

## TOPIC 10: RIGHTS AND RESPONSIBILITIES OF THOSE IN POWER

### PART I: Serving the people with honesty

#### Corruption as a disease – or bush fire

Corruption has been called a disease. It is said to be the cancer of nations, of governments and of the business world alike.

Others have called it a dragon or a bush fire that can still breaks out in places unexpectedly and uncontrollably. Politicians, those with economic power, and all citizens have a responsibility to understand its various names – and disguises – and make their various dealings transparent so all can see.

Whatever image is used to describe it, most countries in the world suffer from its effects to some degree or other, in one form or another. It is deadly to the life of a nation because of its drain on resources and the difficulty of stamping it out. Also, because of what it takes away from the healthy growth of countries and the honest dealings that make for justice.

#### Impacts of corruption

We now know a lot about the effects of corruption and can calculate the costs of it in terms of lost opportunities. Or more correctly, stolen opportunities.

Organisations have been formed to measure its effects on the wealth and productivity of nations. [Transparency international](#) has used worldwide data and to come up ways of measuring both its extent and its losses. It has not only calculated the loss to present and future GDP but has devised measure to judge how corruption itself is perceived in a culture. [Many of these organisations are now also in Africa.](#)

#### Corruption as a culture

In a world of good governance it is essential to have responsive leaders. Also, responsible and responsive citizens. This means leaders who are aware and honest.

[For once corruption has become embedded in a culture it is difficult to get rid of.](#) And a large part of the problem involves awareness of the language used to justify it, a large part of the solution involves changing an accepted culture.

It is useful to view corruption as a culture because it emphasises the worn language and established practices that often make it difficult to those within that culture to see it. Or at least, to see it for the problem that it becomes.

#### Ethics and virtue are necessary but not enough

Modern studies have shown that teaching leaders and citizens about ethics is vital. Ethics gives reasons for good behaviour. But codes on how to behave correctly, and why they are important, are not sufficient to prevent corruption.

This is because those who practice corruption mostly justify it in other terms. The reasons these terms<sup>1</sup> become part of practices passed on from one to another – and from one generation to another – are often complex. Therefore it is helpful to see corruption not just a cultural practice that [may not be seen as individual weakness or a disease by those who practice it but as necessary, normal or at least excusable.](#)

It may even be seen as a twisted virtue or a mark of cleverness which allows whole classes of people to exonerate themselves in the name of 'commission', 'gbagba, furbo', 'oil for the machinery', 'the business of business is business', a deserved 'lick of the honey pot' for the hand in the hive.

### **Awareness of how sickness breaks out and can spread**

Declaring 'war' on a health epidemic helps to summon all the resources of the state. Healthy people surrounded by disease can themselves catch it and in a plague or an epidemic are most likely to. How, then, to treat this disease and what inoculations can be given against it?

This is where the disease imagery is important - and breaks down. Unless we know how it is spread we may not be able to do anything about it. As knowledge of the various cancers and their mechanisms has grown cures are being found.

Countless studies and conferences have uncovered the mechanisms of corruption, calculated its cost [and come up with programmes to combat it.](#)

Perhaps it is best to see it as a disease of the mind that be treated only be a combination of group therapy and shock treatment and preventative practices.

Mental diseases often involve a moral aspect. Today better diagnoses are being made. Justifications for corruption have been examined and better describing language is being found. International organisations now have programmes and initiatives and may be prepared to implement them with all the vigour and rigour of war, but increasingly target the education of children.

### **African initiatives**

What has worked? Which countries have been successful in reducing corruption – and how can we judge this? When Transparency International <http://www.transparency.org/> was formed by groups of concerned individuals they first set about measuring its extent and cost. They described practices that sustained corruption and devised measures of it. They produced yearly reports.

Like Freedom House <https://freedomhouse.org/> set up at a similar time, Transparency International, as the name suggests, established criteria, benchmarks and finally rankings that would enable governments and citizens to see the problem for what it was. Programmes and other agencies followed.

### **Reporters without Borders**

Similarly with Reporters with Borders. The importance of news media in shining light on both public and private institutions in a democracy has been spelled out in Lesson 9. This is especially true in low-income countries when the rule of law and /or the judiciary are weak.

Modelling itself on the Doctors without borders, also Paris-based, this Non-governmental organisation offers educational, financial, and moral support through global media exposure. It actively lobbies government to allow journalists to be honest critics - and citizens to realise their crucial role.



## **PART II: The forces behind widespread corruption**

### **Entrenched cultural practices require a mix of approaches**

[Despite the work of these three agencies](#) corruption can become entrenched in a culture. There is little dispute now about the costs of corruption and the need for an ethical and legal approach to it. So, many NGOs (Non-Governmental Organisations), [individual game-changers and youth groups are now taking up the challenge of a bottom-up approach.](#)

At its heart, corruption is justified self-interest and a confusion of entitlement and responsibility. The 'misuse of entrusted power for private gain' definition, while true, can however omit the part played by social and economic forces – as well as individual integrity.

When in low-income countries corruption is a response to often desperate needs for basic services with expected 'surcharges', and to public worker salaries insufficient to meet daily needs, corruption may not be called corruption at all. It may not be seen as clever or even as 'trickery,' (Gbagba, Liberian word for corruption)<sup>2</sup> but simply necessary. Surveys, however, regularly show resentment of these corrupt practices at more than 80 percent.

### **Progress can be measured**

Ranking countries regularly in terms of criteria such as transparency, trust and the perceived cost of 'doing business' is one way of measuring progress. From year to year this index enables countries to compare themselves against internationally agreed standards.

Importantly also it monitors the progress of each not only in combatting corruption but also in ability of their economic systems to deliver living wages and fair allocation of resources. Primarily, it measures a society's ability to inform all within it who exactly gets what of their country's resources.

### **High income countries have corruption too**

High income countries with high transparency, regulations to guarantee it and a strong judiciary to enforce it can still suffer from corruption.

One example even in democracies is the use of bribes by lobbyists . By getting 'the right message over to the right people, in the right form, at the right time, on the right issue,' lobbying those in power exists because it can enhance the efficiency of governance. It can also give unfair advantage to the wealthy, especially corporations.

For business interests with deep pockets can also pay lobbyists to gather support to ensure a bill is not passed or a regulation is delayed.

### **Lobbying as a form of bribery**

To ensure the system does not become bribery by another name but helps ordinary petitioners and less wealthy companies to have equal access an increasing number of democracies have passed laws about lobbying.

- A public list of registered lobbyists
- Full disclosure about amounts spent on lobbying
- Audits on spending on lobbyists by a public agency
- A stand-down period before former MPs can become lobbyists

## **Some governments encourage corruption – if only by selection or neglect**

Aside from low-wage or subsistence economies, what political conditions make it easier to giving or taking bribes or ‘surcharges?’

Any top-down system with little separation between public and private sectors is open to corruption. Or where patron-client relationships encourage those receiving favours to be grateful enough to do whatever is asked – or even subtly expected. In short, wherever government services are on a personal rather than on a strong institutional basis, corruption will flourish.

## **Weak interest groups and personal governments become corrupt**

In competitive authoritarian governments leaders allow the expression of some interests but there is little ability for interest groups – including business or trade ones – to have any real influence.

Countries like modern Russia and China allow promotional groups to operate only at local level – and then only under state supervision. This mix of an assertive state and a weak society produces a ‘state-led civil society’<sup>3</sup>(Frolic, 1997) where there are no alternatives to state power – only those that go along with it.

Where politics are personal rather than institutional, they also allow individual companies to pull the strings of their puppets in government.

## **Patron-client alliances, weak institutions**

Authoritarian regimes use unofficial patronage networks to keep their political position. They control jobs, natural resources and access to money making by incorporating all other major holders of power – who show their gratitude by then distributing these to their own supporters.

These patron-client pyramids extend throughout society. Crucially these networks prevent other institutions from being independent of them – and individuals from complaining. If clients remain politically sound (their politics, at least), these patron governments will blind-eye any shady behaviour.

## **Patron-client ‘personal-favours corruption’ is corrosive**

The high political price paid for these informal alliances is a corrosion of public support which over time increases potential instability.

The mis-allocation of large sums of capital – the result of private allocation of jobs, contracts and investment – leads to ‘a weak banking sector, reduced foreign investment, and a sharp distinction between insiders and outsiders.’<sup>4</sup>

## **Authoritarian regimes can produce high growth – in the short term**

It is true that by limiting demands by citizens for other services some regimes can initially outpace some democracies in growth, especially early stage development. China dramatically outgrew democratic India between 1978 and 2009.

However, long term these non-democratic regimes do not flourish.<sup>5</sup> Although China offers a model of development without democratisation, informed commentators regard Chinese communism as an authoritarian regime in which ‘corruption, cronyism and cynicism’ are features.

Controlled by elite factions, the party has exploited nationalism – ensuring China is great again - to achieve their success.<sup>6</sup> The ‘exceptionalism’ of a superpower like the US is prone to this as well but news media exist to expose its cost and to other views.

## **PART III: The true cost of corruption is opportunity**

### **The casualty of corruption is growth**

[Today's anti-corruption success story Nigeria](#) had its development set back decades by the mismanagement of military dictators 'lootocrats.'

The casualty of this form of corruption is growth. Democracies has been found to make more productive use of their inputs. The form of growth in these democratic systems can in principle continue for the long term – and provide social security safety nets for those sections of the population that have to cope with necessary labour transitions.

Regarded as an inherently inefficient, China's corrupt system has managed to deliver partial industrialisation in a highly politicised economy in which 'not only party members, but also local bureaucrats and army officers seek to advance themselves alongside more conventional entrepreneurs.'<sup>7</sup>

Business people have to create ties to officials as well as opportunities. China's, growth, positively, has uplifted millions into a middle-class income. It has come at a cost that democracies are committed to avoid.

Analysts say simplistic accounts of the rise of authoritarian regimes like China omit a string of difficulties that prevent equal justice such as:

- Increasing inequality between regions and between individuals
- Inefficient allocation of capital
- Bad loans by banks
- Urban unemployment
- Environmental degradation
- Water shortages in parts of the country
- Massive population movements from the countryside
- An unruly peasantry
- An ageing population
- Prior social services (eg medical care) leading to excess savings
- Pervasive corruption
- Popular cynicism about the party or governments
- Hostility of ethnic minorities (Tibetan, Uighurs in the case of China)
- Sustaining censorship in the internet era.

### **Hope in and for low-income economies**

Corruption is a pandemic – a worldwide disease – but for reasons that are now better understood [it has affected African countries unequally](#). Even ones that are oil and minerals rich.

[The role of developed countries in permitting politicians to hide mammoth sums in tax havens is only now being exposed](#). There is hope in the many initiatives and education programmes that are springing up in various parts of the world by [leaders who have taken up the challenge to gather the political will required](#).

To do so leaders have had to name the varieties of the disease in their midst – as well as 'keep their own house in order'. To resist disease this may take incentives for many smaller changes in personal thinking and behaviour as well as disincentives for offenders. And systemic programmes with outputs, expected outcomes, and key indicators of achievement – as well as, on a personal level, a pride in the humble virtue of 'cutting your coat to suit your cloth' rather than using proverbs to justify self-interest such as 'one who takes honey out of the beehive licks his hand.'<sup>8</sup>

The realisation of the cost – and of the international forces that have made them victims of the deficits Big Man corruption produces in whatever continent – has made an increasingly number of countries sign up to initiatives.

The moral corrosion in cultures in which all are guilty if only [by neglect has been stopped by leaders and individuals who see what has to be done and challenged their fellow citizens to change.](#)

Holding offenders to account while acknowledging the forces at work on the desperate, has meant compassion can be shown, justice practised and cultural practices remedied. A multi-cause approach enables the blind-eyed to turn and see.

To confront the many types corruption is to confront not just the kick-back and backhanders but also the many social causes of desperation and disengagement.

### **10 ways to combat corruption -**

1. Corruption is not only about bribes: People especially the poor get hurt when resources are wasted. That's why it is so important to understand the different kinds of corruption to develop smart responses.
2. Power of the people: Create pathways that give citizens relevant tools to engage and participate in their governments – that is, [identify priorities, describe problems and find solutions.](#)
3. Cut the red tape: Bring together formal and informal processes (this means working with the government as well as non-governmental groups) to change behavior and monitor progress.
4. It's not 1999: Use the power of technology to build dynamic and continuous exchanges between key stakeholders: government, citizens, business, civil society groups, media, academia etc.
5. Deliver the goods: Invest in institutions and policy – sustainable improvement in how a government delivers services is only possible if the people in these institutions endorse sensible rules and practices that allow for change while making the best use of tested traditions and legacies – imported models often do not work.
6. Get incentives right: Align anti-corruption measures with market, behavioral, and social forces. Adopting integrity standards is a smart business decision, especially for companies interested in doing business with the World Bank Group and other development partners.
7. Sanctions matter: Punishing corruption is a vital component of any effective anti- corruption effort.
8. Act globally and locally: Keep citizens engaged on corruption at local, national, international and global levels – in line with the scale and scope of corruption. Make use of the architecture that has been developed and the platforms that exist for engagement.
9. Build capacity for those who need it most: Countries that suffer from chronic fragility, conflict and violence– are often the ones that have the fewest internal resources to combat corruption. Identify ways to leverage international resources to support and sustain good governance.
10. Learn by doing: Any good strategy must be continually monitored and evaluated to make sure it can be easily adapted as situations on the ground change. <http://blogs.worldbank.org/governance/here-are-10-ways-fight-corruption>

**Or from a different view:**

<http://www.mindcontroversy.com/how-to-stop-corruption-eradication/>

**Or six practical strategies**

<http://blogs.worldbank.org/futuredevelopment/six-strategies-fight-corruption>

**Further reading on recognising and curing corruption:**

<http://www.independent.co.uk/voices/this-is-the-essay-on-corruption-that-david-ferman-didnt-want-you-to-read-a7026496.html>

<https://www.gov.uk/government/publications/global-declaration-against-corruption/global-declaration-against-corruption#corruption-should-be-exposed---ensuring-there-is-nowhere-to-hide>

1 Commission, *gbagca, furbo* or 'oil for the machinery' ... many anti-corruption campaigners are reaching into their indigenous languages to try to educate a new generation on what these term excuse or cover up.

2 <http://mo.ibrahim.foundation/news/2016/robtel-pailey-talks-about-her-anti-corruption-childrens-book-gbagba/>

Frolic, M. & Brook, T (Eds) *Civil Society in China*. Armonk, NY: M. E. Sharpe, 1997

4 King, S. (2007) *Sustaining Authoritarianism in the Middle East and North Africa*, *Political Science Quarterly* (122) 433-60. This politics of fear and vulnerability results in a "repertoire of control mechanisms in which politics come before economics and obedience before initiative. Communication is opaque, trust is lacking, government spending is misused, corruption is endemic, laws are ignored, and foreign investors are cautious ... the outcome is a static society, an underperforming economy and a cynical population" - Hague, R. & Harrop, M. *Comparative Government and Politics* (2013) p. 62

5 Long-term can be very long term, however, when there is suppression and police states: communist regimes in Eastern Europe lasted 70 years

6 The 'exceptionalism' of a superpower like the US is prone to this as well but news media exist to expose its cost and to other views.

7 Hague, R. & Harrop, M. *Comparative Government and Politics* (2013)

8 Poudyal, m, (1984). *Public administration and nation-building in Nepal*. Delhi, India : NBO Publishers' Distributors.

# Decoding the culture of corruption

By Corruption Watch 02 Jul 2013, By Kavisha Pillay

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South Africa has always been a melting pot of many cultures. Its ethnic diversity has contributed to the colourful rainbow nation, and has led to tolerance of difference. Culture is part of our daily lives: it contributes to our behaviour patterns, the food we eat, the clothes we wear.

But one culture that has become increasingly present in the day-to-day lives of South Africans is corruption. Bribing police officers has become a norm for many and greasing the palms of public officials is regarded by some as standard business practice.

The question is to what extent does a country's culture influence corruption among its population? Listen to this being discussed on Talk Radio 702 [here](#).

## The rotten apple

American National Bureau of Economic Research economists Ray Fisman and Edward Miguel, from Columbia University and the University of California, Berkeley, respectively, have developed an analogy that illustrates the influence of a country's culture on corrupt inhabitants.

**Culture can be defined as the collectively shared beliefs about right and wrong and what is permitted and what is not.**

Given this, corruption is not purely a case of rotten apples. Rather, the barrel or orchard is contaminated. Corruption can be ingrained in an environment, so that everyone is infected. As humidity influences the extent of rot in apples, the air quality in an organisation – the organisational culture – influences the extent of corruption among employees who are continuously breathing it.

## Gift-giving versus bribery

Alwyn Moerdyk, a Rhodes University psychology lecturer, says that culture is often used to explain or excuse acts of corruption. Some societies claim that gift-giving is “part of our culture” and outsiders should not confuse it with bribery.

Olusegan Obasanjo, the past president of Nigeria, makes a distinction between gifts and bribes. In the African concept of appreciation and hospitality, he explains, the gift is usually a token. It is not demanded.

The value is usually in the spirit rather than in the material worth. It is usually done in the open, and never in secret. Where it is excessive, it becomes an embarrassment and it is returned.

Moerdyk notes that the act of giving is a natural process for humans and is an expression of gratitude for a benefit received or to cement a relationship. But the size of the gift, or the context in which it was given, may make that gift a bribe. Gifts have the purpose of cementing existing relationships, whereas bribes are designed to create new relationships.

## Expert opinion

South African Finance Minister [Pravin Gordhan](#) told reporters that corruption was becoming a social phenomenon:

*There is no point in pointing fingers. [Corruption] is becoming a cultural problem in South Africa. We need to fight the culture of corruption. A culture of easy money making and not having to think hard, work hard, be clever and find an innovative way of making money.*

Public protector [Thuli Madonsela](#) noted that a culture of corruption had been allowed to grow in the public sector as a result of a “competency deficit in supply chain management, lack of respect for rules and authority, and a lack of consequences for wrong doing”.

Criminologist Dr Elisabeth Grobler strongly believes that a culture of corruption has developed in South Africa primarily because of the “ease with which it is committed due to the lack of sanction and lack of adequate institutions to deal with the investigation and conviction of this phenomenon”. She said:

*All the effective institutions that did deal effectively with corruption were shut down – such as the Scorpions and the SAPS Anti-Corruption Unit. One only has to read the newspaper regularly to be alerted to yet another corruption scandal that probably will have no negative consequences for those involved. Just the fact that public sector corruption costs the country billions of rand every year is testament to the government’s complete lack of will and ability to deal with it.*

It is evident that corruption in South Africa has become a culture among some political leaders, business people and the population. Although the environment in which we live to some extent breeds the rot, we know that there are many people who have not been consumed by the decay of ethical values.

We salute those individuals and institutions that choose to break away from the culture of corruption and rather promote a culture of whistleblowing, transparency and accountability.

## African & global anti-corruption monitors & initiatives

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There are a number of key anti-corruption initiatives relevant to anti-corruption measures in Africa some of which BAAC works in partnership with in the various countries of operation.

### AfriMAP

*Africa Governance and Monitoring and Advocacy Project (AfriMAP)*

The Africa Governance, Monitoring and Advocacy Project (AfriMAP) aims to monitor and promote compliance by African states with the requirements of good governance, democracy, human rights and the rule of law

[www.afriMAP.org](http://www.afriMAP.org)



*African Development Bank Group*

The African Development Bank Group is a development bank established in 1964 with the intention of promoting economic and social development in Africa. The group comprises the African Development Bank (AfDB), the African Development Fund (ADF), and the Nigeria Trust Fund (NTF). AfDB provides loans and grants to African governments and private companies investing in the regional member countries in Africa. It is owned and funded by member governments, and has a public-interest mandate to reduce poverty and promote sustainable development.

[www.afdb.org](http://www.afdb.org)



*African Parliamentary Network Against Corruption (APNAC)*

The African Parliamentarians' Network Against Corruption (APNAC) is Africa's leading network of parliamentarians working to strengthen parliamentary capacity to fight corruption and promote good governance.

[www.apnacafrica.org](http://www.apnacafrica.org)



*African Peer Review Mechanism (APRM)*

The African Peer Review Mechanism (APRM) is a system introduced by the African Union to help countries improve their governance. It is a way of looking forward while taking account of where we are today.

[www.aprm.org.za](http://www.aprm.org.za)



### *Basel Committee on Banking Supervision*

The Basel Committee on Banking Supervision provides a forum for regular cooperation on banking supervisory matters. Its objective is to enhance understanding of key supervisory issues and improve the quality of banking supervision worldwide. [www.bis.org](http://www.bis.org)



### *Business Ethics Network Africa (BEN-Africa)*

BEN-Africa strengthens the commitment and competence of Africans to do business with moral integrity by facilitating interaction between academics and practitioners who share an interest in business ethics.

[www.benafrica.org](http://www.benafrica.org)



### *Eastern, Central and Southern Africa Federation of Accountants (ECSAFA)*

The mission of the organisation is to build and promote the accountancy profession in the Eastern, Central and Southern regions of Africa in order that it is, and is perceived by accountants, businesses, financiers and governments, to be an important factor in the economic development of the region.

[www.ecsafo.org](http://www.ecsafo.org)



### *Eastern and Southern African Anti-Money Laundering Group (ESAAMLG)*

[www.iss.co.za/pgcontent.php?UID=2884](http://www.iss.co.za/pgcontent.php?UID=2884)



### *The Extractive Industries Transparency Initiative (EITI)*

The EITI sets a global standard for transparency in oil, gas and mining.

[www.eiti.org](http://www.eiti.org)



### *Global Compact*

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

[www.unglobalcompact.org](http://www.unglobalcompact.org)



### *Global Corporate Governance Forum*

The Global Corporate Governance Forum supports regional and local initiatives to improve corporate governance in middle- and low-income countries in the context of broader national or regional economic reform programs.

[www.gcgf.org](http://www.gcgf.org)



### *Global Integrity*

Global Integrity is an independent, non-profit organization tracking governance and corruption trends around the world. Global Integrity works with local teams of researchers and journalists to monitor openness and accountability. [www.globalintegrity.org](http://www.globalintegrity.org)



### *Information portal on corruption and governance in Africa (IPOC)*

IPOC is an online resource portal that can act as a primary reference point for those interested in combating corruption and promoting democratic governance in Africa. [www.ipocafrika.org](http://www.ipocafrika.org)



### *Financial Action Task Force (FATF)*

The Financial Action Task Force (FATF) is an inter-governmental body whose purpose is the development and promotion of national and international policies to combat money laundering and terrorist financing.

[www.fatf-gafi.org](http://www.fatf-gafi.org)



#### *Kimberley Process Certification Scheme (KPCS)*

The Kimberley Process (KP) is a joint governments, industry and civil society initiative to stem the flow of conflict diamonds – rough diamonds used by rebel movements to finance wars against legitimate governments.

[www.kimberleyprocess.com](http://www.kimberleyprocess.com)

[www.nepad.org](http://www.nepad.org)



#### *New Partnership for Africa's Development (NEPAD)*

The New Partnership for Africa's Development (NEPAD) primary objectives are to eradicate poverty, place African countries, both individually and collectively, on a path of sustainable growth and development. NEPAD also aims to halt the marginalisation of Africa in the globalisation process and enhance its full and beneficial integration into the global economy while accelerating the empowerment of women. [www.nepad.org](http://www.nepad.org)



#### *Organisation for Economic Co-operation and Development (OECD)*

The Organisation provides a setting where governments compare policy experiences, seek answers to common problems, identify good practice and coordinate domestic and international policies.

[www.oecd.org](http://www.oecd.org)

#### *Pan African Consultative Forum on Corporate Governance (PACFCG)*



#### **Publish What You Pay**

Publish What You Pay (PWYP) is a global civil society coalition that helps citizens of resource-rich developing countries hold their governments accountable for the management of revenues from the oil, gas and mining industries. [www.publishwhatyoupay.org](http://www.publishwhatyoupay.org)

#### *Southern African Forum Against Corruption (SAFAC)*

[www.lesotho.gov.ls/articles/Speech-%20LAW-SAFAC.htm](http://www.lesotho.gov.ls/articles/Speech-%20LAW-SAFAC.htm)



### *Transparency International (TI)*

Transparency International, the global civil society organisation leading the fight against corruption, brings people together in a powerful worldwide coalition to end the devastating impact of corruption on men, women and children around the world. TI's mission is to create change towards a world free of corruption. [www.transparency.org](http://www.transparency.org)



### *UK Anti-Corruption Forum*

The Forum's objective is to help create a business environment that is free from corruption. [www.anticorruptionforum.org.uk](http://www.anticorruptionforum.org.uk)



### *Wolfsberg Anti-Money Laundering Principles*

The Wolfsberg Group is an association of eleven global banks, which aims to develop financial services industry standards, and related products, for Know Your Customer, Anti-Money Laundering and Counter Terrorist Financing policies.

[www.wolfsberg-principles.com](http://www.wolfsberg-principles.com)



### *World Health Organisation (WHO) Good Governance for Medicines Project*

WHO is the directing and coordinating authority for health within the United Nations system. It is responsible for providing leadership on global health matters, shaping the health research agenda, setting norms and standards, articulating evidence-based policy options, providing technical support to countries and monitoring and assessing health trends.

[www.who.int](http://www.who.int)

## Personality traits associated with corrupt behaviour

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There are identifiable personality traits and triggers associated with corrupt behaviour. These are useful to identify for parents to counter them by training and for individuals to work on them in their own personalities or recognise them in others.

It is a well known flaw in thinking to make association equal to causation: obviously, just because an eclipse of the moon happens at the same time as a flood does not mean it caused it. However, in corruption, associations can help in resisting causes.

Where ethics, will and virtue come into play is in the ability to overcome weaknesses by recognising their triggers and establishing strategies to prevent them. For instance, education which stresses only social conformity rather than individual responsibility may not prepare an individual to speak out or be a whistle-blower.

And if you are educated to have only a sense of entitlement rather than responsibility, you may have not be strong enough to resist 'a lick of the honeypot.'

According to clinical psychologists there are many motivations that push people down this treacherous road. Here are some of the triggers they have identified:

### **It's your personality ... (characteristics associated with corruption)**

It is difficult and perhaps counter-intuitive to put people in boxes with neat little labels to explain their behaviour, but some personality traits make the slide into corrupt behaviour easier. According to Del Fabbro, these characteristics include :

- Impaired empathy – individuals struggle to put themselves in the shoes of another or understand how their actions may affect the wellbeing of someone else;
- Self-centeredness – individuals prioritise their own needs over those of others;
- Manipulation – individuals deceptively influence systems or other people's perceptions;
- Entitlement – individuals believe that they deserve to succeed or have their needs met more than others and that they deserve special treatment; and,
- Tendency to project blame on to others – individuals avoid taking responsibility for their actions.

Moerdyk notes that other characteristics associated with corruption involve:

- thrill-seeking behaviour
- social conformity
- the need for instant gratification
- risk-taking behaviour
- a strong need for power.

## What makes people accept bribes, slide into corruption?

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[The psychology of corruption](#) – by Kavisha Pillay, Corruption Watch 25 Jun 2013

It is said that everyone has their price, but what makes a policeman accept a bribe, a procurement officer give a tender to his friend, or a school governing body cook the institution's books?

Clinical psychologist Dr Giada Del Fabbro, criminologist Dr Elisabeth Grobler, and Rhodes University organisational psychology lecturer Alwyn Moerdyk examine the motivations that push people down this treacherous road. The triggers are many, it seems.



### **Greed versus need: monitoring is necessary given human nature**

In her dissertation on public sector corruption, Grobler notes that human beings are by nature greedy. Some people can contain the urge for self-enrichment and instant gratification; others cannot. Those who constantly feel the need to accumulate wealth may take any opportunity to do so.

When it comes to corrupt public officials, if there is a prospect for self-gratification, they are likely to grab it with both hands unless they are monitored closely. Grobler believes that there is a lack of monitoring and accountability in governments, opening up the potential for corruption.

Yet she also points out that corruption is often committed to supplement an inadequate income, especially among lower paid public servants. The dichotomy is money-for-greed versus money-for-need.

### **Sharing is caring**

Think corrupt individual, and labels like self-centred and financial motivation spring to mind. But security specialist Bruce Schneier, who's written on [the psychology of fraud](#), has a different view. He says some experts believe that people commit acts of corruption and fraud because humans like each other. Because we are fond of one another, especially of people with whom we can identify, goes the reasoning, we do not see our actions in this relationship as unethical. For example, a municipal procurement officer awards a tender to his friend – the officer and his friend like each other, they relate to one another, and on the basis of this friendship and loyalty, they do not see their actions as corrupt.

It may seem a bit touchy-feely, but it explains the existence of webs of corrupt individuals bound together. It is never a lone person who benefits; there are always groups of people who gain. Moerdyk states that certain cultural values, such as the "need for sharing and caring", may lead to pressure to behave corruptly. "The propensity of corruption may lie in the need of certain people to share and care (or perhaps more accurately, to be seen to share and care), as much as it may be traced to greed, a sense of entitlement and the need to be seen as successful," he says.

## **Blame the parents**

Del Fabbro notes that an individual's morality and ethics are based on the process of socialisation as well as on modelling and education from parents or caregivers – in essence, we learn behaviour at the knee of our parents and teachers. The sentiment is echoed by the former chief psychologist in India's public service commission, [Dr NP Upadhyay](#). Corruption, Upadhyay says, is an anti-social activity learned through poor parenting.

“Everyone's personality is a creation of his or her family. Family provides a framework within which human beings may find roots, continuity and a sense of belonging. Parents serve as the first socialising agents. Especially, sound family environment always persists disciplines, moral and obedience lessons. Mainly, such diversified effective lessons impart good manners, corruption free minds, and an acquired integrated personality,” Upadhyay points out.

**But he and Del Fabbro agree that a person's moral and ethical development can be disturbed by dire social and economic circumstances in which personal survival is prioritised above everything else.**

And what of the attitudes of the public that allow corruption? The culture of corruption has had devastating effects on South Africa's economy and has rattled public confidence in key institutions, but the worst effect will be on future generations who will grow up to believe that paying a bribe to a police officer is acceptable or that buying their driving licence is okay.

## Some practical solutions to combat corruption from bloggers

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Submitted by ngubia m on Fri 05/23/2014

To address corruptions we need a bottom up approach

1. Disband Anti-corruption agency- this agency serves the master.
2. Set up a Whistle blowing agency whose sole mandate is educate the citizenry on corruption
3. Make corruption a subject/ topic in basic education.
4. Personalize corruption; carry out national wide HIV like campaign and sensationalize and sensitive citizens on evils/benefits of corruption.
5. Set an alternative form of Social justice dedicated to corruption like the Rwanda's Gecaca system.

Submitted by kashif yousaf badar on Thu 05/15/2014

The Pakistani Youth perception to overcome the great curse of corruption and empowering the accountability process are:

1. Reduce the discretionary powers of the government officials and political leaders for the usage of public funds.
2. Equal social justice system for all the public according to rule of Islam.
3. Rule of law will be on the top priority in the country.
4. Introduction of Toll Free hot line for Whistle Blowers on the national level, the youth should stand united against the corruption in the society , government and in the country
5. Judicial Reforms i.e. appointment of more judges and creation of new courts on emergency basis in the country to speed up the judicial process and creation of monitoring and inspection department in the judiciary to monitor and eliminate the ever increasing corruption.
6. The role of public accounts committee (PAC) ,anti corruption unit and Nab should be more strengthen and try for less involvement of Govt officials and other political pressures.
7. The Land record system must be immediately computerized in whole of the country to reduce the chances of corruption and changing in the record of land.
8. At least one consumer court and price control committee should be established at the Tehsil level to deal with the issues relating to consumer crimes, over pricing etc.
9. Islamic system based on democracy will be implemented.
10. Poverty and unemployment should be minimized and equal status should be given to every citizen of the country apart from its gender, race, religion, wealth or status.

## Monitors and watchdogs that assist anti-corruption campaigns

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**Reporters Without Borders (RWB)**, or *Reporters Sans Frontières (RSF)*, [https://en.wikipedia.org/wiki/Reporters\\_Without\\_Borders](https://en.wikipedia.org/wiki/Reporters_Without_Borders) is an international [non-profit, non-governmental organization](#) that promotes and defends [freedom of information](#) and [freedom of the press](#). The organization, with a head office in Paris, France, has consultant status at the United Nations.

Reporters Without Borders has two primary spheres of activity: one is focused on [Internet Censorship](#) and the [New Media](#), and the other on providing material, financial and psychological assistance to journalists assigned to dangerous areas.<sup>[3]</sup> Its missions are to:

- continuously monitor attacks on freedom of information worldwide;
- denounce any such attacks in the media;
- act in cooperation with governments to fight censorship and laws aimed at restricting freedom of information;
- morally and financially assist persecuted journalists, as well as their families; and offer material assistance to war correspondents in order to enhance their safety.

### Freedom House

<https://freedomhouse.org/> is a U.S.-based nonpartisan 501(c)(3) U.S. Government funded [non-governmental organisation \(NGO\)](#) that conducts research and advocacy on [democracy](#), [political freedom](#), and [human rights](#).<sup>[4]</sup> Freedom House was founded in October 1941. [Wendell Willkie](#) and [Eleanor Roosevelt](#) served as its first honorary chairpersons. It describes itself as a "clear voice for democracy and freedom around the world".

The organisation's annual [Freedom in the World report](#), which assesses each country's degree of political freedoms and civil liberties, is frequently cited by political scientists, journalists, and policy-makers.

[Freedom of the Press](#) and [Freedom of the Net](#),<sup>[5]</sup> which monitor censorship, intimidation and violence against journalists, and public access to information, are among its other signature reports.



**Transparency International (TI)** [www.transparency.org](http://www.transparency.org) is an [international non-governmental organization](#) which is based in [Berlin, Germany](#), and was founded in 1993. Its [nonprofit](#) purpose is to take action to combat [corruption](#) and [prevent criminal activities](#) arising from corruption. It publishes for example the [Global Corruption Barometer](#) and the [Corruption Perceptions Index](#). Transparency International has the legal status of a German registered voluntary association (*Eingetragener Verein*) and serves as an [umbrella organization](#). Its members are besides a few individuals more than 100 national chapters which engage in fighting corruption in their home countries.

According to the [2014 Global Go To Think Tank Index Report](#), Transparency International was number 5 of 100 in the *Top Think Tanks Worldwide (non-U.S.)* category and number 13 of 150 in the *Top Think Tanks Worldwide (U.S. and non-U.S.)* category.

## How to combat multi-causal corruption - Youtubes on causes, effects, cures

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- [For an animation on causes and cures:  
<http://blogs.worldbank.org/governance/category/tags/anti-bribery>]
- ‘There is nothing uniquely African about corruption’ Fight *Gbagba* – | Robtel Neajai Pailey | TEDxEuston (Or when defining corruption as “the misuse of entrusted power for private gain” is not enough ... the virus of non- implementation combatted by ‘A bloodless ethical revolution from below’ )  
[https://www.youtube.com/watch?v=Stjk\\_Dx-C9Y](https://www.youtube.com/watch?v=Stjk_Dx-C9Y)
- <https://www.youtube.com/watch?v=l2XxuOY6zp0> Nigeria’s success story: Nuhu Ribadu  
“When you fight corruption, it fights back.” [Anti-corruption heroism - & its cost]
- <https://www.youtube.com/watch?v=d4Dj0qdWLnk> [Fighting corruption - & its deeper global causes]
- <https://www.youtube.com/watch?v=O9CQZmN1Mhs> [How London fuels corruption in poorer countries - 2014]
- <https://www.youtube.com/watch?v=nIYpMGI6iNQ> [How to get young people to vote - 2014]
- <https://www.youtube.com/watch?v=PJy8vTu66tE> [Our democracy no longer represents the people - Oct 2015]
- <https://www.youtube.com/watch?v=jsZDIBU36n0> [Why nations fail – technology included – Oct 2014]
- <https://www.youtube.com/watch?v=eORwAozITwI> [Why democracies fail – and why that’s OK – Jan 2015]

## Corruption in Africa - 2016

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Corruption is undoubtedly the most pressing governance and development challenge that Africa is confronted with today. Corruption has debilitating and corrosive effects on progress, stability and development of the continent.

It impedes economic growth by discouraging foreign investments, creates distortion in resource allocation and competitive markets, increases the cost of doing business, and reduces the net-value of public spending. It also reduces the quality of services and public infrastructure and the volume of tax revenues, and encourages the misappropriation and misallocation of scarce resources.

In the political realm, corruption undermines the rule of law, respect for human rights, accountability and transparency and weakens government institutions. This in turn erodes public legitimacy in government and compromises good governance. . The social costs of corruption are also deleterious as it deepens income inequality, poverty and adversely affects good moral values in the society. In general, corruption is a challenge to sustainable economic development, peace and good governance.

*We all know the heavy toll taken by corruption. More than a trillion dollars stolen or lost, every year-money needed for the Millennium Development Goals*

Ban-Ki Moon, UN Secretary General, 2nd September 2010

While corruption is a global phenomenon, the impact is felt more in poor and underdeveloped countries, where resources for development are unduly diverted into private hands, which exacerbates poverty.'

In addition, illicit financial flows especially by Multinational Corporations (MNCs) mostly through corrupt practices continue to deny African countries the needed financial resources for development. This makes corruption a serious development challenge in Africa.

*There can be no doubt that corruption is very costly to both governments and businesses and as such impacts negatively on our development efforts. It therefore makes economic sense and good politics to fight corruption. Equally not in doubt is the fact that success of the fight against corruption depends on good governance*

Paul Kagame, President of the Republic of Rwanda 23rd March 2011

The international community and African countries, in particular, have shown a growing commitment in tackling the problem of corruption in the past decade. A number of international, regional, sub regional and national instruments have been devised to combat the menace.

The enactment of the United Nations Convention against Corruption (UNCAC), the African Union Convention on Preventing and Combating Corruption (AUCPCC), and the Southern Africa Development Community (SADC), the Economic Community for West African States (ECOWAS) and the East African Community protocols are examples of this. Many African countries have also established national anti-corruption institutions in an effort to tackle the problem.

In spite of all these efforts and measures, the spread of corruption has been unrelenting and has remained a major obstacle to the attainment of the continent's development goals. It is against this background that GPAD - UNECA, in partnership with the AUABC have crafted the regional anti-corruption programme for Africa. The programme seeks, in a systematic and methodological way to address the growing problem of corruption on the continent by engaging key stakeholders in the anti-corruption drive at the national, sub-regional and regional levels.

*First, corruption destroys the moral integrity and ethics of any society in which it is endemic or rampant. It destroys those values that underpin the sensitivity to our common humanity and concern with each-others wellbeing. It creates a society in which 'anything goes' or promotes a society that does not care for its weak and vulnerable*

Pakalitha Mosisili, Prime Minister of the Kingdom of Lesotho, 23rd March 2011

Combating Corruption, Improving Governance in Africa : Regional Anti-Corruption Programme for Africa (2011 – 2016) Transparency International.

<http://www.uneca.org/sites/default/files/PublicationFiles/combating-corruption-improving-governance-in-africa-2011-2016.pdf>

## **Combating Corruption, Improving Governance in Africa**

### **Regional Anti-Corruption Programme (2011- 2016)**

The African Peer Review Mechanism (APRM) is a major instrument of political dialogue through which African countries seek to promote the culture of good democratic governance on the African continent. It is a self-assessment mechanism put in place by Africa's political leadership by which African countries seek to identify their country-specific governance challenges and build a coalition for political reforms in the country.

Corruption is a recurring decimal in all the APRM country reports so far released. It is one of the five major cross-cutting issues identified in the APRM process so far. The study will do a comparative analysis of the country reports, and tease out what the trends are, major peculiarities and the various dimensions of corruption identified in the reports.

The ECA in collaboration with the AUABC seeks to intensify its anti-corruption efforts in a coherent and systematic way through the regional-anti-corruption programme that covers a five year period. This programme complements and reinforces the Strategic Plan of the AUABC and does not in any way seek to duplicate or compete with it. Rather, its architects strongly believe that key objectives of the Strategic Plan of the AUABC can be realized through this programme.

#### **7.1.3. Parliaments and Corruption in Africa**

Parliaments play a critical role in combating corruption, including through the enactment of anti-corruption laws. Parliaments can also curb corruption by reinforcing government accountability and good governance, since they have a power to oversee government agencies. Representation is also an important anti-corruption instrument for the parliaments. Most parliaments in Africa, however, fail to effectively play such important roles and are paradoxically perceived as being among the least trusted institutions on the continent.

The study will, therefore, focus on how the capacity of the parliaments can be enhanced to effectively tackle corruption in the continent. The magnitude of corruption in the African parliaments and how issues of ethics and accountability can be tackled in this important organ of the government will also be given due emphasis.

#### **7.1.4. Corruption in Public Procurement Systems in Africa**

The public procurement system in Africa, as in many other parts of the developing world, is a veritable arena of corruption by public officials. Often times, public officials who are linked to procurement systems are usually very rich and influential as they establish networks with a coterie of contractors, consultants and suppliers, through whom transactions take place outside formal channels and without following due process.

Corrupt practices include kickbacks, trading in insider information, inflation of contracts etc. The questions are; why is the public procurement system in Africa vulnerable to corruption? What is the nature of the reforms being undertaken by African countries? Are there best practices to be showcased and emulated? How can the institutional capacity and processes of the public procurement system in Africa be strengthened? These are the issues to be focused upon in the research.

#### **7.1.5. Corruption in Local Governance and Traditional Institutions**

Local governance and traditional institutions are critical in the delivery of social services to the people especially at the grassroots level. However, the problem of corruption is undermining the capacity of local governments and traditional institutions to deliver services to the majority of African population in the rural areas. Corruption at the local level also diverts scarce resources and affects local development by discouraging investment. Despite the acknowledged magnitude

Combating Corruption, Improving Governance in Africa of the problem of corruption at local government level and within traditional institutions it has hardly been properly documented and has also not attracted the necessary analytical and research attention. Thus, the objective of the research is to identify the incidences of corruption in local government and traditional institutions in Africa, the trends and the challenges and how the phenomenon can be effectively addressed.

#### **7.1.6. The Private Sector and Corruption in Africa (3 studies to be conducted)**

In the discourse of corruption in Africa, and globally, the major emphasis is often on the public sector. The public sector is often vilified as being inept, corrupt

and inefficient and the private sector regarded as the most efficient, reliable and implicitly less corrupt sector of the economy. This fits perfectly well in the neo-liberal economic paradigm which privileges the private sector as the engine of economic progress and development. However, this assumption is not necessarily correct. The private sector can also be a haven of corruption, and in some instances, even worse than the public sector. The recent global economic crisis was triggered by private sector agents, whose financial mismanagement, corruption and manipulations set a chain of events that virtually crumbled the global economy. The private sector also often times is in league with the public sector on corruption in the latter sector. This study will investigate the problem of corruption in the private sector in Africa and the efforts to address it. The approach would be to first commission a background study that would do a scoping exercise of the problematic and the major challenges; and the second step would be to investigate specific sector cases. Some of the cases to be considered for investigation will be the banking and telecommunication sectors. The studies will not focus on the extractive industry sector for which much work has already been done.

#### **7.1.7 The Media and the Challenge of Transparency and Accountability in the Public Sphere:**

The media is often considered as the fourth estate of the realm. It has a major task of not only disseminating information and educating the general populace on key public issues, but also takes on the challenge of agenda setting in many countries.

Undoubtedly, the media is a very powerful institution in any political system. But the media is not immune to corruption. Media practitioners have often been accused of taking bribes, peddling influence, and molding information and reporting to achieve some specific private ends. In other words, the media could be both a

perpetrator of corruption and an agency for its control depending on the nature, ethical culture, regulatory regime and character of the media.

The study will look at the problem of corruption in the media, the efforts by media practitioners to address it, and how coalitions and networks are being constituted against the menace of corruption in media practice. Furthermore, the study will look at the role of the media in promoting a corruption free environment in the wider society and the prospects and challenges it faces in this role.

#### **7.1.8. Comparative Study on APRM Findings on Corruption in African Countries**

The African Peer Review Mechanism (APRM) is a major instrument of political dialogue through which African countries seek to promote the culture of good democratic governance on the African continent. It is a self-assessment mechanism put in place by Africa's political leadership by which African countries seek to identify their country-specific governance challenges and build a coalition for political reforms in the country.

Corruption is a recurring decimal in all the APRM country reports so far released. It is one of the five major cross-cutting issues identified in the APRM process so far. The study will do a comparative analysis of the country reports, and tease out what the trends are, major peculiarities and the various dimensions of corruption identified in the reports. This will be good in drawing lessons and policy agenda for the APRM process on corruption in Africa.

# Ten ways to combat corruption

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## 10 Ways to Fight Corruption

[For the animation go to <http://blogs.worldbank.org/governance/category/tags/anti-bribery> ]

1. **Corruption is not only about bribes:** Understand the different kinds of corruption to develop smart responses. This is important because wastage of resources affects all people, especially the poor.
2. **Power of the people:** Create pathways that give citizens relevant tools to engage and participate in their governments – identify priorities, problems and find solutions.
3. **Cut the red tape:** Bring together formal and informal processes (this means working with the government as well as non-governmental groups) to change behavior and monitor progress.
4. **It's not 1999:** Use the power of technology to build dynamic and continuous exchanges between key stakeholders: government, citizens, business, civil society groups, media, academia etc.
5. **Deliver the goods:** Invest in institutions and policy – sustainable improvement in how a government delivers services is only possible if the people in these institutions endorse sensible rules and practices that allow for change while making the best use of tested traditions and legacies – imported models often do not work.
6. **Get incentives right:** Align anti-corruption measures with market, behavioural, and social forces. Adopting integrity standards is a smart business decision, especially for companies interested in doing business with the World Bank Group and other development partners.
7. **Sanctions matter:** Punishing corruption is a vital component of any effective anti-corruption effort.
8. **Act globally and locally:** Keep citizens engaged on corruption at local, national, international and global levels – in line with the scale and scope of corruption. Make use of the architecture that has been developed and the platforms that exist for engagement.
9. **Build capacity for those who need it most:** Identify ways to attract and use international resources to support and sustain good governance. Countries that suffer from chronic fragility, conflict and violence – are often the ones that have the fewest internal resources to combat corruption.
10. **Learn by doing:** Any good strategy must be continually monitored and evaluated to make sure it can be easily adapted as situations on the ground change.

- [For an animation go to: <http://blogs.worldbank.org/governance/category/tags/anti-bribery>]
- Fight Gbagba – ‘there is nothing uniquely African about corruption’ | Robtel Neajai Pailey | TEDxEuston (Or when defining corruption as “the misuse of entrusted power for private gain” is not enough ... the virus of non-implementation combatted by ‘A bloodless ethical revolution from below’ )  
[https://www.youtube.com/watch?v=Stjk\\_Dx-C9Y](https://www.youtube.com/watch?v=Stjk_Dx-C9Y)
- <https://www.youtube.com/watch?v=l2XxuOY6zp0> Nuhu Ribadu “When you fight corruption, it fights back.” \*Anti-corruption heroism - & its cost]
- <https://www.youtube.com/watch?v=d4Dj0qdWLnk> [Fighting corruption - & its deeper causes]
- <https://www.youtube.com/watch?v=O9CQZmN1Mhs> [How London fuels corruption in poorer countries - 2014]
- <https://www.youtube.com/watch?v=nlypMGI6iNQ> [How to get young people to vote - 2014]
- <https://www.youtube.com/watch?v=PJy8vTu66tE> [Our democracy no longer represents the people - Oct 2015]
- <https://www.youtube.com/watch?v=jsZDIBU36n0> [Why nations fail – technology included – Oct 2014]
- <https://www.youtube.com/watch?v=eORwAozITwI> [Why democracies fail – and why that’s OK – Jan 2015]

## Six Strategies to Fight Corruption

Corruption damages the social and institutional fabric of a country but reform options open to governments to reduce corruption and mitigate its effects. A sensible combination of reward and punishment is the driving force of reforms. Rose- Ackerman (1998) recommends a two-pronged strategy:

- 1) increase the benefits of being honest and
- 2) increase the costs of being corrupt. Here are six complementary approaches.



### Paying civil servants well

If public sector wages are too low, employees may find themselves under pressure to supplement their incomes in “unofficial” ways. Van Rijckeghem and Weder (2001) did some empirical work showing that in a sample of less developed countries, there is an inverse relationship between the level of public sector wages and the incidence of corruption.

### Creating transparency and openness in government spending

Politicians control subsidies, tax exemptions, public buying of goods and services, soft credits, and extra-budgetary funds. These are all elements in governments management of public resources.

New Zealand, which consistently tops countries in Transparency International’s [Corruption Perceptions Index](#), is a pioneer in creating transparent budget processes. In 1994 its government approved the Fiscal Responsibility Act, providing a legal framework for transparent management of public resources. The more open and transparent the process, the less opportunity it will provide for abuse.

Governments collect taxes, tap the capital markets to raise money, receive foreign aid and develop mechanisms to allocate these resources to satisfy many needs. [Collier \(2007\)](#) provides evidence on the negative impact of ineffective systems of budget control.

An active civil society, with a culture of participation is an important part of support for strategies that reduce corruption. To make this possible requires press freedoms and literacy. Where citizens are able to scrutinize government activities and debate the merits of various public policies, accountability is raised in countries.

### Cutting red tape

The high correlation between the incidence of corruption and the extent of bureaucratic red tape, as captured by the [Doing Business](#) indicators, outlines the need to eliminate needless regulations while safeguarding the essential regulatory functions of the state.

The sorts of regulations in many countries—to open up a new business, to register property, to engage in international trade, to gain other certifications and licenses—can be extremely burdensome. Governments need to re-examine the need for these. [Rose- Ackerman \(1998\)](#) suggests “the most obvious approach is simply to eliminate laws and programs that breed corruption.”

## **Replacing regressive and distorting subsidies with targeted cash transfers**

Subsidies distort incentives and create opportunities for corruption. They often lead to smuggling, to shortages, and to the emergence of black markets. Putting aside the issue of the opportunity costs (many schools could be built with the cost of one year's energy subsidy), and the environmental implications of artificially low prices, subsidies often put the government at the centre of corruption-generating schemes.

Removing subsidies could result in a significant reduction in CO2 emissions and have other positive effects. Much better to replace expensive, regressive subsidies with targeted cash transfers: 60 percent of total benefits accrue to the richest 20 percent of households, in the case of gasoline.

## **Establishing international conventions**

In a globalized economy corruption increasingly has a cross-border dimension. An international legal framework for corruption control is a key to government's internal control. This framework has improved significantly over the past decade. In 2005 the UN Convention Against Corruption ([UNCAC](#)) was added to the OECD's Anti-Bribery Convention. By 2013 it had been ratified by the vast majority of its 140 signatories.

The UNCAC is a promising instrument as it involves developed and developing nations and involves measures including domestic and foreign corruption, extortion, preventive measures, anti-money laundering provisions, conflict of interest laws, means to recover illicit funds deposited by officials in offshore banks.

Since the UN has no enforcement powers, the effectiveness of the Convention as a tool to deter corruption very much depends on the establishment of adequate national monitoring mechanisms to assess government compliance.

Governments will need to be more pro-active in cracking down on OECD companies that continue to bribe foreign officials. ([Heinemann and Heimann \(2006\)](#)) argue a more workable approach in the fight against corruption consists of more robust implementation of the anticorruption laws in the 40 states that have signed the OECD's AntiBribery Convention.

Trade promotion should not be seen to trump corruption control. Governments continue to be afflicted by double standards, criminalizing bribery at home but often looking the other way when bribery involves foreign officials in non-OECD countries

In efforts to protect commercial interests of national companies, governments have at times shielded companies from the need to comply with anticorruption laws. They do this in a misguided attempt not to undermine their position vis-à-vis competitors in other countries.

## **Deploying smart technology**

Just as government-induced distortions provide many opportunities for corruption, frequent, direct contact between government officials and citizens can also open the way for illicit transactions.

To encourage more of an arms-length relationship between officials and civil society readily available technologies could be used. ([Andersen et al., 2011](#)) have shown how Internet can be an effective tool to reduce corruption.

One of the worst sources of corruption globally is in the area of the state's purchasing activities. State purchases of goods and services are in most countries between 5-10 percent of GDP. In some countries online platforms have been successful in facilitating government interactions with civil society and the business community – especially in the areas of tax collection, public procurement, and red tape.

Because the awarding of contracts can involve a measure of bureaucratic discretion, and because most countries have long histories of graft, kickbacks, and collusion in public procurement, more countries are opting for procedures that guarantee openness, competition, a level playing field for suppliers, and clear bidding procedures.

Chile now uses the latest technologies to create transparent public procurement. Launched in 2003 ChileCompra is a public electronic system for purchasing and hiring based on an Internet platform. Worldwide it is renowned for excellence, transparency and efficiency. It serves companies, public organizations as well as individual citizens, and is by far the largest business-to-business site in the country, involving 850 purchasing organizations.

In 2012 users completed 2.1 million purchases with it, making it also a catalyst for Internet use throughout the country.

\*\*\*      \*\*\*      \*\*\*

While many of the measures discussed above aim at combating corruption, the underlying philosophy is one of eliminating the opportunity for corruption by changing incentives, closing loopholes and eliminating misconceived rules that encourage corrupt behaviour. However, an approach focusing solely on changing the rules and incentives, accompanied by appropriately harsh punishment for violation of the rules, will be far more effective if supported by efforts to buttress the moral and ethical foundation of human behaviour.

Tags:

- [cash transfers](#)
- [corruption](#)
- [Public Sector and Governance](#)
- [Private Sector Development](#)
- [Law and Regulation](#)
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## What are other ways we can fight corruption? Check here & add own comments.

Tags:

- [Anti-Corruption Day](#)
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- [Public Sector and Governance](#)
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- [Governance](#)
- [Global Economy](#)
- [The World Region](#)

Comments for: **10 Ways to Fight Corruption**

### [Why do we always tackle](#)

Submitted by Etienne Nkoa on Tue, 12/08/2015 - 11:00

Why do we always tackle corruption through its consequences? Corruption is simply a symptom showing that things somewhere are going in the wrong direction, and one of the conséquences of this is corruption.

To my view the issue is on the correct application of rules and regulations and the sanction against those who do not comply to these rules. If people firstly concentrate on the respect of rules and régulations that govern the entity (family, enterprise, government, Council, country) and systematically apply sanctions against those (whoever they could be regardless of their rank, grade or cast) who depart from these rules, corruption will disappear without any other additional remedy. We need to change the paradigm.

### [This is a very interesting](#)

Submitted by [Joel Turkewitz](#) on Wed, 12/09/2015 - 12:53

This is a very interesting comment – the exact type of thought-provoking message that is appropriate for Anti-Corruption Day. Your comment drives home the importance of individual choices in enabling or resisting corruption. All successful corruption efforts ultimately change how individuals behave around rules and laws – and it is critical to hold on to that core and simple truth. The approaches that are listed in the blog primarily reflect the emphasis on changing behavior and the knowledge that applying sanctions for corrupt activities in a fair and systematic fashion is often a very difficult undertaking. In many places, corruption distorts every phase of the sanctioning process. The problem becomes even more complex when the rules themselves are seen to be the outcome of corrupt processes, and are seen to benefit a particular group. Perhaps the challenge is ensuring that in responding to a complex problem, we maintain our appreciation that the ultimate objectives are relatively simple – that people entrusted with public authority act in accordance with law and for the public good.

### [Yes you have spoken well](#)

Submitted by abdullahi mohammed on Thu, 03/31/2016 - 05:20

Yes you have spoken well, Because human being are guided by LAW, so whosoever disobey the rule of law of his country, he will behave like Animal. so we should please respect the rule of law.

### [I find this very good. Can I](#)

Submitted by Johnson on Wed, 12/09/2015 - 13:00

I find this very good. May I repost this on my blog? Thank you.

### [Thank you for your question.](#)

Submitted by Alice Lloyd on Thu, 12/10/2015 - 09:02

Thank you for your question. Yes you may re-post but please remember to credit the World Bank as the source. Thanks again!

### [Public funds have responsible](#)

Submitted by Dr. Abubakar Muhammad Moki on Wed, 12/09/2015 - 23:43

Public funds have responsible officers whose function includes ensuring that public funds are protected from abuse and misuse. However, when abuse and misuse of public funds is detected nothing is done to those who were expected to guard against that. This is the mother of all loopholes in fighting corruption. To deal with the menace, such public officers s

ould be given the first harsh sanctions in failing to perform their duties resulting into the abuse and misuse of public funds, otherwise without that, they are the key initiators of syndicate corruption and do it with impunity.

### [Corruption is a social evil.](#)

Submitted by Samir Kumar Das on Thu, 12/10/2015 - 03:06

Corruption is a social evil. It germinates the good cause of the society and especially destroys the backbone of the society. We the member of IMAECSED vehemently opposing this social dragon. We are fighting since 1995 to make a clear and transparent country.

### [Stressing how much of a](#)

Submitted by Demba - Community Engineering Programme on Sat, 12/12/2015 - 23:39

Stressing how much of a damage corruption does to the vast majority can help better addressing in across board. Better outreach and communication messages should draw on pertinent cultural and religious rhetoric.

### [The above 10 points are](#)

Submitted by Kedar Khadka - GoGo Foundation from Nepal on Sun, 12/20/2015 - 01:06

The above 10 points are interesting. However, the points are very general and more inclined towards theoretic so translating into action is difficult.

## Sometimes rules and

Submitted by tngbacang on Wed, 12/23/2015 - 18:19

Sometimes rules and regulations only be applied in the civilized countries only but they are hardly enforcing in the socialist and dictatorship's world because at these governments systems civilians are hardly participating in governments controls and orders. However, the rule of law and methods of combat with corruption in a socialist and dictatorship regimes only work when all the people in that regime pull the "plug" altogether.

## Surely transparency and

Submitted by Helen Sutch on Wed, 02/03/2016 - 18:31

Surely transparency and accountability at all levels should form part of the response? If the citizenry and the media can't tell what's happening, how are they to target the sources of corruption? Rules and laws are an essential framework, but only if they work. Building strong, credible, transparent, accountable institutions that citizens can trust is surely crucial, and trust is the foundation of legitimacy.

- [cash transfers](#)
- [corruption](#)
- [Public Sector and Governance](#)
- [Private Sector Development](#)
- [Law and Regulation](#)
- [Information and Communication Technologies](#)
- [South Asia](#)
- [Middle East and North Africa](#)
- [Latin America & Caribbean](#)
- [Europe and Central Asia](#)
- [East Asia and Pacific](#)
- [Africa](#)
- [New Zealand](#)
- [Chile](#)

## Comments for Six Strategies to Fight Corruption

### [I think in addition to the](#)

Submitted by Anonymous on Wed, 05/14/2014 - 04:06

I think in addition to the aforementioned discouraging money politics especially in my country Nigeria could be a good track in the right direction.

### [I agree. It is very important](#)

Submitted by Anonymous on Mon, 05/19/2014 - 05:53

I agree. It is very important for governments to ensure that "campaign contributions" are not used as a mechanism to gain access to politicians and to policymaking. To safeguard democracy and democratic institutions, governments have to ensure that money does not pervert the political process. Hence the importance of transparency and accountability.

### [We done. Please join our team](#)

Submitted by Jan on Sat, 05/24/2014 - 02:57

We done. Please join our team on standards in anti corruption at the UN.

### [In India, most importantly,](#)

Submitted by Kamlesh Kumar on Sat, 05/24/2014 - 03:30

In India, most importantly, there is urgent need of judicial reforms and justice delivery system. A time bound disposal of the cases and disputes of all categories is the most important requirement. People die contesting cases, they are forced to offer bribes and spend their valuable time in pursuing the cases, causing great losses to economy.

No amount of increase of salaries of public servant will encourage them to not indulging in corruption. They will do it if they can. Implementation of a citizen charter with accountability and time bound actions will limit corruption to some extent. Of course, use of IT will be of great help.

Limiting powers of the Government in terms of bribing voters through ill conceived social schemes such as MNREGA and unnecessary subsidies will also be of help in preventing mass bribing and improving Government fiscal conditions.

Reducing and rationalizing taxes, introduction of GST are other important measures to lower incidences of corruption.

### [Dear sir, in India some](#)

Submitted by Putta Surendra Nath on Sat, 06/13/2015 - 03:26

Dear sir, in India some organisations are working on Judicial. I am Secretary to Society for Fast Justice -Vijayawada in ap it ia working undet Forum for Fast Justice, mumbai

### I think in addition to this,

Submitted by Khwezi on Wed, 05/14/2014 - 04:41

I think in addition to this, a country needs to develop a sense of moral character in citizens, starting with the family, and all other institutions in society. An upright moral character will even deter the hungry from stealing

### Yes, you are totally right.

Submitted by Anonymous on Mon, 05/19/2014 - 17:37

Yes, you are totally right. Corruption, no doubt, has a moral dimension. We need to think hard about how to buttress the ethical and moral foundations of human behaviour. I will have more to say on this topic a bit later on. Augusto

### I would suggest

Submitted by Jimmy on Wed, 05/20/2015 - 05:17

I would suggest implementation of technology where all transactions are monitored closely, advanced ways to authorize transactions are implemented by 3 authorized people so all can be held accountable. The citizens should get a clear report of revenue available and expenditures and all money wired out of the country should be monitored. Better pay for civil service should be implemented. The element of fear should be instilled by implementing irreversible laws where if its proven beyond doubt that a public servant is corrupt, he can refund the money and exit public office or face execution.

### The Pakistani Youth

Submitted by kashif yousaf badar on Thu, 05/15/2014 - 01:23

The Pakistani Youth perception to overcome the great curse of corruption and empowering the accountability process are.

1. Reduce the discretionary powers of the government officials and political leaders for the usage of public funds.
2. Equal social justice system for all the public according to rule of Islam.
3. Rule of law will be on the top priority in the country.
4. Introduction of Toll Free hot line for Whistle Blowers on the national level, the youth should stand united against the corruption in the society , government and in the country
5. Judicial Reforms i.e. appointment of more judges and creation of new courts on emergency basis in the country to speed up the judicial process and creation of monitoring and inspection department in the judiciary to monitor and eliminate the ever increasing corruption.
6. The role of public accounts committee (PAC) ,anti corruption unit and Nab should be more strengthen and try for less involvement of Govt officials and other political pressures.
7. The Land record system must be immediately computerized in whole of the country to reduce the chances of corruption and changing in the record of land.
8. At least one consumer court and price control committee should be established at the Tehsil level to deal with the issues relating to consumer crimes, over pricing etc.
9. Islamic system based on democracy will be implemented.
10. Poverty and unemployment should be minimized and equal status should be given to every citizen of the country apart from its gender, race, religion, wealth or status.

### [There is much in what you say](#)

Submitted by Anonymous on Mon, 05/19/2014 - 17:43

There is much in what you say that makes eminent sense. I am particularly encouraged that these proposals are coming from a youth organization. If your generation begins to take an active interest in finding solutions to the problems that afflict your country, we have a higher chance of leaving a better world to our children. I wish you well. Good intentions (such as you clearly have) and a sound knowledge of the causes of corruption and possible remedies will surely make a difference. Augusto

### [The objectives are genuine to](#)

Submitted by saadat on Tue, 06/17/2014 - 23:18

The objectives are genuine to restrict corruption if a system is designed to achieve the targets. Otherwise written words have no value, it needs practical action. Govt. must work on the objectives to achieve and make public comfortable.

### [Good suggestions pl join our](#)

Submitted by Ahsan Iqbal on Tue, 12/09/2014 - 02:14

Good suggestions pl join our efforts to fight corruption through governance reforms. Pakistan Governance Forum 2014 on 22 Dec, 2014 in Islamabad visit [www.pc.gov.pk](http://www.pc.gov.pk)

### [This article gives a very](#)

Submitted by Anna on Thu, 05/15/2014 - 01:48

This article gives a very good overview of how to combat corruption. As mentioned in the article "the moral and ethical foundation of human behavior" is important also. Therefore in every country (even in industrialized countries), children at school should be informed about the negative influence of corruption on the country. We have to start from bottom up and combine it with bottom down influence, which means our governments have to show how to govern without corruption.

### [You are right. Training our](#)

Submitted by Anonymous on Mon, 05/19/2014 - 17:48

You are right. Training our children in sound morals and a sense of civic duty and service to humanity is at the root of addressing a whole range of social ills, many of which go beyond corruption. Enhancing the participation of women in public life and in decision making in all spheres of human activity will also make a difference. Corruption is not an inevitable evil. It is something that will, in due course, yield to education and the inculcation of moral values, such as those that can be found at the foundation of most major Faiths. Augusto

### [In Nigeria, I believe capping](#)

Submitted by ajituewun on Thu, 05/15/2014 - 09:35

In Nigeria, I believe capping campaign funds and spending will go a long way to reduce electoral fraud, which bring corrupt officials into power. More so, a reduction of the financial benefits associated with political offices would also help to increase the number of people who actually enter into politics and governance for genuine reasons. Another way will be to include stiff punishment for corrupt officials of all classes in the laws of the land.

### [You are correct in your](#)

Submitted by Anonymous on Mon, 05/19/2014 - 17:52

You are correct in your observations. Public policies on corruption have to combine rewards for honesty and punishment for bad behaviours. Enhancing the participation of women in public life will also make a difference. A number of studies have shown that, in general, women are less subject to the temptations of bribery and have a higher sense of public duty. Creating a less corrupt world will surely involve greater involvement by women in decision making at all levels. Augusto

### [Increase inheritance tax](#)

Submitted by alex a on Fri, 05/16/2014 - 04:59

Increase inheritance tax

### [I would welcome if you could](#)

Submitted by Anonymous on Mon, 05/19/2014 - 17:53

I would welcome if you could elaborate on this. Why do you think so?

### [Giving anti-corruption](#)

Submitted by Joel on Sat, 05/17/2014 - 06:30

Giving anti-corruption institutions powers to protect whistle-blowers could also go a long way to combating corruption in government ranks. This coupled with freedom of press can impact positively on anti-corruption prospects.

### [I agree with you on both](#)

Submitted by Anonymous on Mon, 05/19/2014 - 17:55

I agree with you on both counts. A free press is an important ingredient since it shines a light on corrupt practices. Bribers always act in the dark. Augusto

### [A strong & actionable](#)

Submitted by TUBI O. T. Esq. on Sat, 05/17/2014 - 10:22

A strong & actionable Political Will with strong independent Institutions to reduce or stamp out corruption supersedes the aforementioned options.

Nigeria is still regarded as one of the most corrupt countries in the world despite having the six suggested solutions in one form or the other in place!

### [I respectfully disagree.](#)

Submitted by Anonymous on Mon, 05/19/2014 - 17:58

I respectfully disagree. Nigeria has serious shortcomings in everyone of the six areas identified. Hence the presence of corruption. Having said this, you are right, strong independent institutions are important, as is the presence of political will on the part of honest, credible politicians, dedicated to the public good. Augusto

## The world also need to reduce

Submitted by Bolaji Olaniran on Mon, 05/19/2014 - 17:10

The world also need to reduce the gap between the rich and the poor, the haves and have not, this has been the main reason why people try to steal public fund thinking they can secure the future of their unborn generations by burying foreign currencies in the ground. I also thing access to economic opportunities, loans, education and equality before the law.

## Africa needs these tools and

Submitted by Kunmi on Wed, 05/21/2014 - 05:50

Africa needs these tools and West African countries will benefit from these strategies.

## Six strategies to fight

Submitted by ngubia m on Fri, 05/23/2014 - 03:30

Six strategies to fight corruption Thanks a lot for this insightful piece on combating the malignant social and economic malfunction called corruption

Broadly, there are three policy proposals on curbing corruption: lawyers approach, the businessman's approach and the economists approach. These consist respectively in producing tougher new laws, tougher enforcement of existing laws and increasing the level of competition in the economy, both among firms and bureaucrats. Singapore and Hong Kong are some of the least corrupt countries on the world are successful applications of lawyers approach – they have draconian laws on corruption; they also pay their bureaucrats exceptionally well but the level of political competition on these countries is extremely low; this has allowed exception level of pay in the bureaucracy without too much political completion.

I will borrow example from one country in East Africa-Kenya; this is my country of birth. The Kenya Civil service is among the highly paid; this was strategic to attract and retain and high performing from the private sector's ; it started with an elite Dream Team crafted by the former president in late 90s to turn around the Kenyan economy; vision 2030 secretariat and et al.

Yes, the work by Rijckeghem and Weder (2001) that there is an inverse relationship between the level of public sector wages and the incidence of corruption may be partially correct; it ignores the rent seeking nature of the economic man and the politics of the country which are central to award of civil service jobs.; what about the level of civil liberties?

The Kenyan MP is paid over \$10,000per month excluding various unwarranted allowances like sitting allowance (being paid to be in parliament), yet they still misuse constituency development funds, solicit bribes to support either private or public members bill , refuse to pay for child support?

Thus the questions is how much of the clean record if any in Kenya/LDC can be attributed to the policy of high wages?

The red tape of bureaucracy is not a choice of large institutions but product of the desire to systemize processes which should/must outlive the officeholders/owners; and that's why it's easy for a small outlet in downtown street to complete an order for emergency backup generator that for GE( Kenya) to fix a rundown backup generator

Government are the highest rent seeking entity in the economy; they extract income through these bureaucracies; they also create employment otherwise every government unit/ department should be run as a business unit able to finance its operations.

I agree these needless regulations need to be removed but are the leaders ready to pay the political price?

And as such instead of dismantling these bureaucracies they create more efficient 'political outfits ie centers of excellence like Huduma Centre in Kenya; constitutionalize various commission and authorities , merge moribund parastatals rather than privatize them et al Thus there's a correlation between the nature of Governance of a country and level of red tape.

Corruption is a social evil with immediate economic effects but long-term damage on moral fabric of the humanity; it eats into the family values where one's worth is measured by the size of the wallet.

It emanates from the Id- the instinctive nature of the being, the self, the selfish, the animal desire to fulfill immediate aggressions which matures into fully grown untamed ego. It's also fueled by the capitalism which advocates completion, privatization and wealth accumulation.

To address corruptions we need a bottom up approach

1. Disband Anti-corruption agency- this agency serves the master.
2. Set up a Whistle blowing agency whose sole mandate is educate the citizenry on corruption
3. Make corruption a subject/ topic in basic education.
4. Personalize corruption; carry out national wide HIV like campaign and sensationalize and sensitize citizens on evils/benefits of corruption.
5. Set an alternative form of Social justice dedicated to corruption like the Rwanda's Gecaca system.

#### [Every citizen knowing their](#)

Submitted by Mchenry on Sat, 05/24/2014 - 02:20

Every citizen knowing their rights should also help curb corruption. This eliminates the government from oppressing and intimidating the have nots and hence giving everyone a fair chance/ opportunity to better themselves. We vote our leaders into power so they may lead us, not harass us. Having said that, voting based not on tribe, ethnicity, religion but instead Integrity, honesty, commitment, and good character.

#### [A very appreciable work being](#)

Submitted by Anonymous on Sat, 05/24/2014 - 08:37

A very appreciable work being done by D W. B. Reduction in corruption mostly depend upon D wills of Govs. If D country Heads R corrupt , then D Govt. Functionry have free hands in looting D Public money.

#### [On pourrait ajouter d'autres](#)

Submitted by MBA NGUEMA on Wed, 05/28/2014 - 17:38

On pourrait ajouter d'autres aspects dans les pays d'Afrique où la corruption est actuellement généralisée: c'est le cas du Gabon. S'il est important que soit combiné les axes suivants: La prévention, l'éducation, les conditions, les incitations et les sanctions. Mais cela n'est possible que si toutes les parties prenantes se mobilisent pour lutter contre la corruption. Or, que constate-t-on? Que l'exécutif semble trainer les pas. Au Gabon, après avoir élaborer une

stratégie de lutte sous l'appui du programme des nations unies en 2012, cette dernière n'est pas toujours mise en oeuvre. Qu'attend-t-on?

### [But how can we eliminate](#)

Submitted by Borhanuddin jabar on Wed, 06/10/2015 - 11:36

But how can we eliminate corruption among politicians or from governments, sometimes even cops are corrupt. This is not acceptable. God help us.

### [I agree with you very very](#)

Submitted by gerhard on Sun, 06/28/2015 - 22:29

I agree with you very very much and if these strategies would be applied, our countries will move forward

### [The assertion by Van](#)

Submitted by Joseph Adu-Kyei on Sun, 07/19/2015 - 08:07

The assertion by Van Rijckerghem and Weder(2001) that there is an inverse relationship between the level of public sector wages and the incidence of corruption may not be a universal fact all the time.

There are other civil/public workers who are paid low yet they maintain high sense of reputation and dignity to be incorruptible no matter the situation. Corruption borders on morality and for corruption to be controlled or eliminated it starts with the individuals in the society to say enough is enough with corruption and resolve to transform their lives for the better to erase that canker. In other words control of corruption starts first with the individual in the society.