

# Pathology for the Roots of Official Corruption Emergence and the Approaches to Confront It

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## ABSTRACT

Prevention from corruption is a way to be traversed with faith and enthusiasm, act within it intelligently and responsibly to gain success through participation and accurate knowledge about the elements causing corruption and ways to confront it. Corruption is like A.I.D.S disease, that if not controlled with precautions, might infect individuals and in this ways, its treatment might be difficult and with high costs, and in some cases, irrecoverable consequences; moreover, the context of its outbreak still remains, and due to its latent secrecy, it's not identifiable in many cases, so that we cannot directly struggle with it. In order to confront corruption we have to gain a clear knowledge about it. Treatments will not be possible unless we know the disease. In this research, we are trying to identify the elements and roots of corruption occurrence and ways to confront it. The roots of corruption occurrence are declared in 4 factors (social, economic, cultural& official, management) and their subsets, and finally we mention the ways to confront this phenomena.

**Keywords:** Administrative Corruption, Organizational Culture, Privatization.

## Introduction

Corruption is a global phenomenon; although it's not a new issue. Corruption has been present since ancient times. A study about penal law in ancient civilizations reveals that in those civilizations, corruption is regarded as a serious problem [19]. The main question is: if corruption is a lasting phenomenon, with profound roots, and a global issue, occurring in any society in any times, so why there are

so much concerns about corruption for the time being? The reasons are clear. Pope declares the reasons as follows [16]: "Corruption, in highest levels, deviates competition, therefore the public access to competitive markets is eliminated. Indeed, corruption leads to wrong decisions which causes: wrong projects, wrong prices, wrong agreements, and non-standard delivering,

and corruption in low levels causes distrust to the administration. In lowest levels, minor corruptions are detrimental, because they add to the cost of deals and put aside those who cannot afford it, and it fosters the sense of humiliation of civil servants among society, and destroys the capability of collecting efficiency". Corruption is like A.I.D.S disease, that anyone might be exposed to that, and if not controlled with precautions, it might infect individuals, and in that case, its treatment is difficult, with high costs, and sometimes irrecoverable consequences for the individual and the society; in addition, the context of its outbreak still remains, and even due to its latent secrecy, it's not identifiable in many cases, and this hinders confronting it directly. Since corruption is a complicated phenomenon, affected by various elements such as cultural, social, economic, official and managerial considerations, in order to prevent corruption, we need to gain knowledge about these elements.

### **The definition of corruption**

According to the plenty of views about corruption, acceptance of an agreed for this term is not so easy. Two definitions of corruption seem to be useful. A shorter definition includes: abuse of power and authority, bribing, Nepotism, extortion, spoof, support, fraud and illegal actions [10].

A broader definition of corruption refers to "using official position to gain personal and group interests including unethical actions such as bribing, appointing relatives and acquaintances to important administrative positions, supporting, interest conflicts, loyalty, working wildcat, abuse or rubbery from public inventories, discriminant selling, embezzlement, illegal take over, lower or higher bills, influencing on court, wrong travels and using provisions as "bureaucratic inventories" [9].

According to these 2 definitions of corruption, the following definition of

administrative corruption is adopted in this article: Administrative corruption is defined as personal abuse of public resources by civil authorities.

### **The costs of corruption**

Corruption has a negative, harmful and destructive influence on capital and economic growth, efficiency and official performance and economic development. Continuance of corruption in a nation leads to economic weakness and wasting public resources, declining the performance of the state, and affecting general morale. It also jeopardizes attempts to official reforms and actions of responsibility, and extends social and economic injustice [21]. Corruption strengthens lack of development and political instability [14], an in summary, corruption hinders economic development, suppresses attempt to entrepreneurship, abuses national resources, and weakens administrative capabilities, and attenuates stability of democracy and national integrity [20].

Various elements causing unorganized functions, and finally occurrence of administrative corruption are including:

#### **Social factors:**

The most important social factors are:

#### **Social forces and roles:**

Nature and quality of social regime is reflected in social relationships in a community. Each person is occupied with playing different roles, and duties for each role is different. The level of literacy is influencing on these roles which makes differentiation in level of income, and appearance of class society based on level of income.

Moreover, different careers are different by social status, which is a sign of social inequality, and indirectly grounds corruption occurrence. In a society that money determines personality and social status, and

many organizations recognize money as a criteria for fame and personality and publicize for it, people looking for social status will do anything to pursue legal or illegal action to gain this status. Therefore, in current situations, many deviations and corruptions stem from social classes and the type of social status.

### **Work ethics and social discipline**

Work ethics, is a psychological-social phenomena which is formed in human essence, and people believe in, and uses those principles in work environment and life, which influences directly or indirectly on enhancement of productivity. Social discipline is a social norm which occurs for continuance of social life and establishing social order in society in order to hinder corruption occurrence. Existence of social discipline causes tranquility in society and work environment, and consequently leads to productivity in organizations. The more work ethics is valued in human beings and society in higher levels, and the more social discipline is established in organizations and people are committed to this, the more ground is provided for improving productivity of organizations, which leads to declining corruption.

### **Existence of discrimination**

Discrimination can be regarded as one of unfavorable consequences of power concentration in organizations and, and a context for corruption occurrence. When organization professionals feel discrimination, they are caught with struggles, and in this way, talents are destroyed, capabilities are weakened, and finally implementing of organization's agenda will be paused or failed.

### **Economic factors**

#### **The size of the state**

Generally, corruption stems from state activities, particularly exclusive power and its influence and privileges, as noble prize winner Gary Becker states in his article in "The Economist": if government is eliminated, corruption will be disappeared". Although in a civil society, to conduct affairs is impossible without having state, and in modern societies, state has a plenty of duties. Low size of the state causes reduction in corruption but declining the size of the government will not solve the problem of corruption. Indeed, there is no problem regarding the quantity and amount of economic activities of public sector, but there are concerns about performance and the way state offers services that matters.

### **Underground economic activities**

There is mutual significant relationship between corruption and these activities. Each illegal business action requires administrative affairs and political supports which can only be supplied illegally and through corruptive relationships. Therefore, it might be asserted that economic activities lead to corruption.

De soto (1989) examines this for some institutions in Lima and proves that the size of underground economy in poor countries is larger, and concludes that illegal institutions inevitably pay a large portion of their margin income as bribe to legal institutions [2].

### **Growth of urbanism**

In recent years, growth in urbanism has been followed by growth in administrative bureaucracy. Because many administrative services in public sector is occupied by urban people, so growth in urbanism leads to growth in demand for administrative services. Increase in urbanism leads to growth in bribes for paying taxes, bribe in employment, bribe for assumpsit contracts, to obtain certificates for economic activities, etc. which is exclusively for urban areas.

Other economic factors include multiple currency rates, commercial constraints and importing limitations, poverty, etc.

### **Cultural factors**

Corruption is always regarded as an inseparable part of culture [12]. Hofsted, regards culture as a collective planning which is common among members of a group or region and is responsible for differentiation with members of other nations [11].

Organizational culture encompasses:

“A pattern of fundamental assumptions that members of a group learn for finding solution in adoption with external environment and internal integrity, and they act well so that it is validated, then it’s trained as a proper approach to understand thoughts and feelings regarding solutions for problems of the organization to new crew”. Like individuals, organizations have personality as well. Personal pattern of organizations is called organizational culture. In other words, the relationship between culture and organization is like the relationship between personality and individual [7]. Culture is classified as rich culture and poor culture. In a rich culture, original values of organization is considered by everyone in a broader sense. Therefore, the more organization members accept original values, and the more they are committed to them, the richer culture organizations possess. So, organizations in which key values are eagerly and strongly maintained and widely distributed, possess a rich culture, and the more key values of an organization is accepted and employees are more committed to them, the richer is culture [3].

Rich culture, then, reduces mobility of employees significantly by improving employees’ satisfaction and making stability in organization. A rich organizational culture causes resonance in continuance of procedures. Based on such conception it can be deduced that a rich culture can replace

official provisions of an organization, so administration should be less worried about official provisions so that the behavior of individuals are easy to determine (control).

So it can be concluded that a rich culture, due to high integrity, loyalty and commitment of employees, reduces the probability of fraud and corruption and –due to its diffusion through mind and spirit - can be even more influential than official structural supervision protocols. Therefore one of important–maybe the most important – goals of executives, is to design and develop organizational culture, so that transcendental objectives of organizations are met through that [3].

### **Administrative and managerial factors**

Existence of widespread bureaucratic system, and consequently prolongation and complication in procedures which leads to a context for provisions:

Prolongation in procedures, certificate and license issuance, etc. causes citizens to accede to corruption in order to reach to the results in a faster manner. For instance, to get license for establishing an industrial factory takes long as 1 to 9 years, while the period for reaching the same result in the largest city in U.S, i.e. New York is 4hrs, and in a small city in that country is about 45 minutes [8]. Furthermore, density and complication of procedures in administrative structure leads to confusion of citizens, who don’t know where to go and what stages to pass; so, in order to get rid of this dilemma and pursuing their objective, they accede to pay bribe. Employees can also impose their desires to the back employers.

### **Instability and lack of career safety**

Continuous transformations and shifting causes feeling unsafe for the directors and employees, so that they try to best utilize current opportunity, and it leads to corruption.

### **Lack of incentive and punishment system**

Wrongdoers not being punished, and productive and effortful employees not being rewarded, diminishes motivation for sound and honest activity, so they will be indifferent to their duties and functions, and finally they will fall into the abyss of corruption.

### **Recruitment of workforce**

Unfortunately in most times, recruitment of workforce is based on factors such as friendship, being acquaintance, or being of relatives rather than competence, capabilities and expertise. Also political issues are so effective in recruitment and replacement of individuals, so it's normal to assign key positions needing expertise, which is a field for decision making and planning with widespread administrative and financial privileges, to people who have lack of scientific, practical, managerial and ethical competencies and necessary capabilities [5]. In such cases, many of those recruited or promoted are among friends or relatives of directors and managers. Consequently, a kind of informal relationship between them establishes and informal networks is created, whose members guard each other's interests, and this will increase administrative corruption [4].

### **Incompatibility of organizations and administrative systems with facts and needs of today's society:**

Exhaustion and oldness of administrative system, lack of advanced technologies and administrative mechanization, necessity of verbal reference for citizens, dullness in procedures and other structural constraints, are among the roots of establishing corruption and lack of efficiency in administrative system.

### **Latent unemployment with empty working hours**

Exorbitant span of administrative systems and recruitment more than needs, leads to latent unemployment of employees, and this makes enough opportunity for engagement in corruptive activities.

### **Supervision**

Supervision in functions and considering frauds are among the main elements of declining corruption. Although in Iran there are institutions to pursue this goal, but in some administrative system there is still significant corruption. The elements of weaknesses in regulatory institutions are as follows [6]:

Abundance of such institutions and incompatibility between them which leads working in parallel.

Lack of necessary privileges for facing with administrative corruption.

Attenuation of regulatory units from some beneficiary individuals and institutions.

Prevalence of corruption in those institutions.

Lack of constant consistency and inspection from these institutions.

Lack of commitment to responsibility and clarification administrative systems and offices.

Lack of administrative and public affairs:

Instead of decision making similarly and presence of integrity in decision making for the country as a whole, this procedure must be separately for each city and province based on their attributes and specifications. Complexity of components and constructs of organization, public facilities and elements and its concentration in the capital leads to dullness in development of the country, and helps to deployment of administrative and financial infractions which finally leads to corruption [15].

### **Provisions and regulations**

There is a main question regarding provisions and regulations: "Is corruption due to bothersome provisions or these

provisions are the fruits of corruption?" Some researchers believe that bothersome public sector regulations are results of an intentional approach pursued by bureaucrats to increase tendency of back employers to pay bribe [18].

In a study, it was found that: "most resistance against tax reforms in Indonesia were declared by tax authorities themselves, because they suffer most losses from non-customization and simplifying in tax system". Overall, lack of transparency in provisions or lack of public access to these regulations, and licenses being awarded only by particular institutions or individuals makes high power for civil servants to receive bribe from applicants. Results of the study in various countries, particularly developed or developing countries show that considerable time of directors and managers spends by bureaucracy and fruitless relationships which can be reduced by paying bribe.

## **The ways to confront administrative corruption**

### **Cultural and social solutions**

In order to confront administrative corruption, there are cultural and social approaches based on organizational culture.

The role of organizational culture in declining administrative corruption:

In an organization, culture plays various roles, which are as follows:

Culture determines organization boundaries; which means segregating organizations.

It injects some kind of sense of identity in members of organization. Since lack of dependence to the organization is the root for many corruptions and wrongdoings, this feeling, which has human and stark source, help establish and maintain environmental health.

Establishing group commitment: rich cultures create more powerful commitment

and dependence in employees, and positive influence of this commitment and dependence on declining corruption and fraud is completely obvious.

Help forming the components of the organization: common beliefs and virtues and insights becoming as principles of organizations and people in individual and organizational life, turns into a part of unconscious mind and is inseparable. Therefore positive changes due to the role of culture in overall behavior of employees in confronting corruption, because of attachment between individual desires with organizational desires, and finally promotion of organization can be effective.

Finally, culture is considered as a control factor which causes forming or establishing insights and behaviors of employees. Competency or suitability of people in organizational positions is considered as a factor that based on which people can join organization and become as a member of it.

Therefore, rich culture can, through internal control and personal self-control (due to high personal attachment of members to beliefs and values, etc.) and also external control through accepted norms in society, lead to health of organizational environment, and declining corruption and fraud [1].

### **Economic approaches**

Privatization can be really useful in economic, social and cultural development of the nation and spreading competition, development of activities and declining current expenses of the firms. Privatization is the best way to confront administrative corruption and can implement many administrative rules in a proper and complete manner and hinder relationships out of the legal framework. Institutions in a civil society are powerful leverages for making stable changes and diminishing instability [17].

So, attention to private sector in order to gain stable development in anti-corruption

policies, is necessary. If institutions in civil society can reach convergence in an integrative and effective inside society, they will be able to pursue things such as: delivering demands of the people to the state, to ally general support and conducting continuous support with international community, and most importantly, to ensure compatibility between administrative policies and demands of the people [13]. On this basis, the government must strengthen civil society and providing the opportunity to participate in general issues in order to establish anti-corruption policies.

Among other economic approaches, we can point to reduction in urbanism, increase in wages of public sector employees, and reforms in tax system.

### **Administrative and managerial approaches**

Requisiteness of updating, and making efficient, utilizing tools and technology in administrative system, is a principle which should not be forgotten. Furthermore, widespread bureaucratic system must be destroyed, most procedures must be done through internet, and bureaucracy should reach to its minimum.

When administrative system is widespread, people will be trapped in it, and will be forced to pay bribe; but if we pursue procedures by internet, or processes and bureaucracy is laid away, and people can pursue their careers easily, the ground for many types of corruptions will be gone. Administrative structure must be such that employees feel career safety, and be certain about not being replaced due to political transitions, and staying on their positions if being effective and beneficiary. Implementing and strengthening incentives and punishment system is psychologically effective for employees and can direct their actions and performance towards corruption or legalism and deontology.

Weakness of organizations and regulatory institutions are among other structural factors of administrative corruption. What has to be done is including:

Separation of tasks and field of responsibility for each one clearly.

Supervision and continuous consistency of these organizations.

Commitment of institutions and organizations to responsibility and clarification.

Support and enforcement for reports and decisions of these organizations.

### **Conclusion**

Lack of success in anti-corruption battles, to some extent stems from limited knowledge about the causes, effects and approaches to fight with corruption and grounds of this dilemma in long history of many nations. Obviously, to control the phenomenon of corruption, identifying the roots and causes of this event is so important.

There are many element and factors in outbreak and development of corruption, and identifying all of them is not possible in this article. The present study is only able to point to some of the most important issues. The key to success in fighting with corruption, based on recommendations of international associations which are trying to confront corruption worldwide, lies in strengthening civil society, providing popular supports for reforms and development of competition in economic sector.

On this basis, in order to gain success in anti-corruption policies, government must manage to strengthen civil society and provide the possibility of participation in general affairs. In other words, attention to private sector in order to gain stable progress in anti-corruption policies is necessary.

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