Fighting Corruption with e-Government Applications

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Summary

e-Government refers to government's use of ICTs to work more effectively, share information and deliver better services to the public. e-Government is essentially more about the process of government reform and resulting benefits than about the application of specific technological solutions or services.

A well-planned e-government strategy can make leaps into building a more efficient, accountable and transparent government. If planned with representation from key stakeholders, e-government applications can rebuild citizen trust in government, promote economic growth by improving interface with business, and empower citizens to participate in advancing good governance. While e-government is not a panacea for the complex and deep-rooted problems of corruption, it cannot be ignored that ICTs possess the ability to contribute effectively towards any anti-corruption efforts.

This APDIP e-Note looks at how e-government can help fight corruption; gives two well-known examples from the Republic of Korea and India where e-government has successfully helped to fight corruption; and discusses the challenges in designing and implementing similar programmes.

When e-government applications are used to fight corruption, it is critical that four key anti-corruption strategies – prevention; enforcement; access to information and empowerment; and capacity building are integrated in the design and implementation process.

A few case studies of e-government applications from the Asia-Pacific region report some impact on reducing corruption in several ways:

***Prevention:** Introducing e-government applications provide an opportunity to simplify rules and procedures, and re-engineer processes and systems. The use of computers and online transactions eliminate gate keepers, depersonalize and standardize the delivery of services and thus, reduce abuse of discretion and other opportunities for corruption.*

***Enforcement:** Computerized procedures make it possible to track decisions and actions and thus, serve as an additional deterrent to corruption. Where data are centralized, unbiased sampling procedures can be applied for audit purposes.*

***Access to Information and Empowerment:** Publishing of government information online builds accountability by providing documentation to citizens to substantiate their complaints against corrupt practices.*

***Capacity Building:** Introducing e-government applications requires that telecommunication infrastructure is strengthened, human resources are developed in ICT literacy, and the culture of good governance promoted.*

What is e-Government?

The use of information and communication technologies (ICTs) has dramatically changed government services, business models, and people's expectations of the quality and efficiency of information sharing and service delivery.

e-Government refers to government's use of ICTs to work more effectively, share information and deliver better services to the public. e-Government is more about government – the process of reform and resulting benefits - than about the technology.

The resulting benefits can include: increased efficiency in governments' functions; greater trust between government and citizens from increased transparency; empowerment of citizens through access to information; and contributions to overall economic growth.

Governments in the Asia-Pacific region are serving a variety of objectives by adopting e-government. China is using websites to inform citizens and visitors. India is focused on delivering services electronically either by the government itself or through third parties.

What is Corruption?

UNDP defines corruption as the misuse of public power, office or authority for private benefit – through bribery, extortion, influence peddling, nepotism, fraud, speed money or embezzlement.

Corruption is principally a governance issue – a failure of institutions and a lack of capacity to manage society by means of a framework of social, judicial, political and economic checks and balances.

In the early 1990s, in the wake of globalization and increased pressures for improving "governing institutions," there is a global demand for accountable and transparent governance.

Strategies to reduce corruption include:

- **Prevention:** reform administrative procedures, accounting and procurement practices.
- **Enforcement:** institute proper record-keeping and put in place effective system of surveillance and enforcement.
- **Access to Information and Empowerment:** promote access to information and enable public and media oversight.
- **Capacity Building:** strengthen governance systems and processes, and provide training.

How can e-Government Curb Corruption?

When e-government applications are used to fight corruption, it is critical that four key anti-corruption strategies – prevention; enforcement; access to information and empowerment; and capacity building are integrated in the design and implementation process.

Efforts to **prevent** corruption can be complemented with e-government strategies that review and clarify procedures and practices, and design systems that simplify, standardize and de-personalize the delivery of services. Of course this needs to be complemented with civil service reform, as well as, societal education efforts in reducing tolerance to corruption and reinforcing fundamental values such as honesty.

e-Government can also help monitor corruption and hence better **enforce** laws and policies that ensure accountability and transparency by standardizing data collection methods, tracking actions and decisions, and

developing a feedback/complaint mechanism. This needs to be complemented with the development of institutions, laws and practices that protect "whistleblowers," impose powerful disincentives for corruption and punishes those involved in corruption.

There is an implicit hierarchy of objectives that e-government applications must meet to reduce corruption. Increasing **access to information**; presenting the information in a manner that leads to transparency of rules and their applications in specific decisions; and increasing accountability by building the ability to trace decisions/actions to individual government officials, represent the successive stages in the hierarchy. All these objectives in tandem can curb corruption. Media, as an alert watchdog, plays a significant role in providing information and generating widespread debate around significant issues of public concern.

Organizational and individual **capacities** need to be built with adequate telecommunications infrastructure, hardware and software to support e-government initiatives. Commitment and resources are required to train stakeholders from senior officials to clerical staff, as well as citizens, on specific applications, and increase computer literacy in general.

There is no specific sequence in which different kinds of reforms are introduced. Often they run a parallel course, depending on the state of the starting condition.

How to Integrate e-Government in Anti-Corruption Initiatives: Some Asia-Pacific Examples

There have been two general approaches used to integrate e-government in anti-corruption initiatives. First, e-government can become one of the key components of a broader anti-corruption strategy as is demonstrated by the OPEN system established in the Seoul Municipality in the Republic of Korea.

Second, service delivery improvement initiatives can be implemented in corrupt departments, specifically targeting transparency and reduced corruption as objectives. An example is the Bhoomi project in India.

OPEN Initiative, Republic of Korea

In 1998, Seoul's Mayor initiated an anti-corruption programme, the Online Procedures Enhancement for Civil Applications (OPEN) Initiative, which opened up governmental procedures to the public. This project is widely recognized as an effective example of political and managerial commitment to transparency and for its impact on corruption.

A review team analyzed the entire civil applications for permits and approvals, and identified 26 categories of civil applications that most frequently caused irregularities and inconvenience to citizens. A development team prioritized the details to be made public on a web portal. For each of the 26 categories, the OPEN web portal contains information on

application procedures and contact information of departmental persons-in-charge so that citizens can monitor applications and raise questions in the event any irregularities are detected. Examples of civil applications include: building permits and inspection; approval and sanction of entertainment establishments and song bars; and decision and change of urban development plans.

A total of 5,000 employees in 485 city departments dealing with applications were trained to operate the system, and add and change the data. Following training, usernames and passwords were assigned to allow each individual trainee to make entries at his or her department.

Results from a survey conducted by the Audit and Inspection Division of the city government one year after the launch of OPEN showed very positive results. The number of visitors to OPEN reached 648,000 (and this number increased to 1,257,000 on 1 January 2001). The number of civil application categories included in the OPEN web portal increased from 26 to 54. A total of 83 corrupt practices by civil servants were reported by the investigation organizations in 1998 (but not a single case has been filed since February 2000).

A major part of the OPEN Initiative was focused on the simplification of regulations and procedures, reengineering of work practices, transparency in procedures, effective communication with the citizens, and training, rather than the technology. The technology was used as a tool to achieve its goal. Two factors, in particular contributed to the success in implementation. First, there was strong leadership by the mayor and second, widespread citizen participation.

The Bhoomi Project, India

The *Bhoomi* (meaning "land") Project developed an online system that delivers land records to the farmers in Karnataka, India. Prior to the Bhoomi Project, an estimated 9,000 village accountants (each serving 3-4 villages) maintained the land records in Karnataka. These records were not open to the public and farmers had to bribe the accountants to obtain a copy of the Record of Rights, Tenancy and Crops (RTC), a record that is mandatory for various purposes such as bank loan application. Moreover, requests to alter records (upon sale or inheritance of a land parcel), which officially requires a maximum of 30 days, is at the discretion of the Revenue Inspector responsible for verifying the validity of the request, and could take one to two years to process.

The Bhoomi Project computerized 20 million land records by capturing legacy data records maintained by the village accountants. Now, a copy of the RTC can be obtained by anyone after providing the name of the owner or plot number and a fee of INR5.00 (USD 0.33) at computerized kiosks in the 180 sub-district offices. The clients can also see the transaction online through a second computer screen facing them.

When a change of ownership takes place through sale or inheritance, farmers can file an application at the kiosk. The requests can only be processed on a first-come-first-serve basis. Each request is assigned a number that can be used by the client to track the status of the application on a touch-screen in some kiosks or by asking the kiosk operators. The Revenue Inspector will approve the request within the prescribed period (30 days from the notice date), if the request is valid. Following verification, a notice is automatically generated by the computer system to the affected parties and the system updates the particular land record. Operators of the computerized system are made accountable for their decisions and actions through a login system.

The project involved organization of a series of workshop to plan the project, production of guidelines in using the online system and conduct of an extensive training programme that trained 9,000 village officials and 1,000 Revenue Inspectors. The participatory nature of the project has contributed to the success of the project. Independent evaluation of the project has indicated that bribes have decreased significantly.

What are the Challenges?

Integrating e-government in anti-corruption programmes: Using e-government to fight corruption is often incidental and not part of the design objectives.

Building political commitment: Even if anti-corruption and e-government strategies are in place this does not guarantee that corruption will be curbed. Commitment of decision makers (and adequate financial resources allocation) is key to the success of all government anti-corruption programmes, including those with an ICT component. Backed by political leadership and commitment, ICTs could lessen the traditional resistance for change. The cross-cutting and multi-stakeholder nature of e-government initiatives makes it more important that there is strong leadership and political commitment among different government ministries and agencies.

Providing legal support: e-Government can lead to transparency provided that the legal framework supports free access to information. Until a few years ago most countries still had strict national secrecy laws. These have been repealed in favour of Freedom of Information Laws in the U.S. and much of Europe, but only after decades of lawsuits. Secrecy laws are still in effect in many of the developing countries. While increasing citizen's access to information, governments must also address risks to privacy and security.

Selecting appropriate technologies: The cost of introducing ICT in government organizations is high. Selecting appropriate hardware and software is also a challenge due to the rapid advancement of new technologies. ICT specialists need to work closely with public officials to ensure that the design of the ICT system is coordinated with other reform processes. Capacity and resources need to be in place for systems maintenance, upgrades and troubleshooting. Securing the ICT system is important to prevent corruption by those who know how to manipulate the ICT system.

Ensuring interoperability: Overlapping roles and responsibilities among government departments and lack of cross-departmental cooperation in developing common hardware, software, data collection methods, and rules and procedures proves a challenge when designing a national e-government system. However, e-government can be used as an entry point to improve the system and ensure interoperability.

Promoting access and use: Increasing availability of information on the Internet is not sufficient. Providing universal access, promoting literacy, fostering people's participation in governance are some of the key challenges in any e-government applications.

Ensuring scrutiny and sanctions: Parliamentary scrutiny is often cursory or non-existent. Those responsible for missing or misused funds are rarely sanctioned except where the actions are politically motivated, and in those cases officials may be unfairly victimized.

Showing evidence: Much of the evidence linking e-government with reduction in corruption is anecdotal. Only in a couple of cases has e-government's impact on corruption been audited independently. Systematic surveys of citizens and other stakeholders can help establish the linkage more clearly and will also provide invaluable feedback on the parts of the system that need improvements.

Conclusion

The debate on e-government is no longer about whether it should be implemented. e-Government has been used as a strategic tool to modernize structures, processes and the overall culture of public administration. Many governments around the world are putting critical information online, automating once cumbersome processes and interacting electronically with their citizens. Indeed, reform-minded officials everywhere are using technology to improve their governments.

However, with the exception of the above and a few other examples, the potential of ICTs is not considered in many anti-corruption programmes. Similarly, reducing corruption is not part of many e-government initiatives.

Although, e-Government should not be seen as a panacea for the complex and well-entrenched problems of corruption, e-government is one of the many tools whose potential in tackling these problems needs to be recognized by decision makers.

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This *APDIP e-Note* is based on a paper written by Subhash Bhatnagar entitled, "*e-Government in the Asia-Pacific Region: An Assessment of Issues and Strategies.*" Read the full paper at http://www.apdip.net/resources/e-governance/paper.pdf

Additional Reading

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