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Measures to Control Bureaucratic Corruption in Asia
A Review of the Literature

Concern with the problem of corruption and its effect on administrative performance and development has increased in recent years. One of the major obstacles to understanding bureaucratic corruption is the difficulty in defining the problem. Corruption is a heavily culture-laden concept tied directly to the prevailing ethical values and social norms of each society. To define bureaucratic corruption in a discrete developing country, the problem has to be understood within the political, economic, social, and cultural context of the respective country.

For the purpose of this review one should assume that corruption is an undesirable and harmful phenomenon.* Based on this assumption, corruption can be broadly defined as "tak[ing] place in a public organization when an official or civil servant, in defiance of prescribed norms, breaks the rules to advance his personal interest at the expense of the public interest he has been entrusted to guard and promote" (Gould & Amaro-Reyes). Bureaucratic corruption in LDCs includes bribery, extortion, speculation, absenteeism, and nepotism of public officials. These practices are considered "business as usual" in many developing countries and range from corruption of high level civil servants, officials of parastatals, and leading political figures to low level government employees.

Much has been written on the causes and consequences of bureaucratic corruption in developing countries. In addition, theoretical literature concerning measures for dealing with the problem is plentiful. Unfortunately, evidence and analysis relating to actual government anti-corruption measures is scarce.

The purpose of this literature review is strictly practical: to review the evidence of those LDCs that have addressed the problem of bureaucratic corruption through specific legislative, administrative, or other means. The Asian region has been selected due to 1) the extensive experience of many Asian countries in the area of corruption control, and 2) the availability of documented evidence, based upon a thorough search of the literature.

Literature reviewed in this paper includes anti-corruption measures conducted by governments from the following countries:

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| India (Hager, Halayya, Palmier) | Singapore (Quah) |
| Hong Kong (Kuan, Palmier, Wong) | Philippines (Alfiler) |
| Malaysia (Marican, Tharan) | Nepal (Pradhan, Dhungel) |
| Thailand (Samudavanija) | Korea (Oh) |
| Indonesia (Arndt & Sundrum, Palmier) | |

*There is a "revisionist" school of thought that argues that there are potential contributions that corruption can make to political and economic development in LDCs.

The literature focuses on the following measures Asian governments have implemented in an effort to control corruption:

- 1) Anti-corruption bodies/institutions that A) investigate and prosecute corruption offenses by civil servants; and B) introduce prevention measures to curb corruption in government.
- 2) Anti-corruption legislation that is enforceable and acts as a legal deterrent for civil servants.
- 3) Administrative measures within the bureaucracy to curb corruption including, but not limited to: reducing the opportunity for unauthorized gains; simplifying and strengthening administrative and reporting procedures; and adopting adequate civil service salaries.
- 4) Resocialization through the communications media, public awareness and education with the aim of converting the public at large to the view that they should not only avoid corruption, but also condemn and actively participate in its eradication.

A major consensus ascertained in the literature is that corruption is not the result of any single factor or condition, nor can its prevention be achieved through a single legislative blow or administrative reform. The literature also strongly suggests that corruption does not occur in a social, cultural or political vacuum. The prevention of corruption is linked to the social systems within which bureaucracies operate, and to the political will without which successful implementation of anti-corruption measures would be improbable.

A multi-faceted approach to corruption control in the short run (legislative and administrative reform), within the context of a resocialization process in the long run, seems to be the most appropriate response, and one that has received much attention in Asia.

"...attempts to reform public bureaucracies as independent systems are necessary but not sufficient. These actions would be dealing with the symptoms rather than the causes of the disease... Successful bureaucratic reform can only be accomplished through the extirpation of the roots of corruption which penetrate the entire social body in the form of corrupt but profoundly institutionalized cultural attitudes and behavior." (Jabbara)

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Annotated Bibliography

Aifiler, Concepcion P., "Administrative Measures Against Bureaucratic Corruption: The Philippine Experience", International Development Research Center: Singapore, 1979. (37 pages)

Contrary to the title of this report, it is not a study of administrative measures, but rather it is a very detailed analysis of Philippine anti-corruption legislation from 1950 through the Marcos administration. Of special interest is the analysis of legal and governmental norms which formally establish what is acceptable behavior among public officials in the Philippines. Attached to the report is the complete text of the Anti-Graft and Corrupt Practices Act (1960).

Arndt, H.W. and R.M. Sundrum, "Civil Service Compensation in Indonesia", Bulletin of Indonesian Economic Studies, Canberra, vol. 15, no. 1, March 1979, pp. 85-124.

Civil service compensation in Indonesia is analyzed under the assumption that corruption is not only a moral problem but an economic problem as well. "In dealing with corruption, law enforcement is weak without moral leadership. But moral leadership will be more effective if it is informed by an understanding of the economics of the problem." Based on the Indonesian experience, the authors of this study conclude that "...strengthening of anti-corruption measures is a necessary condition of improvement. But such a policy is likely to be more successful if it is combined with restoration of a salary structure that will leave the majority of civil servants reasonably contented."

Dhungel, Ramesh Nath, "Legal and Administrative Measures Against Corruption", International Development Research Center: Singapore, 1977, (47 pages)

A largely historical description of about a dozen pieces of Nepal's anti-corruption legislation from the 20th century. The most interesting is the Social Customs Reform Act of 1976. This law was designed to curb extravagance, encouraged by social customs, that could lead to corruption.

Gould D.J. and J.A. Amaro-Reyes, The Effects of Corruption on Administrative Performance: Illustrations from Developing Countries, World Bank Staff Working Paper No. 580, 1983 (41 pages).

A good overview of the problem of corruption in developing countries. First, data on corruption in selected developing countries are reviewed followed by identifying factors commonly associated with corruption. Next, the various forms corruption assumes under different conditions are described. The report concludes with a cross-country examination of the impact of corruption on administrative performance and development. While this World Bank Working Paper provides a good overview of corruption, it only briefly touches on the subject of corruption prevention and control, focusing instead on an analysis of causes and effects. The authors do suggest the following possible measures to counteract administrative corruption:

- o high-level commissions to conduct inquiries on a government-wide basis
- o "ombudsmen" to examine citizen complaints about government corruption
- o courses, seminars, and action research projects to heighten officials' awareness and provide them with tools for combatting corruption
- o efforts to simplify administrative procedures and to strengthen financial management recording and reporting requirements.

The study also provides an extensive bibliography on corruption (60+ citations).

Hager, Michael, "Bureaucratic Corruption in India: Legal Control of Maladministration", *Comparative Political Studies*, vol. 6 no. 2, July 1973, pp. 197-219.

A brief overview of India's approach to corruption control focusing on the role of the law and its enforcement. As in many of the other readings, the author suggests that legal controls have a limited effect. The answer to the problem may lie outside codes, rules, and sanctions. A political arena that allows a free press and a maturing of the political process is vital if corruption is to be controlled.

Halayya, M., Emergency: A War on Corruption, New Delhi: S. Chand & Co., 1975. (164 pages)

An extensive discussion of the causes, sources, and modes of corruption in all branches and levels of government in India. A brief description of existing anti-corruption machinery follows with an analysis as to why it "hasn't been able to touch even the fringes of this anti-social evil [which] is obvious from the all pervasive corruption almost everywhere in the country." In his conclusion, based on the Indian experience, the author proposes a detailed 14-measure anti-corruption program.

Jabbara, J., "Bureaucratic Corruption in the Third World: Causes and Remedy", *The Indian Journal of Public Administration*, vol. 22, no. 4 (Oct.-Dec. 1976), pp. 673-91.

A criticism of endeavours to control corruption and reform public bureaucracies independent of social systems. The author presents the premise that bureaucratic corruption in developing countries is the result of a socialization process whereby attitudes and patterns of behaviour are deeply ingrained in the bureaucrat. Citizens and public servants must be resocialized into new patterns of behavior favorable to the public good. This is to be accomplished by a process of socialization implemented by the family, the school, the peer group, secondary groups, and the communications media. This author's theoretical approach to the problem of corruption has been included in this bibliography because of its relevance to the practical experiences of governments with public awareness and education.

Kuan, Hsin-chi, "Anti-corruption Legislation in Hong Kong", in Corruption and Its Control in Hong Kong: Situations Up to the Late Seventies, Rance P.L. Lee (ed.), Hong Kong: The Chinese University Press, 1981. (30 pages)

Hong Kong has had a long history of legislation dealing with corruption, beginning in 1898. Kuan's historical paper traces this legislation culminating with a good description of the Prevention of Bribery Ordinance (1971, amended in 1973 and 1974).

Marican, Y.M., "Combating Corruption: The Malaysian Experience", *Asian Survey*, vol. 19, no. 4 (July 1977), pp. 597-610.

A brief discussion of Malaysia's current anti-corruption body, the National Bureau of Investigation (NBI), and its predecessor agency, the Anti-Corruption Agency (ACA). While it is widely held that the level of corruption in Malaysia is lower than in most Southeast Asian countries, the author contends that this is not as much the result of anti-corruption measures, as it is the result of the political and social environment. The author believes that the low level of corruption is due in large part to comparatively high civil service pay; inheritance of a strong British civil service legacy; a relatively independent judiciary; a strong political opposition; and a relatively free press.

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Oh, Suck Hong, "Administrative Measures for Controlling Negative Bureaucratic Behaviour: The Counter Corruption Campaign of the Korean Government", Singapore: International Development Research Center, 1977. (50 pages)

A description of the administrative measures of the Korean government designed to curb corruption. Instituted in 1975, the Suhjongshoeshin Movement (General Administrative Reform Movement) "...purports ultimately to achieve national restoration through enhancement of administrative and political efficiency, elimination of corruption in officialdom, clean up of social waste and injustice, and valuation and mental revolution." While the concept of Suhjongshoeshin includes all anti-corruption activities, the author examines only those measures that are administrative in nature and are implemented within the bureaucratic system itself.

The main thrust of Korea's administrative reform is called "sure penalty and certain reward" which simply means strict punishments for offenders and rewards for those who are honest, incorruptable and model civil servants. Administrative tactics include:

- o across the board salary raises for civil servants
- o a job security program
- o administrative skills training
- o improvement of administrative and reporting procedures
- o processing time limits of applications by citizens
- o planning and introduction of a computer-based information system

Palmier, Leslie, The Control of Bureaucratic Corruption: Case Studies in Asia, New Delhi: Allied Publishers Private Limited, 1985. (292 pages)

This cross-country analysis of anti-corruption measures in India, Indonesia, and Hong Kong is certainly the best resource reviewed. Through its depth of research and analysis, this study provides insight into the breadth of the problem of corruption. The study aims, in the author's words, "to provide guidance for those engaged in controlling corruption." The author examines all four of the approaches to anti-corruption: administrative, legal, and social as well as the anti-corruption agencies.

The author suggests three major measures, which when implemented simultaneously, can minimize corruption:

- o Removal of opportunities for corruption, particularly the direct involvement of public servants in the administration and control of lucrative activities;
- o Adequate civil service salaries, because public servants not paid enough to fulfil their usual obligations are only too likely to take advantage of whatever opportunities arise for unauthorized gains; and
- o Enactment of enforceable legislation, referring to perceptions that the probability of detection and punishment is great.

Pradhan, Prachanda, "Special Police Department: An Agency to Fight Against Corruption", International Development Research Center: Singapore, 1977. (15 pages)

A very brief description (no analysis) of the Special Police Department in Nepal which is responsible for independent investigation into corruption based on public complaints.

Quah, Jon S.T., "Administrative and Legal Measures for Combatting Bureaucratic Corruption in Singapore", International Development Research Center: Singapore, 1977. (37 pages)

Singapore is one of the few countries in the world that can claim that corruption is no longer a serious problem. While as many as four government agencies and three sets of regulations are generally involved in the anti-corruption effort, the primary measures credited with Singapore's success are the Corrupt Practices Investigation Board (CPIB) and the Prevention of Corruption Act (POCA). The author briefly examines each of these measures, concluding that while each plays an important role in controlling corruption, the major reason for Singapore's success is the quality of the country's political leaders and their commitment towards the elimination of corruption both within and outside the public bureaucracy. This political will is a necessary requisite for anti-corruption measures, and it is also why corruption is incidental in Singapore and not institutionalized as in most developing countries.

Samudavanija, Chai Anan, "Problems of Bureaucratic Corruption in Thailand: A Study of Legal Codes, Administrative and Institutional Arrangements", International Development Research Center: Singapore, 1977. (85 pages)

Before 1975 there was no specific anti-corruption legislation in Thailand. There are however, extensive references to "dishonest acts" within the Thai Penal Code. The author, in one chapter, extracts all such references in the Penal Code of 1956. In the following chapter is a description of the Anti-Corruption Act of 1975. Since this paper was written in 1977, it was too soon for the impact of the legislation to be judged. Attached to the report is the full text (26 Sections) of the 1975 Anti-Corruption Act.

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Tharan, Sri, "A Brief Developmental Perspective on the Evolution of Anti-Corruption Measures and Strategies in Malaysia", International Development Research Center: Singapore, 1977. (77 pages)

This study is based on the premise that strategies to fight corruption must have social backing and support otherwise they can hold no hope of effective implementation. The author takes a unique approach in the anti-corruption literature by studying, in the Malaysian context, the amount of social support and preference that social groups and policymakers have for a variety of strategies. These strategies include non-institutional (mass-movements); adaptive (legislation as a deterrent and public education); manipulative (internal bureaucratic); and institutional (independent anti-corruption agency).

Wong, Jeremiah K.H., "The ICAC and Its Anti-corruption Measures", in Corruption and Its Control in Hong Kong: Situations Up to the Late Seventies, Rance P.L. Lee (ed.), Hong Kong: The Chinese University Press, 1981. (30 pages)

The Independent Commission Against Corruption (ICAC) was established in 1974 as an independent anti-corruption body in terms of structure, line of authority, resource allocation, and power. The author has examined only the first four years of the ICAC's existence concluding that "the ICAC's performance has been largely impressive. Yet an early assessment of its effectiveness, efficiency, achievement, and impact on society at large is not easy."

Of special interest is the ICAC's public awareness approach to anti-corruption. Through the ICAC's Community Relations Department, the agency attempts "1) to educate the public against the evil of corruption; and 2) to enlist and foster public support in combatting corruption. This approach is implemented informally through the mass media and formally in the primary and secondary school curricula."

Document Acquisition

The following documents are available for loan from the AID Library:

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The following documents are available, free of charge, on microfiche from the International Development Research Center (IDRC), P.O. Box 8500, Ottawa Canada K1G 3H9. When ordering please use the five digit number located in front of each author's name.

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