The Phenomenon of Corruption in Public Administration

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ABSTRACT

This study aims to reveal the bases of corruption, which have huge effects in current public administration systems, and display extent of certain organizations' efforts in the combat against corruption. It also aims to discuss what can be done in the current public administration system and contribute to the public administration discipline.

The article presents an overview of the phenomenon of corruption in public sector including its causes; the challenges involved in combating corruption, and the implications of these challenges for service delivery. It concludes by making some recommendations on how to resolve the scourge of corruption.

Key Words: Corruption, Good Governance, Bribery

INTRODUCTION

The phenomenon of corruption has taken place throughout history at varying degrees. Bribery, which is the most blatant form of corruption, is being increasingly debated in human society. Even before nations were born, corruption had been observed in personal affairs, mostly in trade affairs. After the birth of the world nations, corruption has widened its dimensions and extended into the power of public authorities; which then later affected the relations between the government and the public. It has now become an important issue within the system of relations in public administration.

The governments have struggled to prevent corruption within the current public administration system, and international communities were not able to go beyond giving advices that hold no power over the system. This failure in the fight against the corruption is a result of the effects of the regarding community. While the size and the kinds of corruption are increasing in the modern globalized world, the problem is mostly tried to be handled with ideological discourses, and “downsizing the government” is usually provided as a solution. However, most governments have failed to find a solution to corruption with this method.

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Although international organizations have increasingly been effective in the recent years due to public administrations’ fight against corruption, this fight carried on within their own system is often limited and encounters problems created by the weakness of political will. Indeed, it is not truly effective. While there are well-meaning and serious attempts of the governments to curb corruption such as signing international treaties, these treaties seem to have no power of sanction and be interpreted and implemented differently across countries, thus are ineffective in the fight against corruption. Therefore, there is a need for an international organization which works to minimize the unfair benefits and interests, by having the power to execute sanctions over governments and make governments adopt an ethical administration system.

This study aims to reveal the bases of corruption, which have remarkable effects in current public administration systems, and display the extent of certain organizations’ efforts in the combat against corruption. It finally discusses what can be done in the current public administration system and contributes to the public administration relations discipline.

1. Corruption: Cognitive and Historical Framework

Many disciplines define corruption as “the struggle to maximize the benefit”. The lack of inspection in production processes as to personal interests causes widespread corruption. However corruption can arise in many different ways. Therefore, it is impossible to make an absolute definition of corruption. For example, it can be defined as a public bad that spreads negative exteriority, or public misdeeds that commonly and intensively spread negative exteriority (Celen, 2007). Furthermore, according to a common definition, corruption is the “misuse of public authority to create private benefits” (WB, 2014). A more detailed definition is not limited by “public authority” and entails “misuse of any position to create private benefits” (ITO, 2014).

Corruption happens when people having a monopoly over resources decide to misuse their power for their own interests in a system, especially if the system that do not have accountability. Therefore, corruption can be defined with the following formula (Klitgaard, 1988):

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\text{CORRUPTION} = \text{MONOPOLIST STRUCTURES} + \text{POWER TO TAKE DECISION SINGLE HANDEDLY} + \text{NOT TO BE HELD ACCOUNTABLE}
\]

According to The World Bank (WB, 2015), most common and simple definition for corruption is the “misuse of public authority to create private benefits.” This definition seems to suggest that corruption does not appear in private sectors. However, mostly in tenders and recruitment processes,
corruption is observed in private sectors. Because corruption involves many different elements and relations, defining it is not easy. Therefore, in most international documents, its kinds and forms are defined rather than the term itself (Özsemerci, 2002).

To this day, corruption has been justified as tools that can be used according to each country’s dynamics and sometimes even as cultural inheritance. However, with globalism, corruption has reached levels beyond nation-state’s control. What is more determinative than the political dimension of globalism is its economic dimensions and the change in economic powers becoming more prominent than political powers (Başar, 2004). In fact, in the 90’s, the world entered a globalization path after the Cold War, which caused economies to be more affected by corruption (Özçelik, 2006). Three variables are shown as the reason for this: drug money, laundering of this money, and financing of the political parties and decentralization (Ergül, 2001).

Due to the integration of politics and economy within the new hegemony structure, and freedom of international trade and fair trade, preventing corruption has been critical. At such level of global integration, corruption in one country started to affect the whole system because it threatened the liberal market rules with the advantage it created to the defrauder. The neo-liberal ideology, liberal-democratic reconciliation, market benefits, and civil society understanding have caused corruption to be seen as a problem, which once was tolerated by both political and economic actors. This view has been institutionalized by organizations such as IMG, World Bank, World Trade Organization, which serve to capital mobility and fair trade understanding (Tiihonen, 2003).

After the boost of actions after the 90’s, corruption became an integral part of the agenda at IMG, World Bank, OECD, European Council, United Nations and European Union. It was then explicitly expressed in official documents, such as in the World Economic Forum and non-governmental organizations such as the Transparency International were established. After early 2000’s, more extensive and effective initiatives were taken, and worldwide awareness of corruption was created. Despite all this endeavor, however, corruption is observed to continue increasingly. This situation is especially harmful for developing countries as they generally have fewer resources and need to use these scarce resources in the most efficient way.

Presently, corruption is a historical entity that has never been systemically solved, and it is a hard topic to study, for many countries still do not define corruption as a criminal act. This might be mainly because corruption does not have a common international definition. The conflicting definitions in
different places and sources pose an obstacle to the fight against corruption (Tiihonen, 2003).

An analysis of the statements of the societies about ethics shows that there is no society that directly encourages corruption. However, there are some moralities within social ethics that indirectly encourages it. If moralities are roughly divided into two as result-oriented and deontological, those that encourage corruption can be easily seen. After all, if one believes that the desired result is beneficial, the ends justify the means. At first glance, this can be seen as a necessary morality. If a person has adopted such an understanding, he or she will see the administration’s decisions as an obstacle to reaching its own goals, and convince him/her that overcoming this obstacle by bribery or corruption is the right choice. On the other hand, in deontological ethics, the tools used are supposed to be accepted morally by the society. If deontological ethics are seen as an obstacle to development in a society, it will be difficult to prevent corruption in these societies (Tekeli, 2007).

2. Causes of Corruption in Public Administration

In terms of corruption, one cannot disregard the importance of and its close relation with economic growth, investments, state of law, political accounting, political institutions, and democratic governance. Thus, causes of corruption can be classified as personal, administrative, political, and social.

2.1 Personal Factors

The first reason of corruption is related with human nature. The existence of corruption even in prosperous governments indicates that corruption can be something psychological. The feeling of income injustice and the urge to create benefit can push people to corruption (Mumcu, 2005).

The cultural background of the public administration dominates the behavior of public officials. In other words, cultural values are shaped by the individual psychologies of the public officials while doing their duties. The judicial discretion can sometimes be misused by individuals (Özsemerci, 2002).

Generally, people who have committed an act of corruption interiorize and find ways to normalize the act. This way, they justify their act and ease their conscience (Kılavuz, 2003).

3.1.1 Self-seeking

By nature, human beings are urged to think about their own benefits in any situation. Global market economy, shaped according to this urge, foresees
that individuals’ considering their own benefits will provide social benefits. They can include family’s or friend’s prosperity and happiness. As personal benefits obtained are not inspected during the process, common corruptions can increase (Ackerman, 1999).

3.1.2. Obsession for a rank

Obsession for a rank refers to when a public official acts to reach a higher rank rather than to ensure public interest when taking an initiative. Public officials that resort to different actions in pursuit of higher ranks can possibly trigger behaviors such as disliking the salary. Public service fundamentally means serving the public. However, the public officials’ main goal may sometimes be to earn high salaries without getting tired or working hard. When the public interest is distorted like this, corruption among public administration appears, and an administrative structure that is open to corruption is created (Özsemerci, 2002).

3.1.3. Favoritism

The citizens’ political views, nationalities, beliefs, or ethnic relations must not affect a public official. However, officers’ favoring their own families, relatives or friends, even if no financial benefit is involved, still creates corruption because it is misuse of power (Özsemerci, 2002).

3.1.4. Erosion in moral values

Corruption cannot exist without the existence of corruption inclined people. Human factor in corruption, or human’s moral values, upsets the balance. Whatever ideology or political view is dominant in a country, if the people are not honorable and honest, corruption will prevail. Preventing corruption is only possible if the people on duty have high moral values (Tekeli ve Şaylan, 1974).

Moral values are indispensable for an ideal social order. In societies without moral values, law cannot provide a well-functioning social order by itself. If the public officials’ acts ignore the moral values, people will inevitably ignore these values and turn to immoral ways. The degeneration of political ethics undermines the law system as well (Özsemerci, 2002).

3.2. Structural Factors

The structural factors have so much in common with corruption to occur. In essence, because of the mistakes of individuals that make the system, the systematic mistakes make the individuals in the organization guilty (Caiden, 1991).
3.2.1. Bureaucratic tradition

Bureaucratic traditions may differ from one country to another. In some countries, working in the public sector can provide great prestige and status. A large part of these societies was able to take samples from some political and administrative institutions of developed countries. However, these countries' institutions were formed in over two centuries. The process in public bureaucracy has become a specialist, administrative structure under the criteria of objectivity, regularity, efficiency and effectiveness.

The West’s emerging bureaucracy, which was transferred to underdeveloped countries, have become a political institution, and had voice in political functions, as well as in administrative functions. In the least developed countries, political parties, legislative bodies, trade unions, professional organizations, like the press, and non-power centers generally remained weak compared to the bureaucracy. As a result, decisions pertaining to resource use and implementation have been greatly influenced by bureaucracy, further augmenting the political power (Berkman, 1994).

3.2.2. Centralization

The creation of a decentralized structure, bureaucracy, and corruption may lead to institutionalization. As for the degrees of bureaucratic centralism, each level of the hierarchy in the corruption affects the amount and cause of the corruption. Decisions taken by the public in some areas accepted as privacy exception because the general management was closed and some processes work in a hierarchical structure, which is one of the major reasons for corruption.

3.2.3. Ways of sharing authorization

Corruption is an important factor in the distribution of authority within the organization, formatting the decisions, and the formation of relationships. The civil servant’s decision making methods are determined within the programming of functions and decisions of the institution. Discretionary power diminishes, while bureaucratic supervision power increases. Bureaucratic processes cause “go-between organisms”, which in turn can lead to corruption (Şaylan, 1974).

3.2.4. Politicization of bureaucracy

Politicization of bureaucracy means that civil servants are a part of the policies of the government that comes to power. Each new power appoints civil servants disregarding talents and skills. Appointment based on merit system is ignored as the political system is based on favoritism. Although it may seem logical that political powers can work with bureaucratic cadres of
their choice in order to implement their policies, this favoritism should be limited.

Bureaucracy cannot be built on major policy changes in the merit system whenever a political party comes to power. In an environment where the political parties or individuals can rise by having good relationships, they will remain susceptible to corrupt practices. In addition, competent and skilled people are excluded from the system (Berkman, 2009).

3.2.5. Paperwork

In public administration, the reason why the duties are performed late or are obstructed at some point is because the duties are complex and high in number. Most of the time, to run a small errand, many departments have to work and files, causing tardiness and complexity. In an environment like this, a citizen can offer bribe to civil servants and a civil servant can slow down the process for his own personal ambitions.

3.2.6. Level of Fees

The wages and salaries paid to the employees in public institutions remain low compared with those paid in the market. The low level of salaries leads public employees support their salaries with gratuities and gifts. In addition, a transfer from public sector to private sector with quality staff can increase the cost of investment of service.

3.2.7. Lack of understanding of the rule of law

As a requirement of democratic governance, people must feel themselves attached to laws and accept rule of law as a principle. Laws need to be applied impartially, without being under any influence. Many problems derive from the understanding that “rules are for those who are administered”. Implementation of laws by protecting certain sectors and gaining advantage out of this are the most important reasons for not being able to tackle corruption.

3.3. Political Factors

On the basis of political factors, there is a tendency to reach scarce resources, to have authority in distribution and to control these resources. Political corruption occurs in the form of partisanship, patronage and favoritism.

3.3.1. Culture of Democracy

The most basic rule of democracy is that those affected by the decisions and actions of the partners participate in the decision making process. Violation of this regulation is called corruption. Individuals do not seem to understand that democracy protects the “benefit of the public”. The main reason why
some individuals do not carry on with their citizenship duties is that in the current legal system, democracy is considered as a corruption tool (Aktan, 2003).

3.3.2. Sense of politics

Politics is sometimes perceived as a material to rise in the hierarchy and to get rich, not to help the community. Some political leaders, in order to pursue with their power, bring individuals who highlight only their benefits together. This causes corruption, making it a vicious circle. These leaders only support people with benefits and leaders with entourage. In that way, a relation of profit emerges between the leader and his environment, making it effective in politics, and then the whole country.

3.3.3. Personalizing power

Personalizing power means acknowledging that all state power is attributed to one person. The top leaders must set a good example for the people. It is not desirable for the leaders to get involved in corruption, personally or relative-wise. It cannot be expected of lower level civil servants to act differently when the leaders are involved in corruption (Kongar, 2004).

3.3.4. Financing politics

Many countries were introduced illegal money flow in 1970s. Tender bidding, credit, incentives, obligatory donation to political parties are commonly-known phenomena, causing corruption to become widespread.

3.4. Social Factors

Corruption is a social event, which particularly surfaces when the social order is disrupted. Big economic crises and wars affect the value of money in a country. While inflation decreases the salary of bureaucrat families, it strengthens investors and capitalists (Eryılmaz, 2004).

3.4.1. Lack of education

Lack of education is a well-known fact, which can increase corruption in a society. Because of lacking education and having a lower level of culture, success and effort mean less than being a family, relative or having close relations with people. In countries which give priority to such values, corruption level increases because of opting for speculative gain rather than success and hard work.

3.4.2. Speed Urbanization and Migration

The huge population increase, fast urbanization and demand for public institutions depending on migration can make public services insufficient.
This can pave the way for corruption as well. Industrialization causes irregular urbanization and corruption within administrative bureaucracies. A linear relationship exists between urbanization and corruption (Çelen, 2007).

3.4.3. **Insufficiency of civil community**

A weak civil society decreases the opportunity for an efficient and healthy control over public administration. As a result of weak civilian power, unorganized profit groups cannot deliver their choices to the political decision makers. Therefore, the choices by civilian groups are transmitted after the political decisions, leading corruption to flourish.

3.4.4. **The role of state in economy**

The role of the government and the policies it follows can be a source for corruption. Trading limitations which block competitive environment or monopolized state companies lead to economic profits and activities that seek increase in profit. In countries where economy has the following characteristics, corruption is high (Lambsdorff, 1999).

- Dominant state and undeveloped private sector
- State providing most of the goods and services
- Private sector unable to compete
- The variety of regulations
- Over-authorizing civil servants
- Inability of accountability mechanisms
- No transparency

Because of these characteristics, the role of the state in economy and its monopoly increase, paving the way for corruption. For developing countries, state has many economic and social responsibilities. In those countries, state’s economic activities give many opportunities to bureaucrats and politicians. Particularly in auctions, private sectors must depend on the state no matter how strong they are.

3. **EFFECTS OF CORRUPTION ON PUBLIC ADMINISTRATION**

The social and political effects of corruption on public administration systems can be listed as follows:

4.1. **Ineffectiveness of Public Administration**

Corruption has a negative effect on the activation of public administration in many aspects. Corruption in public policies and programs in public
administration weakens governance and blocks stability and continuity in public services. Civil servants who are not corrupt and who remain honest and qualified may dislike public services (Oral, 2009).

4.2. Damaging the State of Law Understanding

Corruption damages the principle of “state of law”. Corrupt civil servants abuse their duties instead of obeying the rules. The state, which does not take precautions against corruption, cannot provide a reliable atmosphere for its citizens. Because of corruption, the debate on whether the political power in the country is legitimate or not continues. The citizens who are being governed lose faith in the government (Oral, 2009).

4.3. High Cost of Public Administration

In a governing system where bribery is the main source of benefiting from a public service, bribes have turned into a second payment. As a result, citizens can only benefit from public services by paying more. During and after auctions, the quality of the service can be low and the price can be high (Oral, 2009).

4. GOOD GOVERNANCE IN PUBLIC ADMINISTRATION AS A METHOD OF FIGHTING CORRUPTION

In terms of public administration, corruption can be described as a “public malignancy” that spread negative externalities. Public malignancies, unless they are removed, increase the covered by the society. Corruption as a public malignancy exists at both national and international levels. During the globalizing era, as international economic integrations increased, accelerating flow of capital, goods and services made corruption an international problem. Therefore, the fight against corruption requires international attention (Celen, 2007).

Two factors play an important role in realizing public administration reforms to fight corruption. The first is to make changes that can increase the cost for those who are involved in corruption. The second is to have the political will to implement public changes (Klitgaard, 1998).

Within this scope, the following basic strategies can be adopted (Ackerman, 1997):

- Limiting the power of admiration
- Increasing the cost of corruption
- Decreasing the level of benefits that are in the control of public servants
Limiting the negotiating power of civil servants

There cannot be a “one-for-all strategy” to fight corruption. Priorities can change when fighting against corruption depending on the level of corruption and the quality of governing. Without limiting corruption, the malignancy cannot be totally blocked (Akçay, 2004).

Growth, unlawful tax system, badly-designed social programs, human capital deformation, education inequality and social spending are the effects of corruption on income distribution and poverty. The negative effects of corruption on social groups are mainly seen among the poor, handicapped, women and minorities. These groups are mostly affected by the narrowing public goods and services. Growth and corruption have a reverse relation; while corruption increases, growth decreases (Celen, 2007).

The effects of corruption on poverty and income inequality can be listed as blocking economic growth, increasing the gap in tax paying system, lowering social spending and its efficiency, changing the structure of human capital, and thus increasing poverty and income inequality. Besides, poverty decreases the level of tax payment. Another important aspect is that elite groups living in prosperity encourage social spending on private schools and private healthcare systems, making bribery a functional tool to realize this (Gupta et al., 1997). The chart below summarizes the relationship between corruption and poverty.

<table>
<thead>
<tr>
<th>Chart1. The relationship between corruption and poverty</th>
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<tbody>
<tr>
<td><strong>Reasons for Poverty</strong></td>
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</table>
| Low Investments | - Weak Economic and Institutional Policies  
- Diversion in Public Spending and Investment  
- Low Human Capital  
- Economic Policies and Laws Directed by Benefit Groups  
- No Property Rights or Superiority of Law  
- Governance Block against the Development of Private Sector |
| Low Income Groups Receiving Less Shares from Growth | - Individuals or groups taking over natural and economic resources  
- Increased Bribe Tax for Poor and Small Companies  
- Inefficient Increase in Public Spending and Investments  
- Inequality in Income Distribution |
| Blocking the Use of Public Services | - Blocking the use of services like Education, Health and Justice with an increased Bribe Tax  
- Political elite making it hard to use some services |
| Lack of Health Education Services | - Low Human Capital Saving  
- Decreasing Education and Health Options |

Fighting with poverty is an obligation to fight against corruption. While money goes to some individuals’ pockets with corruption, not enough investments are made in education and health, elements which constitute the basic needs of society.

There is also a reverse correlation between the level of corruption and the quality of governance. If the corruption level is high in a country, then the governance quality is low. A high corruption level makes a country's battle against it more comprehensive, while a low level of corruption can make the country opt for a method at a more strategic-level.

The concept of governance is not related to the ruling of power from top to bottom, or the governing process, which is the essence of corruption, but it is related to the parts that involve the whole governing process and the relations between people. This is a more horizontal approach (Saran, 2004).

The new governing understanding in public administration is integrated with “governance”, which is used for conceptualizing the development of transactional relationships (Peters, 1995). The main motive of the new reform era is to govern the new understanding well by (Kettl, 2000):

- increasing the performance and efficiency of public institutions in order to increase public sectors’ effectiveness
- providing the conditions of competition to ensure effectiveness and efficiency in public sector
- transferring authority which intensifies in the center to local public organizations and local governments depending on the hierarchic administration
- involving all the actors in the decision making processes of public sector, thus providing governance
- providing accountability for results and performance which public sectors produce
- re-describing the government’s role in privatization, localization and liberalization

Bureaucracy, taking over the responsibility of the management of society and being an economic pioneer, brings along vast numbers of civil servants, hierarchic organizations and a harsh control system. This post-modern management understanding criticism over institutions that have adopted Webern organizing is a normal process. According to the postmodern philosophical and political approach, the understanding of “public
management” which sees the citizens as customers getting services they need from a company has gained wide currency (Saran, 2004).

CONCLUSION AND RECOMMENDATIONS

The understanding of social state/prosperous state is believed to be most commonly affected by central planning, regulating the functions of the 20th century public administrations, the understanding of playing an active role in economy and the protective measures against citizens. Within this scope, the ideas of re-establishing the economic balance in society and a more comprehensive and detailed public sector, not wasting public funds, and diminishing corruption have recently been brought forward.

With a good governance understanding, it can be said that public administration and citizens are transformed. Within this scope, society is considered to be an indivisible part of public administration. In line with this understanding, it may be proposed that citizens’ life-standards can be improved and more inclusion in the decision making processes be ensured.

Non-governmental organizations need to be strengthened for citizens to be more active in the decision-making processes. To this end, the shape of the relationships between society and governing institutions need to be restructured.

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