



CORRUPTION SURVEY 2018

CENTRALE BANK VAN ARUBA

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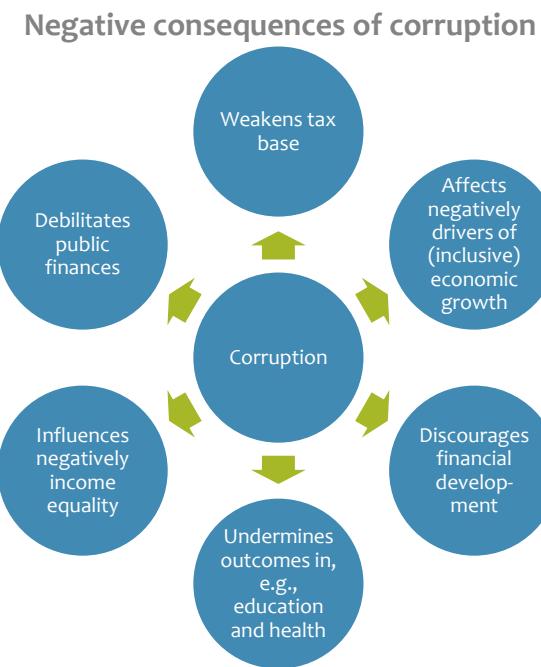
1 Introduction

Around the globe, governments have put the fight against corruption high on their agenda. Anti-corruption plays an important role in the implementation of the sustainable development goals (SDGs) of the United Nations. The SDG “peaceful, just, and inclusive societies” (i.e., SDG 16) aims, among others, to reduce corruption. The latter is not only a valuable aspiration on its own, but it is also a prerequisite for the achievement of all SDGs.

Curbing corruption in Aruba is a high priority for the Centrale Bank van Aruba (CBA), because corruption has far reaching negative economic and social repercussions that could hinder the CBA from fulfilling its mission. CBA’s mission is to contribute to the financial stability and economic well-being of the Aruban community by maintaining the stability of the value of the florin vis à vis the U.S. dollar, and promoting financial soundness and integrity of the financial system as well as an efficient and reliable payments system.

Because data on corruption were non-existent, the CBA executed the “Corruption Survey 2018” among residents aged 18 and above to acquire information on their experience and perception with regard to the level of corruption and to gain insight on possible remedial actions and/or effective measures to counteract this phenomenon. This survey was based largely on similar surveys conducted by, among others, Transparency International.

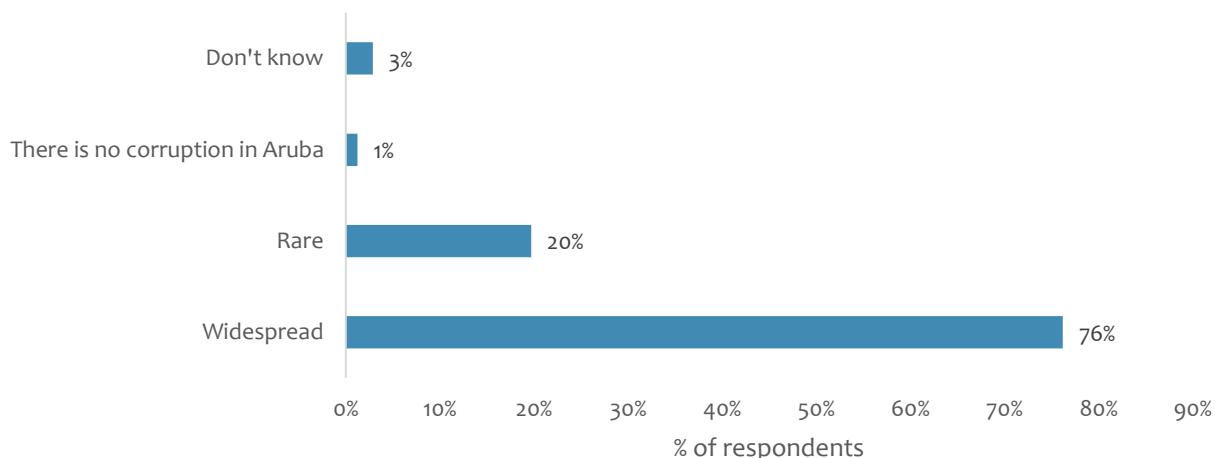
This report presents the key findings of the Corruption Survey 2018, highlighting the view of residents on the state of corruption (Chapter 2), their experience with bribery in the 12 months prior to the survey (Chapter 3), and their opinion on their own role and on anti-corruption measures (Chapter 4). All in all, the results of this survey showed that residents thought that the problem of corruption was widespread and increasing, but they were ready and willing to help in the fight against corruption.



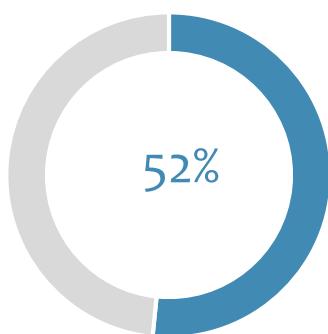
2 The state of corruption in Aruba: residents' view

We asked people how widespread they thought the problem of corruption was in Aruba. About three in four respondents noted that the problem of corruption was widespread in Aruba, while less than a quarter said that the problem of corruption was rare in Aruba. Only a mere 1 percent mentioned that there was no corruption in Aruba.

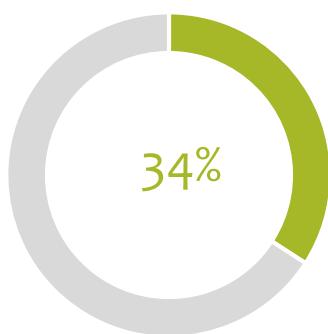
How widespread do you think the problem of corruption is in Aruba?



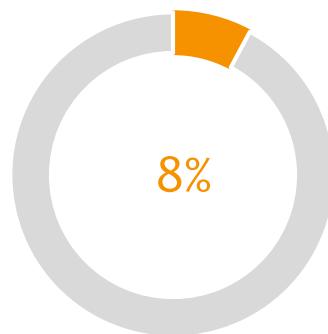
We wanted to find out how residents thought the level of corruption had changed over the past 12 months prior to the survey (i.e., the period of November 2017 – October 2018), whether it had increased, decreased or stayed the same. According to the results, more than five in 10 persons believed that the level of corruption had increased, while about 1 in 3 thought that the level of corruption had stayed the same. Less than one in 10 respondents said that corruption decreased in the 12 months prior to the survey.



... of people thought the level of corruption had increased



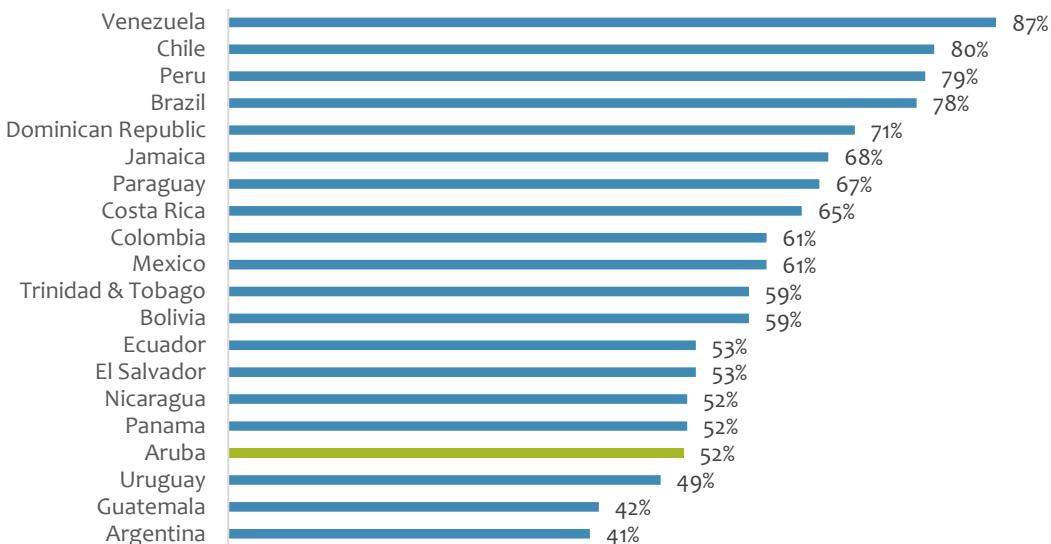
... of people thought the level of corruption had stayed the same



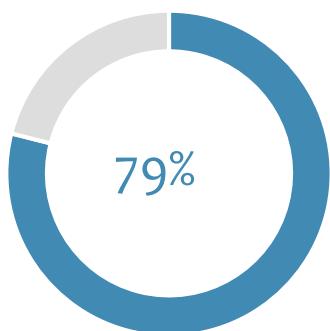
... of people thought the level of corruption had decreased

Consistent with a cross-country comparison, fewer residents in Aruba thought that the level of corruption had increased in the past 12 months prior to the survey, compared to the majority of selected Latin American and Caribbean countries¹. On average, 62 percent of those surveyed in selected countries in Latin America and Caribbean (excluding Aruba) noted that the level of corruption had increased, compared to 52 percent in Aruba.

**Percentage who thought that the level of corruption had increased:
a cross country comparison**



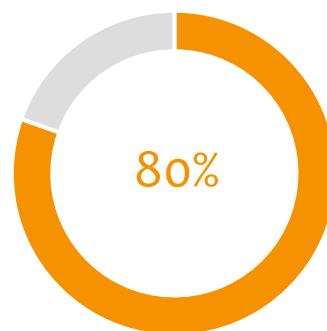
Almost eight in ten persons agreed that there was corruption in public institutions in Aruba. A majority of respondents even noted that the current parliamentary system and too close links between business and politics contributed to corruption in Aruba.



... of people thought that there was corruption in the public sector



... of people thought that the parliamentary system contributed to corruption

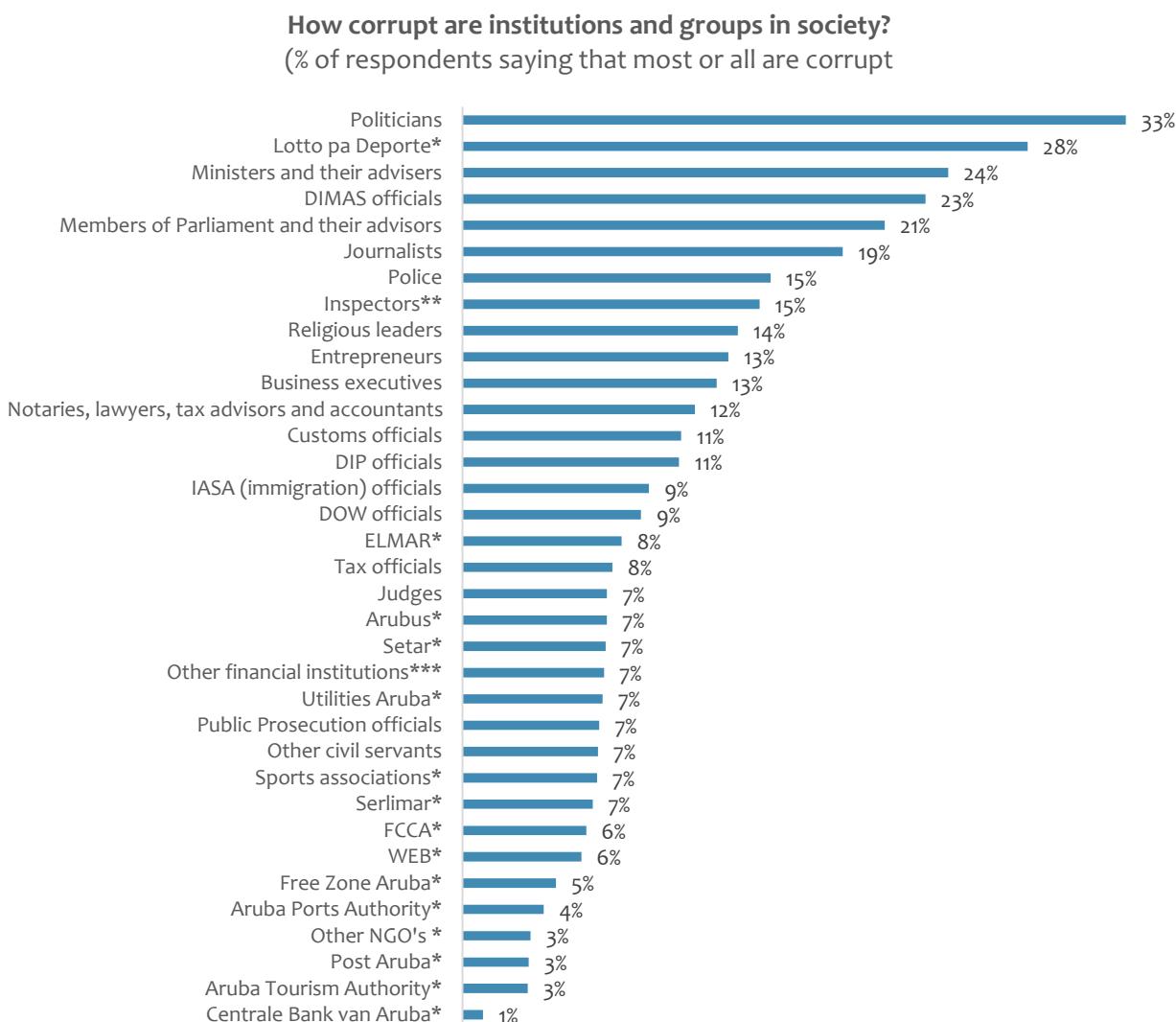


... of people thought that too close links between business and politics lead to corruption

¹ Note that data for all countries (except Aruba) are from the Global Corruption Barometer 2017 database of Transparency International.

A majority (60 percent) said that corruption was part of the business culture in Aruba. Somewhat over half of those surveyed (55 percent) thought that the only way to succeed in business was to have political connections. Nonetheless, 74 percent said that favoritism and corruption hamper business competition.

To find out more about who are involved in corruption in Aruba, we asked people how corrupt they thought 35 institutions and groups in society were. The results showed that one-third of respondents believed that politicians were the most corrupt. Lotto pa Deporte was perceived to be the second most corrupt institution. Almost one-quarter of those surveyed noted that ministers and their advisers were corrupt, while about one in five mentioned that members of parliament and their advisors were corrupt. Furthermore, DIMAS officials, journalists, police, inspectors (such as in the area of health and safety, construction, labor, food quality, sanitary control, and price control), religious leaders, and entrepreneurs were among the top 10 most corrupt institutions and groups in the Aruban community.

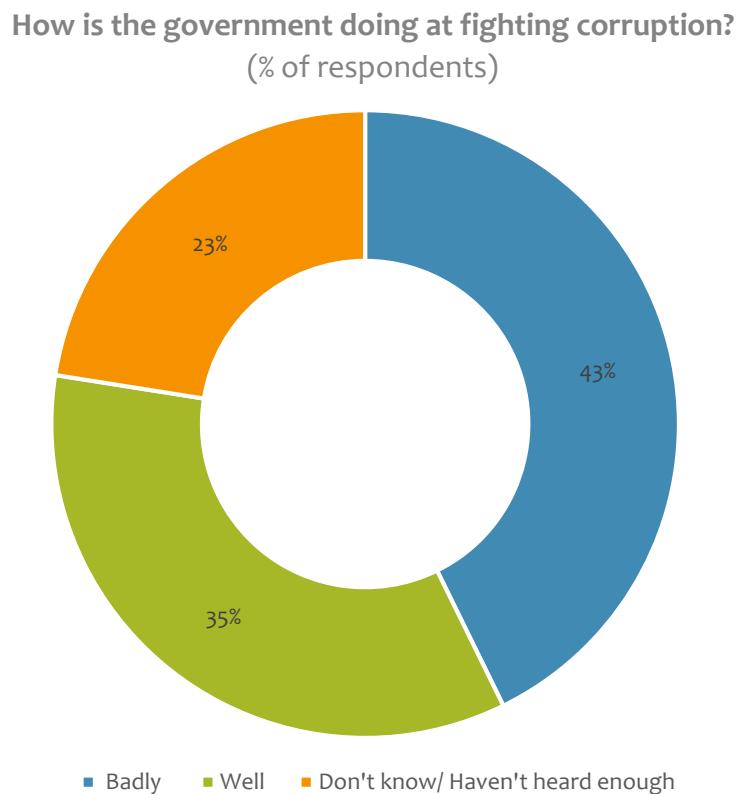


* Management, employees and supervisory board.

** Such as in the area of health and safety, construction, labor, food quality, sanitary control, and price control

*** Such as banks, insurance companies, and pension funds.

Furthermore, we asked people how well or badly they thought the government of Aruba was doing at fighting corruption. Just over one-third of the respondents said that the government was doing well at fighting corruption, while 43 percent thought that the government was doing badly. The majority stating that government was doing badly at fighting corruption noted also that government's efforts to combat corruption are not effective, whereas the greater part of those surveyed mentioning that government was doing well at attacking corruption declared also that government's efforts to combat corruption are effective.



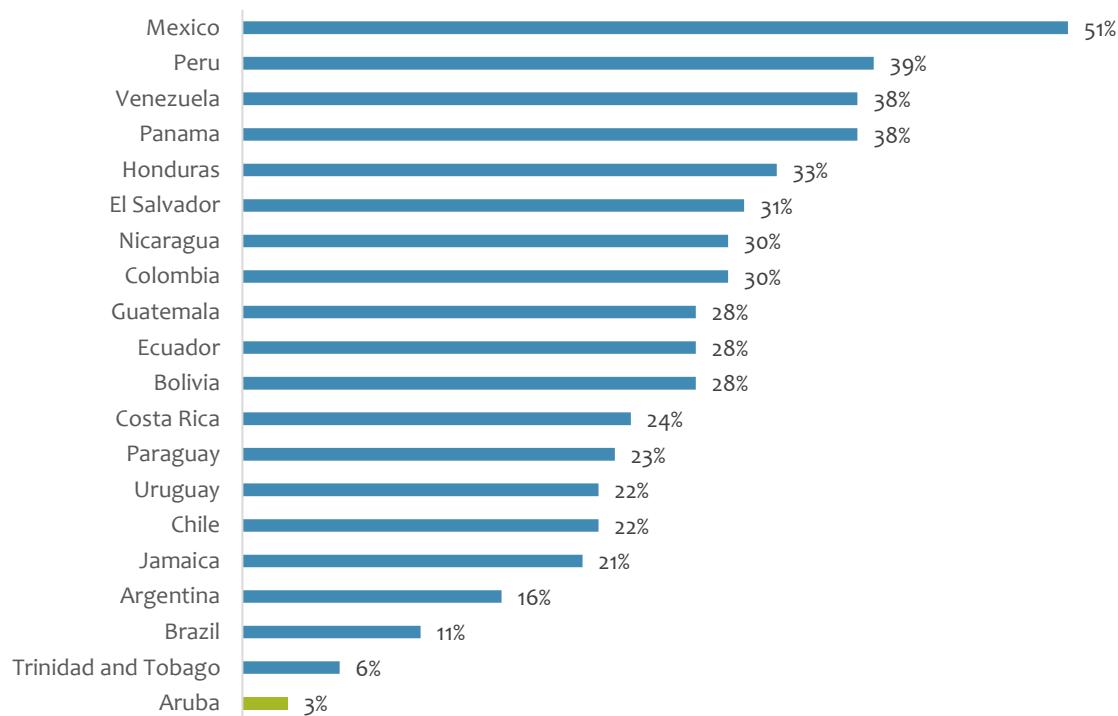
With regard to the prosecution of corruption cases, a great majority (72 percent) noted that high-level corruption cases were not pursued sufficiently in Aruba. Only 24 percent agreed that there were enough successful prosecutions in Aruba to deter people from corrupt practices.

3 Experiences with bribery

We aimed to find out about the extent of bribery in Aruba. Therefore, people were asked whether they had come into contact with 12 types of mostly public services in the 12 months preceding the survey. If they had accessed these services, they were asked about whether and why they had paid a bribe, give a gift or do a favor to get services needed that they should have received for free. In the remaining part of this publication, the word bribe is used to refer to bribe, gifts, and favors.

According to the survey results, the bribery rate in Aruba was low. A small percentage of respondents (3 percent) who had accessed at least one of the services noted that they had paid a bribe. All those who reported paying a bribe were younger than 55 years. The bribery rate of 3 percent was low compared to selected Latin American and Caribbean countries².

Bribery rate in selected countries
(% of respondents who paid a bribe when accessing basic services)



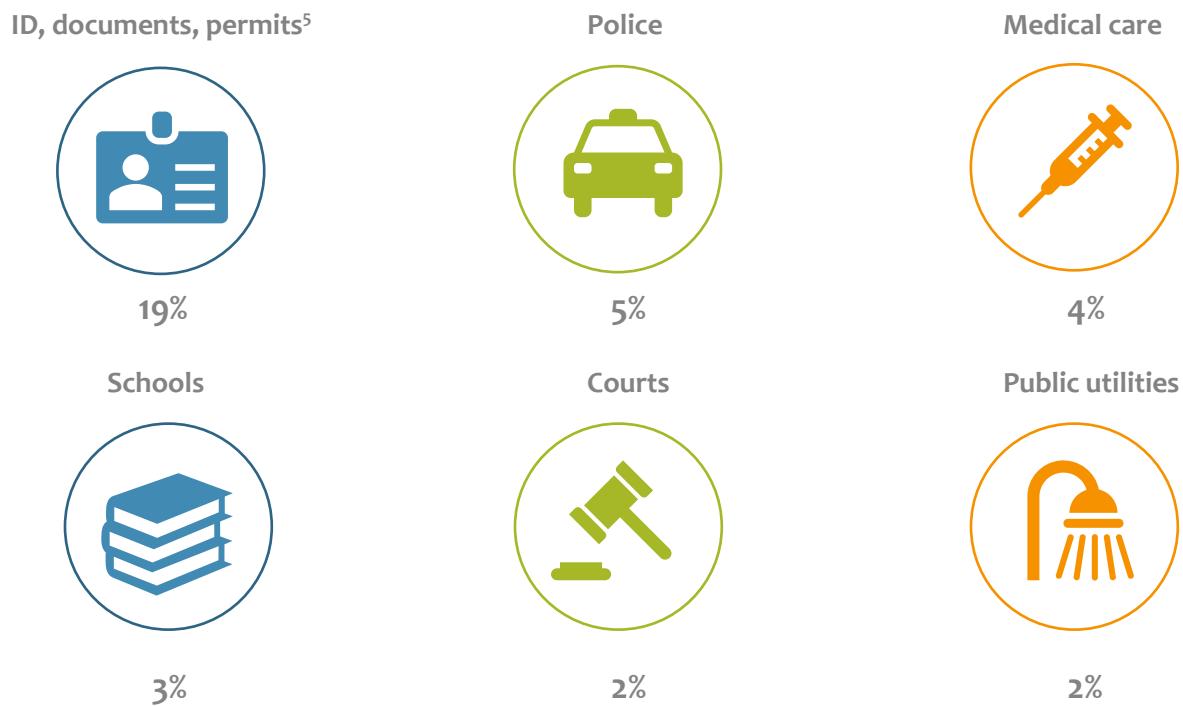
² Note that data for all countries (except Aruba) are from the Global Corruption Barometer 2017 database of Transparency International.



About one in four respondents knew someone who had paid a bribe when accessing basic services

As we expected that most people were not inclined to report their own acts of bribery, we asked also if the respondents knew someone who had paid a bribe to get services needed that they should have received for free. According to the survey results, 23 percent knew someone who had paid a bribe for at least one type of public services. According to the results, the highest bribery risk was related to the category “ID, documents, permits”. The latter category comprises three subcategories, i.e., (i) permits, (ii) long lease land, and (iii) ID and other official documents. Both permits (comprising residence and/or work permit, building permit, and business permit) and long lease land were the main contributors to the high bribery rate. Close to one in 10 respondents noted that they knew someone who had paid a bribe for, respectively, permits (11 percent) and long lease land (10 percent).

% of respondents who said that they knew someone who had paid a bribe^{3 4}



³ Do you personally know anyone who had paid a bribe, give a gift, or do a favor for (i) a government official to get an identity document, other official documents, long lease land, a residence permit and/or work permit, a building permit, or a business permit, (ii) a police officer to avoid a problem like passing a check point or avoiding a fine or arrest, (iii) a health worker or clinic/hospital staff to get medical care, (iv) a teacher or school official to get the services needed from the schools, (v) a judge or court official to get assistance from the courts, or (vi) a (member of) the management, an employee or (a member of) the supervisory board of public utilities to get public utility services?

⁴ Not included in this overview is the percentage of respondents who knew someone who had paid a bribe for social security benefits (1 percent).

⁵ Including long lease land.

4 People speaking out against corruption

About one in three respondents noted that they were personally affected by corruption in their daily life. A great majority (76 percent) said that bribery and the use of connections were often the easiest way to obtain public services in Aruba. Just over one-third of those surveyed mentioned that measures against corruption were applied impartially and without ulterior motives. Nevertheless, a large majority of respondents were positive about their own role in fighting corruption. Close to seven out of 10 persons agreed that ordinary people could make a difference in the fight against corruption, whereas just 19 percent disagreed. Respondents noted that the two most effective things that ordinary people could do to help combat corruption in Aruba is to report corruption they have seen or experienced or to refuse to pay bribes.

Ordinary people can make a difference in the fight against corruption



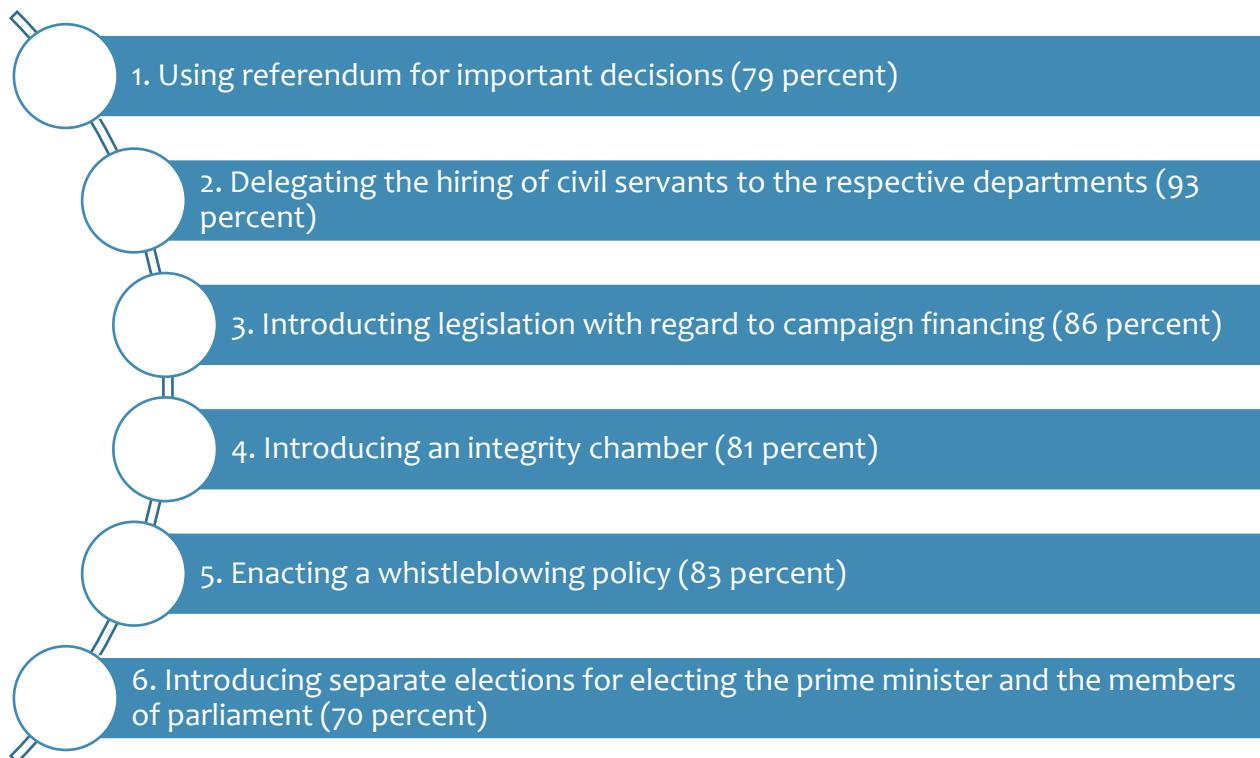
The results showed that many people were inclined to report acts of corruption. About one in two thought that in our society it was generally accepted for people to report a case of corruption they had witnessed (54 percent). Moreover, a great majority of those surveyed would feel personally obliged to report an act of corruption they had witnessed (75 percent) and would even spend a day in court to give evidence (66 percent).

While most respondents were inclined to report incidents of corruption, the results of the corruption survey indicated that in practice few people actually reported corruption when they experienced it. About one in 10 persons reported a case of bribery to the authorities. To find out why people don't report incidents of corruption, we asked them what they thought were the main reasons why many people do not report corruption when it occurs. The results illustrated that the main reason why people don't report incidents of corruption is that they are afraid of the consequences. The second most common reason why people don't report more cases of corruption is that they felt that nothing will be done and that it wouldn't make a difference. The third most common reason for people not reporting corruption is that they don't know where to report it.



About one in two respondents thought that it was generally accepted for people to report a case of corruption they had witnessed.

Finally, we asked residents about their views on a number of possible actions to mitigate corruption. More than 70 percent of them agreed that corruption could be mitigated by:



5 Conclusion

The Corruption Survey 2018 measured the public opinion on the level of corruption and experience with bribery. The findings of this survey showed that corruption is a major challenge in Aruba. A great majority of residents thought that corruption was widespread in Aruba and increasing, but they were ready and willing to help in the fight against corruption.

In summary, the following are the key findings of this survey:

1. Residents perceived that the problem of corruption was widespread and on the rise.
2. Politicians were perceived to be the most corrupt group in society.
3. The government was rated badly in its efforts to fight corruption.
4. The bribery rate in Aruba was low, implying that few people who accessed selected public services in the 12 months prior to the survey paid a bribe.
5. Nevertheless, close to one-quarter of respondents knew someone who had paid a bribe when accessing basic services.
6. Bribery risks were the highest for permits and long lease land.
7. People thought that ordinary citizens can make a difference in the fight against corruption.
8. People are afraid to report incidents of corruption.
9. The majority of people are willing to support anti-corruption efforts.

Taking into account the corruption challenges in Aruba, the CBA advises the government of Aruba to adopt, in close collaboration with relevant stakeholders, a holistic (island-wide) anti-corruption strategy, focusing, among others, on creating the right incentives, tackling the vulnerable sectors, promoting transparency, building shared values, and strengthening institutions. Addressing the corruption challenges requires the government, the private sector and the civil society working together to accomplish this.

6 Methodology

During the period of November 12 through December 5, 2018, the CBA executed the “Corruption Survey 2018” among residents aged 18 and above. Data were collected via face-to-face interviews with individuals at their homes in the language of the respondent’s choice (Papiamento, Dutch, English, or Spanish).

Sample size

A sample of 3000 addresses in all regions of Aruba was selected at random. The sample was stratified by gender (male and female) and age category. Three age categories were applied in this survey, i.e., 18-34 years, 35-54 years, and 55+ years.

A total of 753 citizens participated in this survey, of which 349 male (46 percent) and 404 females (54 percent)⁶.

Weighting

The results were weighted to be representative for the population of adults living in Aruba. The results have margins of sampling error of +/- 3.6 percentage points for dichotomous questions (for example, yes or no) at a 95 percent confidence level.

⁶ According to data received from the Central Bureau of Statistics, the Aruban population of 18+ years comprised of 47 percent male and 53 percent female at the end of 2018.