

Unit 3: The Prevention, Education, and Enforcement of Corruption

Learning Objectives

Can education and enforcement end corruption?

After studying this unit, you should be able to:

- Understand effective corruption prevention methods;
- Be familiar with the pillars of good governance;
- Understand the role of education in corruption prevention.

How can responses to corruption bring about meaningful change? How do you motivate and teach people to fight against corruption? How do you make sure that public money goes towards the public good and assure that there are not opportunities for corruption to occur? Who are the stakeholders and what role do they play in the corruption response? This and the following three units consider appropriate responses to help curb corruption, with a particular emphasis on the role of parliamentarians. This unit looks to prevention and education for providing the foundation to corruption prevention and governance building. The next units describe how to improve civil society involvement and the impact that this involvement can have on further corruption prevention, the necessity of a political commitment through such means as new laws and better internal enforcement mechanisms, and the importance of a free and open media.

Prevention

Most will agree that evidence of widespread corruption is adequate cause for addressing its prevention through education. The diagnoses for corruption through data collection and analysis, as discussed in unit three, will help in planning and designing a path to address the largest problems in a particular country or

community. However, this is not ever enough. Developing a prevention scheme also requires reformers to consider the social and economic context of the nation, determine the level of government commitment to responding to and preventing the problem, determine what resources are available and needed for the prevention process. Reformers should also determine the stakeholders, and who, whether government or nongovernmental entities, should participate in the prevention strategies.

Still, in order to be effective, the prevention mechanism needs a sense of order. Imagine how ineffective prevention would be if every inspired organization followed its own technique and were motivated by its own priorities; or worse, envision the consequences if no one were adequately motivated to impact change and promises were never realized.

Rather, corruption prevention will make the greatest impact when there is a national focal point to coordinate the corruption prevention efforts, and when this body has the political authority to make an impact. One option is to create a single agency that acts as an Anticorruption Agency (See Unit Six). Since a single agency usually requires a large budget and an effective staff. However, that may not always be a viable option. The second option might be to create an interagency coordinating body, where the institution assures the cooperation of existing institutions that are directly faced with corruption, each assigned to different tasks to end the corruption problem. Whatever method is applied, a prevention mechanism is most effective when there is a clearly stated plan.

Preventing corruption entails eliminating opportunities for its growth, increasing transparency and oversight of government functions, and improving incentives for good performance in public office. Eliminating permit requirements, price controls, tariffs and other controls may also remove opportunities for corruption, as you will learn a little later. Simplifying procedures for granting permits, licenses, bank loans and passports and explaining these procedures in signs, leaflets, and handbooks will raise awareness and reduce factors that motivate individuals to thoughtlessly participate in corrupt behavior. Complicated and concealed procedures often force applicants to resort to payoffs to maximize their chances of getting that which they are legitimately entitled. It is also important to provide incentives for ethical behavior

by paying a living wage and improving professionalism and morale in public employment. In addition, incentives should be granted for people who report corruption, or whistleblowers, since they can be an invaluable source of information about where corruption and inefficiency occur in an organization.

Governance can be good or bad. Good governance indicates a more constructive relationship between the people and the government is vital in almost every aspect of our daily lives, and as such, we can improve governance to create a better society by applying some key components/concepts to good governance.

Transparency

Transparency is key to good governance because it indicates openness in government systems. Therefore, because people in positions of leadership have nothing to hinder a commitment to it means that information is available in a timely and accurate fashion and that information provided to the public is useful. Because of transparency, citizens know what they can expect from their government. Without it, they are unaware of opportunities, regulations or procedures established by the government, and therefore, they cannot use them for their benefit. Transparency in governance is crucial because it enables citizens to control their government's actions and builds trust among politicians. Therefore, it also involves the clarity of roles and responsibilities between and within institutions that are part of government processes. Because transparency is built on the free flow of information, processes, institutions and information are directly accessible to those concerned, and enough information is provided for citizens to understand and monitor them.

Transparency is crucial, therefore, because it enables citizens to control their government actions, and defines the roles and responsibilities between and within institutions that are part of government processes. Without transparency people in positions of leadership are more prone towards abusing their power and working under or outside of their responsibilities.

Accountability

Once positions are well defined and government activities and information is made available in the public, parliamentarians must also learn to be accountable in order to prevent corruption. Through accountability public officials and their representatives are held to standards of conduct that are clearly in the public interest. This requires rules of conduct that are transparent, straightforward and broadly accepted in society, as well as administrative and legal processes to discipline or remove officials who do not respect such rules.

There are two relationships of accountability: that of government workers to elected officials, and that of the elected officials to the citizens who elect them. In the first type accountability can be difficult to achieve since civil servants, particularly professionals in such fields as health, education, and agriculture often evade control by locally elected officials. When accountability occurs between elected officials and the citizenry government officials have to explain or justify what they have done or failed to do to for their people. Only then can we guarantee that leaders will actually act according to their citizens wishes.

Accountability is reporting actions and being held to standards. Because of the power of accountability, citizens have not only a say in official decisions, but also have the right to hold their rules to account. It is the obligation of parliamentarians and other power holders to account for or take responsibility for their actions.

Reciprocity

In Philosophy, reciprocity refers to the fundamental moral principle to "treat others as you would like to be treated." In governance, this rule is also considered golden with the word's meaning tweaked to refer to nations, classes, and levels of power among a community's citizens.

Through the principle of reciprocity, favours, benefits, or penalties that are granted by one institution or individual to another, should be returned. For example, reciprocity has been used in the reduction of tariffs, the grant of copyrights to

foreign authors, the mutual recognition and enforcement of judgments, and the relaxation of travel restrictions and visa requirements between nations.

Cooperating in a system that reflects the principle of reciprocity demonstrates that the government is building a standard for behaviour among officials. These standards exert their own pressure for government action, contributing to the development of long-term obligations between institutions, individuals, and levels of power. This concept is important as a goal for good governance since ultimately, they will not need to seek repercussions to poor behavior, but can act with confidence knowing that their cooperative actions will be repaid in the long run.

Participation

Reciprocity, accountability, and transparency refer largely to the people in positions of power, but for corruption to truly be avoided, the other part of the equation, citizens, must also be considered. Participation is the process through which citizen's influence and share control over government's priority setting, policymaking, resource allocation, and access to public goods and services. Parliament is in a position to play a leadership role in promoting greater participation by opening up its practices and procedures to the public. For example, parliamentary debates could be televised and records of these debates could be made publicly available, including through the Internet. Constituency offices as well as elected officials at all levels can also help foster greater participation. Furthermore, committee meetings should be open to the public so that closed meetings are the exception rather than the rule.

Rule of law

Effective government should also be able to contribute toward improving the quality of governance in a country by ensuring that the rule of law is administered fairly, and in general, the government conducts sound policies that improve the lives of its people. The rule of law implies equality before the law and equal protection of the law. In good governance systems, violations of the law should result in punishment no matter what position the lawbreaker holds. Rule of law also maintains that the

guilty not *escape* punishment and that the innocent not *be* punished. The lack of rule of law leads to an inefficient, unfair and corrupt system, which is inconsistent with an environment for good governance. Systems with rule of law create opportunities for overlapping authorities, which aim to extract benefits from their strategic situations to benefit themselves over the citizenry. A fair and effective application of the rule of law, to the contrary, contributes to providing a deterrent effect towards corruption and criminal behavior in general. (See Unit 4 for more information on the Rule of Law.)

Oversight

Taking all of these components to corruption prevention a step further is the opportunity for oversight responsibility that both the citizens and parliament can play. Parliaments have a key role to play in overseeing and reviewing access to information regimes and ensuring that the public's right to know is guaranteed. Parliament's oversight role includes mechanisms such as questioning ministers about their activities and priorities to holding ministers accountable for any failures to implement the access to information law in their ministries, to maintaining the national budget. Parliament has an opportunity to play an oversight role with the independent administrative bodies and can play a leading role with respect to appointments to and funding of government bodies. Oversight involves monitoring the appointment process of officials to assure that government is conducted in a transparent and ethical manner.

Incentives

Just as rewards are often granted for individuals who return a lost item, or turn in a criminal, it is important to promote incentives through rewards and protection for people who report corruption, or whistleblowers, since they can be an invaluable source of information about where corruption and institutional inefficiency.

The public interest-institutionalist perspective also promotes incentives for ethical behavior but puts the onus on the institution rather than on the whistleblower. This

theory explains that institutions shape individual officials rather than the general population, and that financial advancement is as much an incentive for corruption as non-financial benefits. The frequency and scope of corruption by individual officials is limited by the norms, structure, and capacity of the institution in which they work. Therefore, people act corruptly because their institution allows it.

Elimination of Price Controls

Price controls are a form of government intervention in the economy in which a government agency regulates the prices that would have otherwise fluctuated with consumer needs. The government agency may attempt to enforce the exact prices at which a particular good or service could be sold, or set "ceiling prices", which set a maximum price that may be charged but do not prohibit transactions at lower prices or "floor prices", which set a minimum price that may legally be charged but do not prohibit transactions at higher prices for particular goods or services.

Price controls involve a distinction between those involving theft and those without. Price controls are dangerous when officials turn over the actual price of the good to the government, sell a license for a government price plus a bribe and, the official keeps the bribe. In the case of corruption with theft, the official keeps all the money and does not give any to the government. For example, customs officials let goods through for less than official duty but do not pass the money on to the government.

Simplification of Procedures

Simplifying public procedures can also help avoid opportunities for corruption as they make the transaction between citizens and the services they are entitled to swifter. By making information publicly accessible, legal right are not infringed and obligations of confidentiality are kept. When public data and official information are made available by the government to the people. Procedures for such things as granting permits, licenses, bank loans and passports are simplified and opportunities for bribery are reduced. When procedures are complicated applicants are forced to resort to payoffs to maximize their chances of getting what they ask.

Education: The Backbone to Corruption Prevention

In addition to the prevention methods already mentioned, educating people of all ages and backgrounds is a key component to corruption prevention.

Through education, citizens can learn both their rights and raise awareness about their government systems, work, and learn how corruption is a problem that lowers their standard of living, and how it can be resisted in their own lives. As a result of education, citizens learn to think beyond whether giving a bribe contributes to the problem in their country more generally, but also understand to what government

services they are entitled, why corruption occurs, and what, if any, institutions are available to help them to be protected whistleblowers.

Civic and Anticorruption education can be both formal and informal, preventative and reactionary. It is organized to teach people their rights, the government services available to them, and to explain how corruption itself occurs and how the public can play a role in its prevention. Civic and anticorruption education programs develop expectations for good citizenship and good governance, enable citizens to think and act in the context of their own world, and lay the foundation for sustainable development in the future.

Civic and Anticorruption Education teaches primarily five things:

- The functions and procedures of government institutions;
- The rules of law;
- Democracy;
- Values and attitudes of good citizenship and good governance;
- Civic participation.

Civic education works to improve knowledge about government systems, to empower people with confidence of voice, to inspire people to form advocacy and public interest groups to help them to achieve goals for change, and finally to have the desire to become actors for development, human rights, and a representative government.

Civic and anticorruption education can be taught by using formal and informal teaching methods. Formal teaching is delivered in schools by teachers, most typically following a national, government-mandated curriculum, and are often housed in Social Studies and History classes. Informal Civic and anticorruption education lessons are delivered in school clubs, community and civil society organizations, and through life experiences. Participation in informal civic education, on the other hand, is usually voluntary and applies a participatory learning model using conversation, dialogue, games, and action to build community knowledge about the government services relevant to their own lives, current events, and problems and prospects for

development in their nations and communities. Informal Civic Education encourages participation in the governance process, and civil society.

Civic and Anticorruption Education is Important

Governance education empowers people with the skills they need to make informed decisions and it helps them to believe that their voices can count. It teaches citizens to truly participate in governance, inspiring action, participation, and representation in government and civil society. Additionally, civic and anticorruption education improves access to information, service attainment, and transparency, and civic and anticorruption education will often increase pride in the nation. Just as people who do not know their rights cannot take advantage of the services available to them, people who know their rights and legal protections can do great things to improve their nation. Civic and anticorruption education is important for corruption prevention because it teaches people these rights and helps curbing corruption to become a community effort.

Community education campaigns should be undertaken to ensure that the public are aware of their right to access information. Parliamentarians have an important role to play in this process by making sure that their constituents are aware of their rights. A range of other bodies also have a role to play here including, human rights groups, the media, other government institutions and services, and civil society generally. Use should also be made of regular educational systems, including universities and schools to promote civic understanding about the right to access information.

Enforcement

Box 1
Public Sector Corruption:
The Watergate Scandal

The 37th US President, Richard Nixon, fell victim to corruption's temptations while he was in public office in what would be notoriously known through history as the Watergate scandal. In this scandal he ordered men to break in to the Democratic National Committee headquarters to learn how he could win the next election. When the men were caught, the president lied about his involvement, while tapes of him stating the contrary were available in addition to an FBI leak which further proved his guilt. The president left his position before he was impeached and was granted amnesty by the next president.

Box 2
Private Sector Corruption:
The Parmalat Scandal

At the end of 2003, Parmalat, an Italian dairy and food company, was involved with one of the biggest corporate scandals as an € 8 billion hole was discovered in Parmalat's accounting records. A new CFO was brought on, but not allowed access to some of the corporate books. After making some inquiries he realized that the company's total debt was more than double what showed on the balance sheet. The crisis became public in November, and the new CFO resigned. Eventually, the company's CEO also resigned, was later detained after the firm was charged with financial fraud and money laundering. The CEO was later imprisoned.

Sometimes fears of strong penalties or imprisonment will reduce the likelihood that people will participate in corruption. Some common penalties include firing, fines, imprisonment, negative publicity, demotions, and quiet transfers to new locations or departments. Enforcing the law against corrupt behavior alone does not take care of the problem.

Advocacy and Lobbying

As a result of civic and anticorruption education, citizens may be inspired to participate with politicians in advocacy and lobbying activities to influence law making. Advocacy is a strategy for influencing policymakers when they make laws and regulations, distribute resources, and make decisions that affect people's lives. It entails creating policies where they are needed or when none exist, reforming harmful or ineffective policies, and ensuring good policies are implanted and enforced. Together these concepts refer to policy change.

Advocacy strategies can be used to help civil society participate in the decisions of policy makers by discussing problems directly with them, delivering messages through the media (See Unit 7), or strengthening the ability of local organizations to

advocate. Advocacy can, therefore be one more option in a wide range of program strategies for reducing corruption and holding both public and private officials to account. This is especially important when we consider those policies that are at the root of increased corruption in a country.

Conclusion

In terms of corruption, every country is different. When a country faces corruption with a commitment, good diagnosis and structure, citizens and parliament working together can make quite a difference in their government's response. Addressing corruption requires a good understanding of its type and effects on society, and a commitment of citizens and leaders in government to fight it together. Leaders in government cannot be left to make the change on their own because they will often not have the will to overcome resistance within their own ranks. Pressure and cooperation from concerned citizens in business, the religious community, and other walks of life can keep the commitment alive.

Unit 3 Questions

Please answer each of the following questions. If you are taking this course in a group you may then meet to discuss your answers.

1. How can responses to corruption bring about meaningful change?
2. What role is there for stakeholders in fighting corruption? Who are they?
3. How can a government guard to assure that public money is properly used?
4. How are incentives and reciprocity different?
5. From your own national example, please provide an example of price controls and how they worked for or against you and your nation.

Select Bibliography

CPA Plenary Conference presentations on the Right to Information: Best Practice Law-Making Principles and The Right to Know.

Internet Resources

UNDP governance Site
<http://www.undp.org/governance/>

London School of Economics Center for the Study of Global Governance
<http://www.lse.ac.uk/Depts/global/>

