

PUBLIC POLICY ANALYSIS AND MANAGEMENT COURSE

Conducted by Dr. P. B. Anand

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The Trinidad and Tobago Transparency Institute

An introduction to the organisation and its work

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Introduction

The Trinidad and Tobago Transparency Institute (TTTI) welcomes the opportunity to share with this distinguished audience information on its organisation and its work. We are especially pleased to be sharing this information with those participants who are from other Caricom Countries where the work of TTTI's parent-organisation, Transparency International (TI), is perhaps less well known than it is in Trinidad and Tobago.

During this course, you have already been introduced to some of the tools developed by TI. You have discussed the Corruption Perceptions Index and the Global Corruption Barometer, among other things. You have also looked at TI's definition of corruption which is: *the abuse of entrusted power for private gain*¹. You know that TI exists and so it is only left to us to supply a few details about the organisation before talking more specifically about TTTI and its work.

TI is a civil society organisation based in Berlin, Germany, that leads a global coalition in the fight against corruption and has been at the forefront of the world's anti-corruption movement since its formation in 1993.

TI is a non-profit, independent, non-governmental organisation, dedicated to increasing accountability and curbing both international and national corruption. It works in a non-confrontational way with governments, the private sector, development agencies, NGOs and international organisations to seek a consensus on ways and means to combat corruption mainly through the promotion of good governance in both the public and private sectors.

¹ See, for example, TI's *Global Corruption Report 2006*, page xvii.

TI's vision is of a world in which government, politics, business, civil society and the daily lives of people are free of corruption. Its mission is to work to create change towards a world free of corruption.

TTTI

TTTI is the local national chapter of Transparency International. It was formed in 1998 after a few nationals expressed an interest in the work of TI and TI, in turn, nurtured that group into becoming a full-fledged chapter of the world-wide organisation.

TTTI's vision is the same as TI's i.e. a world in which government, politics, business, civil society and the daily lives of people are free of corruption. Our mission is to work towards a country and region that are free of corruption.

TTTI is part of a network of nearly 100 national chapters carrying out the TI mission around the world. It is the only active chapter in Caricom.

TTTI recognises that, with similar corruption-related problems throughout the region, there is need to spread TI's message and work to other parts of Caricom. Therefore, we adopted in our Strategic Framework 2007-2009 the mission, among others, to 'assist, wherever possible, in the establishment of TI Chapters in other parts of the English-speaking Caribbean'. We have begun to honour that commitment by entering into discussions with interested persons in Guyana and Barbados. We have also discussed with TI Berlin the interest shown in those two countries and TI is very supportive of the idea of spreading the TI message farther afield in the region. The awareness in Caricom of the need to join the fight against corruption is growing and TTTI has been receiving enquiries from persons in Belize, Bahamas, Jamaica, Antigua, St. Lucia, St. Vincent and Grenada. The small size of some of the members of Caricom makes the viability of a TI National Chapter problematic. Therefore, TTTI is in discussion now with TI about finding a formula within TI's rules that might permit say two or three neighbouring island to form a grouping recognized by TI.

TTTI is registered locally under the 1995 Company's Act and is regulated by its provisions. It is also regulated by chapter guidelines laid down by TI. It is an independent civil society organisation, non-

profit and non-political. TTTI is the only local civil society organisation that exists solely to fight corruption.

Membership

Membership of TTTI is usually by invitation but persons or companies can apply for membership without solicitation. Two categories of membership are available:

- Individual membership at an annual fee of TT\$200.00; currently we have 87 individual members.
- Corporate membership at an annual fee ranging from TT\$1,000.00 to TT\$5,000.00 depending on the size of the company; currently we have 24 members.

Though small in numbers, TTTI's membership is made up of some highly respected individuals and companies. The organisation is funded by income from membership fees and fees earned for consultancy services to the Public Sector mainly.

Management

TTTI is run by a Board of Directors elected annually by the membership. The current Board of Directors is made up of the following persons:

- Victor Hart, Chairman (Retired Chartered Quantity Surveyor and Project Manager)
- Brian Lewis, Vice-Chairman (Chartered Architect).
- Pastora Brown, Treasurer (Procurement Specialist).
- Boyd Reid, Secretary (Retired IT Manager).
- Diana Clyne, Director (Management Consultant).
- Margaret Rose, Director (Private Attorney at Law).
- Dr. Bishnu Ragoonath, Director (Senior Lecturer in Government, UWI).

Civil Society Organizations

TTTI is described as a civil society organisation. You have been told on this course, among many other things, that:

- 'Democracy is not just about politicians.
- 'Democracy applies to the three branches of government i.e. Executive, Legislature and Judiciary'.

Most importantly, however, you must not forget that democracy is about government of the people, by the people, for the people and therein lies the strength and power of civil society organisations in every country.

Civil society is comprised of the voluntary civic and social organisations and institutions that form the basis of a functioning society as compared to the force-backed formal structures of a state and commercial institutions. In the Caribbean, as compared to the more developed countries, we have tended to undervalue the power of civil society organisations in the governing of our countries. That is changing and organisations, such as TTTI, are beginning to make their voices heard and the politicians are hearing, even if all of them may not be listening, as yet. Therefore, it is important to view the work of TTTI in the context of the awakening voice of civil society organisations in T&T.

Challenges

The general challenge facing TTTI is that of operating in a country that has traditionally had and continues to have a very high level of corruption tolerance.

We are sure that, among the visiting participants, some of you would have heard stories and/or jokes about Trini ‘smartmen’ who try to outsmart others to make a fast buck. In T&T, many of us grew up hearing the exploits of some of the more famous (infamous?) Trini smartmen lauded in calypsoes, or reading about them in local literature. We have grown up hearing about major corruption scandals over the last fifty years and not seeing anyone being held to account. Over time, that situation has caused the people of this country to become accepting of corruption. They believe that nothing can or will change. That mindset leads some to believe that the voice of TTTI is a voice crying in the wilderness and no one is hearing let alone listening to that voice. They feel that we are wasting our time and that nothing will change.

Notwithstanding the pervasiveness of that attitude, we in TTTI do not subscribe to that point of view. We know that the country’s future, in general, and the future of our youth, in particular, will be imperilled if corruption is allowed to continue unchecked. We know that the battle against corruption has to be joined by all right-thinking persons and it is a battle that can be won.

The specific challenges facing TTTI are:

- identifying and carrying out, with limited resources, effective anti-corruption programmes;
- securing the human and financial resources needed to implement its strategies; and
- designing and building a governance structure that effectively supports its mission.

TTTI had set as its main objectives for years 2007 to 2009 the promotion of integrity and reduction of corruption in:

- Public contracting
- Politics
- Law enforcement
- The judicial system
- The private sector in general and, in particular, the financial sector
- The daily lives of citizens, particularly in their relations with public officials

Anti-Corruption Programmes

Considering the current limitations and capabilities of the organisation, as well as the potential for decreasing the former and increasing the latter, TTTI plans to carry out a number of anti-corruption programmes at different times during the period 2008 and 2009. In what follows we discuss some of the more significant ones.

Political Party Funding and Regulation

Before last year's general elections here in T&T, TTTI sought to have the main contesting parties declare their positions on party funding and regulation. The intention was to get the parties committed to reform, before the elections and, after the elections, seek to hold the winning party to any declarations made.

This initiative failed because only one of the three parties sat down to discuss the matter with us and, even that party had not fully thought out the issues involved.

We must now decide on the next steps. Given the strong interest that the subject generated before the elections, one option is to stage a public workshop on the subject to which all the parties and the public would be invited. We are currently in discussions with others, including a current and a former parliamentarian, on the way forward.

In addition, TTTI will join with other organisations in proposing the inclusion of provisions for party funding and regulation in the revised Constitution now being considered.

Public sector procurement

In T&T, public sector procurement has been the major source of grand corruption over many years. By building coalitions with all stakeholders, TTTI will:

- continue its efforts at getting the government to implement fully its Reform of the Public Sector Procurement Regime, especially by the introduction of new legislation;
- monitor the implementation process and the performance of the regulatory body that is eventually established under the new regime;
- assist the regulatory body in its work and particularly providing training to procurement agencies in the ethics of public procurement;
- advocate and monitor the adoption of TI's Integrity Pact² and the wider use of public consultation for major public projects.

TTTI's voice was one of many raised in a call for a Commission of Enquiry into the operations of a state enterprise that appeared not to be observing best practice in public procurement. An enquiry has been set up by government and starts its public hearings in January 2009. Its Terms of Reference have been broadened to include the entire local construction industry. TTTI has been invited to and will be participating in the enquiry.

Private Sector Corruption Prevention

² The Integrity Pact is "a tool developed during the 1990s by Transparency International (TI) to help governments, businesses and civil society, which are prepared to fight corruption to do so in the field of public contracting. It consists of a process that includes an agreement between a government or government department and all bidders for a public sector contract. It contains rights and obligations to the effect that neither side will pay, offer, demand or accept bribes, or collude with competitors to obtain the contract, or while carrying it out. Also, it is agreed that bidders will disclose all commissions and similar expenses paid by them to anybody in connection with the contract; and that sanctions will apply when violations occur. These sanctions range from loss or denial of contract, forfeiture of the bid or performance bond and liability for damages, to blacklisting for future contracts on the side of the bidders, and criminal or disciplinary action against employees of the government."
(www.transparency.org/global_priorities/public_contracting/glossary)

TTTI is very conscious of the fact that for every one who takes a bribe, there is a 'giver' of the bribe, usually from the private sector. We feel that the supply side of bribery has to be given equal importance and will:

- work with business and professional associations and firms to facilitate the adoption by local companies of TI's Business Principles for Countering Bribery; and
- develop approaches for tackling corruption in sport

In 2006, we partnered with the Trinidad and Tobago Chamber of Industry and Commerce in staging a seminar to introduce to local businessmen TI's Business Principles for Countering Briber, through a facilitator from USA. Now we have to continue our work to get the principles adopted by as many local companies as possible.

The need for this initiative is urgent and in the self-interest of business people because, if corruption occurs in a company, the risks are many, chief among them being:

- financial penalties;
- imprisonment;
- loss of reputation;
- loss of certain licences;
- less chance of selection for doing business; and
- debarment (both local and international).

If any one or more of those risks befall a company, it could mean loss of market share, severe contraction or even collapse of the company and the resultant loss of jobs.

In September of this year, we partnered with the Trinidad and Tobago Chamber of Industry and Commerce in staging a workshop to introduce members of the local construction industry to strategies for 'Preventing Corruption in Construction Projects,' through a facilitator from UK.

We are also facilitating the establishment of an anti-corruption coalition of companies and professional associations in the local construction industry. We are looking closely at the model provided by the UK's Anti-Corruption Forum for the Infrastructure Industry which, among other things, trains its members and

other stakeholders in corruption prevention and works with the Government of the day to promote integrity in the sector.

Public Education

During the period 2007 to 2009 TTTI has been and will continue to:

- seize the opportunities that arise to *educate the public on the forms corruption takes and on how individuals and groups can combat it*. TTTI will pay particular attention to the issues of executive accountability and appropriate constitutional reform; methods of communication with the public will include public statements, regular articles in the press, discussion forums and radio and television appearances;
- undertake public *education campaigns* that may entail media advertising, seminars and workshops for stakeholders, outreach programmes — including competitive events — for schools, dissemination of literature and the issuing of public statements;
- advocate the inclusion in *school and teacher training syllabuses* treatment of ethical questions of integrity and openness;
- promote the observance of *International Anti-Corruption Day (IACD)* as a major event in the national calendar; and
- disseminate information via *e-mail* and our website to a continually increasing number of recipients.

TTTI will introduce an annual Transparency Award for Investigative Journalism for print, radio and tv journalists.

International Conventions

TTTI will continue to:

- monitor the implementation by Trinidad and Tobago of the *Inter-American Convention Against Corruption (IACAC)* and of the *United Nations Convention Against Corruption (UNCAC)*. We will seek the support of the T&T government for TI's initiative to strengthen UNCAC to better provide for asset recovery mechanisms.
- respond to requests from the TI Secretariat for action at the national level to advocate TI's recommendations regarding the implementation of these treaties and the signing of other international treaties and conventions.

International Conferences

TTTI will continue to participate in international conferences sponsored by TI , and other agencies with the aim of strengthening contacts and promoting its aims and objectives. During the period 2006 to date, TTTI has been represented at international conferences in Guatemala (TI), Washington D.C. (OAS), England (TI), Indonesia (TI), Barbados (UNDP), Florida (OAS), Jamaica (CIDA) and Greece (TI).

TTTI has been very involved in the preparations for local civil society organisations participation in the Fifth Summit of the Americas and the Commonwealth Heads of Government Conferences to be held in T&T in April and November 2009, respectively.

Public Integrity

TTTI will continue to:

- promote the increased effectiveness of the *Integrity Commission* as an anti–corruption agency;
- advocate the introduction of *whistleblower protection* in the public service and address issues of *public sector management reform* such as:
 - the increasing use of contract workers and their dependence on a minister's pleasure for their job security;
 - the increasing use of Special Purpose State Enterprises to execute projects that hitherto would have been done by government ministries;
 - ministers exercising a micro–management role, particularly in relation to consultants;
 - the roles of permanent secretaries, boards of State owned enterprises and their relations with ministers;
- explore ways of supporting corruption prevention in the *Protective Services*; and
- execute its *ethics-training* programmes in Government departments and seek to extend this to State Enterprises.

Understanding bribery

On your course, much has been said about bribery in the context of governance and corruption. In order to tackle bribery in governance, one has to understand what bribery is and to recognize its different faces; therefore, we will examine that phenomenon briefly.

Appearance

A bribe may take many guises other than money. A bribe can be accepted or demanded directly or as part of a 'commission' in a contract. It can also be disguised as a gift, a favour or a donation. Bribes may also be accepted without your knowledge by an agent or third party working on behalf of a government agency.

Gifts, hospitality and expenses

A gift, the offer of lavish entertainment or payment of travel expenses, can all be used as bribes. That approach is more subtle than the passing of cash but it can be used with the deliberate intention of gaining a business advantage. On the other hand, gifts and entertainment offered in the normal course of business to promote good relations and to mark special occasions are not bribes. Therefore, it is important for everyone to know the difference.

In order to protect an organisation and its employees, management should agree on when gifts and entertainment may be accepted and what records need to be kept. Also, management and employees should agree rules on travel expenses for employees and customers such as travel to a facility to see a product or system.

Most of all make sure all within the organisation and partners in the supply chain know the rules.

Conflicts of interest

Conflicts of interest, in some cases, could have effects that are as bad as bribery. Indeed, conflicts of interest sometimes lead to the giving or taking of bribes. *A conflict of interest arises when a person in a decision-making position is influenced by personal considerations when doing his or her job.*

Conflicts of interest can warp judgment and lead to actions, such as nepotism, which are not honest and open. These can sometimes lead to a situation where individuals act against their better judgment and give or accept a benefit which may damage the organisation. The way to deal with this is to have rules on how to manage situations where a conflict might happen. Even without malpractice, conflicts of interest may be seen as corrupt activities. This can be as damaging as actual malpractice. In some countries, it is a criminal offense.

Facilitation payments

Facilitation payments are small payments demanded by public officials to speed up services such as connecting a telephone or getting a driver's permit etc. Such a payment would 'facilitate' a faster than normal result, even though one is entitled to the service, free of charge.

In T&T, facilitation payments are at the centre of petty corruption and most of us can cite many cases off the top of our heads. It is a problem often overlooked because it has come to be taken for granted.

However, petty corruption in an organisation or in society generally, has to be tackled head-on because it is often the forerunner of grand corruption. It also fuels the tolerance of corruption mindset in a society and creates fertile ground for the spread of grand corruption.

TI is on record in its opposition to facilitation payments and called upon national chapters to boldly voice the movement's opposition to such payments.

The foregoing examples of bribery cover some of the phenomenon. However, you must expect to encounter clever people who would find new ways to practise the old art of bribery. Therefore, you have to be alert to what's going on and be prepared for the unexpected. With corruption, generally, it pays to remember the adage: 'follow your instincts'. If you feel that something is wrong, investigate it because chances are you may be right.

Integrity

During your course, the word 'integrity' came up time and time again—in particular when you considered preventive measures that could be taken to curb corruption in governance. On reflection you would also recognize that underlying all the preventive measures discussed for fighting corruption, one quality was common and that was integrity. Therefore, let us touch on the subject of personal and institutional integrity before ending this presentation.

Integrity is sometimes described as:

a strongly held sense of commitment to openness, honesty, inclusiveness and high standards in one's personal and professional life.

As leaders in your organisations, you have to set the example, not only in the technical but also in the ethical aspects of your job. Your example will inculcate in those around you an ethical culture that will be the best antidote for corruption. Personal integrity will enable you to deal fairly and consistently with your colleagues and the public. It will guide you when decision making is difficult and underpin your confidence to take tough decisions, even if unpopular and in the face of opposition. You will stand up for what is right, even when it is difficult to do so and may have to be done at a personal cost. In effect, you will be a role model for others.

We know that it is likely that, before this course, some of you may have asked yourself the question: ‘Why all this fuss about integrity in the work place when what really matters is getting through the day’s work with the minimum of headaches?’ Or you may have asked the next question: ‘Is there really any difference between having and not having integrity in my job?’

Well, a wise man by the name of Alan K. Simpson answered both questions when he wrote: ‘If you have integrity nothing else matters. If you don’t have integrity, nothing else matters’.³

Another wise man, Robert Moment, speaking of integrity in business, put it this way: ‘If I were to ask you what attribute is most influential in regard to the success of a business, would you know immediately which one is the most important? Based on my many years as a business owner and entrepreneur,’ he said, ‘I have discovered that at the very top of the list is the distinguishing quality of integrity. Without integrity at the helm of a company, a business is usually short-lived. In fact, when business integrity is present throughout the deepest layers of a company and not just on the surface, it becomes the heart and soul of the company’s culture and can mean the difference between a company that succeeds and a company that falters’.

That notion of integrity in business applies equally to the public service where one can view a ministry or department in the same light as a company. It is equally important to inculcate an ethical culture and have integrity run through the entire fabric of a public department as it is in the case of a private company. In fact, an ethical culture is even more important in public departments since what is at stake is the public interest.

³ Alan K. Simpson is a US Senator.

Robert Moment also advised that ‘integrity is not something that can be grasped and then simply used. Integrity in its essence must be so engrained within the nature of an individual, his company and its team members that it remains steadfast no matter what. Without question, others sense it and find it very attractive. At its core, integrity begins with the company leader who understands the qualities of integrity which then filters down throughout the company into every department and every member’s approach and attitude.’⁴

Developing an ethical culture

Given the fact that you are on this course because you are earmarked for more senior positions in your organisations, it is important for you to recognize that the practice of personal integrity leads to the development of an ethical culture in your department and, by extension, the entire organisation and it is a prerequisite to successfully implementing any corruption prevention programme. This is so because no one will take seriously any announced plans to tackle corruption in an organisation that is led by persons who are known, or perceived, to not practice integrity.

After introducing it, how do you nurture an ethical culture in an organisation, you may be wondering? After all, employees are adults, not children. You cannot train them in moral behaviour in the way that you would your own children. But you can encourage open discussion of ethical issues that arise in the workplace and in the course of doing business. You can involve all your employees, in various ways, in developing a code of conduct that most people can agree on and accept. You can develop ways of encouraging compliance that are respectful of people’s rights.

These are some of the things that can be done in a department or organisation to develop an ethical culture: an environment of shared values in which any one employee finds it hard to indulge in behaviour that most fellow- employees have agreed is unacceptable.

The answer lies in recognizing the problem and introducing measures, such as ethics training of staff, if the national and international trend of lowering of standards is to be reversed.

⁴ Robert Moment is an American business strategist and author.

Conclusion

We hope that, if you had any doubt about it, this course has established beyond a shadow of doubt, the clear link between governance, corruption and ethical behaviour. Poor governance creates myriad opportunities for corruption. Good governance does the opposite. A culture of integrity is the antidote for corruption.

We hope that all participants will safely keep the TTTI contact information that we have given you today and we would welcome your keeping in touch. If any of you cares to leave with us an e-mail address or, alternatively, e-mail our office, we shall place your name on our mailing list and, from time to time, send you information that you should find useful.

Fighting corruption can be a lonely pursuit, at times. In T&T, we find that there are not enough ‘labourers in the vineyard’ and we would welcome help from those locals among you who share our belief that the battle against corruption must be joined and can be won.

To the non-Trini participants, we would like to say that we suspect that your problems at home are not very different from those we are faced with in T&T. We have this vision of TTTI, as the only TI National Chapter in Caricom, being the catalyst that will spread the anti-corruption gospel throughout the region. Therefore, we are committed to helping you address the issues in your respective countries, if you ever need our help. If ever you see the need to establish a TI National Chapter in your country, we would be happy to guide you through the process.

Finally, our thanks to Dr. Anand for inviting us to talk with you and to you for your active participation.
(End)