

ICT Impact in Fighting Corruption in Albania: New Ways in Increasing Transparency

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Abstract

Although there is a scarcity of reliable data, there is at least some evidence that ICT can be an effective tool to combat corruption. The combination of ICT with real administrative reforms highlights the real potential of ICT in combating corruption. Different researches have shown that one of the positive findings is that ICT also drives such reform. ICTs use offer great opportunities to everyone to easy access public records, establish linkages among geographically separated systems for a better accountability, that means make it possible to enhance transparency in the transactional level.

Keywords: ICT, corruption, transparency.

1. Introduction

Referring to the literature review there are evidence that corruption exist in all sectors of society. The simple definition more mentioned for the corruption, is the one that defines it as a function of both the opportunity to request/receive bribes and the risk of detection. Among the negative sides of the corruption in national level there are damage of the country's development by undermining faith in public institutions, increase costs for firms and discourage both foreign and domestic investments. Referring to the impact of corruption in the economy, its negative effects are faced in two direction, business sector and at the level of individual firms. According to Transparency International's 2009 report corruption is a growing challenge for the business sector. Its impact in the business sector is present in both the developing and industrialized countries. At the level of the individual firm, its negative impact is presented in the form of raising transaction costs and reputational risks, as well as "great" possibility for extortion. The common idea of all mention above is that corruption, doesn't matter where it is faced, sector or level of transaction, it impedes the development of a country the same.

2. Definition of Corruption

2.1 What is corruption

Referring to the literature review, there are numerous definitions for corruption, but the common idea that is found at each of them is the abuse of public power for private benefits (World Bank 1997; McMoy and Heckel 2001). Examples of activities that can be considered as corruption are bribery, kickbacks, ethics violations, illegal asset accumulation, violations of procurement regulations, political nepotism, cronyism, campaign and party finance violations, money laundering, illegal transactions, freedom of information, public governance, financial accountability (see, for example, World Bank 1998; 2000a: 103-109; Transparency International 2001). Public office is abused for private gain when an official accepts, solicits, or extorts a bribe. It is also abused when private agents actively offer bribes to circumvent public policies and processes for competitive advantage and profit. Public office can also be abused for personal benefit even if no bribery occurs, through patronage and nepotism, the theft of state assets, or the diversion of state revenues."

2.2 Corruption costs

As Della Porta and Vannucci (1999:10) agree, the impact of different forms of corruption are made present for the public in the form of increased prices of public work and services, inefficiencies of contractor, reduced resources as a result of illicit activities covering, manipulated political decisions, which unfortunately extend their impact in all areas of life. Long term economic costs of corruption are the result of the transformation of the public administration in an ineffective one and loss of trust by citizens in the public institutions. Referring to the same authors, "the spread of corruption within the

public service introduces elements of inefficiency, where the primary purpose of an operation becomes generation of payoffs. ... the confidence of those in an organization not directly involved in corruption is undermined, leading to generalized inefficiency. At the level of the political system as a whole, the spread of corruption erodes the support and trust of citizens in democracy, in public institutions in general, and in the political class in particular." The impacts of these costs are extended to the democratic institutions as well resulting to a reduction of the public support and trust in political institutions. The most important one, among the long term costs of corruption is the degradation of the political system on a country, and this happens when networks of organized crime access the political system of a corrupted state.

3. E-Governance and Corruption

There is a different between governance and government. Field researchers define the government as an activity that consist in the execution and implementation of activities by those who have legal and formal derived authority and policy power, while define governance as the activities that are backed by common goals of citizens and organizations who may or may not have formal authority and policing power, and consisting of creation, execution and implementation of activities. Following the same logic, field researchers agree that e-government and e-governance are not the same, going a little bit further with their arguments that the first one make possible e-governance. E-government derives from the use of ICTs like Internet, World Wide Web (www.) and mobile phones, customized software for tracking progress of government projects, to carry out the activities connected with government, facilitating the process of delivering of information and services to citizens and business. Referring to Bhatnagar (2003: 1), there are a lot of examples from the simple one to more complex like using the website of an institution to get information, download applications, to the possibility of offering services online such as filing a tax return, renewing a license, etc. We can categorize these e-government examples into two groups, internal and external. In the first group which are included government to government (G2G), which occur during the interaction between government offices or within a government office, and government to employee (G2E) and in the second one there are included government to business (G2B) and government to citizen (G2C). e-governance derives from the use of ICTs facilitating the conduct of government enabling citizens with more access to services offered by government which result in a better interaction between government and citizens. There is a long debate for the definition of corruption. The common element that field researcher agree is the fact that corruption can make different meanings in different societies. Thompson (1993:369) identified three main elements of the general concept of corruption: a public official's hidden gain, a private citizen's receipt of a (sometime hidden) benefit, and the connection between the gain and the benefit. To Kaufman, Kraay and Zoido-Lobaton (1999: 8) corruption is the exercise of public power for private gain while Schleifer and Vishny (1993: 599) stated corruption as the sale by government officials of government property for personal gain. Transparency International defines corruption as the abuse of entrusted power for private gain (www.transparency.org). There are a lot of examples of success stories in which ICT play an important role combined with leadership, management, stakeholders participations in minimizing corruption through increasing of transparency (Bhatnagar, 2003; Heeks, 1998). E-governance is a new trend for a lot of countries. The emphasis is on transparency which lead to the increase of competition, and as a result a long chain of benefits for both the government and the citizens of a country.

4. E-Governance, New Ways for Fighting Corruption

Corruption is considered a serious problem to both developed countries and developing countries. Among various tools to combat corruption, e-governance is a considered as the new one. Some of the countries have already implemented it and many others are taking in consideration to take the initiative to start using it. Considering corruption as a real obstacle for the economic and social development of a country, field researcher agree that the bigger negative impact of it is faced by the poor, who are the one that faced the hardest negative effect of an economic decline. This category is least capable of paying the extra costs that derives from corruption, like bribery, fraud, and the misappropriation of economic privileges. Fighting corruption means coordinating the efforts for a good governance, which by its self can lead to easy access to information for the public and citizens, more transparency and as a result corruption reduction. The ways ICTs can contribute for corruption reduction may be:

- Improve transparency in the public sector by increasing the coordination, dissemination and administrative capacity of the public sectors', as well as improve service delivery by employing user-friendly administrative systems.
- Facilitating collection of digital footprints and complete audit trail which increase the opportunity to hold

individuals accountable and ultimately increase the possibility to detect corrupt practices.

- Facilitating the work of civil society organization working towards greater transparency and against corruption by supporting a mix of methods of campaigning on transparency and educating citizens on what corruption is about and their civil rights.
- Facilitating information sharing and social mobilization and ultimately provide digital platforms where citizens can report incidents anonymously.

5. E – Procurement in Albania

The practice of all public procurement procedures in Albania had changed to the electronic form from January 2009. The first experience of e-procurement in Albania dated in December 2007. During that time, according to the agency responsible for public procurement in Albania (PPA), some of the public tender procedures, were excluded from the electronic procedures, and these included tender procedures for small purchases and those that are negotiated without being published. New practice of electronic procurement in Albania, offers a lot of facilitations for the interested groups, enabling the economic operators to participate online in a tender procedure, prepare electronically and submit a considerable set of documents, access the agency's official website any ware and anytime. At the same time it reduces the financial and time costs of economic operator giving them the possibility to reuse these document at the same time in different online tenders procedures. These actions result to an increase of efficiency, transparency and data confidentiality. These efforts lead to a better government in Albania by improving transparency, accountability and responsiveness in the public sector (United Nations' Department for Social and Economic Issues - UNDESA). The Public Procurement Agency (PPA) has been awarded second-place prize for Public Service in Europe for the development of an electronic procurement platform, made possible by USAID through the MCC Albania Threshold Programme. On 12 July 2010, the Government with the support of UNDP organized the award ceremony to honor the PPA. The prize will encourage all institutions to follow the same path by aiming transparency and better service to citizens.

The e-platform for procurement is a software, web-based application, the use of which can provide a more secure transactions among public institutions and both national and international business communities. For all the public tender procedures that are above the threshold of 3000 ALL, there is obligatory to proceed with the electronic public procurement procedures. Albania is the first country to develop such an obligatory procedure.

6. Concluding Remarks

Field researcher agrees to the benefits of using ICTs as a tool for reducing corruption. Corruption reducing can be achieved by enhancing transparency and accountability of government administration. In different phases of the fight against corruption, like prevention, detection, analysis and corrective actions, there are different ICTs tools that can be used. Public procurement procedures differ from country to country, and this is due to different goals an environment between them. Driving force in making possible public sector reforms, part of which are public procurement procedures, is the strong leadership. The key element in this reform is not just computerizes of the existing system, but the transformation of rigid, inefficient bureaucracies into more efficient, responsive organizations by redesigning workflows and decision making processes.

Albania has made remarkable progress in improving its business climate by streamlining and modernizing key processes, which is followed by diminishing possibilities for corruption and increasing the trust and confidence of citizens, business and foreign investors. Automated systems now provide business owners with simpler, faster procedures to register, pay taxes, and bid on government tenders.

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