

CORRUPTION & HUMAN INSECURITY IN BANGLADESH¹

Iftekharuzzaman²

Introduction

Corruption is a major impediment to development and democratic governance. It weakens the key institutions of the national integrity system, and prevents rule of law. Corruption erodes public trust in government, and breeds injustice. By distorting the political and economic structures and weakening the social fabric, corruption can also be a potential source of insecurity of the state. Corruption is also increasingly linked to violation of human rights and spread of the culture of impunity.³

The main theme of this paper is that when corruption becomes as deep and wide as in Bangladesh, it can lead to a sense of despair and disempowerment among the people, who are deprived of their basic rights because of pervasive corruption and governance failure. What follows here is an attempt to elaborate this theme. The paper first offers a brief conceptual overview of corruption as a challenge against democracy and democratization, which is followed by an attempt to examine the extent to which corruption has become a source of human insecurity in Bangladesh.

II. Corruption: Inherent Bias against the Poor

Corruption is among the most frequently experienced problems in life anywhere, though with varying degree of spread and depth. The word corruption comes from the Latin verb *corruptus*, which means to break. Corruption is a behaviour or act that breaks away or contradicts from ethical and moral standard, traditions, democratic values and practices, laws and civic virtues. Corruption is defined by Transparency International as abuse of entrusted power for private gain. In this definition power is the key factor, and hence those who have access to power - direct or indirect - and abuse it are the beneficiaries of corruption, whereas those who are outside the orbit of power are the victims.

A more elaborate description of corruption is “the abuse of office whether in Government, administration or business ... (it) is about the giving and seeking of favours, it is about buying political influence, taking kickbacks, bribing officials. It is about subverting public good for private gain”⁴. Corruption may also include any or a combination of such acts as embezzlement, fraud, nepotism, negligence of duty for private gain or promoting any vested interests - financial, political or otherwise, misuse of public or institutional fund and extortion. Corruption, therefore, is more than bribery. The wide variety of acts that are classified as corruption make definition of corruption wide and flexible, which is also partly the reason why corruption is studied under several disciplines – economics, political science and governance, development studies, sociology, anthropology and psychology.

In terms of actors, distinction is also made between grand corruption and petty corruption. Grand corruption usually involves people in high positions of power – political and Government leaders and public sector officials. In contrast, petty corruption is usually the fallout of grand corruption, and involves public officials at varying levels who use their respective

¹ Presented at the NTS-Asia Annual Convention, Singapore, November 3-4, 2009.

² Executive Director, Transparency International Bangladesh (TIB). The paper draws on the author’s article on “Corruption, Democratization and Human Security” in Mohiuddin Ahmad and Cho Hee-Yeon, *Breaking the Barrier: Inter-Asia Reader on Democratization and Social Movements*, Dhaka and Seoul, 2008.

³ International Council on Human Rights Policy & Transparency International, *Corruption and Human Rights: Making the Connection*, Versoix, Switzerland, 2009.

⁴ Richard North, “Corruption: Stopping the Rot” in *BBC On Air*, August 2003, p.10.

positions of power or links with power, to solicit unauthorized payments or bribes for services to the members of the public. Petty corruption is also often called speed money or grease money in return for disposal of a service. When corruption becomes pervasive access of the citizens to the basic public service deliveries become a function of capacity to make unauthorized payments. In other words, corruption affects the poor and disadvantaged more than others in the society.

Another focus of the discourse on corruption is on whether it happens nationally or internationally, which are also linked with each other. Distinction is further made between political and economic corruption, though one is the other side of the same coin.⁵ Amartya Sen recognizes motivational importance of personal gains from corruption, but also stresses values, norms and behavioural modes in different societies.⁶

In terms of implications, Amartya Sen alerts a “high level of corruption can make public policies ineffective and can also draw investment and economic activities away from productive pursuits towards the towering rewards of underhanded activities”.⁷ It affects proper functioning of key institutions of democracy and national integrity system, like the parliament, judiciary, administration, law enforcement authorities, the election commission, anti-corruption commission, and so on. Corruption implies use of discretion without effective checks and balances; it is therefore antithetical to transparency and accountability. It creates and increases social and economic deprivation and inequality. It violates human rights, breeds crimes, social frustration, discontent and insecurity. As the former UN Secretary General Kofi Anan said, “this evil phenomenon (corruption) is found in all countries – big and small, rich and poor – but it is in the developing world that its effects are most destructive. Corruption hurts the poor disproportionately – by diverting funds intended for development, undermining a government’s ability to provide basic services, feeding inequality and injustice, and discouraging foreign investment and aid. Corruption is a key element in economic underperformance, and a major obstacle to poverty alleviation and development”.⁸

Corruption, by its very nature, is about undermining of fairness. It generates disproportionality and inequality. Corruption affects the poor both directly and indirectly. Directly through increasing the cost of key public services targeted to them, lowering quality of such services and limiting or even preventing the poor’s access to essential services such as education, health and justice as will be shown below in case of Bangladesh. Indirect implications of corruption on the poor include diverting Government resources away at the expense of social sectors. By limiting growth and development corruption also reduces the scope and prospect of poverty reduction. In addition, while corruption affects everyone, the poor are more vulnerable especially because they are easy victims of bribery, extortion and intimidation.⁹ Before moving further we briefly discuss the concept of human security as an effort to relate human insecurity with corruption.

III. Rethinking Security: Putting the Citizens First

Contemporary discourse on security is featured by a tension between two main conceptual approaches to defining security – the traditional approach, by which the state and its

⁵ For a review of conceptual approaches, see by Zoe Pearson, “An International Human Rights Approach to Corruption”, in Peter Larmour and Nick Wolanin, *Corruption and Anti-Corruption*, Canberra, Asia-Pacific Press, 2001, pp. 30-60.

⁶ Amartya Sen, *Development as Freedom*, Oxford, Oxford University Press, 1999, pp-275-8.

⁷ *Ibid*, p.275.

⁸ The Secretary General, “Statement on the Adoption of by the General Assembly of the United Nations Convention Against Corruption”, New York, 31 October 2003, http://www.unodc.org/unodc/en/speech_2003-10-31.html

⁹ Among many materials on corruption and poverty linkage, see for example, Sanjeev Gupta, Hamid Davoodi and Rosa Alonso-Terme, “Does Corruption Affect Income Inequality and Poverty?” IMF working paper, 1998; World Bank, “Voices of the Poor Programme”; Transparency International, *Global Corruption Barometer 2003*. Berlin, 2003. Deepa Narajan, Raj Patel et al, “State Institutions in Voices of the Poor: Can Anyone Hear Us?” World Bank, Oxford University Press, 2000.

boundaries are the key referent, and the other that places security concerns of the individual at the core. The key question is, whose security is the debate all about? By conventional wisdom, security used to be viewed almost exclusively from the perspective of the nation-state within a global and regional system. The main conceptual basis being the external threats – perceived or real - security used to be interpreted in terms of military preparedness, deterrence, arms race, bilateral or multilateral defence co-operation or alliance.

This traditional, state-centric approach of treating national security essentially in military or defense parlance has been seriously challenged. One of the most widely referred articulations of this non-traditional approach to security was provided by the 1994 Human Development Report of the United Nations Development Programme.¹⁰ Reflection of this approach can also be found in the disarmament-development discourse that took place during the mid and late eighties in various UN forums and beyond in response to the developmental implications of the arms race. Several high profile international commissions like the Brandt Commission, Brundland Commission, and later the Commission on Global Governance through their reports provided inputs that helped the shift of focus of security debate from the state to the individual.

Recent security literature¹¹ provides strong support to the notion that security cannot be properly understood, nor can the issues related to it be comprehensively approached without due focus on key issues of human concern such as poverty and socio-economic underdevelopment. Conversely, social and economic development has been identified as a vital prerequisite for achieving “real security”.¹² This socio-economic approach to security cannot be interpreted to underestimate the other dimensions, particularly issues related to the protection of national independence, sovereignty and territorial integrity. The point is that security, if viewed only in traditional military sense, “cannot have enduring appeal for hungry masses”, and while poverty constitutes a major source of insecurity of the vast majority of the developing states, security cannot be ensured without substantially reducing poverty and underdevelopment.¹³

In this paper taking cognizance of this paradigm shift¹⁴, we are concentrating on human security – security concerns of the citizens in terms of freedom of the individual from want and freedom from fear. According to the UN Commission on Human Security, human security means protecting fundamental freedoms of the individual.¹⁵ It means protecting the individuals from

¹⁰ United Nations, *Human Development Report 1994* (New York: United Nations Human Development Programme 1994).

¹¹ See for instance, Alyson J.K. Bailes, "Introduction; the World of Security and Peace Research in a 40-year Perspective", *SIPRI Yearbook 2006* (Stockholm, Sweden: SIPRI 2007); Simon Fraser University, *Human Security Project Report*, www.hsgroup.org; United Nations University Institute for Environment and Human Security (UNU-EHS), www.ehs.unu.edu; The Barry Buzan, *People, States and Fear: An Agenda for International Security Studies in the post-Cold War Era*, (Second Edition, Lynne Rienner Publishers, Boulder, Colorado 1991). See also, Robert McNamara, *The Essence of Security* (New York, Harper and Row 1986); Theodore C. Sorensen, "Rethinking National Security" *Foreign Affairs* (Summer 1990); Stephen Walt, "The Renaissance of Security Studies" *International Studies Quarterly* (June 1991). A plethora of literature is in the offing as a result of many research projects undertaken by various security studies institutions all over the world on post-cold war and post-9/11 international security. One such project is the Ford Foundation sponsored research initiative on "Non-traditional Security in Asia" covering several dimensions including conceptual issues, and involving a number of research institutions in South, Southeast Asia and Far East. Bangladesh Institute of International and Strategic Studies is one of the institutions involved in the project working on "Human Security in South Asia: Discourse, Practice and Policy Proposals". The conceptual basis of human security presented in this paper coincides with the findings of the project.

¹² Yezid Saigh provides an interesting insight in his "Confronting the 1990s: Security of the Developing Countries", *Adelphi Papers* no. 251, IISS London 1990.

¹³ *Ibid.*

¹⁴ I have written elsewhere on the subject, especially as it relates to Bangladesh. See for instance, Iftekharuzzaman, "Challenges to the Security of Bangladesh: Primacy of the Political and Socio-economic", in *Arms Control*, Vol. 13, No3, December 1992, pp. 518-530; Iftekharuzzaman, "South Asia", in Paul Stares, *The New Security Agenda: A Global Survey*, Tokyo & New York, Japan Center of International Exchange, 1998, 272-290; and Iftekharuzzaman, "Bangladesh, A Weak State and Power" in, Muthiah Alagappa, *Asian Security Practice: Material and Ideational Influences*, Stanford, Stanford University Press, 1998, 315-337.

¹⁵ United Nations, Outline of the Report of the Commission on Human Security.

threat to life, survival, and creating conditions in which their livelihood and dignity is made secure. Human security in this sense means freedom from want, poverty, freedom, fear and injustice.

Human security, in practical implications, requires a combination of protection and empowerment – protection from insecurities by developing norms, processes, practices and institutions that address insecurities systematically and sustainably. It is about empowerment of the individual so s/he can become active and full participant in making decisions that concerns her or him. The concept of human security in this sense is also anchored on values and principles of human rights, democracy and good governance without which the individual freedoms cannot be achievable.

In view of the above, what do we mean by human security in the Bangladesh context? In simple terms, it means access to basic prerequisites of human development such as education, health, gender equity, justice, and rule of law. Operationally it implies empowerment of the citizenry and their effective participation in decisions that affect their lives. From this perspective, we examine below the extent to which corruption has been contributing to human insecurity in Bangladesh: access to education, health, justice, and protection against physical threats to safety.

IV. Corruption and Human Insecurity in Bangladesh

Corruption occupies a prominent place in public discourse in Bangladesh. Presence of widespread corruption, and its debilitating impact in the society, polity and economy are acknowledged by all major political parties - in the Government or outside. At the same time political leaders, from the highest to the lowest levels both in the government and outside, in their public pronouncements commit themselves to fighting corruption and to establishing a corruption free Bangladesh. A glance at the election manifestoes of the major political parties including the present ruling grand alliance led by the Bangladesh Awami League (AL) and the opposition alliance led by the Bangladesh Nationalist Party (BNP) easily reveals the high level of importance and priority attached to the issue of corruption.¹⁶

There can be no disagreement about a national consensus prevailing in the country about the unbearability of the high cost of corruption and the need to combat it with greatest urgency and priority. Corruption has become a key issue of public discourse in recent years not merely because of the annual Corruption Perceptions Index (CPI) published by Transparency International which has for five years in a row from 2001-5 ranked Bangladesh at the bottom of list and in 2006, 2007 and 2008 in the 3rd, 7th and 10th position respectively¹⁷, but also because of the way corruption affects the lives of the common people – especially those without access to power.

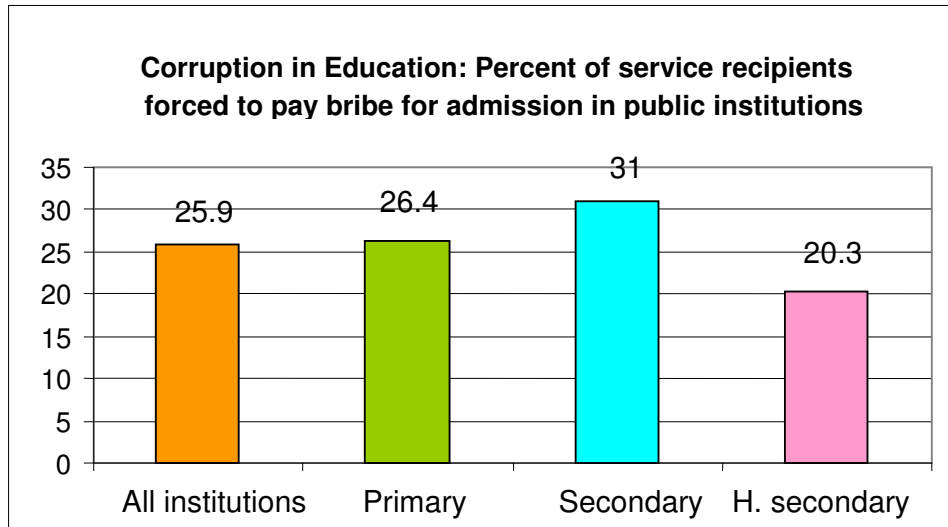
Irrespective of Bangladesh's position in international comparison, there is hardly any doubt that corruption is pervasive. The World Bank estimated as early as in 2000 that "if Bangladesh could reduce its corruption level to those prevailing in countries with highest

¹⁶ See for details, Iftekharuzzaman, " Fighting corruption: from consensus to crossroads" in the Daily Star, Feb 2, 2009.

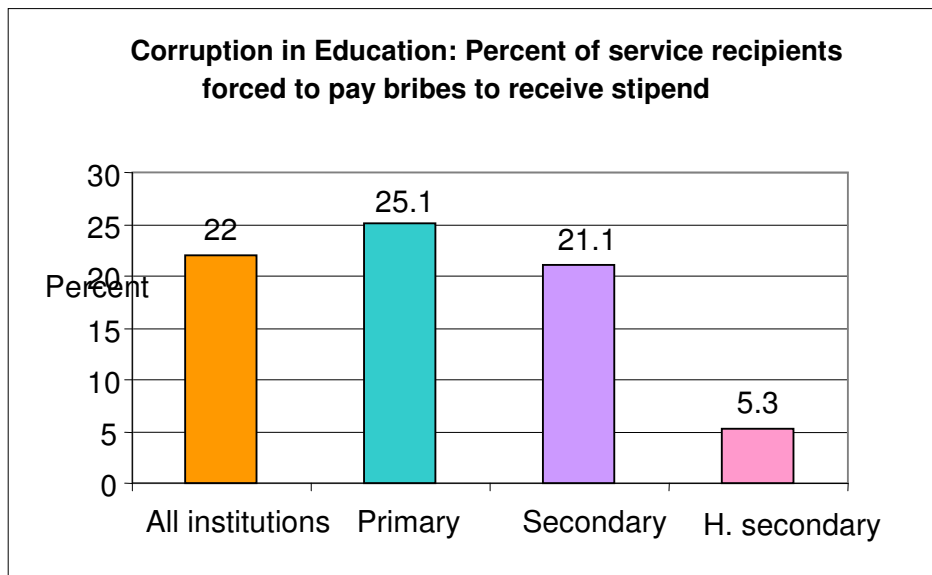
¹⁷ The Corruption Perception Index (CPI) published annually by Transparency International (TI) is a composite index worked out drawing upon corruption related data generated by more than a dozen surveys conducted by reputed international institutions. The index reflects views of analysts and businesspeople including experts who are locals in the countries concerned. In case of Bangladesh, sources that the information were drawn from in determining the ranking in 2005 included surveys conducted by Economic Intelligence Unit of the Economist magazine of London, Columbia University, a multilateral development bank, Gallup International, the World Economic Forum, etc. For more on CPI including its methodology, see, www.transparency.org. For a critical review of the CPI, see, Nurul Islam, *Looking Outward: Bangladesh in the World Economy*, UPL, Dhaka, 2004, pp. 62-74, and Iftekharuzzaman, "Opening Statement at the Global Launch of CPI, London, 18 October, 2005, www.ti-bangladesh.org.

reputation for honest dealing it could add between 2.1 and 2.9 percent to annual per capita GDP growth. This would contribute to a sustainable reduction in poverty”.¹⁸

While corruption affects everyone, the poor are more vulnerable especially because they are easy victims of bribery, extortion and intimidation. The poor in Bangladesh are directly affected by the increasing cost of key public services by way of unauthorized payments, low quality of such services and limiting or even preventing the poor's access to essential services such as education, health and justice. As the following charts show access to such services has become a function of the capacity to make unauthorized payments.

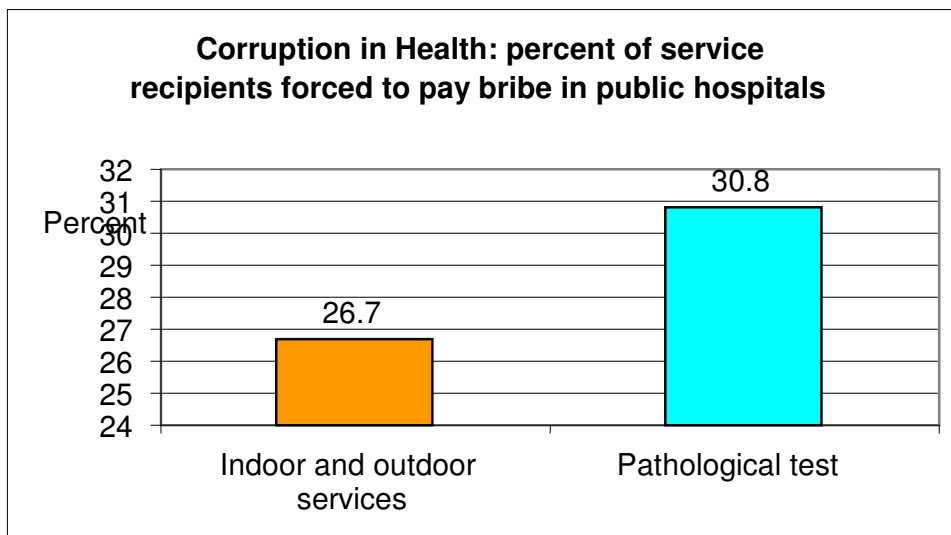


Source: TIB, *National Household Survey 2007* (released in June 2008)



Source: TIB, *National Household Survey 2007*

¹⁸ The World Bank, *Corruption in Bangladesh: Costs and Cures*, Dhaka April 7, 2000.



Source: TIB, *National Household Survey 2007*

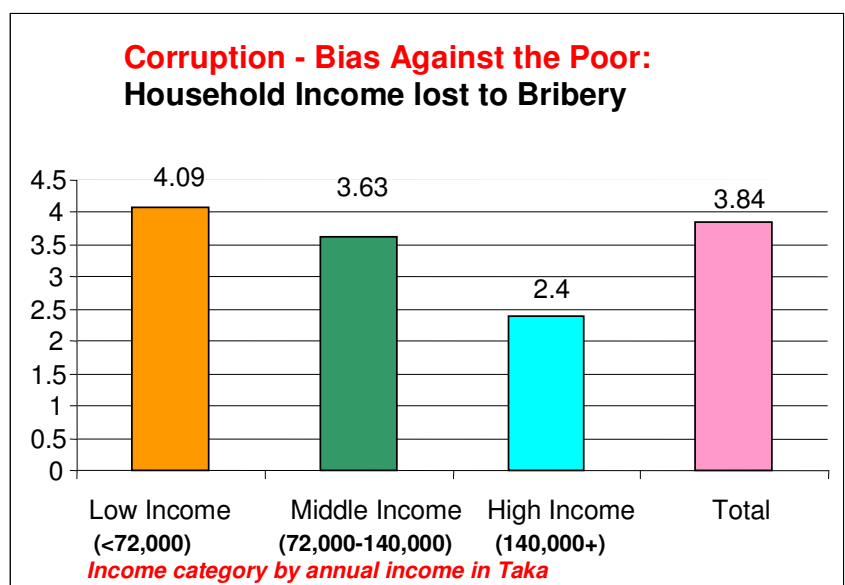
Drawn from the TIB Household Survey 2007, the first chart show that 25.9 percent of students had to make unauthorized payments for admission into public institutions in general, who included 26.4, 31 and 20.3 percent of students obtaining admission into primary, secondary and higher secondary schools. The second chart shows that 22 percent of students who are entitled to any stipends were forced to make unauthorized payments in collecting the stipend amount. One-fourth of the primary school children who are entitled to *upabrittty* (special stipends for the ultra poor) were victims of such corruption. In the health sector, as the third chart shows, 26.7 percent of the surveyed households who received indoor/outdoor services in public hospitals were victims of corruption, whereas 30.8 percent of those who needed pathological tests were victims.

The National Household Survey on Corruption in Bangladesh 2007 revealed that 96.6% of the households that had any interactions with the law enforcement agencies experienced harassment and corruption for receiving services.¹⁹ Bribery is the most common form of corruption by them, the average collected amount being Tk. 3,940 (\$1=Taka 69) per household. Other abuses include misbehavior, physical torture or threat thereof, arrest without warrant, false FIR/charge sheet.

The survey showed that 41.7% of the households who interacted with the judiciary had to pay bribe. This proportion is higher in rural areas (48.3%) than in urban areas (37.3%). The amount of was Tk. 4,825 on an average. Average amount of bribe paid was found higher in urban households (Tk. 6,104) than in rural households (Tk 3,966). Bribery is most prevalent in judge courts with 47.6% of households having to pay bribes, followed by magistrate courts in which case the ratio was 45.2%. Actors involved in bribery in the justice system include court officials, middlemen, lawyers, public prosecutors and judges.

Estimates from the same survey show that about 3.84 percent of the annual household income was eaten up by corruption in six selected sectors (education, health, land administration, police, justice and income tax). Disaggregated by income categories, the bias against the poor is more evident. As the chart below shows, households in the low income category of Taka 72,000 per year lost 4.09 percent, whereas middle income group (Tk. 72,000-140,000) lost 3.63 percent and high income group (Taka 140,000+) lost 2.4 percent of their annual income.

¹⁹ Police accounted for 93.4 percent of reported cases of harassment and corruption, followed by joint forces (5.0 percent), RAB (1.2) and Ansar/VDP (0.4).



(Bribery in Education, health, land administration, police, justice, income tax)
Source: TIB National Household Survey 2007

Whatever way corruption is interpreted, it is a key obstacle to human security in the “real sense”. It increases social injustice and poverty. Corruption is also a key impediment to the realization of UN Millennium Development Goals (MDG) and PRSP, which cannot be achieved without effectively curbing corruption. Corruption undermines progress in key sectors identified within MDG such as economic growth, education, health, trade and the environment. As we have seen above, corruption deprives children of access to education (MDG 2 and 3, PRSP 5.E.1); it increases poverty and hunger (MDG 1, PRSP 7.A.); corruption prevents access of the poor to basic health services (MDG 4, 5 & 6, PRSP 5.E.2); corruption renders development unsustainable (MDG 7); and corruption distorts and impedes economic growth (MDG 1 and 8).

V. Political Will, Institutional Capacity, Civic Engagement

Corruption is nothing new, nor is it peculiar to any particular context. It exists in greater or lesser degree in all countries of the world, irrespective of political and economic system, big or small, developed or developing.

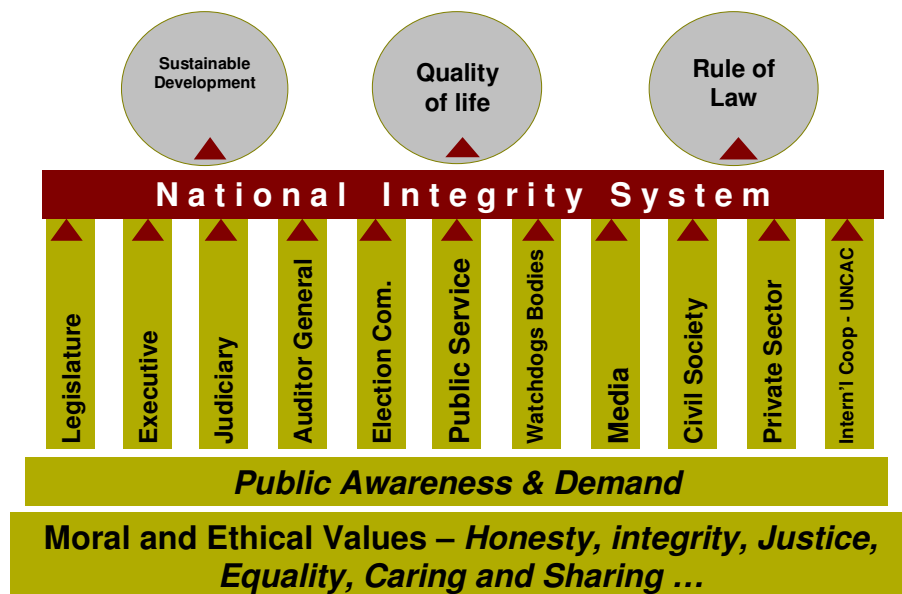
What is striking about Bangladesh is that it affects the lives of common people on a daily basis. It is hardly ever that corruption is punished, a failure that in turns breeds a culture of impunity. On the other hand, corruption, especially political corruption has become a convenient way to echelons of power. Given that politics is the other name of investment for making quick money, and in the absence of effective deterrence against corruption, especially in view of the failure to effectively demonstrate that corruption is a punishable offence, it has spread deeply and widely. Corruption must be fought comprehensively and strategically.

Corruption, when it is pervasive, takes time to entrench, it takes connivance and participation of people in positions of power – people who are powerful politically, economically and socially - whether at the national or local levels, whether in the public sector or private. By the same token it cannot also be addressed overnight without comprehensive efforts and without the fullest commitment of those in positions of power.

The most important element in an effective anti-corruption strategy is the political commitment at all levels, especially at the top. In this sense the first major step in controlling corruption in Bangladesh seems to have been taken with the election of December 2009 when all political parties, especially the ruling coalition led by the Bangladesh Awami League built their election campaign on the platform of anti-corruption. The next two major preconditions are making corruption punishable and establishment of rule of law, which can be ensured only by effective functioning of the key institutions of democracy and national integrity system. The other important element is of course the anti-corruption demand from the people which has been loudly voiced, but must be sustained in the form of a social movement.

Success of anti-corruption efforts, as the following picture shows, is a function of the degree of the strength, independence and effectiveness of key institutions of the national integrity system like the parliament, the executive, the law enforcement agencies, the judiciary, the anti-corruption commission, and the media. A hugely important component in the anti-corruption infrastructure is the awareness, engagement and participation of the people in demanding the political will and strengthening the institutions of accountability. Consistent with the non-conventional human security approach, fighting corruption, especially where conventional institutions do not deliver, requires non-conventional tools of social accountability - voice and demand for change.

Institutionalizing the anti-corruption structure



Change will not come overnight, but through a long and arduous process. The main challenge is to create an environment in which corruption would be hated and rejected by everyone, and demands and pressures will become strong enough to generate and sustain the political will and strengthen the effectiveness and independence of the key institutions. The longer it takes to creating such conditions the farther will be the success of control of corruption, and in turn reduction of poverty and promotion of human security.
