

# U4 Expert Answer



## Corruption trends in the Middle East and North Africa Region (2007-2011)

### Query

*What do anti-corruption indexes and experts say about the levels and types of corruption in MENA countries over the last five years? What are the main areas and sources of corruption? Are there specific themes and issues that are common to a number of countries? What record do governments have in tackling corruption? Are there any examples of successful anti-corruption reforms in countries in the MENA region over the past five years? We are especially interested in country based issues - rather than regional – for Egypt, Morocco, Jordan, Tunisia and Libya.*

### Purpose

This Expert Answer is to assist with developing a new anti-corruption strategy in the MENA region. In particular, the donor is interested in approaches it can take to reduce corruption in Egypt, Morocco, Jordan, Tunisia and Libya. The aim is to pursue effective anti-corruption strategies in order to contribute to peace and stability in the region.

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### Summary

Revolutions sweeping across the Middle East and North Africa (MENA) region during 2011 have shone light on widespread corruption, particularly political corruption in the form of stolen assets by seemingly all the deposed leaders. There also has been widespread evidence of prolific patronage, nepotism, and collusion between the public and private sectors that has contributed to the heightened levels of civil unrest and public protests.

The key anti-corruption indexes — namely Transparency International's *Corruption Perceptions Index*, the Bertelsmann Foundation's *Transformation Index*, Global Integrity's *Report*, Freedom House's *Freedom in the World Survey*, and the World Bank's *Worldwide Governance Indicators* — show corruption levels to be very high in many countries across the region compared to global averages. For purposes of this query, the MENA countries of focus are Egypt, Jordan, Libya, Morocco and Tunisia

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Each of these countries has specific characteristics (political, social and economic) that create particular challenges for overcoming corruption. Egypt, Libya and Tunisia in particular have all experienced regime changes following civil uprisings over the last 12 months. These changes show promising opportunities for political reform and the restructuring of legal and institutional frameworks to enhance public integrity. While asset recovery and the use of recovered money is likely to be important issues for these countries in the transition period, they shouldn't overshadow the need to address systemic accountability issues in an holistic manner. In contrast, the royal kingdoms of Jordan and Morocco have taken note of pro-democracy protests but have opted to implement limited reforms. Even in these countries, it is not yet evident whether this will be sufficient in the long term to still people's thirst for democracy.

Still, common themes exist among the five countries regarding the challenges to combat corruption. Apparent in all countries is that any effective anti-corruption strategy must take a holistic approach. There should be a focus both on strengthening and establishing specific anti-corruption laws and institutions, promoting civil society participation in anti-corruption as well as taking additional measures to ensure integrity. These areas include whistleblower protections, freedom of the press and access to public information.

## 1 Corruption trends (2007 – 2011)

### Recent developments in the region

The year 2011 has seen tremendous upheavals for people across the five MENA countries profiled in this research brief: Egypt, Jordan, Libya, Morocco and Tunisia. These extraordinary events have given a stronger voice to civil society, carrying with it a greater demand for government accountability.

Fuelled by the demand for an end to corruption, the Arab Spring swept across Tunisia, Egypt and Libya, overthrowing former leaders and exposing phenomenal levels of stolen assets. As the year closes, the future seems inconclusive (Black 2011). Interim governments, continuing conflict, prevailing nepotistic networks and uncertain political futures characterise the countries across the region to differing extents.

Given this state of affairs, the effects of the events of 2011 on the scope and nature of corruption in these five MENA countries are unclear. More time is needed for new political landscapes to be drawn before reliable analysis on corruption issues following the Arab Spring can be made. However, as corruption is so deeply entrenched in the region, it is unlikely that change in leadership only can bring about change if it is not accompanied by longer term systemic reforms that address the root causes of corruption.

What can be assessed, however are the data, indices and expert studies that provide an overview of the corruption situation and governance failures which exacerbated tension prior to the uprisings. An understanding of this also provides indication for the scope and nature of corruption challenges faced by any of the future governments in the region, as well as regional and global actors seeking to address the related problems in pursuit of peace, democracy and stability.

### Regional patterns of corruption

There are several common challenges posed by corruption that apply to a number of the countries. These include environmental factors such as chronic insecurity, as well as institutional factors like lack of access to information, weak legal frameworks, or inadequate enforcement mechanisms. Specific forms of corruption are also prolific throughout the five countries including political corruption, collusion between the public and private sector, as well as widespread nepotism.

In spite of these commonalities, economic, cultural and socio-political differences exist within and between the five countries which makes it problematic to provide a homogenous overview of corruption in the region.

### Context Factors

#### *Insecurity challenges*

Persistent insecurity challenges, both internal and external, have provided a fertile breeding ground for corruption. This instability has fostered a constant threat of war in many countries, allowing some leaders to use this context to concentrate power in the hands of the executive, leading to greater repression and lack of accountability (Transparency International 2009).

Internal insecurity, promoted by civil unrest, also appears to be inextricably linked to corruption. The

Economist's index of unrest in the Arab world (2011) shows countries such as Libya and Egypt to rank high both in terms of levels of unrest and public sector corruption (as measured by Transparency International's Corruption Perceptions Index)

### Oil wealth

Patterns of corruption may differ across the region between countries endowed with considerable mineral wealth such as Libya and others. A report by Revenue Watch (2011) on oil and stability in the MENA region notes that oil revenues have '*encouraged patronage, fuelled corruption and undermined state institutions*. Specifically, a prevailing consensus exists that oil wealth promotes authoritarianism, with governments centralising power to maintain control of the revenues. Considerable literature has promoted the perspective that oil wealth in rentier MENA region countries often correlates with lack of freedom, polarised inequality and lower levels of domestic accountability as they rely on government revenues paid externally (such the royalties paid by multinational companies) rather than domestically (such as through tax collection) (see Dunning; and Di John 2007 and Schwarz 2008).

While this does not hold true in all locations<sup>1</sup>, this theory seems to apply to the Libyan case. The United States Institute of Peace, for example, underlines that prior to Libya's recent revolution the rentier government was responsible for mass unemployment and widespread poverty. It argues that the country's oil wealth was concentrated amongst the elite through a system of patronage; hence, the majority of people without any access to oil rents were hardly able to benefit from the country's wealth (Gilpin 2011).

### Institutional Factors

According to the World Bank Governance Indicators, until recently, MENA countries tended to perform above average in terms of political stability and rule of law – which reflects the characteristics of autocratic or monarchical regimes- and relatively well in terms of quality of administration. But the region generally performs lower than non MENA states in terms of transparency, voice and accountability and control of corruption (Chêne, 2008). Furthermore, MENA states also generally tend to perform lower than countries with similar incomes and characteristics, in terms of overall

<sup>1</sup> For example, some Arab Gulf states like Kuwait seem to do a better job at sharing oil revenues amongst the population

quality of governance which is referred to by the World Bank as the "governance gap" (World Bank, 2003).

### Political and institutional infrastructure

This governance gap is often attributed to the political infrastructure of the state (mainly military dictatorships, autocratic regimes and monarchies), the institutional infrastructure of the public sector (very large public sector, overstaffed with relatively low salaries) and little opportunities for public participation (Chêne, 2008 and World Bank, 2003). More specifically, the region is characterised by:

- Strong executives controlling the judicial and legislative branches;
- Relatively weak formal systems of checks and balances, internal and external accountability mechanisms;
- Lack of truly independent institutions to hold public officials accountable
- Lack of fair and competitive electoral processes;
- Government structures infiltrated by ruling elites and informal patronage;
- Low level of civil liberties, political rights and independence of the media;
- Limited public transparency and disclosure of public information.

Freedom House's data, which looks at various aspects of a country's legal and institutional frameworks, shows the five MENA countries of interest to score very poorly in comparison to other parts of the world. On the 2011 Freedom of the World Index, for example, all five countries scored in the bottom quartile for their governments' levels of functioning.<sup>2</sup> Its studies over the last five years (2007-2011) show the overall governance situation in a number of countries including Egypt, Jordan and Morocco to be worsening.

### Limited freedom of the press and space for civil society

All five countries are characterised by a lack of press freedom, as reflected in the Press Freedom Index

<sup>2</sup> This indicator looks at whether elected head of government and national legislative representatives determine the policies of government, if the government is free from pervasive corruption and if the government is accountable to the elector between elections and if it operates with openness and transparency.

produced by Reporters Without Borders (2010). They fall within the lowest one-third of the 178 countries ranked. Tunisia and Libya can be found near the bottom, ranking among the 15 countries with the lowest levels of press freedom. The index, compiled since 2002, also shows press freedom to have deteriorated in recent years. In several countries including Libya, Egypt and Tunisia, independent media outlets have been closed down, whilst journalists and bloggers have been subjected to attacks, police harassment, and imprisonment, especially around the time of elections (see Freedom House 2010; Global Integrity 2010; Transparency International 2010).

In many countries of the region, governments leave little manoeuvring space for civil society and impose major constraints on their anti-corruption programmes and activities. Reflecting this trend, civil society activities have been constrained in the five countries of focus. Legal restrictions, insecure political contexts, lack of organisation and cross-sector coordination, and limited funding have resulted in little public debate and few opportunities for civil society to influence public policies. The lack of press freedom and restricted access to information have also contributed to the lack of civil society space in recent years (Transparency International 2009). Some governments such as that of Morocco, however, have made efforts to partner with civil society organisations to develop policies. Still, civil society's role in policy making is considered to be superficial rather than substantive (Business Anti-corruption Portal 2011 – Morocco).

The Arab Spring has the potential to mark a change in how much space civil society is granted. The uprisings have tried to carve out considerable civil society space. However, after the initial euphoria, some governments have resorted to their former “strong” arm tactics. In Egypt for example, the emergency law has been tightened further, turning some basic actions into criminal offences.

## Common manifestations of corruption

### *Political corruption*

Political corruption has been considered ‘rampant’ throughout the MENA region for many years (Leenders and Sfakianakis 2002). Particular forms of government that are common in the region — including military dictatorships, autocratic regimes and monarchies — have given public sector corruption much opportunity to

develop in part due to the general lack of broad political participation. Transparency International's Corruption Perceptions Index consistently ranks these five MENA countries below the global median in terms of levels of public sector corruption.

The Arab Spring has illuminated the widespread grand corruption of public officials in the top tiers of political influence in multiple countries across the region. Namely, the alleged stealing of tens of billions of US dollars worth of state funds by the ex-leaders of Egypt, Tunisia and Libya in particular has been well documented (see Raghavan 2011; Chrisafis 2011; and, Saigol 2011). Although the public in these countries were aware that funds were being misappropriated, the scale of theft took everyone by surprise.

With regards to Tunisia, for example, Switzerland has already frozen more than \$68 million in Swiss banks and the new government has hired Enrico Monfrini to track assets of Mr Ali (Ball, D. and Brian Low, C., 2011) and Eurojust is already coordinating the search for assets of Mr Ali and Mr Mubarak since 16 December 2011. However, while asset recovery and how the money recovered will be used in these countries is likely to be at the centre of the international debate in the transition period, these issues shouldn't overshadow the need to address accountability issues through longer term systemic and holistic reforms and ensure that adequate legal and institutional frameworks are in place to effectively address the underlying causes of corruption.

### *Cronyism and Nepotism*

Nepotism is widespread in the five countries featured in the brief. Transparency International's National Integrity System Assessments (2010) have found that nepotism is so rife in countries such as Egypt and Morocco that it is widely accepted as a ‘fact of life’. The United Nations Office on Drugs and Crime (UNODC) has highlighted that nepotism in the region contributes to the abuse of public office, whereby powerful individuals are appointed through their networks rather than through democratic election (see Al Kayed 2011). This reality has undermined accountability to broader society and has compromised the credibility and effectiveness of public institutions. In a 2010 human rights report on Jordan for example, the US State Department claimed that the judiciary's decisions and actions were influenced by members of the executive. The report noted that this situation has resulted in members of the political opposition being allegedly sentenced and held in arbitrary detention.

The collusion of public and private interests is also an additional theme running through several MENA states. Often the extensive nepotistic networks drive this blurring of boundaries and lead to undue influence and benefits being granted to certain private individuals or companies. A key result is the heightened centralised concentration of power and lessened accountability of the government to its people.

One manifestation of this collusion problem has been the revolving door phenomenon, which has been noted between influential members of the political and business elites, Transparency International's 2010 National Integrity System Assessment of Egypt for instance, documents the increasing emergence of business people who simultaneously hold high-level public offices in the country.

Other evidence of the collusion between the public and private sectors is the widely-practiced granting of procurement contracts to ex-public officials, relatives of public officials or a limited number of private companies. Such actions have prevented the open and fair access of related contracts to all private companies.

## Anti-corruption efforts

In recent years, several anti-corruption reform efforts have been undertaken by the five governments. These have mainly been directed at legal and institutional reforms. However, they have resulted in varying levels of success in part due to mixed degrees of political will, inadequate infrastructure and weak enforcement mechanisms. Indeed, many Arab countries have good legislation which was never implemented. In Egypt for example, an Illicit Enrichment Law dates from the 1970s but was obviously not enforced.

### *Legal framework*

Egypt, Libya, Morocco, Jordan and Tunisia have all ratified the most comprehensive international convention relating to corruption: the United Nations Convention against Corruption (2000). This Convention requires states parties to take measures to prevent corruption, establish criminal offences to cover a wide range of acts of corruption under domestic law, and investigate and prosecute offenders. Following this, many governments, including those of Morocco and Tunisia have drafted important pieces of national anti-corruption legislation.

Whilst the efforts made deserve acknowledgement and support, Transparency International's National Integrity

System Assessments on countries in the MENA region (2010) have uncovered some significant shortfalls in anti-corruption legal reforms. Most notably, even where laws look promising, they are often unaccompanied by the necessary enforcement mechanisms. This is illustrated by Global Integrity's data from 2007 – 2010 which shows that even where legal frameworks are relatively strong (in countries such as Tunisia and Egypt) there are burgeoning implementation gaps due to ineffective enforcement mechanisms. According to Global Integrity, where implementation gaps are high, written law is largely ignored, and reform depends more on political will than the creation of new laws.

### *Institutional framework*

Governments across the MENA region have taken further steps with their anti-corruption programmes, establishing specific oversight institutions such as anti-corruption agencies and electoral commissions (Transparency International 2010). Contrary to this, some recent measures have been met with outrage since they frustrate anti-corruption efforts. In Jordan for instance, a bill was passed in September 2011 which makes it publicly illegal to accuse others of corruption (Wall Street Journal 2011).

The existence of legal and institutional frameworks to fight corruption, yet the high prevalence of corruption in societies, indicates that greater political will is needed. Studies from the UNDP and USAID indicate that political will can be mobilised in part through strengthening democracy, creating checks and balances, and demanding accountability of the government. On this theme, the engagement of all political actors including independent watchdogs and civil society organisations is crucial in order to account and ensure institutional and societal reforms to mitigate corruption are given the resources they need to be sustained (see Kpundeh/UNDP; USAID; and, World Bank 1994).

## 2 Country specific themes, issues, and anti-corruption reforms

### **Egypt**

The country's political situation is still consolidating, which will determine the future government's response to corruption. Currently, the military guard are still in charge although they have promised to hand over the

government to an elected president by the middle of 2012.

The first round of elections did finally get underway in November, following a spate of violent clashes in Tahrir Square (see *The Guardian* 2011, Nov 23; and *The Huffington Post* 2011).

### *Corruption: extent and trends (2007 – 2011)*

The main anti-corruption indexes and experts indicate widespread corruption in Egypt, with almost no improvement over the last five years. Transparency International's *Corruption Perceptions Index* for instance, has continuously ranked Egypt poorly in relation to other countries in the region, pointing to high levels of public sector corruption. Global Integrity's scores for this period have recorded a slight improvement of the country's anti-corruption legal framework, but a gradual deterioration of its actual implementation between 2007 and 2010. As a result, Egypt presents a higher implementation gap than Jordan and Morocco, for example.

This situation has been the result of an excessive concentration of presidential powers. Findings show that the executive branch had co-opted the police, which were subjected to political interference under Mubarak and used as an instrument to suppress political opponents and ordinary citizens. The executive also has had influence over the judiciary in political cases, contravening the constitution which guarantees judicial independence (Business Anti-corruption Portal country report on Egypt 2011). Nevertheless, the decline in judicial independence during Mubarak's last years in office was not as abrupt as the deterioration in other areas, such as government accountability, civil liberties as well as corruption (Freedom House, 2011).

### *Forms of corruption*

Experts agree that corruption in Egypt is pervasive and has taken many forms, ranging from bribery and facilitation payments in order to get things done in different sectors (e.g. police, customs, education), to kickbacks paid by companies to public officials in order to receive government tenders, trading in influence, embezzlement of public funds, money laundering as well as political corruption and widespread nepotism (Global Integrity Report; Transparency International, Freedom House, 2011).

Citizens' assessment of the extent of corruption within the public sector varies. While almost 20 percent

believe that corruption exists in government agencies and public enterprises in general, some pointed to specific government agencies, the highest being the ones in the health care sector (14%), police (13%) and educational institutions (12%) (CIPE & Ahram Center for Political and Strategic Studies, 2009).

### **Bribery**

While there are legal regulations governing bribery (including facilitation payments) offered to civil servants, they are not effective in practice. Illegal acts by civil servants such as accepting gifts, hospitality and facilitation payments in return to speeding up the process of carrying out governmental action have become common practice in the Egyptian public administration.

The Egyptian Ministry of State for Administrative Development has specified several areas where corruption and bribery are commonly found, such as in public services (e.g. police, education), customs and taxes, public utilities, and procurement (Business anti-corruption Portal - Egypt, no date).

In this context, according to the Egypt SME Survey Report, 47% of business owners who took part in the survey reported paying bribes to receive government tenders, 42% of the small and medium size enterprises taken part of the survey reported having paid bribes to obtain licences in the establishment process, while 29% have paid bribes to government officials in different circumstances during the operation of the company (CIPE & Ahram Center for Political and Strategic Studies, 2009).

### **Political corruption**

The Arab Spring has illuminated that political corruption in Egypt was rife under Mubarak. The most discussed issue has been the phenomenal amount of money that the ex-leader and his cronies allegedly siphoned off from public funds. The highest estimate for the stolen assets, as reported by Reuters and *The Week* (2011) exceeds US \$70 billion.

Nevertheless, when discussing political corruption in Egypt, related issues such as abuses of public funds and financial resources in election campaigns in the forms of vote buying and abuse of the state machinery cannot be left out. According to a Transparency International study, the legislative elections of 2005 and 2007 and the local elections in 2008 were marked by widespread buying of votes. For instance, a bribe for one vote in the 2005 People's Assembly elections was

believed to range between EGP 500- 1,000 (USD 90-180). Moreover, public facilities such as public transportation have been utilised by the ruling party in presidential, legislative and local elections. Public properties, mosques, and churches were also utilised during election campaigns by both ruling and opposition candidates (Transparency International, 2009).

In addition, as previously mentioned, the close ties between powerful businessmen and the government combined with the lack of regulations on revolving door and conflict of interest have all contributed to creating room for corruption.

### **Nepotism**

Transparency International's National Integrity System Assessment (2009) reports the existence of widespread nepotism, bribery and patronage. For instance, the report shows that the selection process of public officials is constrained to a large extent by unclear rules, and the children of public sector employees are prioritised when it comes to employment in the sector, regardless of their qualifications. Supporting this, Global Integrity's report on Egypt (2010), claims that favouritism and informal relationships commonly affect the implementation of judicial decisions.

## **Anti-corruption efforts**

### *Legal framework*

Egypt was among the first countries to sign UNCAC (2003) and ratify it (2005). Under Mubarak, the country had been cooperating with concerned international organisations to fulfil its obligation to the Convention. Still, there was an implementation gap evidenced between legal reforms that were undertaken and the institutional practices that actually occurred (Transparency International 2010). Global Integrity's data (2010) supports this finding, indicating a 'very large' and growing disparity between the country's de facto laws and their implementation (2007-2010).

While Egypt does have many of the necessary laws on the books to fight corruption, there are still some regulations that could undermine these efforts. Legal mechanisms to provide public access to information are non-existent and some laws even forbid it. For example, laws 135/1950 and 121/1975 prohibit the publication and use of government information and records (Global Integrity 2011; TI 2010).

### *Institutional framework*

Egypt has established a number of bodies to improve the integrity of public institutions including the Presidential Election Commission (2005) and the Transparency and Integrity Committee (2007). The election commission, for example, is designed to monitor election campaigns, political financing and media access. It is also tasked with taking action if rules are violated.

However, the effectiveness of these institutions is inconclusive. The long-running Central Auditing Organisation (CAO), which is charged with auditing these public institutions, has been criticised for being ineffective. It has no follow up mechanisms for exposed corruption cases and has been allegedly curtailed by political interference (Transparency International 2010).

In addition to weak institutions, several further challenges to institutional reform efforts exist within Egypt. The World Bank's Worldwide Governance Indicators indicate extremely low levels of accountability and a lack of political stability, the latter of which showed a deterioration over the last five years prior to the overthrow of Mubarak. These problems have been further detailed by Transparency International (2010), which has noted the general lack of public watchdog agencies and absence of whistleblowing mechanisms which could increase the government's accountability.

## **Libya**

Due to the closed nature of the previous Muammar Gaddafi's regime, data sources on corruption in Libya are, compared to the four other countries, relatively scarce. The political future has yet to be etched out in Libya following the country's mass civil society uprising and civil conflict. The NATO-led intervention and subsequent death of ex-leader Muammar Gaddafi in Sirte in October 2011, may have brought to a close his 42-year rule, but it has not clearly secured what the government that is to follow will look like, that is to follow (Black 2011).

### *Corruption: extent and trends (2007 – 2011)*

The main anti-corruption indices show Libya to consistently score the worst out of all five countries focused on in this paper and among the lowest scorers globally.

Transparency International's *Corruption Perceptions Index* shows a critically high level of perceived public sector corruption in Libya over the past five years.

The *Bertelsmann Transformation Index* notes no significant positive change in political or economic transformation in Libya between 2008 and 2010. The foundation also repeatedly ranks Libya in the bottom quintile of all countries on its management index, which indicates a difficult political environment as well as a country's poor governance performance.

The World Bank's *Worldwide Governance Indicators* most strikingly illuminate the perceived almost non-existence of voice and accountability. This indicator looks at the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media.

In addition, as the most corrupt people in Libya are perceived to be the members of the revolutionary committees<sup>3</sup>, corruption is tolerated to a certain extent (Bertelsmann Foundation, 2010). Therefore, while some anti-corruption mechanisms were adopted during the past years (*see Anti-Corruption efforts*), they were never enforced. In this context, government authorities exercise undue influence on judges, shaping rulings in their favour and avoiding enforcement of decisions to their detriment. The judiciary lacks standards and procedures for fair and equitable trials and is, thus, perceived as corrupt by the population (Freedom House, 2011).

### *Forms of corruption*

Corruption in Libya is believed to be widespread within the public administration, involving low ranking civil servants as well as major officials. According to a survey conducted by the *Organisation for Transparency*

*in Libya* (2007)<sup>4</sup>, citizens believe that the forms of corruption have remarkably increased over the year 2006. In this context, respondents reported the various forms of corruption to be present across the country, including direct and indirect stealing and embezzlement of public money; nepotism and favouritism in employment, nepotism in performing personal favours for relatives and friends, the use of public resources for personal interest, laying hold of certain amounts of money as commission for trade contracts or purchases; asking for, and giving, bribes in return for certain favour; and money Laundering as a mean to evade the law.

Although this data refers to the year of 2006, there is no indication that the main manifestations of corruption have improved or changed in the past five years, as the examples below demonstrate.

As the lifeblood of Libya's economy, oil wealth has contributed to the development of specific corruption patterns in Lybia. A report produced by Gaddafi's government to show it was serious about improving transparency catalogues allegations of shoddy dealings, including tardy financial reporting, false dates on contracts, multiple bank accounts, undervalued assets and oil or money gone missing. (Reuters, 2011). Although the report claims could not all be verified, the report highlights some of the key challenges Libya's new government now need to address.

### **Bribery**

Bribery and grease payments have become a common practice in transactions of citizens with the public administration and in bureaucratic transactions between public and private sector institutions, particularly with regards to tax and custom exemptions, business or construction contracts, and licenses. In addition to paying a bribe to the low ranking official, every transaction or bureaucratic procedure requires a bribe for the top official of that public institution/agency, and sometimes for a whole team of public servants (Organisation for Transparency in Libya, 2007).

### **Political corruption**

Similar to Egypt's ex-leader, Libya's former leader, Gaddafi has been at the centre of criticism regarding the accumulation of high levels of public wealth for

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<sup>3</sup> Revolutionary committees are part of the "revolutionary sector" that comprised ex-leader al-Qadhafi, the Revolutionary Committees, and the remaining members of the 12-person Revolutionary Command Council. This revolutionary leadership that was not elected and couldn't be voted out of office dictated the decision-making power of the second sector, the "Jamahiriya Sector", making up the legislative branch of government Bertelsman Foundation, 2010).

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<sup>4</sup> The Helpdesk has found little information on the "organisation for Transparency in Libya" and can not assess the quality of the research and findings.



private gain, leading Libya to be commonly referred to as a 'kleptocracy' (Lichtblau, Rohde and Risen 2011). Under particular scrutiny is the Libyan Investment Authority (LIA). Set up as a sovereign wealth fund by Gaddafi and his son Seif-al-Islam in 2006, a leaked US diplomatic cable reported that the LIA's foreign assets totalled US \$65 billion in 2010 (see Wyatt 2011). Given the closed nature of the Gaddafi government, little information has been disclosed about how this money was being used to truly manage the country's oil revenues for the benefit of its people.

According to the World Bank's Governance Indicators since 2008 there has been a worsening of political corruption in the country, relating to a perceived increase in the exercise of public power for private gain, as well as an increase in state capture by elites and private interests of the government.

### ***Nepotism and cronyism***

There is much anecdotal evidence of how the Gaddafi regime used the government to benefit family members, making the country rife with political patronage (Lichtblau, Rohde and Risen 2011). For example, a classified US State Department cable from 2009 affirmed that the Gaddafi family and close allies had a 'direct stake in anything worth buying, selling or owning' (New York Times 2011). A further leaked cable from 2008 reported that Gaddafi's sons used the state oil company as a 'personal bank', with one of them, Mutassim, demanding US \$1.2 billion in cash or oil directly to fund his work as national security chief (The Telegraph 2011).

In this context, political decision-making, which was mostly opaque and a result of personal exchange, was restricted to a small circle around Gaddafi. Inclusion in this circle required absolute loyalty to Gaddafi, and it was usually based on blood, allegiance and long-term relationships (Freedom House, 2011).

## **Anti-corruption efforts in Libya**

### ***Legal framework***

While Libya is a party to the UNCAC (signed in 2003, ratified in 2005), its ratification has not translated into substantial anti-corruption actions or policies. Data on the quality and effectiveness of Libya's legal framework is generally lacking although some conclusions can be drawn based on existing survey results. Over the last five years, for example, political rights and civil liberties in Libya have been virtually not existent, according to

the Freedom House's Freedom in the World report (see Freedom House 2011 – Libya).

### ***Institutional framework***

The country is seen to be in need of significant institutional reforms that produce substantive and real changes in the fight against corruption. Until now, existing institutions have been seen only as good governance window dressings at the best.

Revenue Watch's report on Libya (2011) underlines that Gaddafi's government did establish entities to support financial transparency and limit corruption, including the Supreme Audit Institution and the Board of the General People's Control. Moreover, the late leader announced in 2006 that public officials must declare assets to transparency committees created for this purpose. Still Gaddafi's patronage system remained strong throughout, and the application of these measures appeared arbitrary (Revenue Watch 2011 – Libya).

In a post-Gaddafi era, any approach to carry out meaningful institutional reforms should be holistic, taking into account the multifarious factors which have contributed to a highly corrupt system. Global Integrity warns that whilst the creation of an anti-corruption commission is appealing, it should be well funded and carefully monitored to ensure that its creation leads to substantial outcomes (Global Integrity 2011, Aug 25).

## **Tunisia**

Tunisia is the birthplace of the Arab Spring. It inherited a rather effective civil service from the French and has a GDP per capita, adult literacy rates as well as poverty levels similar to Jordan, Syria and Libya which are comparatively high for the region. Tunisia is home to various foreign-owned export businesses and depends comparatively little on natural resources. Its population is highly homogeneous and urbanized with high home ownership rates and low inequality and women's rights are comparatively advanced. At the same time, Tunisia struggles with high unemployment among young people including college graduates. The peaceful elections of November 2011 also stand as an example to others in the region that are currently embarking on similar processes (The Guardian 2011, Oct 24). The moderate Islamist *Ennahda* party won the majority of votes and thus some concerns remain regarding the future of civil liberties (Trabelsi and Ghanimi 2011).

### ***Corruption: extent and trends (2007 – 2011)***

In 2011, Tunisia ranked 73<sup>rd</sup> among 183 countries (behind Jordan but ahead of Morocco, Egypt and Syria) on Transparency International's *Corruption Perception's Index*, with a score of 3.8.

The *Bertelsmann Transformation Index* notes pervasive corruption and the increase of "crony capitalism". Similarly, Freedom House in its most recent report attests Tunisia with declining institutions as well as increasing monopolization of power and corruption by the president, until some positive steps were undertaken after the revolution in 2011.

The World Bank's *Governance Indicators* show no significant change across all indicators, namely rule of law, control of corruption, government effectiveness, voice and accountability and regulatory quality in Tunisia between 2007 and 2010.

### ***Forms of corruption***

#### ***Bribery***

Bribery are not uncommon in everyday life in Tunisia. Individuals and companies are often required to pay something or offer gifts when dealing with public officials and inspectors, particularly in dealing with municipal civil servants (Business Anti-Corruption Portal, no date). According to the US Department of State (2010), the police have also reportedly used their power to extort money from Tunisian citizens.

#### ***Political corruption***

During the rule of ex-President Ben Ali, political corruption was rife in Tunisia, with one-third of the country's economy being allegedly siphoned off by the ex-leader and his family (Chrisafis 2011). As an example, Ben Ali used fake donations of 15 million Dinar to support the electoral campaign of 2009 (La Sentinelle de Tunisie, February 2011) and built his opulent palaces on illegally expropriated land (Tunisian News Agency, December 2011). On top of this, according to the US Department of State (2010) the Tunisian judiciary has been susceptible to political interference. In addition to being the president, Ben Ali headed the supreme council of judges, constituted mainly by appointed members of his government.

#### ***Nepotism***

In its country report on Tunisia, Freedom House underlines widespread nepotism and state capture by Ben Ali and his extended family. For example, the

president's son-in-law bought Ennaki, a public company, through allegedly illegal procedures (Global Integrity, 2008). Public procurement contracts were often awarded to government cronies (Freedom House 2007), and a few influential clans around the president allegedly own most of the country's businesses (Freedom House, 2007 and 2011).

According to various experts, the president's influence on the economy was particularly strong in the financial sector (Tunisian News Agency and Freedom House, 2011). In spite of these findings, the World Economic Forum Global Competitiveness Report 2011-2012 indicates a relatively high level of business executives' trust in government officials to not favour certain individuals or companies when awarding procurement contracts.

## **Anti-corruption efforts in Tunisia**

### ***Legal framework***

According to the key indices and studies, Tunisia has a comprehensive anti-corruption law to counter corruption, which is evaluated by Global Integrity 2008 as being 'very strong'. (Global Integrity 2008) as well as transparent rules for tender procedures for securing public procurement contracts (Bertelsmann Foundation 2010).

Despite this legal framework, the laws alone do not provide enough of a barrier against corruption and actual implementation of them is considered to be weak. Global Integrity's Index which includes Tunisia (2008) notes that the legal system in practice is weak overall, due to a lack of political will to establish and uphold effective enforcement mechanisms.

### ***Institutional framework***

Many of the governmental bodies in charge of fighting corruption were subject to political interference under the former regime. In the current transition period, the new interim government has pledged to conduct anti-corruption reforms and has established a National Fact-finding Committee, charged with the task of looking into corruption of the previous government and advising on measures to combat it (The Business Anti-corruption Portal, no date). While there have been some concerns over this commission, that it was established without adequate consultation and was not granted strong enforcement mechanisms, this is an important step towards helping better address institutional breakdowns and limitations that may have facilitated corruption.

One such problem is the lack of whistleblower protections which is evaluated as 'very weak' by Global Integrity 2008. There are no protections for whistleblowers in the public sector, though some legal provisions exist that protect whistleblowers in the private sector. Still, enforcement is seen as weak, many potential whistleblowers allegedly feeling unsafe to report cases of corruption and bribery due to fear of persecution and imprisonment (The Business Anti-Corruption Portal no date).

This gap between policy and practice is evident when it comes to press freedoms. Freedom House's report on Tunisia (2011) claims that the country has one of the worst media environments in the world in spite of constitutional guarantees and press laws that promise freedom of expression. Journalists have been systemically silenced through punishment and an array of legal and economic measures. The Reporters Without Borders Index (2010) ranks Tunisia in 164<sup>th</sup> position out of 178 countries.

## Morocco

The country has suffered some unrest in the wake of the Arab Spring, which has generated a window for governance and anti-corruption reforms. In response to the thousands of citizens marching in street protests in February and March 2011, the Moroccan government has offered limited reforms to address their demands for more democracy and an end to corruption (Black 2011).

### *Corruption: extent and trends (2007 – 2011)*

Corruption at all levels is seen to be endemic in modern day Moroccan life. Transparency International's *Corruption Perceptions Index* indicates a consistent and substantial level of perceived public sector corruption, with the country scoring 3,4 on a 0 (highly corrupt) to 10 (highly clean) scale. This finding is supported by public opinion survey data that shows 77 per cent of Moroccans feel that there has been no change in the level of corruption in the country over the last three years (TI 2010). The same survey shows that there is a general feeling that the government efforts are not effective in fighting corruption; only 18 % of the respondents perceived the government's current efforts to combat corruption as effective.

Similarly, the *World Bank's Governance Indicators* register very little improvement on control of corruption in Morocco between 2007 and 2010, and the Global

Integrity Report confirms this tendency as the overall rating (as well as the implementation gap) of the country shows little improvement during the above mentioned period.

Other data underlines the existence of petty and grand corruption in virtually all sectors, including the country's political life (Business Anti-Corruption Portal, no date). There is a general public perception that the country is characterised by a highly corrupt judiciary and corrupted public officials (TI 2010). The judicial system in particular is seen as being subjected to political pressure from the monarchy, the military, and political and economic elites, and as being deeply penetrated by individuals engaged in illicit practices (Denoeux, 2011). Moreover, it suffers from shortages of human and budgetary resources, delays in the processing of cases as well as weak enforcement of criminal sanctions (OECD, 2009).

Some of the causes of corruption have been identified, such as 'the persistence of a significant degree of impunity for well connected individuals and members of powerful institutions, the intertwined nature of political and economic interests in the country, and the existence of a large and dynamic informal economy' (Denoeux, 2007, p. 136).

### *Forms of corruption*

#### **Bribery**

Despite regulations and the anti-corruption efforts described below, bribery and facilitation payments are a common practice throughout the public administration. A survey conducted by Transparency Maroc in 2008 shows that 46% of Moroccan businessmen questioned regularly paid bribes and facilitation payments or used personal contacts to facilitate or speed up administrative or customs procedures (Freedom House – Freedom at Issue, 2009).

In other sectors, such as education, construction, as well as in health, safety and environmental inspections, individuals and businesses are also expected to pay bribes in return for favourable treatment or expediting processing (Business Anti-Corruption Portal – Morocco). The problem also affects the police as 58% of the households who had contact with the police in 2008 reported paying bribes (TI, 2009). The institution is perceived as the third most corrupt institution in the country (TI 2010). Global Integrity (2008) claims that some police traffic officers who demand bribes are reportedly required to share them with their superiors. If

they do not, they allegedly are at risk of being demoted to a post that is less lucrative for bribery.

In the judiciary, low salaries for clerks, lawyers, and judges, are seen as one of the motivations for trading preferential treatment for bribes. For instance, several wrongdoings involving magistrates and drug lords, have been identified in 2007, including strong evidences of systematic complicity between those accused and judges or public prosecutors who were suppose to prosecute them (Denoeux, 2007).

### **Political corruption**

The country's monarchical system and weak institutions are seen as a possible explanation behind the relatively high levels of political corruption in Morocco. Both situations have led to reduced transparency and accountability. For example, the King's activities remain largely unchecked by public institutions and his centralised power provides a fertile environment for corruption to flourish (Transparency International 2010). Moreover, government spending and the King's personal assets remain opaque. Some estimates suggest that the King's fortune may be worth US \$2.5, making him one of the richest royals in the world (Forbes 2011).

### **Nepotism and cronyism**

The Moroccan public administration does not have any standards in place for the identification and management of conflict of interest situations in government, post public employment or in public procurement, which may encourage nepotism and favouritism (OECD, 2009). For instance, the awarding of public procurement contracts has been reportedly marked by collusion between private individuals or companies and public officials (TI 2009).

In this context, a study conducted in 2008 by Transparency Maroc shows that thirty-three percent of survey respondents used personal contacts to influence decisions on state contracts or public calls for tender (Freedom House – Freedom at Issue, 2009). Such cronyism has had serious consequences for competition as well as for the price and quality of public goods. Transparency Maroc also reports that in 2009, the Secretary General of the Ouad lfrane municipality was recalled for violating regulations in the awarding of public contracts (see Business Anti-corruption Portal – Morocco).

## **Anti-corruption efforts in Morocco**

### *Legal framework*

Despite the problems of perceived chronic corruption, Morocco, which signed the UNCAC in 2003 and ratified it four years later, has been developing its domestic anti-corruption legal framework. In particular, Morocco has adopted anti-money laundering laws (Transparency International 2009) and is making the regulatory system more transparent (Business Anti-Corruption portal, no date). In addition, the government has carried out increased investigations against officials (as demonstrated by the example above on procurement) which have resulted in convictions. However, these have been criticised for not targeting grand corruption cases at the national level (Business Anti-corruption Portal 2011 - Morocco).

### *Institutional framework*

In spite of progress made, Global Integrity's index shows that the country continues to suffer from a weak legal and institutional framework, both in policy and practice. This stems from problems such as an absence of checks and balances on executive power, weak conflict of interest safeguards, a lack of whistle blower protections, an opaque budgetary process, and limited access to information (Global Integrity 2010). For instance, the asset declarations performed by members of parliament every three years, are not made public (Transparency International 2010).

As part of meeting its UNCAC commitments, the country established a national anti-corruption agency in 2008: the Central Instance for Corruption Prevention (CICP). The agency is aimed at monitoring government practices and preventing corruption throughout the country. However, assessments of the body have noted that it lacks the required investigative and sanctioning powers to effectively pursue corruption charges (Transparency International 2010).

Since October 2010 a two-year anti-corruption plan has been implemented in Morocco to reform different institutions. This has attempted to identify many of the anti-corruption weaknesses signaled in its legal framework. Reforms include the protection of whistleblowers and requirements for government officials to declare their assets (Business Anti-corruption portal 2011 - Morocco). Moreover, the newly appointed Minister for Public Sector Modernisation has set up an inter-ministerial committee to oversee government action against corruption (*Magharebia* 2010).

## Jordan

Like Morocco, Jordan is also a monarchy and has to a certain extent been spared from the upheavals being witnessed by many of its neighbours. However, similar to Morocco, Jordan has seen a string of street protests in 2011 with calls for better governance, the end of corruption and more democracy (Black 2011).

### *Corruption: extent and trends (2007 – 2011)*

Jordan consistently scores higher than the other countries focused on in this query based on its performance in fighting corruption. For example, in Transparency International's *Corruption Perceptions Index 2011*, Jordan scores in the top 30 per cent of countries and better than Egypt, Libya, Morocco and Tunisia.

Despite this fact, considerable corruption challenges remain in Jordan. On the CPI, Jordan has fallen behind the Gulf States. Other findings on corruption in Jordan have indicated either no improvement or a gradual decline in key governance indicators that would support a reduction of corruption risks.

The *Worldwide Governance Indicators*, produced by the World Bank, register no significant change in Jordan's political stability, government effectiveness, regulatory quality, and rule of law from 2007 to 2010. The indicators also show a worsening, although not statistically significant, in the control of corruption over this period. The *Bertelsmann Transformation Index* notes a similar trend, finding no significant improvements in the country's political or economic profile between 2008 and 2010..

In addition, according to a study conducted by the Center for Strategic Studies of the University of Jordan, corruption, favouritism and nepotism are among the perceived obstacles to democracy in the country. The study also shows that almost two-thirds of Jordanian citizens believe that corruption exists in both the public and private sector (Bertelsmann Foundation, 2011).

### *Forms of corruption*

#### **Bribery**

While bribery and facilitation payments may be required in the provision of public services, they are perceived to be less widespread than in other countries in the region (Business Anti-Corruption Portal, no date). For instance, only 2.5 per cent of companies are expected

to give gifts to get an operating licence in the country, according to the World Bank Enterprise Survey of 2006.

#### **Political Corruption**

Some of the weakest areas of the country's institutional framework are found in the political process and the government's own accountability. According to Global Integrity (2009), the integrity of the country's elections and its political financing regulations are considered to be extremely weak. For example, there are no independent agencies in existence to monitor elections, although some civil society organisations have been able to secure government permission to take on this role (Global Integrity, 2009).

#### **Nepotism and cronyism.**

Nepotism is not considered uncommon in Jordan for the gaining of employment or office. Positions within the state bureaucracy are usually awarded despite personal qualifications but taking into consideration kinship and personal relationships (Bertelsmann Foundation, 2010). The King is responsible for the appointment and dismissal of the Prime Minister as well as for the selection of the members of the Upper House, the House of Notables, and provincial governors which can provide opportunities for nepotism (Bertelsmann Foundation, 2010).

Moreover, the human rights report by the US Department of State on Jordan (2010) claims that the Jordanian judiciary, which is considered to be fairly clean, is compromised by claims of nepotism, meaning that judicial decisions are influenced by private interests, particularly those with authority in the executive. This is supported by Freedom House's findings (2010) which indicate that judges are not always appointed on the basis of merit, but may instead be appointed by the executive (and in turn, open to risks of nepotism and cronyism).

Cronyism also extends into other areas of government. The awarding of public procurement contracts lacks transparency, and there are claims that the allocation of such work contracts depends more on collusion between private companies and public officials than competitive bidding processes (Business Anti-Corruption Portal no date). In 2010 for instance, there was a high profile case of bribery and the abuse of office involving the arrest of former Finance Minister, Adel Al-Qadah, wealthy businessman, Khaled Shaheen, the Prime Minister's economic advisor, Mohammed Al-Rawashdeh, and former petroleum official Ahmed Al-Rifai. These individuals were arrested

over allegations that they employed illegal means to invest in the expansion of Jordan's largest oil refinery, through the payment of bribes to state officials in order to slow the process, forcing competitors to withdraw (see Business Anti-corruption Portal 2011– Jordan).

Likewise, studies have shown that favouritism and misuse of political power have also been an impediment to a fair and transparent system of tax collection. For instance, companies which are politically well-connected often find room for tax evasion and/or tax exemption (Freedom House, 2010, Global Integrity Report, 2009).

### Anti-corruption efforts in Jordan

In response to pro-democracy protests which have been witnessed in Jordan since January 2011, Jordan's King Abdullah II has spear-headed an anti-corruption drive but these efforts haven't yielded major observable results. (Black 2011; Al Arabiya 2011).

#### *Legal framework*

Like many of the other five countries covered, Jordan was one of the first countries to sign the UNCAC in 2003 and ratified it in 2005. However, there have been limited progresses on the reforms and even some backsliding.

Global Integrity's scores demonstrate a burgeoning implementation gap between the country's legal framework and actual implementation, contributing to the overall deterioration in the ranking of Jordan's legal system slipping from 'moderate' 2007, to 'very weak' in 2009.

Furthermore, a recent bill was passed, which reportedly makes it illegal to publicly accuse others of corruption, undermining media freedom and the watchdog function of the press (Wall Street Times 2011).

#### *Institutional framework*

Despite these fallbacks regarding the legal framework, the Jordanian government has exhibited apparent commitment to fighting corruption which has materialised into the creation of an Anti-Corruption Commission (Business Anti-corruption Portal 2011 – Jordan). Further institutional reforms include the transfer of some power to parliament (BBC 2011).

In addition to such reforms, *Al Arabiya* (2011) reports that figures once considered to be 'untouchable' have been recently been targeted in the anti-corruption drive

– indicating that the anti-corruption campaign is serious. Former Amman mayor, Omar Maani was arrested in December 2011 on fraud charges, whilst a court refused bail to a man once close to the monarch and Queen Rania.

On top of this, the Anti-corruption Commission chief, Samih Bino, reported that a travel ban had been imposed on prominent businesspeople suspected of involvement in the embezzlement of hundreds of billions of dollars worth of public funds (Al Arabiya 2011)

Despite these positive advances, some activists, along with the opposition Islamic Action Front (IAF) have criticised the anti-corruption reforms for not going far enough (BBC 2011; Al Arabiya 2011). They call for further parliamentary reform proposals, which establish the right to elect the Prime Minister, who is currently appointed by the King (BBC 2011), as well as clear anti-corruption law, and an investigation into the root causes of Jordan's economic crisis, shining the light on the monarchy itself (Al Arabiya 2011).

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### *Laws and Conventions*

United Nations Convention Against Corruption (UNCAC)  
<http://www.unodc.org/unodc/en/treaties/CAC/>

### 3 Appendix: Summary of data from key anti-corruption indexes

Transparency International's *Corruption Perceptions Index* (CPI); World Bank's *Worldwide Governance Indicators* (WGI); Global Integrity's *Report*; Freedom House's *Freedom in the World Survey*; and, Bertelsmann Foundation's *Bertelsmann Transformation Index* (BTI)

|   | Egypt                    | Jordan | Libya | Morocco                  | Tunisia |
|---|--------------------------|--------|-------|--------------------------|---------|
| <b>Corruption Perceptions Index (CPI) 2011</b>    | 2.9                      | 4.5    | 2     | 3.4                      | 3.8     |
| <b>CPI 2010</b>                                   | 3.1                      | 4.7    | 2.2   | 3.4                      | 4.3     |
| <b>CPI 2009</b>                                   | 2.8                      | 5      | 2.5   | 3.3                      | 4.2     |
| <b>CPI 2008</b>                                   | 2.8                      | 5.1    | 2.6   | 3.5                      | 4.4     |
| <b>CPI 2007</b>                                   | 2.9                      | 4.7    | 2.5   | 3.5                      | 4.2     |
| <b>Worldwide Governance Indicators (WGI) 2010</b> |                          |        |       |                          |         |
| Voice/Accountability                              | 13                       | 27     | 3     | 28                       | 10      |
| Political Stability                               | 18                       | 34     | 42    | 28                       | 55      |
| Government Effectiveness                          | 40                       | 57     | 10    | 49                       | 63      |
| Regulatory Quality                                | 47                       | 57     | 10    | 50                       | 53      |
| Rule of Law                                       | 52                       | 61     | 18    | 50                       | 59      |
| Control of Corruption                             | 34                       | 59     | 6     | 53                       | 55      |
| <b>WGI 2009</b>                                   |                          |        |       |                          |         |
| Voice/Accountability                              | 14.7                     | 26.5   | 2.8   | 27.5                     | 11.4    |
| Political Stability                               | 25.1                     | 34.6   | 70.1  | 27.5                     | 50.7    |
| Government Effectiveness                          | 45                       | 62.7   | 10    | 48.8                     | 64.1    |
| Regulatory Quality                                | 47.4                     | 60.8   | 12.4  | 51.7                     | 53.1    |
| Rule of Law                                       | 53.6                     | 61.6   | 21.8  | 49.3                     | 59.2    |
| Control of Corruption                             | 39.2                     | 64.1   | 8.6   | 47.4                     | 56.9    |
| <b>WGI 2008</b>                                   |                          |        |       |                          |         |
| Voice/Accountability                              | 11.5                     | 27.4   | 1.9   | 29.3                     | 13      |
| Political Stability                               | 21.6                     | 33.7   | 63.9  | 27.4                     | 47.1    |
| Government Effectiveness                          | 38.9                     | 64.9   | 12.3  | 54.5                     | 69.2    |
| Regulatory Quality                                | 43.2                     | 62.1   | 17.5  | 51                       | 56.8    |
| Rule of Law                                       | 51.9                     | 64.8   | 32.4  | 51                       | 60      |
| Control of Corruption                             | 35.7                     | 66.7   | 21.7  | 52.7                     | 60.4    |
| <b>WGI 2007</b>                                   |                          |        |       |                          |         |
| Voice/Accountability                              | 13.5                     | 28.8   | 2.4   | 26                       | 10.6    |
| Political Stability                               | 25.5                     | 34.1   | 70.7  | 27.9                     | 49.5    |
| Government Effectiveness                          | 39.8                     | 59.7   | 10.2  | 50.5                     | 68.9    |
| Regulatory Quality                                | 44.7                     | 61.7   | 15.5  | 49.5                     | 55.8    |
| Rule of Law                                       | 50.2                     | 64.1   | 23    | 50.7                     | 58.9    |
| Control of Corruption                             | 28.6                     | 68.4   | 14.6  | 47.1                     | 55.8    |
| <b>Global Integrity Report 2010</b>               |                          |        |       |                          |         |
| Overall rating                                    | Very weak<br>(54 of 100) | N/D    | N/D   | Very weak<br>(56 of 100) | N/D     |
| Legal framework                                   | 70                       | N/D    | N/D   | 66                       | N/D     |

|                                     | <b>Egypt</b>          | <b>Jordan</b>         | <b>Libya</b> | <b>Morocco</b>        | <b>Tunisia</b>   |
|-------------------------------------|-----------------------|-----------------------|--------------|-----------------------|------------------|
| Actual implementation               | 34                    | N/D                   | N/D          | 46                    | N/D              |
| Implementation gap                  | Very large (36)       | N/D                   | N/D          | 20                    | N/D              |
| <b>Global Integrity Report 2009</b> |                       |                       |              |                       |                  |
| Overall rating                      | N/D                   | Very weak (55 of 100) | N/D          | N/D                   | N/D              |
| Legal framework                     | N/D                   | 64                    | N/D          | N/D                   | N/D              |
| Actual implementation               | N/D                   | 44                    | N/D          | N/D                   | N/D              |
| Implementation gap                  | N/D                   | Moderate (20)         | N/D          | N/D                   | N/D              |
| <b>Global Integrity Report 2008</b> |                       |                       |              |                       |                  |
| Overall rating                      | Very weak (54 of 100) | Weak (60 of 100)      | N/D          | Very weak (48 of 100) | Weak (45 of 100) |
| Legal framework                     | 67                    | 67                    | N/D          | 58                    | N/D              |
| Actual implementation               | 38                    | 52                    | N/D          | 35                    | N/D              |
| Implementation gap                  | Large (30)            | Moderate (15)         | N/D          | Large (22)            | N/D              |
| <b>Global Integrity Report 2007</b> |                       |                       |              |                       |                  |
| Overall rating                      | Very weak (53 of 100) | Moderate (72 of 100)  | N/D          | N/D                   | N/D              |
| Legal framework                     | 66                    | 78                    | N/D          | N/D                   | N/D              |
| Actual implementation               | 36                    | 66                    | N/D          | N/D                   | N/D              |
| Implementation gap                  | Large (30)            | 12                    | N/D          | N/D                   | N/D              |
| <b>Freedom House 2011</b>           |                       |                       |              |                       |                  |
| Political Rights                    | 6                     | 6                     | 7            | 5                     | 7                |
| Civil Liberties                     | 5                     | 5                     | 7            | 4                     | 6                |
| Average Combined Ratings            | 5.5                   | 5.5                   | 7            | 4.5                   | 6                |
| Status                              | Not free              | Not free              | Not free     | Partly free           | Not free         |
| <b>Freedom House 2010</b>           |                       |                       |              |                       |                  |
| Political Rights                    | 6                     | 6                     | 7            | 5                     | 7                |
| Civil Liberties                     | 5                     | 5                     | 7            | 4                     | 5                |
| Status                              | Not free              | Not free              | Not free     | Partly free           | Not free         |
| <b>Freedom House 2009</b>           |                       |                       |              |                       |                  |
| Political Rights                    | 6                     | 5                     | 7            | 5                     | 7                |
| Civil Liberties                     | 5                     | 5                     | 7            | 4                     | 5                |
| Status                              | Not free              | Partly free           | Not free     | Partly free           | Not free         |
| <b>Freedom House 2008</b>           |                       |                       |              |                       |                  |
| Political Rights                    | 6                     | 5                     | 7            | 5                     | 7                |
| Civil Liberties                     | 5                     | 4                     | 7            | 4                     | 5                |
| Status                              | Not free              | Partly free           | Not free     | Partly free           | Not free         |
| <b>Freedom House 2007</b>           |                       |                       |              |                       |                  |
| Political Rights                    | 6                     | 5                     | 7            | 5                     | 6                |
| Civil Liberties                     | 5                     | 4                     | 7            | 4                     | 5                |

|  | Egypt     | Jordan      | Libya      | Morocco   | Tunisia   |
|--|-----------|-------------|------------|-----------|-----------|
| Status   | Not free  | Partly free | Not free   | Not free  | Not free  |
| <b>Bertelsmann Transformation Index (BTI) 2010</b>   |           |             |            |           |           |
| Status Index: Score(Rank)                            | 4.82 (87) | 5.15 (77)   | 4.49 (97)  | 4.47 (98) | 4.98 (82) |
| Political Transformation                             | 4.22      | 4.02        | 3.2        | 4.05      | 3.78      |
| Stateness  | 7         | 7           | 7.5        | 6.8       | 8         |
| Political participation                              | 3.5       | 3.8         | 1.5        | 3.5       | 2.5       |
| Rule of Law  | 4.3       | 4           | 3          | 4         | 3.8       |
| Stability of democratic institutions                 | 2         | 2           | 2          | 2         | 2         |
| Political & social integration                       | 4.3       | 3.3         | 2          | 4         | 2.7       |
| Economic transformation                              | 5.43      | 6.29        | 5.79       | 4.49      | 6.18      |
| Management Index (Rank)                              | 4.3 (87)  | 4.46 (81)   | 3.05 (113) | 4.02 (98) | 4.3 (87)  |
| Noted Trend for political transformation 2007 - 2009 | •         | •           | •          | •         | •         |
| Noted trend for economic transformation 2007 - 2009  | •         | •           | •          | •         | ↓         |
| <b>BTI 2008*</b>                                     |           |             |            |           |           |
| Status Index: Score(Rank)                            | 4.88 (82) | 5.12 (81)   | 4.24 (97)  | 4.65 (86) | 5.37 (73) |
| Political Transformation                             | 4.4       | 3.98        | 2.98       | 4.4       | 3.95      |
| Stateness  | 7.8       | 6.3         | 7.5        | 6.8       | 9.3       |
| Political participation                              | 4         | 3.8         | 1.8        | 4.3       | 2         |
| Rule of law  | 4.3       | 4.3         | 3          | 4         | 3.5       |
| Stability of democratic institutions                 | 2         | 2           | 1          | 2         | 2         |
| Political & social integration                       | 4         | 3.7         | 1.7        | 5         | 3         |
| Economic transformation                              | 5.36      | 6.25        | 5.5        | 4.89      | 6.79      |
| Management Index (Rank)                              | 4.15 (92) | 4.81 (69)   | 3.15 (107) | 4.80 (80) | 4.75 (73) |
| <b>UNCAC Status</b>                                  | Ratified  | Ratified    | Ratified   | Ratified  | Ratified  |

Notes: N/D means no data.

### *Explanation of data and indexes used*

#### Corruption Perceptions Index (CPI)

With the CPI, 0 = highly corrupt and 10 = very clean

[http://www.transparency.org/policy\\_research/surveys\\_indices/cpi](http://www.transparency.org/policy_research/surveys_indices/cpi)

#### Worldwide Governance Indicators (WGI)

Percentile rank among all countries (ranges from 0 (lowest) to 100 (highest) rank)

<http://info.worldbank.org/governance/wgi/index.asp>

#### Global Integrity Index

Split into legal framework and actual implementation of that framework, a wide 'implementation gap' indicates that written law is largely ignored, creating a situation where reform depends more on political will rather than the creation of new laws.

<http://www.globalintegrity.org/report>

#### Freedom House

With Freedom House ratings regarding Political Rights: 1 = a high level of political rights, including free and fair elections, 7 = few or no political rights. Civil Liberties: 1 = wide range of civil liberties including freedom of expression, assembly, association, education and religion; 7 = few or no civil liberties.

<http://www.freedomhouse.org/template.cfm?page=1>

#### Bertelsmann Transformation Index (BTI)

For the BTI 2010, rankings are out of 128 countries; the BTI 2008 included 125 countries. Trends (2007 - 2009) • = no significant change, ↓ = deterioration.

<http://www.bertelsmann-transformation-index.de/en/bti/>