

Introduction Part

This report is made on the Corruption of Bangladesh.

Origin

According to our honorable course instructor Mr. S. I. Nusrat A. Choudhury, we have selected “Corruption” as our topic. And we have focused working on “Corruption in Bangladesh”.

Objective

Writing a formal report properly and gather information on particular area of corruption in our country.

Scope

Vast things can be represented on Corruption of Bangladesh. But we have focused on primary causes and some statistical data.

Methodology

To prepare the report, online facility has been used. Different web sites have been visited. For the final presentation Microsoft PowerPoint and Microsoft Word have been used.

Limitations

Non-cooperation of government offices
Lack of data in some particular areas
Lack of Computer Laboratory facility

Abbreviations

BRTA Bangladesh Road Transport Authority
NGO Non-Government Organization

Report Preview

The primary detail of Corruption of Bangladesh has been discussed with brief definition. Here we have discussed about corruption in the sectors of police administration, judiciary, education, health, land administration, media, banks and financial institutions, private businesses, non-government organizations, transport, labor union, utilities and municipal services. Besides describing what things go on, that defy corruption, we have also analyzed each and every sectors with the help of figures, through statistical data. We shown conclusions in the statistical reports through the help of surveying each of the factors we have stated.

Introduction

Corruption is one of the most popular words in our country. Because last few years Bangladesh continuously has gotten the first position as a corrupted country in the world. In any civilized society, the two most important factors which would be the indicators of the quality of life are firstly, the protection of life and property and, secondly the dispensation of justice. But in Bangladesh no one can get proper protection of their life and they can not get proper justice. Parents can not admit their child in school or college without bribe. One patient can not get proper treatment in Govt. hospital. One person can not pass the file without pay some extra money to Govt. office. If we see in Bangladesh everywhere is corrupted. Bangladesh is not a developed country but the corruption is a obstacle the develop. Since independence in 1971, the economic development of Bangladesh has been hindered by the addition of newer problems to existing ones. The country has failed to achieve the Cherished goals of development due to a dearth of resources, political unrest, and lack of good Governance, as well as widespread corruption in all offices, departments, institutions of the government and at all levels of society. At present, the country has a parliamentary form of government but lack of transparency and accountability, authoritarian rule and despotism is observed in all departments of the government.

Definition of Corruption

Corruption is systems where some people who take some extra advantage from others. Corruption An act done with intent to give some advantage inconsistent with official duty and the rights of others. It includes bribery, but is more comprehensive; because an Act may be corruptly done, though the advantage to be derived from it be not offered by another. "Corruption is a complex social, political and economic phenomenon. The Global Programme against Corruption targets countries with vulnerable developing or transitional economies by promoting anti-corruption measures in the public sphere, private sector and in high-level financial and political circles. The Judicial Integrity Programme identifies means of addressing the key problem of a corrupt judiciary." [Source: <http://www.unodc.org/unodc/corruption.html>] Sometimes corruption is understood as something against law; such as, a contract by which the borrower agreed to pay the lender usurious interest. It is said, in such case, that it was corruptly agreed, etc.

Sectors of Corruption

There are various sectors corrupted in Bangladesh. Some sectors are as follows,

- Police
- Judiciary
- Education
- Health
- Land administration, Registration
- Media
- Banks and financial institution
- Private Business
- Non Government Organization
- Transport
- Labor Union
- Municipal Service sector
- Bureaucracy
- Others

Statistical Data

Figure 3.1 Most corrupt sectors in the country

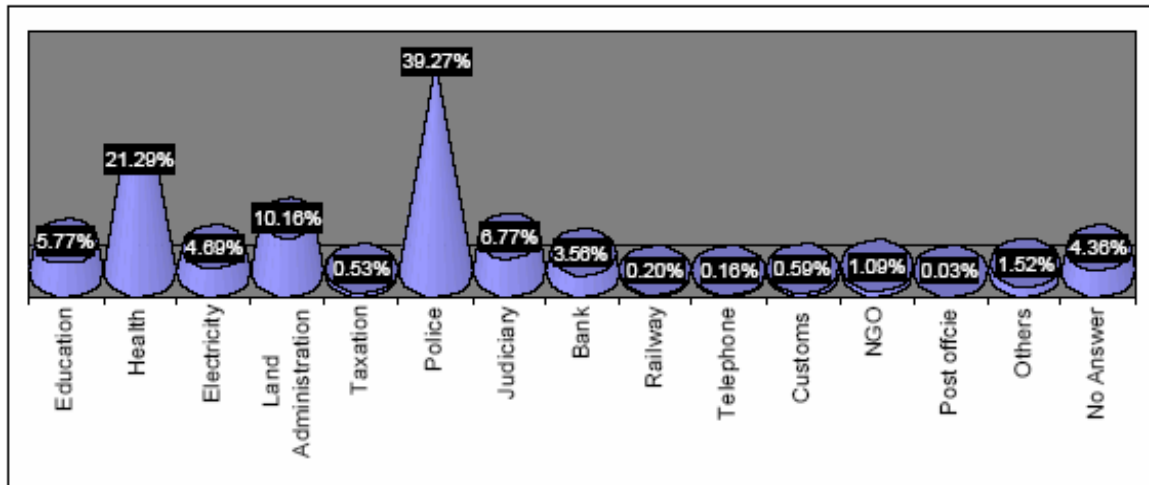
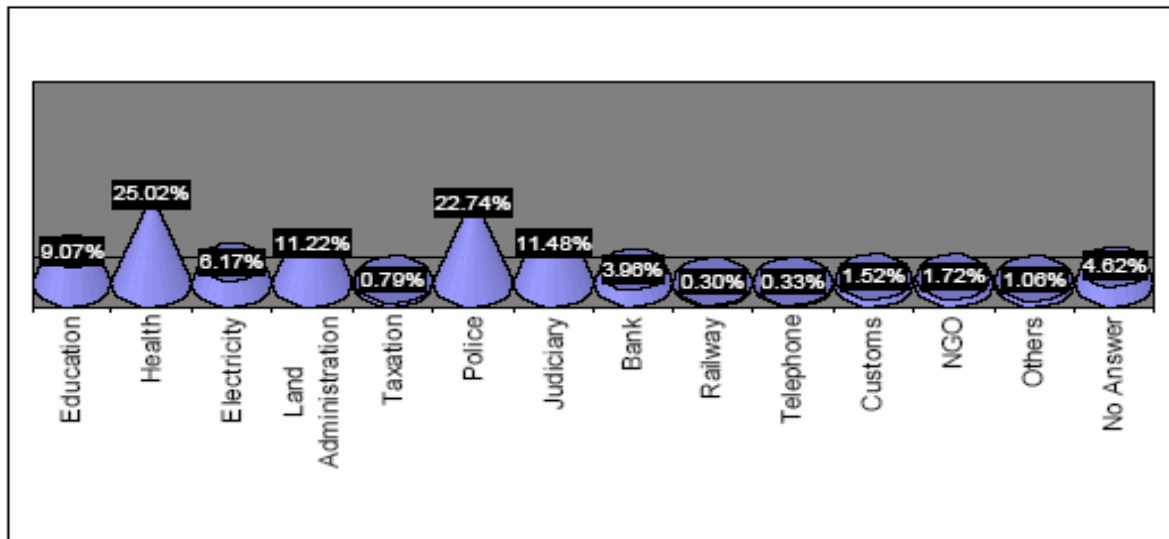


Figure 3.2 Second most corrupt sectors in the country



Police Administration

The police officials should show success of their administration is how safe people feel in the presence of police, how friendly is the perception of people about the police and whether people remember the police for the good deeds they do rather than misdemeanor. The police officials freely admitted that the police have a poor image.

The participants were of the opinion that common perception about the police is that they collect money, torture people, do not record complaints as per rules and procedure, have linkage with criminals and enjoy largess from smuggling and drug trafficking. Most discussants believe that the financial benefit from such behavior is shared by immediate superior controlling officials and most often it reaches to the top.

It is possible to stop harassment of bus and track drivers and owners by the police. For this three conditions are to be met. *First*, the vehicle should be road worthy with fitness certificate and appropriate insurance. *Second*, it should be driven by one with a valid license, not a learner or a helper. *Third*, the vehicle must obey the weight limit and the number of passengers allowed to be carried and follow the speed limit.

Owners of Bus/trucks get a fitness certificate quickly through payment without proper examination of the vehicle; they don't take adequate insurance coverage. A deal between owners and police that police don't stop bus/truck for checking whether it is certified or not for this police get some money from owners of bus/truck.

Why police are involved corruption? We can say because of their poor salary, to getting job they paid a big amount of money to police administration. Some owners of Bus/truck paid some money to don't check the fitness certificate of Bus or driver not having valid license, so if a police get this type of facility then he/she take as a extra income. Some wealthy person paid bribes to delay investigation reports and to avoid arrest and to record false complaint against the victim. Some political leader who involved in administration that to avoid arrest of the criminal.

How can we overcome this? There has to be political will to make police administration neutral. This has to be visible and the top management of the police should be allowed dissent in this respect. Protection of criminals by politicians should be avoided and pressure to release supporters arrested for criminal act should stop. Police administration should be decentralized and the basic force should work at sub-district level. Reward for good work and punishment for negligence should be substantial and immediate. Media should be alert and follow up all reported cases of police negligence or misconduct.

Survey

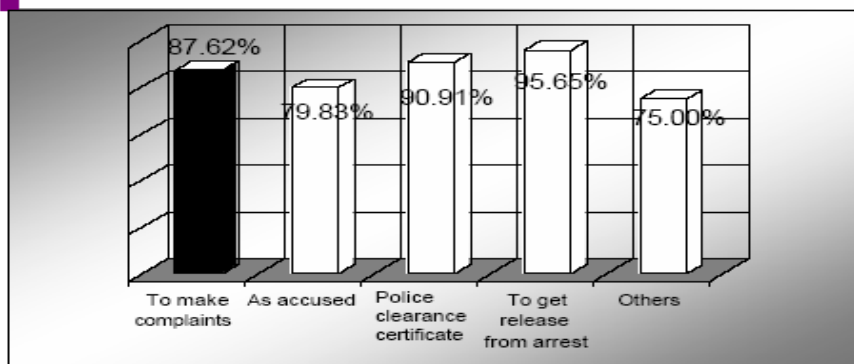
The most startling findings of the baseline survey revealed that about one-half of the complainants (49.5%) made prior arrangement with the police for disposal of their cases; a majority (55%) of the prior arrangements was not to send the disputes to the court, while nearly two-fifths (38%) of the arrangements was to send the complaints to the court for disposal. About 71% of the respondents reported that police deliberately delayed sending the cases to the court. More than two-thirds (68.1%) of the complainants reported to have payments to the police for filing complaints as First Information Report (FIR). Payment to the police was made directly by the complainants (40%), followed by payments through office employees (34%) and through local dalal (26%). It is, therefore, not surprising that the public opinion of the police is very low. The survey revealed that 96.3% of the total households expressed the view by way of their complete agreement or general agreement with the assertion that it was almost impossible to get help from the police without money or influence.

Statistical Data

Table 9.2 Nature of service provided by the Police

Purposes	Rural %	Urban %	Total %
To make complaints	35.87	30.49	34.43
As accused	39.46	37.80	39.02
Police Clearance Certificate	3.14	4.88	3.61
To get release from false arrest	14.35	17.07	15.08
Others	15.24	17.07	15.73

Figure 9.3 Extent of corruption in police administration



Judiciary

Judiciary is also involved in corruption. The last resort under a corrupt system for the people is the protection given by rule of law which need be visible. This makes the role of judiciary in fighting corruption and is administrating justice essential. One lawyer told that a senior assistant judge in a divisional headquarter was demanding money for every judgment and the local Bar council decided to pass a resolution to boycott his court and to demand his removal. The said judicial official got hold of the membership list and influenced a substantial number of junior lawyers to vote against the resolution. The situation became worse for two reasons. Senior lawyers abstained from his court and the collusion of junior lawyers and the judicial administration become an open system of corrupt judgment, This became possible because new lawyers are not properly educated, standard of examination system is low. They do not learn to prepare proper legal submissions and they have political linkage. Women narrated her experience about a murder case against her seven year old boy. While playing he threw a tennis ball which hit the chest of another boy who become injured and died in the hospital. The court did not consider the circumstances and the age of the boy and sentenced him to several years in prison. She could not satisfy the court officials with money, could not engage good lawyers for want of money and now she was evicted from homestead by relations of the dead boy.

How to solve this? Without academic and legal review of their judgments it would be difficult to corruption free judges. Separation of judiciary and vigilance of senior judges were considered essential to control corruption in their sector. They have also lost the culture of research i.e. knowing more of the legal nuances from learned judgment. There is a need for training, reward for a consistent record of good incisive judgment and punishment for suspected collusion. The citizens need to monitor courts program in giving judgments, discuss the quality of judgment on an informed basis. Law colleges are numerous and not properly organized. The curriculum need be updated, the teacher better educated, the course of longer duration with actual internship built in and examination process changed to eliminate unfair means.

Survey

The other startling piece of information is that the standard of the legal system, particularly the legal profession, has plummeted. More than three-fifths (63%) of the households involved in court cases reported that they had to bribe the court officials. The proportion of rural households paying bribe money to court officials was 63.6% compared to that of 57.1% of urban households. Cash for bribe was paid to the court employees by 73.1 of households, followed by 16.3% of households to opponent's lawyer. Majority of households (53.3%) made payments for bribe directly, i.e., in person, and 28.1% of households through the

lawyers. The inordinate delay in resolving court cases is also borne out by the survey figures. The fact that a large number of households (85%) had pending cases is the first indicator of how chronic the state of affair has become. The second indicator is the expected time for the settlement of the pending cases: 53.9% of the accused/plaintiffs reported that they were uncertain about the period when settlement would be reached. About 79.8% of them reported that delays in reaching settlement were deliberate and due to (i) lawyers' business interests (42.4%), (ii) opponent's ill motive and manipulation (53.5%) and (iii) court's high handedness (43.1%).

Statistical Data

Table 10.2: Reasons for seeking legal help

Purposes	Rural (%)	Urban (%)	Total (%)
To make complains	33.73	35.38	34.20
As accused	59.04	49.23	56.28
As witness	1.81	4.61	2.60
As a lawyer	00	1.54	0.43
Others	5.42	9.23	6.49

Table 10.4 Financial Transactions with the judiciary

Name of bribe takers	Average amount of money (Taka)		
	Rural	Urban	Total
To the witness	2670	9125	4514
To the public prosecutor	2917	8006	4613
Opponent lawyer	1114	9000	2060
Court employee	6165	3362	5484
Magistrate	14600	25939	18007
Other	5178	3954	4589

Education:

Corruption is everywhere in Education sector. Even when corruption is all over, people expect an idealistic role from persons working in the education sector. They were of the view that the subculture of corruption in education is vertically linked from the school to the Board. The increase of corruption is positively correlated with the controlling power and development expenditure. The head teacher of a private school informed that for renewal of the registration, a school is required to make a payment of five thousand taka on average. For the concerned officials. This registration is required for getting government subvention for salary of school teachers. If the school has any weakness the amount for payment is increased. The school head pays this money by either showing a non-existing teacher or requiring teachers to contribute on a compulsory basis or management committee pays less to the teachers. If the school does not pay or make delay in payment then the forms for renewal is lost or misplaced till they get what the controlling officials want.

Why such problems occur? The head teacher of a primary school mentioned that the budget for contingency is so small. And those guardians are required to pay. This payment of contingency money is very irregular. His school did not receive it for two years despite production of monthly vouchers because the controlling officials would like to get a share of the money. The money for repair of school is not equitably distributed according to need by the committee chosen by the TEO who favors those schools which are recommended by influential members of the party in power and officials of the ministry and directorate.

How can we solve it? The ministry should be involved with policy making only and they could arrange networking with Boards and district offices for information. The examination Board needs be increased in number (say 19 for old districts and one for privileged schools/colleges). A student should have option (like in O and A level) to appear in all or a few subjects and in case of failure he should be allowed to retake in those subjects only. Examination could take place more than once a year. Local education authority for education elected by stakeholders at thane level for Primary school and at district level for secondary level institutions should be constituted for registration. The committee of stakeholders and civil society should be vigilant.

Survey

The falling standards in the education sector are also revealed by the survey: 74% of the households used extra regular method for admission of their children into school. Among the various extra regular methods used, payment of donation was most prominent and used by about 41% of the households, followed by the use of political influence (28%) and through private tutors (10%). Payment of money for admission of children into school was reported by 3.6% of the households. When the households were asked about the ethical standard one out of every five households believed that unethical practice existed in the admission procedure. Health The survey revealed that approximately two-fifths (39.4%) of the households reported payment higher than normal registration fees at the outpatient department. The households who had patients seeking impatient treatment also reported irregularities in admission procedure. Normal process of admission was reported by only 41% of the households. Among the extra regular methods for admission into hospital the frequently used methods were: consultation with the doctor at private chamber (20% of the households); payment of extra money to the hospital staff (18% of households); through hospital staff (9%); and through influential persons reported by 9% of the households

Statistical Data

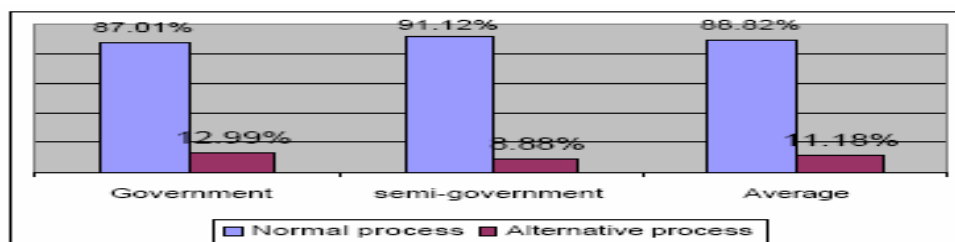


Table 4.2.1: Admission in primary schools

Admission process	Rural		Urban	
	Government (%)	Semi-government (%)	Government (%)	Semi-government (%)
Normal process	87.24	91.50	86.28	89.65
Alternative process	12.75	8.50	13.71	10.34

To admission process to secondary school:

Table 4.2.2 Admission process to secondary schools in rural and urban areas

Admission process	Rural		Urban	
	Government (%)	Semi-government (%)	Government (%)	Semi-government (%)
Normal process	89.81	91.71	88.66	89.34
Alternative process	10.18	8.29	11.34	10.66

Nature of alternative procedure adopted for admission to educational institutions:

Figure 4.2.4: Nature of alternative procedure

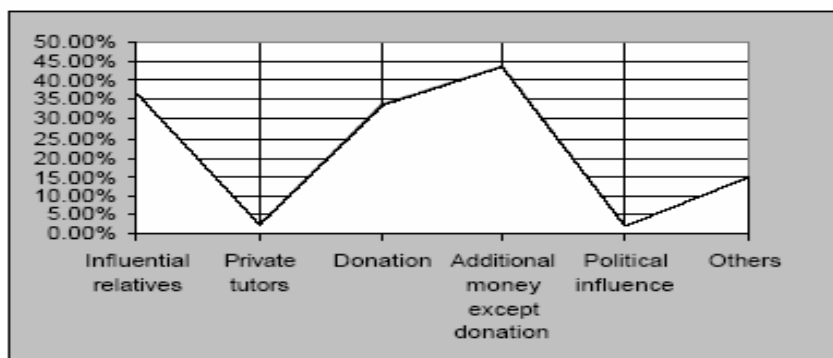


Figure 4.5 Economic condition of households which are victims of corruption

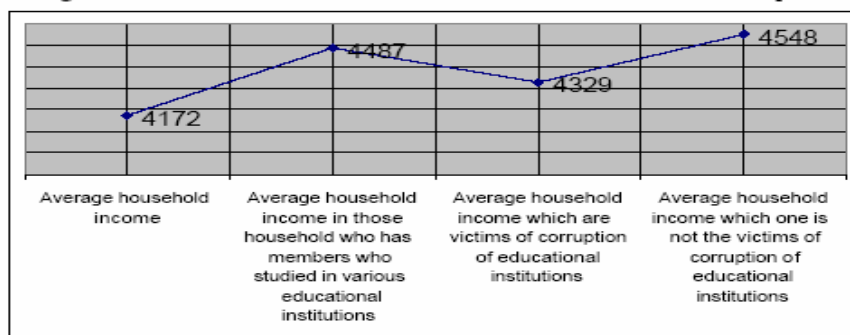
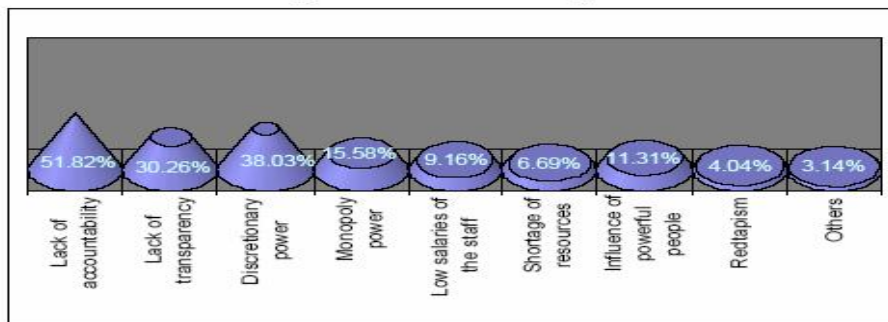


Figure 4.8: Causes of corruption



Health:

The discussants, some of whom are doctors and BMA officials, were unanimous about the prevalence of corruption in the health service delivery. Some clinics and diagnostic complexes are running without getting approved. Another type of corruption related to appointment, posting and promotion. Corruption is related to inadequate supply of medicine and other supplies. The hospitals often do not have them and even if they do they want to maintain a stock. Under the circumstances the patient is required to buy them. This is often reported as corruption. To be helpful the doctors/nurses may suggest a particular dispensary for getting the medicine. It is possible that some hospital functionary has economic interest in the shop, but the medicine or supplies would cost the same. It is also known that doctors often suggest that the patient go to a diagnostic center for x-ray, pathological test and the doctors receive some commissions. There is no matter whether the diagnostic center works properly or not. In another case a person was seriously injured in a road accident. At that time the narrator rushed to a hospital with the victim. There was no doctor in the emergency. As the condition was serious, the narrator approached a doctor in OT who just wrote something on a slip. The broken bone had to be fixed and plaster of Paris applied. The doctor demanded money before anything could be done. The narrator paid the money and got the patient.

What we need to do? At first we need improve our health education. The BMA/BCPS should have pro-active ethical cells which could be assisted by concerned citizen's committee who could collect specific complaints and report these to such cells. If the cells do not respond the committee should make it public through media.

Statistical Data

Table 5.3 Nature of Admission through Alternative Procedures			
Alternative processes	Percentage of alternative processes		
	Rural	Urban	Total
Private doctor	41.22	38.30	40.51
Influential relatives	24.32	14.89	22.05
Through hospital staff	15.54	27.66	18.46
By giving taka	59.46	44.68	55.89
Others	00	2.13	0.51

Table 5.5 Nature of corruption in hospitals			
Types of corruption	Rural	Urban	Total
Extra money had to be paid for getting allocated medicine	21.23	12.88	19.15
Extra money had to be paid for getting bed	29.53	30.43	29.78
Extra money had to be paid for X-ray	16.78	16.49	16.71
Extra money had to be paid for pathological test	13.01	15.46	13.62
Extra money had to be paid for blood	2.74	3.09	2.82
Extra money had to be paid for operation	18.14	11.96	16.41
Medicine had to be bought from designated pharmacy	23.97	26.29	24.55
Pathological test had to be done from designated center	8.05	17.52	10.41

Figure 5.7 Socio-Economic Condition of Households Affected By Corruption

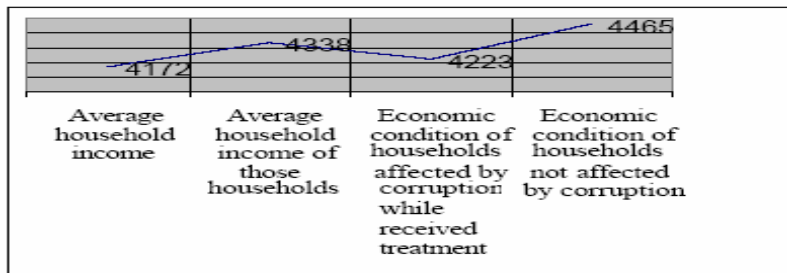


Figure 5.8 Perpetrators of Corruption

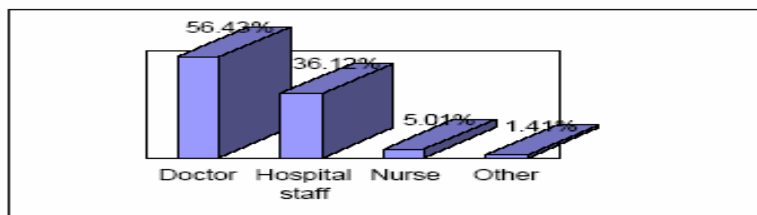


Table 5.10 Causes of corruption

Causes of Corruption	Rural	Urban	Total
Lack of accountability	64.33	77.02	67.48
Lack of transparency	40.94	57.33	45.00
Discretionary power	45.85	64.11	50.38
Monopoly power	26.86	31.73	28.07
Low salaries of the staff	2.75	4.16	3.09
Shortage of resources	6.93	7.00	6.95
Influence of powerful people	8.59	25.60	12.81
Red-tapism	4.98	17.07	7.98
Others	7.15	7.88	7.33

Land Administration, Registration:

Land is the most precious of all the assets of the people, more so of the rural people. In a meeting held for checking land ownership. But they see all of land has not proper document. Some people are give money to land administration for make a false document of land. Money had to be paid to record the ownership as per the deeds. The official said if he did not pay them, some willful wrong entry would be deliberately made leading to litigation in future. In a district town a prominent minority lawyer told the discussion meeting that he was away when the survey was undertaken. A female participant narrated her experience in matters of registration related to purchase and sale of land holdings. She said that a commission had to be paid for registration according to the value of land besides the actual registration fee.

We need to take proper step to remove all the corruption in land and registration.

Survey

The survey revealed that members of households who went to land administration offices had to spend an additional amount of Tk 3509 on average. In rural areas, the amount was Tk 2578 and in urban areas it was Tk 8229. Corruption in land administration forced each household to spend an additional amount of Tk 597. According to a population census of 2001, Bangladesh has 2,53,62321 households. It can therefore be estimated that about Tk 1515 crore is earned by various land administration offices.

Table 7.2: Purposes of interaction with land

Purposes	Rural (%)	Urban (%)	Total (%)
For selling land	11.36	14.60	11.99
For buying land	18.01	13.14	17.07
For mutation	8.22	9.49	8.46
Tax paying	1.40	4.38	1.83
Distribution of khas land	10.31	5.84	9.45
Periodic survey	35.49	13.14	31.17
Determination of boundary of land	6.47	8.76	6.91
Transfer of property	2.10	2.92	2.26
For paying land tax	17.83	32.85	20.73
Others	4.37	9.49	5.36

Table 7.3 Extent of Corruption in Various Land Administration Related Service

Purposes	Rural (%)	Urban (%)	Total (%)
For selling land	49.23	40.00	47.06
For buying land	79.61	38.90	73.55
For mutation	93.62	84.61	91.67
Tax paying	44.95	49.02	46.25
Distribution of khas land	91.53	87.50	91.05
Periodic survey	90.64	77.78	89.59
Determination of boundary of land	94.59	66.67	87.76
Transfer of property	83.33	100.00	87.50
Others	88.00	92.31	89.47

Table 7.4 Monetary Transactions with Land Administration

Purposes of transaction	Average expenditure per household due to corruption		
	Rural (Taka)	Urban (Taka)	Total (Taka)
Registration	4867.00	17592.00	7015.00
Mutation	2383.00	1904.00	2283.00
Annual land taxes	785.00	1979.00	1134.00
Showing lower price than actual price to avoid taxes	1160.00	725.00	1093.00
Getting Khas land	1819.00	6237.00	2129.00
Land survey	1877.00	2096.00	1896.00
Buying stamp	1877.00	975.00	1824.00
Determination of boundary land	1641.00	17422.00	3587.00
Writing deed	1155.00	1040.00	1130.00
Certificate	424.00	700.00	449.00
Others	1844.00	13077.00	4800.00

Media

Media personnel participated in all the discussion meetings. An exclusive meeting with media people was also organized in a district town. Some journalists mentioned that the wage board award has not been implemented but the journalists are required to say that they get payment as per wage board award. Initially he is under observation for three months and he gets no pay for his work. For another three months he is paid a trifling amount as conveyance allowance. Even when he is paid, the payment is occasional and negligible. Some journalists stated specific cases of using the newspaper to blackmail officials who have their own fault e.g. media personnel can easily publish something against a bank official, a corrupt agricultural extension personnel or a thana education officer. The news will be a mixture of truth and untruth. The officer makes a deal and a denial is published. The ownership of media by business houses and their use of the media to promote their business interest and not necessarily public interest is an ethical issue. This need be addressed by professional journalists but they seem to be divided on party lines and the issue of ethics is often evaded.

Survey

The news media also came under heavy criticism as revealed by the baseline survey. A very large number of households (83.5%) who kept themselves aware of news thought that newspapers were professionally unethical and partisan. They expressed this view by agreeing or completely agreeing with the contention that the owners and the management of newspapers inflates or deflates news of events for their partisan interest. More than 95% of the households, readers and non-readers, were of the opinion that newspapers should be factual and impartial in furnishing the news.

Banks and financial institutions:

A businessman participating in the discussion narrated his experience of bribing bank officials for getting a loan sanctioned. In his opinion the only exception is the Islamic bank but they have some ideological bias in granting loan. An official stated that he had to curry favor for participating in the deposit pension scheme even though this is a financial product the bank promotes. A bank official admitted the existence of corrupt practices in the banks.

Why such problems occur? Absence of appropriate rotation in job at the head office, regional office and in managerial position. Lack of supervision. As the cost of loan finance increases and as the bank official become a party to the loan sanctioning process, cases of diversion of loan money and of willful non-payment increase over time. In the private bank the directors and top management is corrupt and in nationalized bank the corruption goes down the line partly because of politicizations of loan and the politicization of recruitment and promotion. A farmer said that when approached for loan a specialized bank official asked for payment up front for sanctioning the loan. The farmer paid but not as much as was initially asked for. If you have to pay money you can pass any lone from the bank.

Private business

The participants were quick to point out the presence of corruption in private business. A farmer complained of adulterated insecticide and low quality fertilizer which cost him a lot but did not give the result. He also mentioned that he was cheated by seed merchants. A businessman pointed out that a person who earns his living from business is interested in quick turnover and a reasonable margin of profit. But business in Bangladesh is infested by power-brokers and middlemen largely because of the political patronage system.

Non Governmental Organization

There was much discussion about the work of NGOs in rural community. In a district an NGO purporting to organize destitute women, train them to provide income generating opportunity with loan from their saving and sell their product through their marketing outlet not only maltreated the women but also deceived low-paid women workers. It was organized by a busy lady from a reputed family as a tour de force to finance her own expensive living with donor assistance, it was alleged. An NGO worker alleged that in an NGO where she worked previously there were complaints of mal-distribution of micro-credit and maltreatment of women workers and NGO members. The employees at a point found it hard to digest. As they organized to launch a protest by leaking the actual position to the press, the top management of that NGO paid local mastans to threaten the employees of dire consequences. As she was working in the project and organizing the protest, she lost her job. The official of the donor agency was informed and briefed about forgery with documents but the donor agency did not take any preventive action.

Transport

A transport worker complained of corruption in BRTA. The license for driving is never given without extra payment. He said that some of poor men working as a helper and learning to drive often cannot pay the legal amount in one installment. If there were a system of financial assistance or a system to pay in installments, it could generate much work for the poor in the expanding transport sector. There is no place where a helper, conductor and driver can learn the legal provisions in the motor vehicles act. Even the trade unions fail to do their part in this respect. Many of the union leaders are party to the extortion by BRTA officials. Because of inability to pay at one go, he said that according to an estimate there are 42,000 fake license issued by BRTA and union officials. The fake license holder is an easy prey to extortion by police. The union wants validation of these fake licenses but once they are validated new fake licenses will emerge.

Labors Union

A garments sector employee pointed out that the labors law has been made non-applicable in the garments sector. As a result they are made to work at low wage for long hours in unsanitary and unsafe conditions. The payment of due salary is not made in time, The country benefits from export but the gain is underwritten by the sweat and blood of malnourished young female garment workers sweat and blood. The factory owners have made money. They have cars, good houses and they travel abroad in luxury. The female workers die a premature death. The government seem to lend a deaf ear and the inspectorate of industry as well as the Labour Department take no notice of irregularities. When an accident occurs, they are bribed and no case is registered for legal action.

Utilities and Municipal Services

A participant said that many workshops have trading license only and no manufacturing license. This is done with the connivance of municipal officials. Another participant pointed out that many residential houses have been turned into office, clinic or a school but they are taxed by municipalities as residential accommodation because of understanding and underhand payments. A clinic need written no-objection form the neighboring households. Their signatures are forged with the connivance of municipal officials. The taxes imposed on similar houses differ widely because of underhand deals.

Survey

Another sector which has a profound effect on the quality of life is the supply of public amenities. The baseline survey revealed that only about 44% of urban dwellers in the country had municipal water supply. About 23% of the households reported difficulty getting water supply and of these about 17% of the households reported payment of extras money, 16% reported repeated visits and 12% reported long wait and red tape in getting water line. In relation to electricity supply approximately 4 out of every 5 urban households in the country reported to have electricity connection. Just fewer than 30% of these households did not face any difficulty in getting electricity connection to their house. The remaining 70% of the households faced various difficulties: among the difficulties faced about 33% of the households paid money for electricity connection and accessories, 21% reported to make frequent visits, 12% reported undue delay and 40% reported other unstated difficulties.

Other surveys with statistical figures

Business and Trade License

The baseline survey indicated that about one-third (35%) of the urban households were involved in some business or trade and about 56% of them had trade license. About one-half of the license holders reported difficulty getting trade licenses, such as, payment beyond normal fee (49%), repeated visits to municipal office (40%) and other difficulties (18%). About 65% of the urban households expressed the view that it was almost impossible to get a trade license without money or influence. Only 8% of the households contradicted that contention and the rest had no comments.

'System Loss'

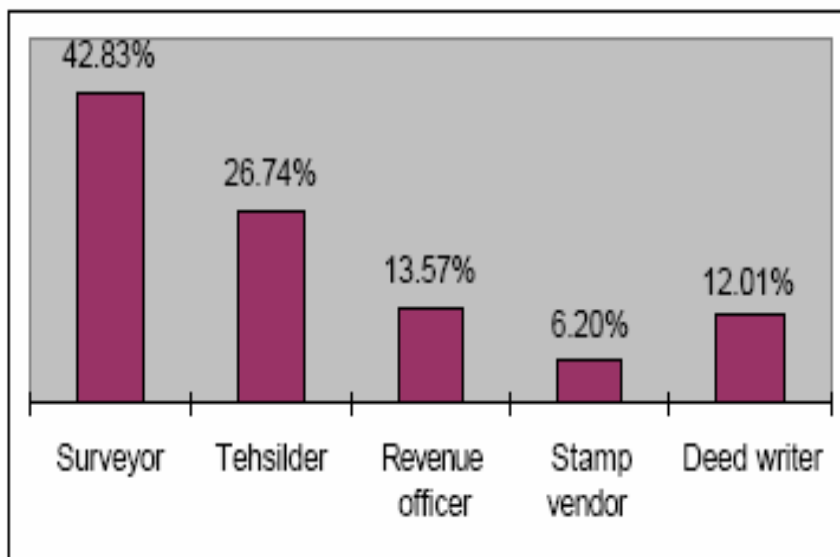
System loss, in other words, theft or breach of trust, was revealed by 32% of the urban households. They stated that they obtained reduced water bill by arrangement with the meter reader. 30% of the household reduced the electricity bill by similar means and 47% of the households reduced their municipal assessment of holding tax on house and property by arrangement with municipal staff on payment of money.

Public Perception of Corruption

Public view was sought on what activities constitute corruption. The base line survey revealed that among the choices put before them, 'misuse of position and power' was perceived as corruption by the highest proportion of respondent (76%), followed by 'negligence of duty' (75.7%), 'activity outside normal procedure' (67.7%), 'while on duty taking money for personal gain' (57.8%), 'misuse of power and fund for personal gain' (56.4%) and 'misuse of fund' (50.6%).

Statistical Data

Figure 7.6: Perpetrators of Corruption



Magnitude of corruption

19.25% of the households who paid taxes during the previous year fell prey to corruption. The incidence of corruption was higher in villages than in towns. This rate was 15% for towns and over 23% for villages.

Statistical Data

Causes of Corruption	Total
Lack of accountability	64.46%
Lack of transparency	45.13%
Discretionary power	55.29%
Monopoly power	48.52%
Low salaries of the staff	0.85%
Shortage of resources	1.13%
Influence of powerful people	18.19
Redtapism	15.23%
Others	4.79%

Fig 11

Rate of corruption for different categories of taxes

The rate of corruption in income tax is found to be 20%, it is 19% for holding tax, 10% for municipal/local government tax, and approximately 26% for others. live any bribes. Members of households who gave bribes for loans had to pay bribes of Taka 1420 on average. It was revealed that those who received loans had to give bribes of Taka 957 on average. It was seen that bribes worth 6.59% of the total loan had to be given. Additional costs in securing the loan including transportation, tips and preparation of paperwork amount to 1.67%, and the amount spent to withdraw loans was 8.26%.

Statistical Data

Figure 8.4 Economic condition of households affected by tax

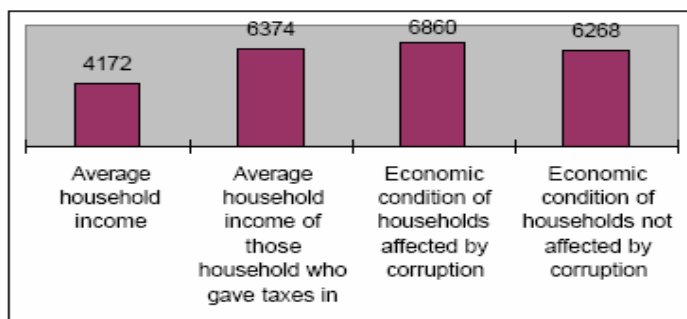


Figure 8.5 Perpetrators of Corruption

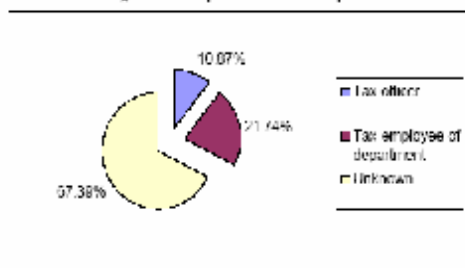


Figure 8.7 Financial Transaction with the tax department (amount in TK)

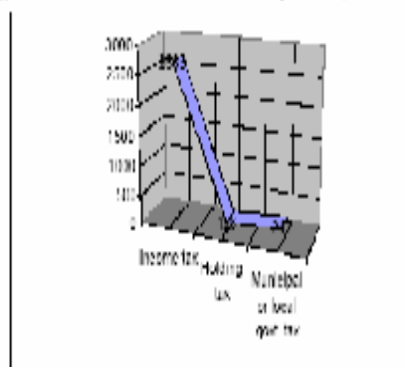


Table 8.8: Causes of Corruption

Causes of Corruption	Rural	Urban	Total
Lack of accountability	47.58	33.04	40.58
Lack of transparency	30.64	21.74	26.36
Discretionary power	22.58	32.17	27.20
Monopoly power	31.45	20.87	26.36
Low salaries of the staff	13.71	2.61	8.37
Shortage of resources	2.42	0.87	1.67
Influence of powerful people	12.90	15.65	14.22
Redtapism	4.03	11.30	7.53
Others	1.61	3.48	2.51
No answer	17.74	31.30	24.28

Bribe –receivers

15.57% respondents reported that they had to give bribes to the bank manager for loans, 50% reported that bank officials had to be bribed, 27% to bank employees, and 47% reported third person (broker).

Bribes given for securing loans

The survey revealed that 67.4% respondents had to give bribe and 32.6% did not have to give a monthly income of Taka 3965, and those who did not have to give loans had a monthly income of Taka 4376.

Conclusion

From our report we found that, there are many reasons of corruption occurring in Bangladesh. The main reasons for corruption may be as follows:

- ✓ Principles are not taught properly from both home & school
- ✓ The education system with practical knowledge based curriculum is not proper by any means
- ✓ Low amount of salary for the teachers
- ✓ Thinking of less productivity, instead of more.

Recommendation

The following things may be done to overcome some of the problems:

- ✓ Principles should be taught from home & school
- ✓ Proper education system with practical knowledge based curriculum
- ✓ Increase salary of teachers
- ✓ Think for more productivity

Bibliography:

- ✓ <http://www.ti-bangladesh.org>
- ✓ <http://www.unodc.org/unodc/corruption>
- ✓ And other sites from the internet