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Wolfowitz Says Fragile States Need More Help To Tackle Corruption

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(By Alex Rheeney in Singapore, Pacific Magazine)

Fragile Pacific states that lack the capacity to tackle corruption should be helped by the international community including the World Bank.

That was the view of World Bank president Paul Wolfowitz when questioned by *Pacific Magazine* on how the Washington D.C.-based multilateral finance institution could help Pacific Island states sustain the fight against corruption.

"That really underscores the point that you've got to recognize that in fragile states like the ones the question refers to, the level of problem (relating to corruption) that the administration can handle, the number of trained, capable officials may be very limited. In fact, one of the things we are looking at in Liberia is how to provide incentives for some of the capable Liberians who left the country during the civil war period to come back to strengthen those ministries. In fact, I'm very proud to say that the finance minister there – who is an impressive, outstanding woman – was until recently an employee of the World Bank who decided to go back to her country, left a comfortable job with us (World Bank) to go back and help Liberia get on its feet," the former U.S. deputy deference secretary said in a press conference at the annual meetings of the International Monetary Fund and the World Bank Group in Singapore.

While emphasizing that a corrupt-free state will have more success in delivering basic government services to its citizens, he hinted that quick action by the World Bank and donors to fast-track assistance to governments that were implementing anti-corruption programs would ensure their citizens had faith in the reforms.

"Something else that we need to do, though, when people like her (Liberia's finance minister) or like (Liberian) president Johnson-Sirleaf are undertaking challenging reforms, we need to find ways to get money out there much more quickly than our normal practice so that the people begin to see some results so that reform becomes self-fulfilling, virtuous circle, rather than a downward spiral."

Pacific Island states did not fare well in a World Bank report *The New Governance Matters 2006: Worldwide Governance Indicators* that was released during the Singapore meeting, confirming that corruption continued to be a scourge affecting financially-constrained Island governments and their bureaucracies.

Only New Zealand and Australia scored close to 100 in the "control of corruption" governance indicator in the report, getting a percentile ranking 99 and 95 respectively. All other Pacific states scored between 13 (Papua New Guinea) and 78 (American Samoa and Guam).

Wolfowitz has adopted a strong anti-corruption stand since taking office in June last year but he has come under attack from civil society organizations, who say companies and multinational corporations should also be held accountable.

"Corruption is about companies and corporations too. Wolfowitz should also focus on publicly shaming companies that give bribes and pushing to close financial loopholes that allow bribes to be channeled overseas," says non-government organization Oxfam.

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