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World Bank report shows some progress in Africa on corruption

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NEW YORK: Africa, often characterized as a place of epic corruption and misrule, emerged in a World Bank report released Tuesday as a continent of great variety, with some countries making extraordinary progress over the past decade, while others have moved backwards.

The most comprehensive data base on governance for more than 200 countries undermines the notion of "Afro-pessimism," the World Bank said, and also established that industrialized, wealthy nations also struggle with corruption and bad governance.

The ratings of the United States and Italy on corruption have significantly worsened since 1998, and Chile, a middle-income developing country, now performs as well on this measure as the United States, according to the report. In fact, a dozen emerging economies, including Chile, Botswana, Uruguay, Costa Rica, Latvia and Lithuania, scored higher on the rule of law and controlling corruption than some industrialized countries, like Italy and Greece.

In Africa, Tanzania, Liberia, Rwanda, Ghana and Sierra Leone all made extraordinary progress on corruption over the past decade while Zimbabwe, Ivory Coast and Eritrea retreated, the report said.

Beyond Africa, the report documents other countries that are either making hopeful progress or regressing on various measures. Those with significant gains include Indonesia, Ukraine, Columbia, Turkey and Afghanistan. The backsliders include Bangladesh, Poland, Kyrgyzstan, Moldova and Pakistan.

The report did, however, find that the gains and losses balanced out such that the average quality of governance worldwide over the past decade has not improved much.

"It begins to challenge these long-held popular notions - that the rich world has reached nirvana in governance," said Daniel Kaufmann, an author of the report who heads global programs at the World Bank Institute, the bank's knowledge-sharing and training arm.

After Paul Wolfowitz, then president of the World Bank, became mired in scandal this year over charges of favoritism, bank staff had to fight for the institution's own credibility in judging governance in the developing countries it serves.

Kaufmann said countries rightly asked the Bank: "What right do you have of rating the world when you first have to rate yourselves? It has to start at home."

The vast data base of information on governance, provided to the bank by 30 different organizations, is itself a measure of the bank's evolution on the centrality of the issue. It measured not only corruption and electoral democracy, but also respect for civil liberties, press freedom and human rights, as well as the openness of governmental operations.

Kaufmann became a leader of the Bank's efforts to document the devastating effect of bad governance on economic development and the well-being of poor people more than a decade ago with the support of James Wolfensohn, then the bank's president, who in 1996 famously condemned what he called the "cancer of corruption," then largely a forbidden subject at the bank.

The report, authored by Kaufmann, Aart Kraay and Massimo Mastruzzi of the World Bank, follows a decade of research culled from information provided by an ideologically diverse array of groups.

"This is the best data source on governance now," said Steve Radelet, a senior fellow at the Center for Global Development, a Washington research group. "Fifteen years ago, we didn't talk about this stuff."

The information fuels many debates on development, including whether prosperity leads to good governance or vice versa. Some of the governance indicators developed by the bank have been relied on by the Millennium Challenge, a U.S. agency that dispenses American aid to poor countries based on how well they are governed.