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# **The Impact of Corruption on Government Public Services Quality, Justice and Cost of Businesses Regulations in Developing World**

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**Abstract** – This paper is a part of ongoing empirical investigation of the effect of Corruption on the State government public service delivery. Corruption is defined as "the abuse of the use of public power, with the aim of achieving personal gains. (Sawzan., (2003). . Unhealthy relations between the institution and its boss in the public sector create an opportunity for the spread of corruption. Despite broad consensus among the scientific community about the negative effects of corruption on economic growth, some academics still argue that the effects of corruption on growth are contextual and related to factors such as the quality of governance and the type of political regime. In many developing countries, lacking of effective institutions and governance systems, corruption can offset institutional weaknesses and the effects of heavy bureaucracy and "energize" the economy. The literature indicates that corruption is likely to have a long-term negative effect on economic growth through its effects on investment, taxation, public spending and human development. Corruption is also likely to undermine a country's regulatory framework and the efficiency of public institutions, as the pursuit of immediate individual profits distorts public decision-making.

**Keywords** – Developing Countries, Corruption, Economic Growth, Public Sector, Public Services.

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## **I. INTRODUCTION**

Corruption which was taboo not too long ago is nowadays, a significant topic and now becoming the subject of public debate. According to the estimation of the World Bank, during the period 2001-2002, one trillion dollars would have been diverted. This amount represents approximately 3% of the world's exchanges for the same period. This explains why corruption is the subject of renewed interest in a multitude of social worlds (scientific, judicial, political, journalistic ...).

Corruption is a widespread practice over the entire surface of the globe, which knows no boundaries and affects all countries and remains of every place and time. Whether it takes the name bribe, embezzlement or obstruction of justice, whether active or passive, its nature is meant to be multiple. But whatever it is, corruption is bad for a country, and definitely more so for a developing country. Corruption is, in all kinds, an imminent danger that threatens all human societies. In order to understand this phenomenon, its effects, its consequences and its implications, we must be aware that corruption, in principle, is a defect that contradicts the spontaneity of the human being, although there is a consensus on the seniority of corruption, which all institutions have suffered. Utopia free from corruption and the "ideal society" that is free of corruption do not exist because this Utopia is one of the imaginations in the minds of philosophers and abstract thinkers, who could not translate this state of spirit in reality.

## **II. DEFINITION**

With the spread of poverty, the deterioration of medical services, the misallocation of income and wealth in the world, the decline in growth rates and the lack of growth in many countries, even those blessed with rich natural resources, have experienced low income and growth rates.

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a. *Classic Definition:*

Corruption is a phenomenon that does not come from yesterday, it is very old. To mark this seniority we will see the classical notions. Indeed, corruption was once defined as a philosophical and political concept and it had a very broad meaning today. Thus Plato, Aristotle, Thucy-did, and Machiavelli (Johnson M., 1996) used the term not to refer to all the acts of certain individuals as the moral health of society as a whole. It should also be noted that the classic definition of the word leaves no doubt about the weight of the moral dimension in its use: "perversion or destruction of integrity in the performance of its duty, by bribes, favors." (Cartier-Bresson J., 1992)

b. *Modern Definition:*

This fairly general classical notion may not be applicable today because of the complexity of government institutions and the differentiation of social groups and their programs. Hence, there is no reason to judge the corruption of an entire political order. Indeed, for most analysts today, corruption refers to the very specific actions of specific individuals, those who hold public office and those who seek to influence them (according to certain definitions). These definitions can be classified according to that derived from a classification of behaviors and according to the principal-client-client relationship (Johnston M., 1996).

Corruption is defined as "the abuse of the use of public power for the purpose of personal gain" (1). Unhealthy relationships between the institution and its boss in the public sector create an opportunity for the spread of corruption. In any case, this definition simply means that the role of the person in his work in the public sector differs from his personal attitude. Corruption is also defined as "the abuse of public power for personal purposes and girdles" (2).

The biggest challenge in the fight against corruption is that most poor and poor countries often suffer from the inefficiency of using their human and material resources, and therefore these countries need institutional reform. As for corruption, the reality of the human being explains in spite of different experiences of the States, the motivation of this phenomenon resides in "the personal interest", which explains the search for the realization of the well-being of the family and of the individual and the group. Some researchers have called this attitude "greed", while economists call it "the maximum use of interest." Recent studies have revealed that high levels of corruption, linked to low levels of investment and growth. Corruption reduces the effectiveness of industrial and agricultural productivity policies and encourages the emergence of illegal business, which violates legislative and economic laws (3).

c. *Definitions Centered on Civil Service:*

Waterbury's (1973) defined corruption as "abuse of public office and influence for private firms". Or Nye, J. (1967) which is in the same concept but more detailed: "corruption is the behavior that deviates from the formal obligations inherent in a public service to derive a private benefit (staff, close family, private clique), in terms of money or status; or who breaks rules prohibiting the exercise of certain types of private influences".

Senior (2006) criticizes this type of definition. Indeed, the problem is that they are far from perfect despite the accuracy Nye, J. (1967); on the one hand, the main weakness is that they restrict corruption to the abuse of public office for private purposes. It is clear that corruption can often be traced to the interaction between officials, who have licenses for qualification, and private individuals or firms who wish to receive these licenses, it is obvious

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that corruption can occur inside Private sector.

On the other hand, the second weakness with this type of definition is their references for laws outdated in time. In fact, legislation varies considerably from one country to another, from one period of time to another. Literature abounds with examples from countries, especially in Africa, where actions that in European countries are seen as illegal and corrupt are considered to be normal and acceptable.

### III. DIFFERENT FORMS AND TYPES OF CORRUPTION

Corruption is a behavior full of moral, social and political connotations. It manifests itself through distinguished forms. As an international phenomenon, it is not limited to developing countries. Even developed countries have experienced some famous scandals. But, what has left the economic literature to focus on the case of developing countries is the extent that corruption has taken in everyday life which is presented as follows:

#### A. *Political Corruption:*

It is the corruption of senior officials and political leaders. It has its source in major public programs or in the presentation and support of laws passed by the assemblies; these laws being implemented later by the administrations. This form of corruption finds its expansion in the electoral structures of parliamentary life ever more expensive. In parliamentary systems, the system of representation is based on delegation of authority. Politicians seek to maximize their political support, that is to say, the number of votes in their favor in elections, and voters are amoral in the sense that they have no, a priori, and do not use the available information (balance of past policy, fulfillment of commitments) and they are ready to sell their voice (Cartier-Breson J., 1992).

#### B. *Administrative Corruption:*

This form of corruption abuts the terrain directly related to the political and electoral systems (adoption of laws), to focus on the practices and motivations of the corruption of the civil servants of the administration. Opportunities come from enforcing the laws. This can be either accelerated or blocked. In this form of corruption of the types of cases can be considered.

The creation of a public service open to all implies, by hypothesis, a permanent increase of the demand for this service, superior to the evolution of the offer. It follows the creation of a queue. A reorganization of the management of the queue becomes indispensable. This reorganization can take place legally or illegally (corruption).

Some administrations have a function requiring them to enter into public procurement contracts. The official chooses the firm that best meets the conditions imposed by the government. This is how corrupt payments come in for the appropriation of these public contracts.

#### C. *Bribery:*

"Bribery is an offense that involves receiving donations (money, goods) to promote the interests of a natural or legal person with the public authorities. It is a form of corruption ».

The new object is that trading in influence is no longer the performance of an act of a person exercising a particular public (or private) function, but the exercise by that person of his influence for the benefit of another

person. Trading in influence, however, is a form of complex corruption in that it is not only bilateral (corrupt, corrupt), but also trilateral in its purpose.

Besides the two parties to the act, there is, indeed, a third, according to which the act has been accomplished: it is the public person from who is hoped the adoption of a determined behavior. The person who exerts influence is an intermediary with respect to this third actor. Trading in influence is thus an indirect or secondary corruption.

#### *D. Causality Techniques:*

Causality techniques are meant the means by which corruption is brought about. The practice of charity, contribution to an association of good things (bine fly), creation of a subsidy, do not really amount to corruption.

Even the most pernicious tip is not an act of corruption in itself, but a manifestation of kindness; in these cases the techniques are neutral. But, they can still be applied to cause corruption: the attitude of friendship or benevolence that accompanies a gift presupposes the same attitude in the party receiving the gift. So corruption can take place within the framework of this friendship and friendly attitude.

#### *E. Corruption and Rent Seeking:*

The neoclassical economy analyzes the corruption at the level of individual behaviors in terms of rent seeking. This theory is devoted to the analysis of the activities carried out in order to influence the public decision or to put in position to take advantage of it. The existence of rents is linked to market distortions. It is primarily the state which, by maintaining artificial monopolies, creates rent opportunities. Corruption is then only one of the methods of allocating these rents. Hence "corruption, as rent seeking, is a factor of economic inefficiency, it contributes to a misallocation of resources (or allocation of income), generates inequalities and poverty. In this sense, market distortions are considered as both cause and consequence of corruption "(Talahite Fatiha, 2006).

Annuities concerned by the theory of rent-seeking are, on the other hand, "artificial" (and are therefore not subject to the natural process of erosion by competitive dynamics). They are artificial because they are obtained:

- Or a price of a violation of the rules of the economic game (the formation of a cartel).
- Or by playing another game than the economic game, namely the political game. Two levels of rent-seeking can be distinguished upstream and downstream from public decision-making (Vornetti P., 1998).

The upstream (primary) rent seeks to obtain a particular measure with favorable re-distributive consequences. Operating downstream (secondary), It consists of trying to be among the beneficiaries of a given public action.

## **IV. THE CAUSES OF CORRUPTION IN DEVELOPING COUNTRIES**

Of course, corruption is widespread today in developing countries compared to developed countries; for this reason studies are only interested in this category of country. In what follows, we will try to determine the causes.

## **V. THE VICIOUS CIRCLE OF CORRUPTION**

The concept of vicious circle was visualized by Nurkse (1959) and Myrdal (1964) as a metaphor for why development economics remain underdeveloped and poor. This concept is part of a segment of economics of development known as a "modernization" theory, popular in the 50s and 60s, which postulates that the gap between tradition and modernity narrows gradually after Schraeder (2004).

The theory of modernization perceives the underdevelopment to be a dilemma caused by the economic delay and that these countries miss a stage of the Take-off (take-off) that could trigger growth. The delay is due to the

variety of obstacles to economic growth maintained through the vicious circle keeping the economy in a state of permanent stagnation (Hidalgo-Capitan, A.L and Lambie, G., 1994). The concept of Vicious circle It is therefore built around the main discussion that countries are trapped in circles that might be negative or positive (Mosely, P, 2003).

The discussion can be summarized as follows: "Low income levels prevent the need for savings for investment purposes, but without investment and capital accumulation income cannot increase. Poor countries, therefore, are trapped; only central planning can break the vicious circle "(Maelstrom, 2004).

Myrdal asserted that, to break the negative circle, a strong momentum (preferably a government action) is required to bring about economic progress that will not come spontaneously or otherwise fast enough (Maelstrom, 2004). As such patterns are expected to produce more than desired, it is clear that it is hard for countries to break the negative loops for free. But countries become prosperous in establishing sound institutions, managing the economy, laws and regulations, etc., are more likely to produce positive spillover effects. However, once a country reaches a certain positive advantage, an opportunity arises to break free from the disadvantageous circle.

In the context of corruption, it is assumed that vast levels of corruption impose reverse effects on a society (eroding societal morals, undermining healthy government and distorting economic performance etc.) effect, which ultimately, increase and perpetuate already invading levels of corruption.

The vicious circle of corruption consists of three elements as follows:

- High level of corruption
- Bad governance
- Weak economic performance

## VI. CAUSES OF CORRUPTION

If in the developed countries, the corruption corresponds to a democratic imperfection (Cartier-Bresson J., 1998), the phenomenon returns in the DCs to observations heavier and more alarming. This failure is generally linked to state activities and especially to monopoly and discretion (Tanzi V., 1998, Mauro P., 1997).

There are various sources of corruption opportunity, limited to the public sector, as being the most vulnerable, and given its preponderance in the DC.

### a. *Regulations and Authorizations:*

In many countries, especially in developing countries, the role of the state is often clarified by the use of many rules or regulations. In these countries, licenses, permits and authorizations of various kinds are necessary for engagement in many activities. Open a workshop and keep it open, drive a vehicle, build a house, engage in foreign trade, conduct an exchange with abroad, benefit from a passport, go abroad, and others, requires specific documents or authorizations.

The existence of these regulations and authorizations gives a sort of power monopoly to officials who authorize or inspect these activities. These officials may refuse or delay these processes for a few months or even just a few years just to create an opportunity for corruption. Surveys in different developing and transition countries indicate that households and businesses, especially small ones, waste a lot of time negotiating with public bureaucrats. This loss of time can be reduced by the payment of bribes.

b. *Taxation Procedures:*

Taxes based on clear and transparent laws that do not require contact between taxpayers and tax inspectors may be less incentive for corrupt acts. Nevertheless, when the following situations occur frequently, corruption becomes very likely.

- Laws are difficult to understand and can be interpreted differently.
- Tax payment often requires contact between taxpayers and tax administrators.
- The salaries of these administrators are relatively low. As a result, for them bribes is additional income (Rijkeghen C., and Weder B., 1997).
- Tax Administrators have discretion over important decisions such as, tax benefits, audit selection, litigation, and others.

These points are added to each other to make the administration of taxes and customs the most fragile environments in front of offers corruptors.

c. *Supply of Goods and Services below the Market Price*

Due to the scarcity of public goods in developing countries, governments commit to supplying these goods below the market price. The more these goods and services are needed (housing, commercial phone line, scholarship, water for irrigation), the more economic agents will be willing to pay a premium for privileged access.

In the presence of free prices on a market (official or parallel) and administered price (interest rate, exchange rate, allotment of foreign exchange, subsidized basic products, housing), the goods that are sold at administered prices below the free market price are scarce and competition among economic agents to procure them favors corruption. Corruption reintroduces competition and discrimination by consumer prices. The price of subsidized food that includes a bribe may remain lower than it would be in a free market, and in this case release strategies are unlikely to gain popular support if they do not integrate the goal not the social goal.

d. *Other Discretionary Decisions*

In a number of countries, some state agents may have discretionary power to make important decisions. In such a situation, political corruption can play a key role. It is natural that some individuals and businesses who have a lot to lose from it will try to obtain favors by bribing or playing with their personal relationships. These are mostly decisions about:

- The use of private land (zoning by-law) or state land (for example for logging);
- The exploitation of large endowments of natural resources can be a source of corruption when they are sold at a price well above their cost. The payment of bribes is therefore frequent during the sale of the concessions. Some observers have explained that the discovery of oil and the explosion of corruption went hand in hand with Mexico and Nigeria (Diamond Larry, 1993).

e. *Official Subsidies and Restrictions on Trade:*

Restrictions on trade are the typical example of a source of annuities due to state intervention. If the importation of any goods is subject to a quantitative restriction (if, for example, the number of foreign automobiles that can

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be imported in a year is limited), the necessary import licenses require a high value, and Importers question whether it is appropriate to offer a gift to the officials who issue them.

More generally, the protection of a domestic industry against foreign competition by tariffs creates a semi-monopoly of the local industry. The leaders of the latter then press for the maintenance of these rights, and some of them can even go as far as corrupting influential politicians to preserve the existence of a monopoly.

Industrial policies based on subsidies or input price controls likewise create rents for the private sector.

Corruption can indeed appear and prosper when the purpose of the subsidies is not precisely defined and companies for which they are not intended benefit. The greater the volume of these subsidies to the industry, the higher the index of corruption.

According to some studies (Ades A. and Di Tella R., 1997), it can be deduced that in general a very open economy is characterized by a low level of corruption. In other words, countries seem to be less corrupted when their trade is relatively free from official restrictions that venal officials can use for their benefit.

In addition, the multiple exchange rate is another opportunity for corruption. Because of the differential between the existing rates, some people may seek to obtain the most advantageous rate, although this rate does not correspond to the actual use of the currencies thus attributed.

Likewise, official foreign exchange systems generate corruption because of the lack of transparency in the distribution of these in certain countries. If, for example, commercial banks ration foreign currencies according to priorities set by the government, interested parties may be tempted to bribe the responsible officials to get more than their fair share.

#### *f. Weakness of Bureaucratic Quantity:*

The quality of bureaucracy varies enormously between countries. Many factors contribute to this quality. The cultures, traditions and the effect they have on the pride that individuals feel in working for the government can explain, all other things being equal, why some bureaucracies are far more efficient and far less vulnerable to corruption than others. Tanzi, (1998) have examined the extent to which the recruitment and promotion of administrators is based on merit in 35 developing countries.

Their results show that recruitment, promotion of directors based on merit are rare, while those based on corruption are the most widespread. The absence of clear rules for promotions and hiring, clientele and influence peddling, nepotism, in addition to the factors discussed above contribute to this quality of bureaucracy. The incentive structure can also serve as an important way to explain why some bureaucracies are much less permeable to corruption than others.

#### *g. The Level of Wages in the Public Sector:*

Weak salaries in the civil service largely explain the trivialization of petty corruption. The lower the level of civil service wages, the lower the rate of temptation (Rijkeghem C. and Weder B., 1997) of illegal catch-ups. Opportunities for corruption then become the main motivation for joining the public service.

In the figure below, CC represents the relationship between the level of corruption and that of wages. The higher the wage level, the lower the level of corruption. It is assumed that OR represents the level of wage

consistent with a standard of living for families of public employees. OA is the corruption due to greed (gierd), while the remaining part is due to need, Tanzi V., (1998).

This figure shows that regardless of the level of salary, some public officials continue to be corrupted because of lack of integrity, or because bribes are too high so that they cannot abstain. In recent years, many countries (Argentina, Peru, etc.) have tried to reduce corruption in particularly sensitive areas, such as customs and tax administration, by increasing the wage levels of public employees in these areas. These countries have further increased the pay gap in the public sector to retain and attract productive and honest individuals.

About these remedies, the increase in wages can reduce the number of corrupt acts, while it can lead to the demand for higher bribes by those who continue to be corrupt. Thus, while the number of corrupt acts is reduced, the total amount of corruption may not necessarily be reduced.

#### *h. Anti-corruption Strategies*

Corruption is a critically important phenomenon that can be compared to an epidemic because it spreads rapidly in the country's political-economic system. Protecting this system requires a very effective remedy in the form of reforms that must be sustainable to succeed (Bo Rothstein, 2007).

#### *i. Reduce the Possibilities of Corruption*

One way to reduce corruption is to reduce the benefits and costs that are under the control of civil servants at all levels of the administrative hierarchy. Transparency of rules and the introduction of competition within the administration are also other means.

#### *j. Reducing the Role of the State in the Economy:*

In general, any reform that will open up the economy to competition will reduce temptations for corruption (Ades A. and Di Tella R., 1997). As a result, the easing of foreign trade restrictions, the removal of barriers to private market entry and the privatization of state-owned enterprises in a manner that exposes them to competition are all measures that will help combat against corruption.

Indeed, if the government does not have the power to limit exports or control the creation of companies, no possibility of corruption will exist in these areas. The removal of a subsidy program will put an end, at the same time, bribes that could accompany it. Similarly, once price controls are abolished, market prices will reflect the scarcity of products and no longer the bribes paid.

Reducing the role and discretion of the public official does not mean that it is necessary to eliminate the various general schemes and public expenditure programs that are fully justified. It is not a question of suppressing them but of reforming them.

One solution is to clarify and streamline laws to reduce the discretionary power of public servants. As an example, environmental policies, economists advocate market mechanisms such as the taxation of emissions and the creation of markets for rights to pollute (Rose-Ackerman S., 1998). The introduction of user fees for scarce public services is still recommended. These reforms have the advantage of removing incentives for corruption by replacing bribes with legal payments.

#### *k. Make the Rules More Transparent*



Opportunities for corruption can be curbed by ensuring that the tax, public expenditure, and institutional regimes are simpler and do not confer discretionary powers. Some risk is sometimes tolerable when the benefits of a discretionary program management policy outweigh the cost of corruption. But even in this case, transparency and publicity of the texts can help to limit the attractiveness of corruption. Police officers, for example, must have some discretionary powers to enforce the law on the spot, but complaints if made public will often end abuses.

*l. Subjecting Administrations to Competitive Pressures:*

Some programs cannot be reformed or deleted. They must then be managed more honestly. To this end, competitive pressures can be created within the public sphere to weaken the bargaining power of each public servant.

The discretion of public servants gives everyone a degree of monopoly over these customers. The administrative chart can be clear and well defined, but it can be a source of widespread corruption. This situation can be avoided by setting up overlapping and competing levels of administration to undermine the strong position of civil servants if the former demands a surcharge, no agent will be able to pay a high price for the requested service. As far as the applicant can claim. And if it is the user who is looking to buy the employee, overlapping areas of administrative competence may also play a dissuasive role.

*m. Increasing the Credibility of Law Enforcement Institutions:*

The sustainability of development generally involves the establishment of mechanisms that make the state and its servants responsible for their actions. To be sustainable and credible, these mechanisms must be anchored in the very heart of institutions. Thus, the existence of a very strong and independent judiciary and the separation of powers remain the two most important institutional safeguards.

*n. Independence and Efficiency of Justice:*

A viable legal system that enforces the law without favoritism or arbitrariness is a condition for controlling corruption.

To make a serious commitment to reform, a country must have effective inspection and prosecution bodies, as well as a judicial system that is not itself corrupt. Judicial reform requires more than just a change of staff. Without structural change, we can hardly expect a fundamental change. The first step in the reform is to improve the salaries and working conditions of judges and the staff they rely on, but these developments must be accompanied by better control of results by internal and external staff system. Further training may be necessary so that the magistrates can seriously decide on the cases they have to judge. Improving the professionalism of judges should reduce the incidence of corruption. But all these reforms will have little impact if the independence of the judiciary with respect to executive and legislative powers is not guaranteed.

*o. The Separation of Powers*

Even if the judiciary has the means to enforce the law, the public must still believe in the stability of the rules in place. In addition, conventional constitutional mechanisms must operate to avoid permanent change of laws with horizontal and vertical separation of powers (World Bank, 1997).

It is possible to separate the powers horizontally between the judiciary, the legislature and the executive and v-

-ertically between the central administration and the local authorities. This should reduce corruption, especially influence peddling.

p. *Reforming the Civil Service*

Whether it is responsible for policy development, providing services or administering contracts, competent and motivated staffs are the backbone of an effective public service. In general, the measure taken to constitute a public service of this quality focuses almost exclusively on remuneration. But important as it is, pay is not the only factor. Recruitment and promotion based on merit and the development of esprit de corps and the system of supervision and sanction are also important. This makes it possible, on the one hand, to limit corruption and political patronage and to attract and retain competent people and on the other hand, to encourage identification with the objectives of the organization, to reduce the cost of monitoring and develop internal cooperation and loyalty.

q. *Merit-Based Recruitment and Promotion*

The adoption of a meritocratic system in the civil service attracts high-level staff; this enhances the prestige of the functions and contributes in a large measure to the motivation of the civil servants. This system has not yet been adopted by most developing countries where the state has instead become an inexhaustible source of employment and where recruitment depends not on merit, but on relationships.

There are two types of merit recruitment and promotion systems that are not mutually exclusive: Mandarin and the open system. The first is a hierarchical and closed system, imposing very competitive entry conditions. In countries that lack qualified personnel, this may be the best way to institute a more selective training system. The open system is a more flexible and decentralized recruitment system, more and more market-oriented. It gives managers greater latitude in matching the required qualifications with available skills, including scarce technical skills, but at the same time it is harder to maintain professionalism and esprit de corps.

r. *Adequate Remuneration*

The existence of a merit recruitment and promotion system gives the function a prestige that enhances the attractiveness of employment in the sector.

But if wages remain much lower than those of the private sector, prestige is not enough to fill the gap. A recent multi-country study has found a negative relationship between the salaries of civil servants (compared to salaries in the private sector) and the level of corruption (Rijckeghem C. and Weder B., 1997). The gap between the salaries of civil servants and their income provides an additional argument.

Again, the finding of a negative correlation between wages and malpractices helps to explain why individuals continue to work in the public sector while the private sector offers much higher wages for equivalent jobs. On the other hand, it is likely that some civil servants will take up a second position in the private sector. If so, it will be less difficult to delete their posts. Structural changes in the functioning of the administration should be combined with more conventional proposals to increase pay and improve working conditions. The aim is not only to eliminate the corruption of existing civil servants, but also to attract more qualified candidates to public posts. While bribes are potentially high, parity in private and public wages may not be enough to limit corruption: it should attract qualified candidates for public jobs requiring similar skills. But even qualified officials can be co-

-rrupt.

Finally, tax collectors, police officers, public purchasers and enforcement officers will still be subject to corrupting incentives. In these areas of public life, the increase in wages and benefits may be necessary, but it is not enough. To effectively reduce corruption, it must be coupled with a system of surveillance and sanction.

#### *s. Strengthen Surveillance and Sanction Mechanisms*

A credible surveillance system that can detect corrupt officials and force them to leave the public service is the most obvious. If public jobs are well paid, a corrupt official will have a lot to lose if he is discovered, tried and forced to seek a lower paid job in the private sector. The same deterrent effect can be achieved other than through high salaries, by offering benefits, such as retirement pensions, which can only be earned at the end of a flawless career.

In addition, institutional remedies with their own autonomy can also reduce corruption. Countries have used different formulas in this area:

- Mediator's record citizens' complaints and can help make public bodies more accountable for their actions. Since the introduction of the Ombudsman Act in 1991, South Africa has established a Public Interest Protection Service, which is responsible for investigating on allegations of abuse of power (wrongdoing, corruption, violation of human rights) of State agents and to draft reports which are generally made public. This service is not authorized to take legal action, but it transmits the files to other administrations that take care of them.
- Some have set up independent commissions or appointed inspectors general who are responsible for investigating corruption charges and bringing them to justice. The most famous example is that of the independent anti-corruption commission in Hong Kong (China) Stapenhurst R. and Kpundeh S.J., (1999).

During the 1960s, corruption in Hong Kong (China) was so widespread that it gave birth to the independent anti-corruption commission known as ICAC. This commission is the sole responsibility of the governor. ICAC agents are better paid than other officials and cannot be transferred to another department. The commission is not only empowered to investigate and prosecute corruption, but also to fund public awareness campaigns. If corruption has declined significantly in this region, it would be wrong to think that the ICAC knows no problem, the main one being that it reports only to the governor.

An autocratic anti-corruption commission could be an instrument of repression against political opponents. The important prerogatives at its disposal could lead to abuses of power with less respected regimes. In order for his powers to be better controlled, a commission of this kind could be left not by the chief executive but by the legislature.

#### *t. Make the State Closer to Citizens*

To revitalize public institutions, we must begin by bringing the state closer to citizens, that is to say, to empower citizens and private users, private sector organizations and other groups of civil society to hear.

Citizens' associations can constitute an effective counter-power to arbitrary use of state power, provided they have the means to organize themselves and to be informed of the progress of public life. Thus, the budget, revenue

collection data, the various statutes and bylaws and the debates of the legislatures should be made public. Secret or extra budgetary funds that are made available to chiefs of the executive without being subject to control only serve to promote corruption.

Freedom of information laws, as it is in the United States and in several European countries (World Bank, 1997) give the citizen an effective right of scrutiny, a well-informed citizen is better equipped to punish the agents of the State, be it in the polling booth or by other means of contestation, in particular by seizing justice or by directly addressing the decision-makers. Freedom of the press can also play a vital role in the fight against abuses of power, especially where the action of governments and officials is not subject to other forms of control. The adoption of laws facilitating the creation of associations and non-profit organizations also has a constructive role in the fight against corruption.

Transparency International, an international non-profit organization, strives to mobilize citizens around the world to fight corruption and draw up public assessments of the situation in this area. Its anti-corruption strategy focuses much on the importance of supporting civil society, on the grounds that the political power is not able to meet the challenge alone if its voice remains isolated. Nevertheless, many countries oppose the creation of such associations or make it costly, precisely because of the strength that freedom of information can have in promoting reform, hence the need for financial institutions and international development organizations to convince these countries to adapt the economic and institutional reforms that are conducive to combating corruption.

## **V. CONCLUSION**

It is widely acknowledged that the perception and experience of corruption erode citizens' trust in public institutions and political processes, undermine the social trust and legitimacy of public institutions, and ultimately have a corrosive impact on the public. The rule of law and democratic life (Andreev 2008). Corruption in particular has an impact on citizens' perceptions of public life, to the extent that it affects them in their daily lives, dulls their trust in state institutions, in democratic processes and in the legitimacy of public life. Government corruption can undermine citizens' support for corrupt regimes. This argument is reinforced by the empirical evidence that corruption erodes citizens' belief in the legitimacy of the political system and reduces interpersonal trust, as suggested by a study of four Latin American countries (Seligson 2003). Other more recent studies have confirmed this strong correlation between trust (interpersonal and political) and corruption (Morris and Klesner, 2006). Corruption also has a corrosive impact on the rule of law, as highlighted in his study examining the damage caused by various forms of corruption (David-Barrett, 2012). The author concludes that any bribe whatever the source, amount or reason - shows the public that the rules are not consistently applied or in accordance with the law. This leads to a violation of the operating rules of the administration, which severely undermines the state right.

State where citizens live with lack of effective and efficient public services delivery by the government are in need of many serious reforms and political will from leaders and decision makers to ensure a decent life and not only economically and politically, but also cultural and intellectual to get rid of corruption, looting, dependence and neocolonialism.

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