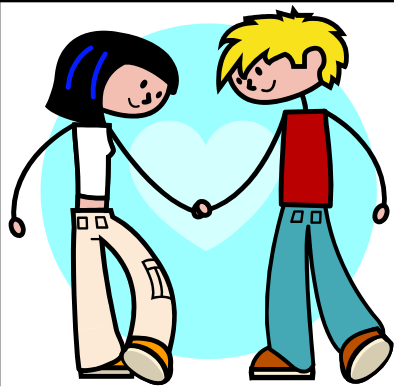
**He demonstrates that the Context in which we live plays an important role and has a powerful effect on shaping our behavior**



# The Power of Context

**The experiment** of two New York based researchers, Hugh Hartshorne and M.A. May conducted in 1920, **in order to find out if honesty is a fundamental consistent trait or is a trait that can be changed by the context**

**11.000 schoolchildren, between 8 and 16 years old**



# **The Power of Context**

**Lots of cheating went on when context allowed**

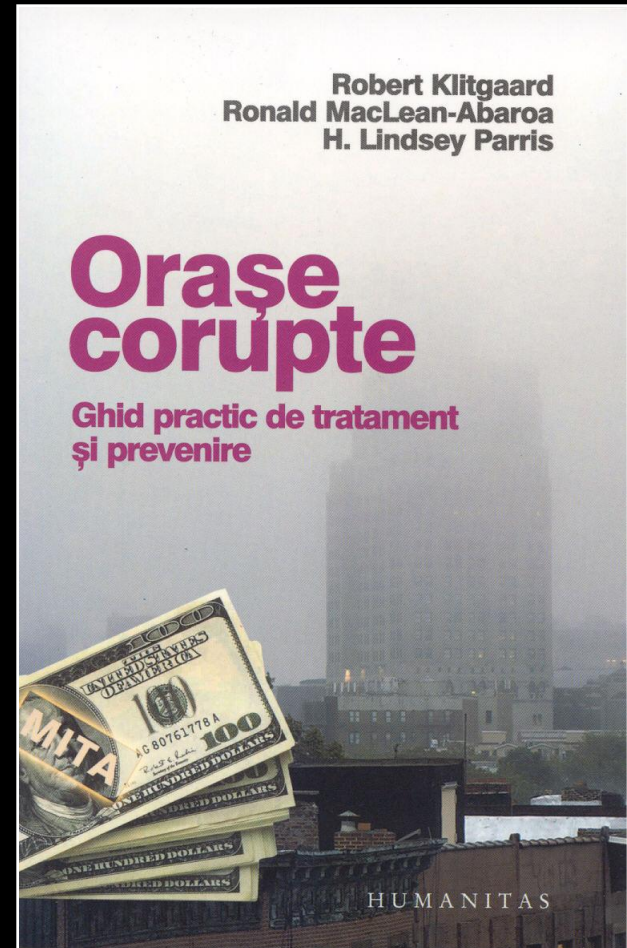
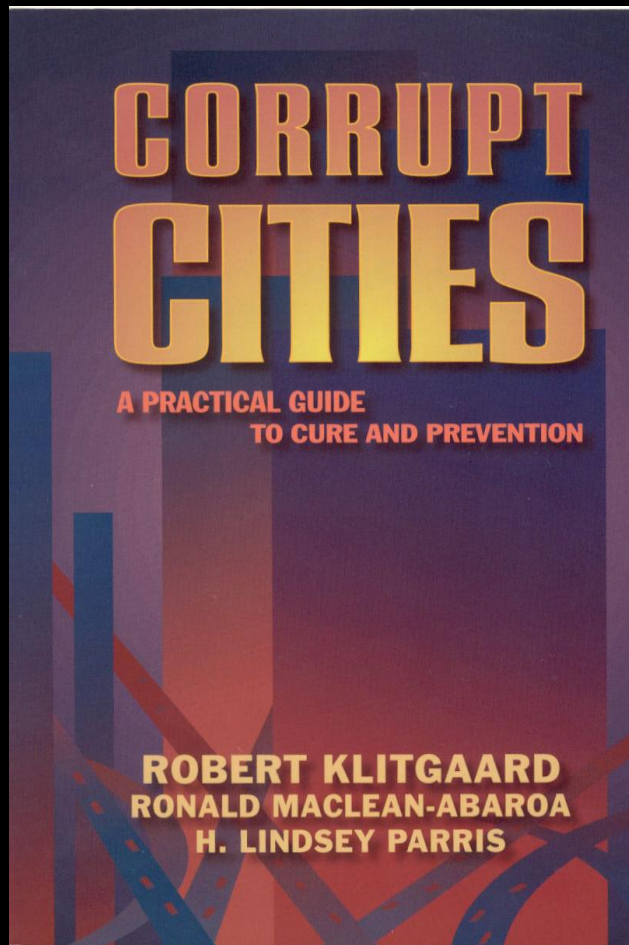
**There was not a group of cheaters and a group of honest students**

**“Honesty” was not a consistent, inherent trait and was considerably influenced by the context**

**By shaping an appropriate context we should be able to influence dishonest behavior and prevent it**

# The Book “Corrupt Cities”

Macedonian translation on [www.fpdl.ro](http://www.fpdl.ro)



# **The Book “Corrupt Cities”**

**We should focus our anticorruption strategies on changing the context in which individuals live and work, not (only) on changing individuals through legal or moral pressures**



**Corruption is a crime determined by the context not (only) by personal inherent traits**

**Corruption is a crime of calculation based on an assessment of costs and benefits that occurs when**

**Probability of being caught is small**

**Penalties are mild**

**Rewards are great**

**People tend to engage in corrupt activities when they work in organizations that give them**

**Monopoly** power over a good or service delivery,

**Discretion** to decide whether someone gets that good or service or how much it gets, and

**do not have Accountability and Transparency rules**, so that others can see when and how they take their decisions

**This is the Context that breeds  
corruption**

**C (Corruption) =**

**M (Monopoly) + D (Discretion) – A (Accountability)**

**Robert Klitgaard formula can be used to  
identify vulnerable areas in public, private  
or civil society organizations, in poor or  
rich countries, in Europe, Asia or Africa**

# **Changing the Context**

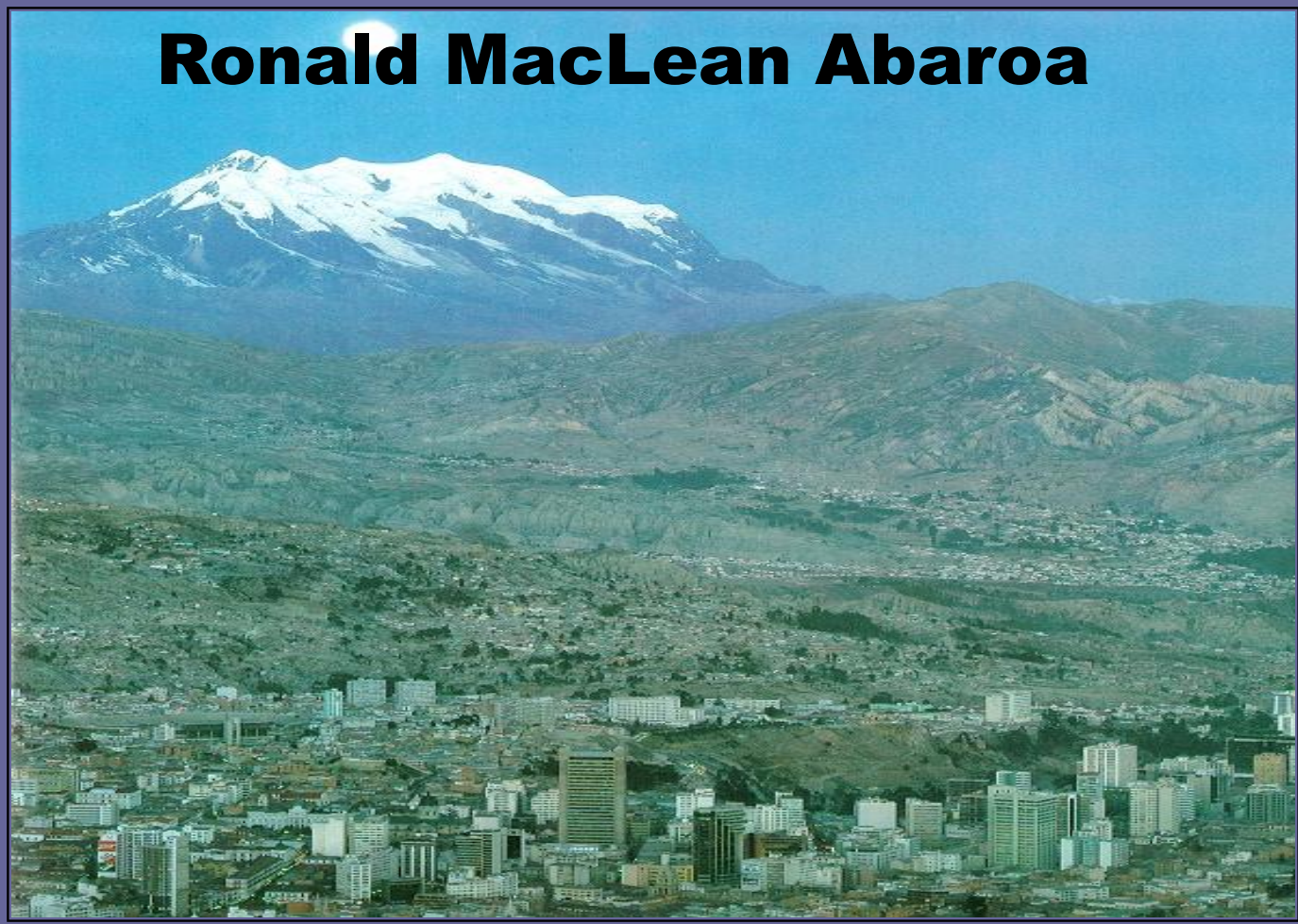
**Lowering the Monopoly of public services and goods delivery**

**Limiting the Discretion in the decision making process**

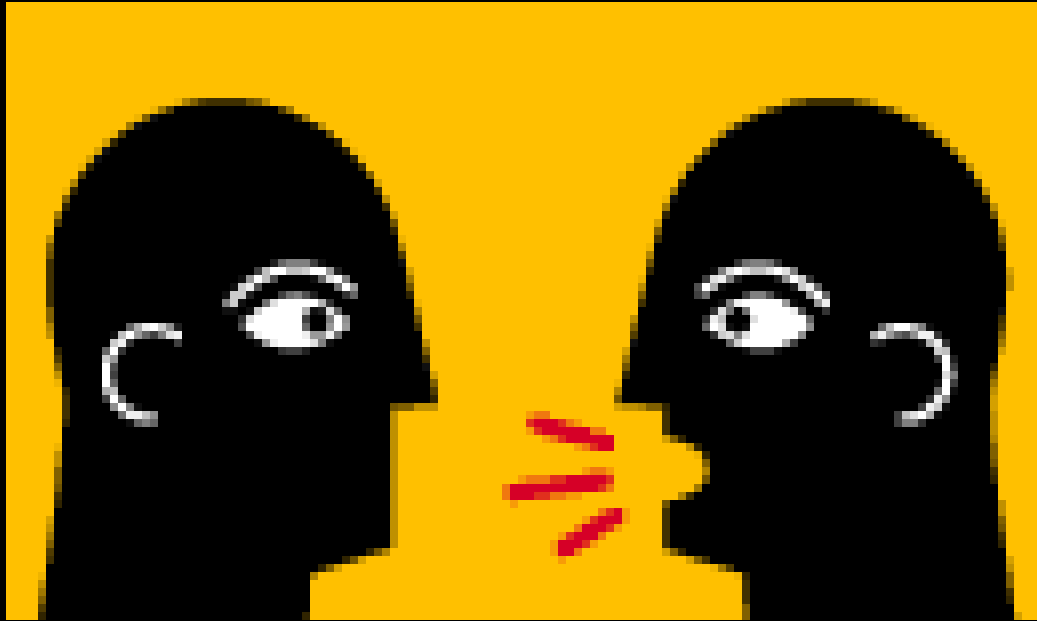
**Increasing the Accountability and Transparency, toward Clients and Principal(s)**

**These strategies have been successfully  
implemented in La Paz  
due to the efforts of the Mayor**

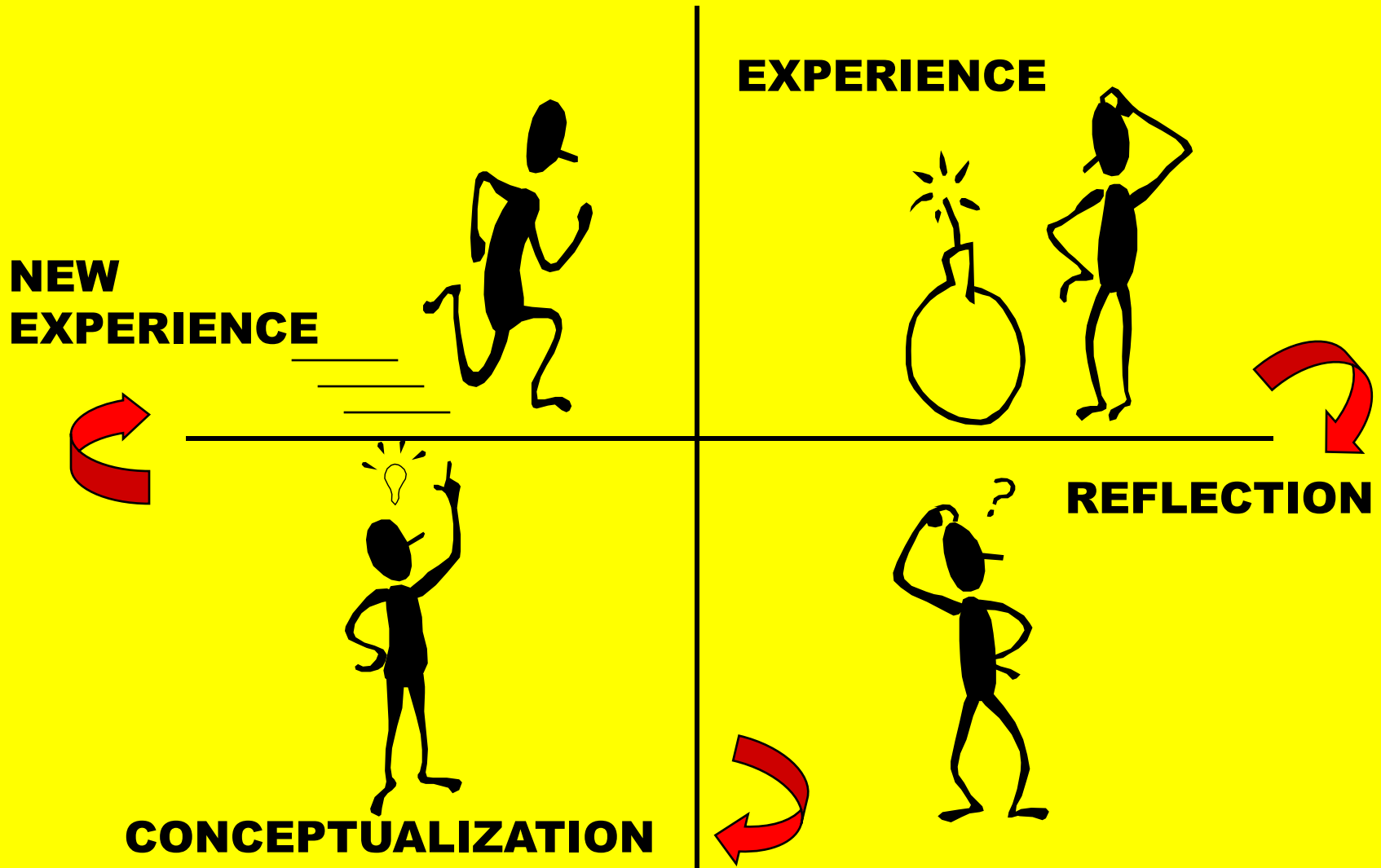
**Ronald MacLean Abaroa**

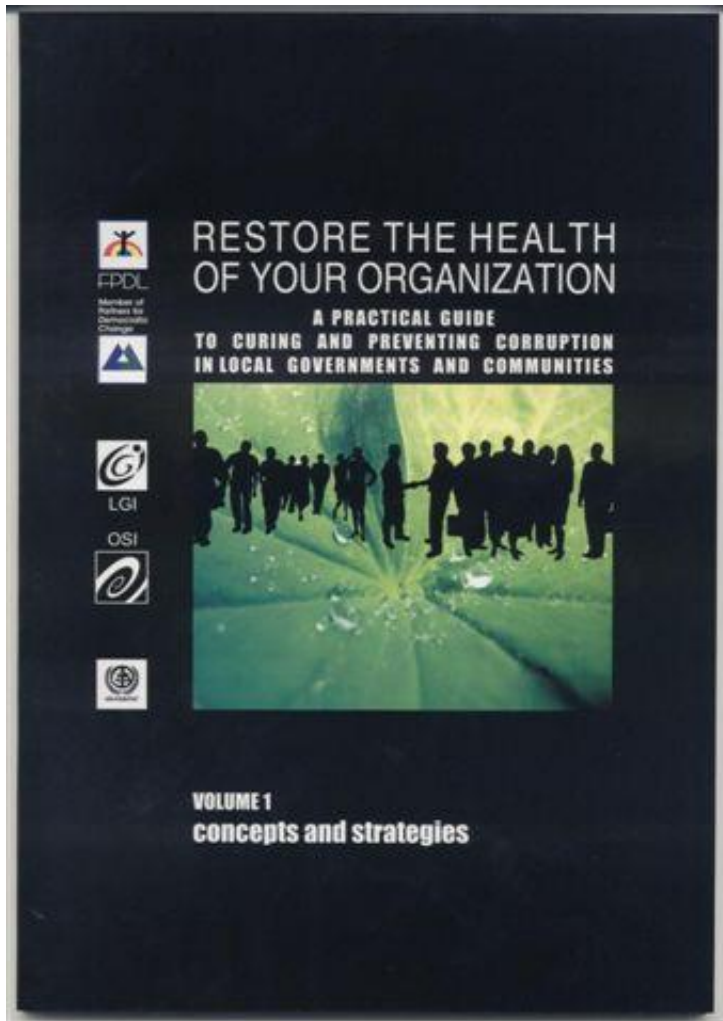


# How to transfer and repeat the successful experience in CEE countries?

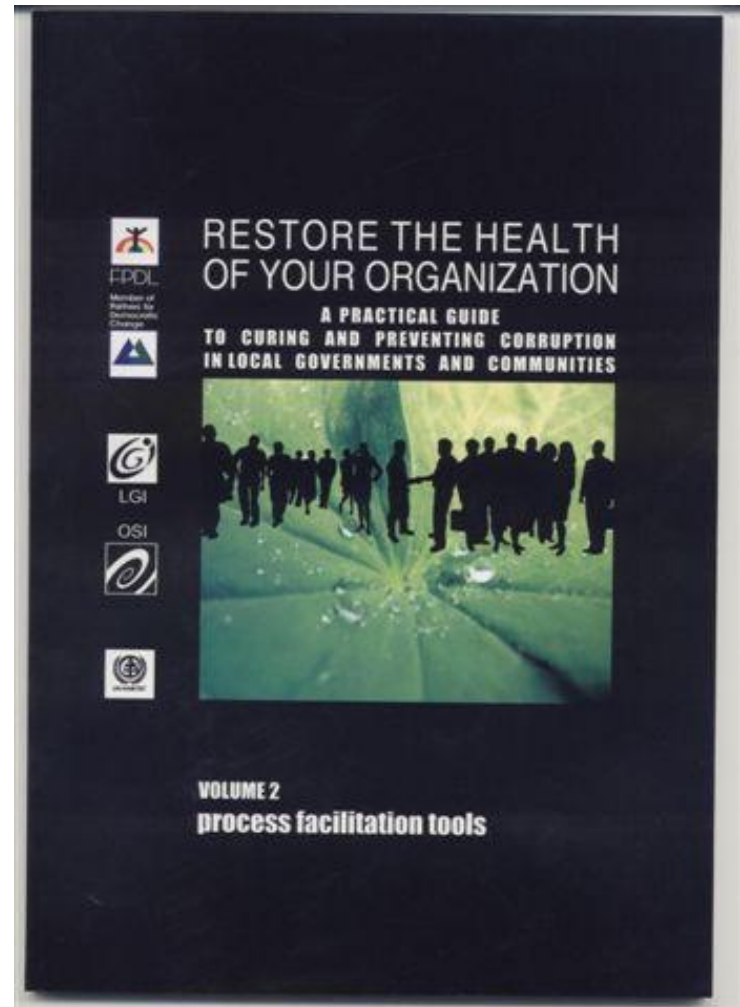


# DAVID KOLB'S LEARNING CYCLE





**VOLUME 1**



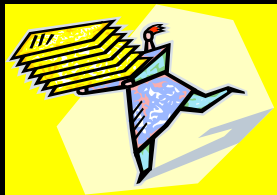
**VOLUME 2**



# **PAP: Program for Anticorruption Practitioners main components**



**Knowledge Building Component**



**Skills Building Component**



**Support for National Anticorruption Initiatives at local level**

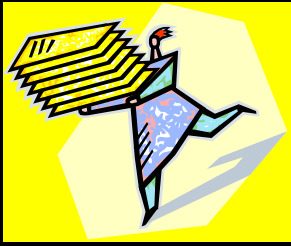


## **Knowledge Building Component**

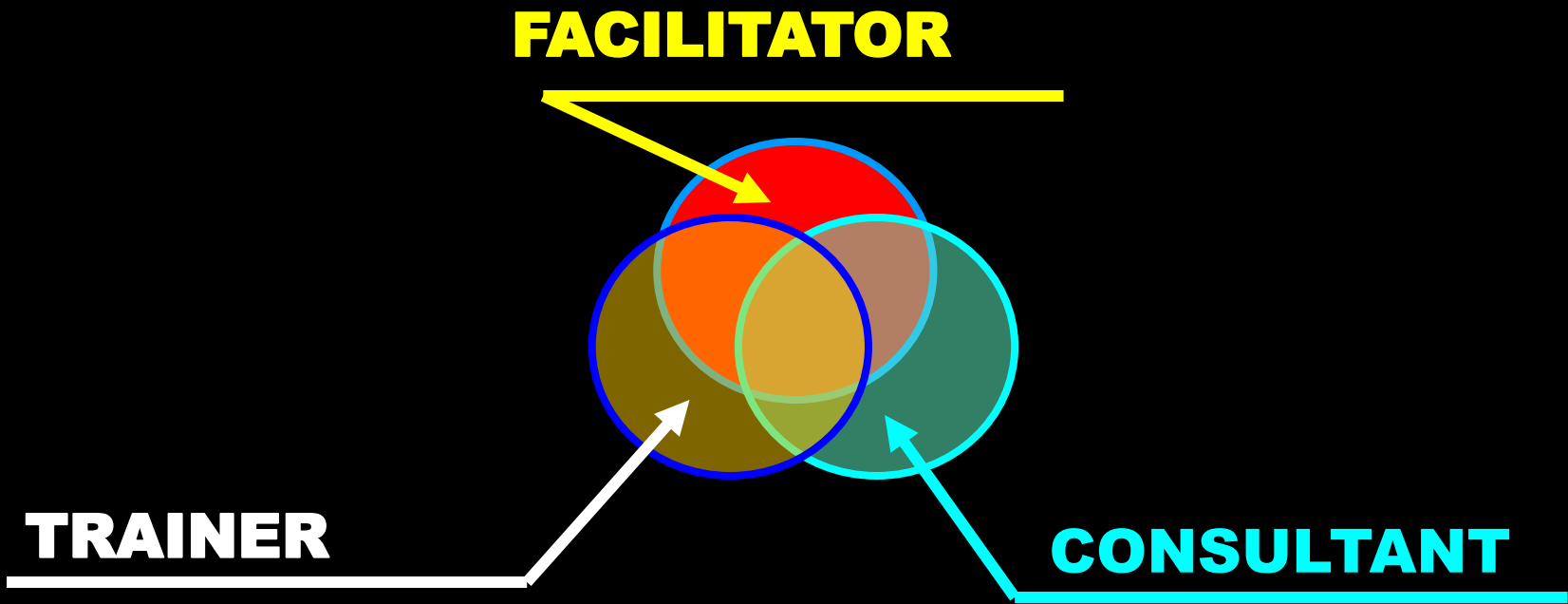
**Self-study & on-line distance learning  
of MILC (WBI Multimedia Interactive  
Learning Course and other readings,  
essays writing**

**Focused to improve understanding of**

- **Corruption in Organizations**
- **Organizations**
- **Local Governments**
- **Change Management in Organizations**



# Skills Building Component 10-day Training Program



# CRAIOVA LOCAL GOVERNMENT





## **CRAIOVA MUNICIPALITY**

**More than 300,000  
inhabitants**

**Local Government with  
more than 500 employees**

**Historic City: the earliest document with  
Craiova name is of June 1, 1475**

**Highly industrialized, important  
administrative capital of Dolj county and  
Oltenia region**

# INTERVENTION GOAL



**Craiova Local Government  
received 9 months FPDL  
facilitators and experts support to  
elaborate an Anticorruption  
Strategic Plan through a  
participatory process**

# **The Strategic Plan Elaboration Participatory Process**

- **Agreement**
- **Preliminary Diagnosis**
- **General Diagnosis**
- **In-depth Diagnosis**
- **Problem Tree Analysis and strategies elaboration**
- **Strategic Plan first draft**
- **Validating and detailing the Strategic**

# Preliminary Diagnosis

**2 aspects of 33 de activities have been evaluated**



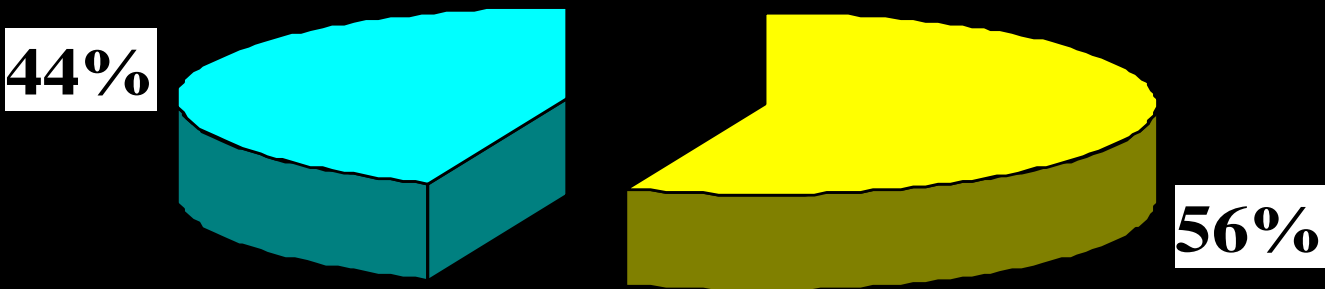
**Level of vulnerability to corruption**

**Level of impact on citizens' lives and municipality's future if corrupt activities would take place**



# General Diagnosis

**315 respondents** representing **56%**  
from the total of **563 employees**



- **Total employees involved**
- **Total employees not involved**

**15** of the 33 evaluated activities (45%) were identified as vulnerable to corruption

**8** activities were further analyzed

# In-depth Diagnosis



**Completing a questionnaire for each vulnerable activity:**

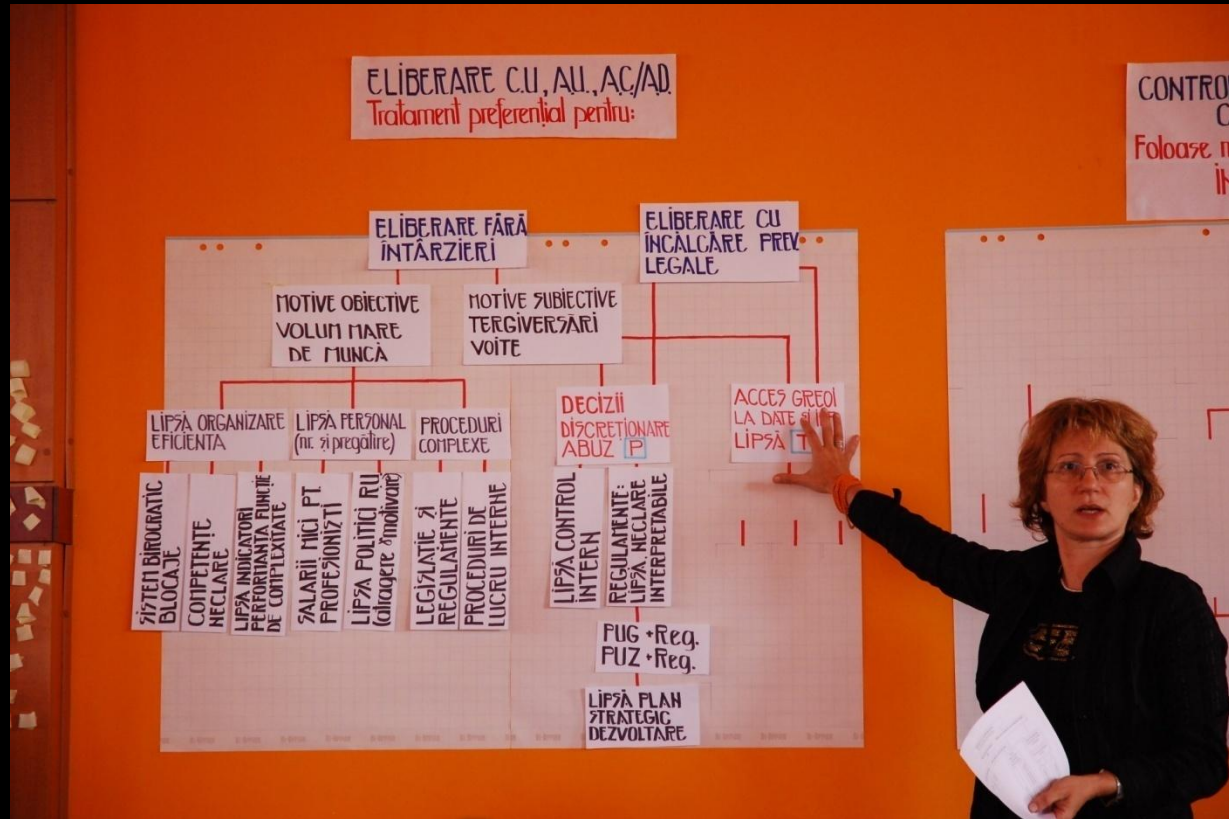
**What corrupt action can take place**

**Who has to win, what**

**Who has to loose, what**

**What could be the causes**

# In-depth Diagnosis



**Problem Tree Analysis for each activity, made by FPDL experts and validated and completed by Working Groups members**

# Solutions Elaboration



**Working Group members elaborated ideas for solutions based on the Problem-Trees**

# **STRATEGIC PLAN**

**To treat and prevent corruption in order  
to increase Craiova Local Government  
integrity and efficiency**

**Vision**

**Objectives**

**Strategies**

## **5 Objectives**

**Improve the responsible management of activities, public funds and public assets, in the interests of citizens and municipality future.**

**Consolidate the Quality Management System in place, by simplifying or completing procedures, identifying relevant performance indicators to increase services quality.**

**Increase activities transparency to improve citizens access to public information and encourage citizen participation**

**Implement a Human Resource Management modern system in order to have employees with competence, motivation and integrity**

**Develop control mechanisms to prevent and limit the possibilities to misuse the official position for personal gains**

# **Strategies**

**To achieve the objectives in the following 8 Activities:**

- **Issuing of urban certificates, construction and demolition authorizations**
- **Control of Discipline in Construction Works**
- **Public Assets Management**
- **Public Procurement**
- **Agricultural Register**
- **Economic Agents Authorization**
- **Control of Activities in Markets**
- **Human Resource Management**



# **THE STRATEGIC PLAN**

**Was approved by the Municipal  
Council**

**Is in the process of implementation**

**We are continuing to work with  
Craiova Local Government to**

**Increase capacity through training**

**Provide expertise for strategies  
implementation**

**Involve outside stakeholders/clients**

**Focus on analyzing the  
organizational culture**

# OUR GOAL



**Successful Local Governments – models to be followed**

**THANK YOU FOR  
YOUR  
ATTENTION!**

