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THE MORAL CRITIQUE: CORRUPTION IN DEVELOPING COUNTRIES

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Corruption is a central fact of life in much of the developing world, yet in the context of morality it is seldom discussed. This paper, in considering why the moral dimension of corruption is avoided and arguing against such avoidance, endeavors to sketch out the components of a practical moral critique of corruption and to seek a bridge between theory and practice. The paper identifies the relevant terminology, describes the developing world context and the relationship between poverty and corruption, and explores the characteristics of corruption itself. In addressing corruption and its effect upon the quality of life and human flourishing, the paper proposes the use of the capabilities approach as articulated by Sen, Nussbaum, Crocker and others as the basis for a powerful in-the-field analysis tool and monitoring instrument. It also suggests some possible moral responses to the problem of corruption.

INTRODUCTION

Juba, a small remote and very undeveloped town on the Nile in the south of the Sudan, has its own distinctive bureaucracy. Local issues are addressed and considered in accordance with local custom, using a regulatory system basically unchanged since the days of Anglo-Egyptian Sudan. Once a matter is decided upon, a formal letter is prepared by typewriter to convey the results to the supplicant. This letter is only deemed formal after it has been duly (and with considerable vigor) rubber-stamped by the local official, using the official stamp of his agency.

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Rubber stamps are hard to come by in Juba, and as used in the local manner they quickly wear out. At least this is the story I was told in 1983 by the Municipal Engineer, when I submitted my proposed design for the sewerage system serving the new housing and office buildings that I had been commissioned to design and supervise. Without the formal approval, the construction would be stalled. Delays in construction are expensive, and so I listened attentively and with theatrical (but convincing) sympathy to the sorry plight of the Municipal Engineer of Juba.

I was based 3 hours away by small plane in the East African equivalent of the "Big Apple": Nairobi, Kenya. Nairobi boasted abundant rubber stamp makers, and a solution soon became obvious. Without a word being said, on my next trip to Juba three weeks later, I presented the Municipal Engineer with a small gift. For less than the equivalent of \$15 of my own money, I had obtained an elaborately decorative and unquestionably authoritative rubber-stamp, with official seal and motto and, of course, the Engineer's name (in both Arabic and English). The gift was received with great excitement, for immediately the Engineer became the envy of all the other local bureaucrats. To protect his newly elevated status, he naturally did not disclose the source of this magnificent instrument of power, and the issue of the sewerage design approval was instantly resolved.

Since the sewerage design technically deserved approval, the unspoken withholding of such approval until the receipt of the rubber-stamp might just edge into the definition of "extortion". Corruption of the most petty kind was not abnormal in Juba, but the town was not characterized by embedded or systematic corruption. Did my "gift" present a moral dilemma; a small step on the way towards creating an environment of pervasive corruption? Or was it simply a practical, inexpensive solution to a logistical problem beyond the capacity of the official concerned?

As evident in the literature, many people have been pondering the issue of corruption recently. They are concerned with corruption of a rather more troubling nature than my rubber-stamp dilemma, yet similar elements pertain. Most surprising to me however is the scarcity of significant moral critiques of corruption; in many cases writers take care to avoid tackling such concerns.

Moral issues usually obscure practical issues, even when the moral question is a relatively small one and the practical matter is very great (Wilson 1968, 29).

The underlying attitude of dismissals such as this is not uncommon. It could be countered that moral issues also cast a clear light on practical issues, if the critique is careful and thorough, but that message is largely

muted. Are there good reasons for the silence, particularly in the context of developing nations?

The plight of the world's disadvantaged nations and peoples has an inescapable moral and ethical dimension. One finds in many developing countries shocking violations of human rights; blatant racism, sexism, and tribalism; widespread exploitation; and stark injustices in the distribution of power and wealth. How do we react to these phenomena? Many students and professors avoid them altogether simply by avoiding the field itself. As with corruption, they may feel a kind of embarrassment. Subconsciously, they may suspect that studying these problems would inevitably lead to the conclusion that others are somehow "inferior," or in part to be "blamed" for their underdeveloped circumstances - something they would never want to say (Klitgaard 1988, 208 - 209).

Robert Klitgaard may be on to something here; his explanation is as plausible as any in explaining the silence around this set of issues. The incidence of such psychological restraint would however be difficult to prove with any convincing certainty. Perhaps for some, the unspoken avoidance of the moral elements due to "embarrassment" partially explains the limited moral dialogue on corruption. Another more obvious explanation may pertain to the disciplinary bias of the analyst: Cultural differences and morality provide nuance and subtlety, but an economic approach is fundamental to understanding where corrupt incentives are the greatest and have the biggest impact (Rose-Ackerman 1999, xi).

The moral aspects of the phenomenon of corruption are avoided, deflected or diminished by many, including some of the leading writers on the subject. Instead, the cultural, economics, political, and institutional approaches to the analysis of corruption feature prominently in the literature. Leading thinkers on the subject fail to grasp even the cross-cutting and integrative capabilities that the moral dimension offers in the context of comprehensive analysis. Susan Rose-Ackerman, in her latest book *Corruption and Government* (1999), concentrates on the concept of self-interest in her analysis of corruption, barely mentioning ethical components. This is a departure from her much earlier book *Corruption: A Study in Political Economy* (1978) in which she had emphasized the importance of "restraint" in preventing corruption, and had stated that such restraint had its roots in very ethical concerns: "personal honesty and a devotion to democratic ideals." Daniel Kaufman, who writes frequently on corruption for the World Bank, and his colleague Cheryl Gray make barely any reference to ethics in their latest analysis of corruption and

development (Gray and Kaufman 1998). This practice aligns with many (but not all) World Bank publications on the subject. For example, the World Bank's Issue Brief on corruption and good governance is hesitant to use the word "ethics" or make any direct moral references, preferring to tangentially touch upon these aspects only once under a reference to "honest and effective government (World Bank 1997)." Robert Klitgaard, as evident from the earlier quotation above, makes it clear that he at least is well aware of the ethical content, but he publicly defers it to his own future personal research agenda (Klitgaard 1988).

This paper, in considering why the moral dimension is avoided and arguing against such avoidance, also endeavors to sketch out the components of a practical moral critique of corruption. It intends to be practical in the context of seeking a bridge between theory and practice that is accessible to researchers, practitioners, and interested others.

BACKGROUND AND TERMINOLOGY

Good Governance and Corruption Defined

Terminology is an essential starting point. How are "corruption" and associated elements best defined? In some cases even the word "corruption" is supplanted by the proxy term of "good governance." Good governance is a positive and larger category that certainly embraces the notion of corruption avoidance and prevention, euphemistically providing an umbrella under which such uncomfortable issues can be tangentially referred. Developing nations are beginning to directly hold themselves and each other accountable for good governance, as reflected at the recent African, Caribbean, and Pacific (ACP) nations' conference in Santo Domingo, in the Dominican Republic from 22-24 November 1999 (Faul 1999). A covenant adopting "good governance" meant largely in terms of fighting corruption was proposed for the first time in such a forum by the South African delegate. It caused considerable consternation and was watered down in the final draft, so that the actual terms "good governance" and "corruption" were omitted. No real surprises here; the fact that many heads of state present at the conference were dictators, actively involved in massive corruption, or were involved in war or conflicts certainly exerted an editorial influence.

"Corruption" is the subject of a variety of definitions in standard reference sources and in the recent literature on this subject. Listing but a few will demonstrate the overall sense, which is largely consistent. Starting first with *Webster's Third New International Dictionary* (Guralink 1984), one definition is: "inducement (as a political official) by means of

improper considerations (as bribery) to commit a violation of duty.” *Webster’s Ninth New Collegiate Dictionary* (Mish 1983) includes another: “impairment of integrity, virtue, or moral principle.” The World Bank frames its definition in a straightforward way, as follows: “One critical factor that both contributes to and results from weak institutions is corruption, “*the abuse of public office for private gain*” (World Bank 1997, 1).” Robert Klitgaard also explored a variety of definitions of corruption, including: “behavior which deviates from the formal duties of a public role because of private regarding (personal, close family, private clique) pecuniary or status gains; or violates rules against the exercise of certain types of private-regarding behavior (Klitgaard 1988, 23).”

Susan Rose-Ackerman describes corruption contextually: “Payments are corrupt if they are illegally made to public agents with the goal of obtaining a benefit or avoiding a cost. Corruption is a symptom that something has gone wrong with the management of the state (Rose-Ackerman 1999, 9).” She further explains that the label of “corruption” often depends on making a clear distinction in agency - principal relationships (in which agents are officially paid by their principals, but if paid poorly may be open to corrupt inducements from outsiders), and between public and private roles. In a great many countries characterized by strong interpersonal relationships, these distinctions are elusive: “Such societies will have difficulty establishing modern bureaucracies, with civil servants hired on the basis of skills who are expected to separate their roles as officials from their roles as friends or relatives. Citizens expect that personal ties with officials are needed to get anything done and think it quite appropriate to reward helpful officials with gifts and tips (Rose-Ackerman 1999, 106).” When framed in this way, issues of impropriety and abuse, greed and dishonesty may not apply at all. The cultural context is therefore critical, making the establishment of at least some cross-cultural standards problematic.

Bribes are an instrumental component of some corruption. John Noonan examines bribery in comprehensive historical perspective in his well known work *Bribes: The Intellectual History of a Moral Idea* (1984). His definition is probably authoritative: “The core of the concept of a bribe is an inducement improperly influencing the performance of a public function meant to be gratuitously exercised (Noonan 1984, xi).” Klitgaard provided further elaboration by differentiating four separate definitions of a bribe: “that of the more advanced moralists; that of the law as written; that of the law as in any degree enforced; that of common practice (Klitgaard 1988, 23).” Rose-Ackerman addressed the central

problem of bribery directly; differentiating between gifts and bribes in diverse cultures is not always possible. She, with Klitgaard and others, observe that no universal dividing line can be drawn (Rose-Ackerman 1999). She explained, however, that bribes serve a variety of functions with differing degrees of moral content. These functions include less morally weighted activities such as clearing the market (allocating a scarce resource), or serving as an incentive bonus to otherwise unmotivated public sector employees. To the degree that regulations and government imposed fees are themselves of questionable legitimacy, bribes can be used to lower the costs of taxes, duties, or fees, or to get around unnecessary government red tape. (The fact that bribes are used in this manner also provides its own incentive to create or selectively enforce such regulations and fees, to enrich government officials.) Bribes achieve relatively clear moral unacceptability most commonly in the case of organized crime, permitting criminal activity to be carried out.

Intent and function are important, but so too is the character of the bribe itself. The size of the gift is significant, as extravagant gifts imply an expectation of reciprocity and obligation (Rose-Ackerman 1999).

Richard Nielsen makes a strong differentiation between bribes and extortion, noting that the former attracts more attention while the latter may in fact be more problematic. He defines extortion and bribery as follows:

Extortion is a threat initiated by a government official to use illegitimately the power of government to withhold permissions and services to an individual or an organization is legally entitled to and/or initiate illegitimate shut-downs, prosecutions, and even arrests unless that individual or organization pays the government official the resources the official demands. Bribery is, more simply, a payment initiated by an individual or business of some resource to a government official for a service or permission that one is not legally entitled to (Nielsen 1999, 6)."

As noted in the opening of this paper, some forms of extortion may be relatively harmless, but the practice allows for considerable and often very harmful abuse.

Developing Country Context

The prevalence of corruption in developing countries is well established. Non-governmental organizations (NGOs), such as Transparency International, now publish comparative lists of corrupt countries, and journalists regularly expose corrupt practices. Attempts to explain this high level of corrupt behavior among developing countries generally conclude that

it is not a function of the differing or deficient characteristics and virtues of their citizenry, but instead reflects environments conducive to corruption (Gray and Kaufman 1998). This seems rather too facile though; one must surely question the convenient separation of citizens from institutional and cultural environments, so as to lay the blame exclusively on the latter. Many countries are however constituted in their institutions in such a way (unintentionally, one would hope but not always believe) as to facilitate the spread of corruption and to allow it to become an embedded practice. For example, the Kenyan constitution has allowed for a steady creep in the expansion of the powers of the executive branch, a weakening of the judiciary, and the marginalization of the legislature. Without constitutional safeguards institutionally to constrain self-interested ambitious leaders, and unless a constitution springs from the common values base (moral principles or civic virtues) of the people, corruption will find legal loopholes and fertile cultural ground.

There are also features of poverty that exacerbate the spread of corruption. The vast majority of people in developing countries lack the risk-spreading mechanisms available to those in wealthier, more developed countries. Our access to sophisticated insurance markets, a developed labor market, more accessible credit, and generally higher levels of disposable income enable us to survive many forms of ill fortune. Risks, such as illness, unemployment and accidents (all of which are more prevalent in developing countries), are much more difficult for the poor to cope with without recourse to or passive acceptance of corrupt, frequently exploitative, but often necessary survival measures (Gray and Kaufman 1998).

CORRUPTION

The Many Dimensions of Corruption

As noted above, an environment conducive to corruption does not spontaneously occur, nor does it ineluctably produce corruption. Such environments are the work of human agents and are gradually constituted so as to institutionalize social, cultural, political, and economic values. In developing countries, the general level of ethical awareness of these values within the resulting institutions is not high: "Laws and principles of ethics in government are poorly developed, if they exist at all, and the legal institutions charged with enforcing them are ill prepared for this complex job (Gray and Kaufman 1998, 9)."

Levels and characteristics of corruption vary enormously between countries and local governments. Low levels of corruption are associated

primarily with infrequent corrupt actions — extortion or bribery, for example — of individuals. Corruption of this kind is neither systematic nor embedded within a specific culture, is relatively easy to identify, and provides the opportunity for an essentially corruption-free equilibrium to be established. In cases where corruption becomes more widespread, the probability of detection decreases dramatically. This typically leads to systematic and embedded corruption, in which the equilibrium point is characterized by endemic corruption (Gray and Kaufman 1998; Nielsen 1999). In such circumstances, not giving in to corruption may require moral heroism (supererogatory action) entailing significant personal risk, rather than merely doing one's duty.

Is culture significant, in the context of operative values and accepted practices? There is ample evidence of a protracted debate in academia regarding the cultural relativism of corruption, and the question persists. Are there cultures in which bribery and corruption are considered as ethically acceptable? Can we judge one culture from the perspective of another? How flexible are the boundaries of what is considered "corrupt"? While specific evidence appears thin, many experts resoundingly deny the relativist's arguments, as stated directly by A.W. Cragg: "Bribery is *prima facie* unethical virtually everywhere judged by the standards of prevailing conventional morality (Cragg 1999, 7)."

Corruption has both a demand and a supply side. The myth of innocent victims forced by corrupt officials to pay bribes, kickbacks, or provide other favors deserves closer scrutiny. Both parties to bribery, knowingly or not, effectively conspire to defraud the public. The effects can and often do include wastage of scarce resources, inequitable distribution of such resources, and the deterioration of conditions essential to fair trade. Development efforts can be hindered or totally frustrated by such corrupt practices, with consequential extension of and/or increase to human suffering (Vogl 1998). Consequences of this kind provide a negative stimulus to sustainable development. In many instances the parties to the corrupt relationship include corporations and business entities, which face unpleasant dilemmas in making ethical decisions. If they refuse to engage in corruption, they may quickly find themselves unable to compete in the market, or otherwise constrained by encumbering government intervention. They have ethical obligations to their shareholders to succeed, and ethical obligations to the public not to engage in corrupt practices. In many such instances, there may be no ethically satisfactory solution.

Globalization

The complexity of international business, and the fiercely competitive environment that putative “free” trade is engendering, provide additional incentives for corruption. Many international corporations have immense resources, in many cases far greater than the resources of many developing countries, and can afford the cost of corruption as a cost of doing business. As with major multinational oil corporations operating in Nigeria or Ecuador, their commercial interests may have very little to do with the sense of the common good as perceived or articulated by the citizens of the country in question, and their timeframe of interest may be limited to the relatively near future only. Their ends may differ greatly from the ends of human flourishing of the local citizenry, and the potential for using their vast resources to exert the corporate agenda may prove very harmful to the interests of those citizens.

Such corporations may also have only a limited understanding of the culturally defined dividing line between gifts and bribes, and their actions may effectively redefine that line. Corporations active in developing countries may view corruption as the most effective or even the only way to ensure that those in power in government attend to their concerns. This argument is offered, with some degree of persuasion, to justify some technically corrupt behavior, for without access to other democratic means to give voice to their concerns this may be their only accessible form of expression. Yet one could counter that the better response to constraints on democratic expression is to actively work to change the undemocratic aspects of the status quo, e.g. improving rights of expression for all.

Morally Permissible Corruption

Is there a sense in which corruption may be considered as non-moral, or even as morally acceptable if not obligatory? A review of the definitions indicates an essential moral phenomenon of impropriety, abuse of power, a failure of duty and /or integrity, and illegality. In such a context, it is difficult to view corruption itself as anything but a moral issue, yet the wrongness inherent in corruption might be outweighed by the moral good generated. Might the ends justify the means?

A more challenging question, which has already been addressed in this paper, is whether corruption is ever morally permissible. Clearly there are cases where this is so, as when the needs for human survival require getting around institutional or legal impediments. Each situation must be assessed on its merits, but the burden of proof ought to remain with the party that wishes to free itself from the moral burden.

Justifications for Corruption

Corruption is generally evaluated in terms of self-interested behavior. While very little focus has been given to corruption as a byproduct of the powerful seeking yet more power, considerable attention has been given to the greedy seeking yet a larger slice of the available resources (or the desperate seeking enough resources). The literature, out of neglect or perhaps for deeper reasons, offers no justifications for the former case involving the aggrandizement of power, and this might warrant further thought.

Many efforts have been made to conceptualize justifications for corruption for ends other than acquisition of power (although there is clearly overlap between power and wealth), but no thoroughly convincing arguments serve to justify corruption broadly. An interesting and very practical justification is offered for the toleration of at least some corruption, as it is not difficult to imagine that an obsessive focus on the complete prevention of corruption could adversely affect fundamental human rights and freedoms, for example by obsessive micro-scrutiny of actions of officials, invasions of privacy, or denial of due process. Justifications, when otherwise offered, are framed on the assumptions that the corrupt act is necessary to right some other wrong, overcome bureaucratic inefficiencies or intransigence, negate the imperfections in organizational rules, provide a “market mechanism” when formal free market activities barely function, to effectively maneuver through a deficient political system, or even to maximize future noncorruption. The assumption distills to changing the system, as noted in the following summary: “. . .if the prevailing system is bad, then corruption is good (Klitgaard 1988, 33).” Klitgaard sweeps this assumption aside, noting a growing base of empirical evidence that the bad effects of corruption vastly outweigh any occasional social benefits, particularly when corruption becomes embedded and systematic. He complains emphatically about the debate on the putative benefits of corruption, convinced that this is an academic exercise that serves no other purpose than to stall development and impede the formulation of effective corruption prevention and control policies (Klitgaard 1988). Perhaps Klitgaard has unstated reasons for raising the specter of questionable attribution of motives of some academics, and his warnings to guard against such tendencies are constructive, but he fails to make the case that the “academic exercise” will fail to generate at least some worthwhile results in the longer term.

The cultural relativist views corruption solely from the lens of one specific culture, without making a more global or universal assessment of

what is good, bad, obligatory, or unacceptable. Under such a view, the justification for corruption assumes that some people in some cultures do not find corruption to be objectionable or unusual. They are used to it, and have known nothing else. Richard Nielsen, who believes that such passive acceptance of corruption as the *modus operandi* significantly complicates any intended reforms, supports this position (Nielsen 1999). Yet most other sources encountered in current literature on corruption reject this assumption of passive acceptance: "...the people who live in societies where corruption is supposedly *a part of the way of life* generally bitterly resent the practice; and, bribes and payoffs are almost invariably illegal and criminal under the laws of the *cultures* involved (Transparency International 1996, 1)." Empirical evidence from a recent survey of more than 150 senior public officials and key members of civil society representing more than 60 developing countries support this finding. The respondents of the survey listed corruption as the most severe impediment to development and growth in their countries (Gray and Kaufman 1998). The moral question, of course, is what our response to corruption ought to be, and not what in fact it now is.

MORAL ANALYSIS OF CORRUPTION

Questions of "ought" are at the heart of the moral response, yet one must first establish, through effective analysis and meaningful criticism, a morally intelligible, well-conceived perspective from which to respond. Achieving this perspective in terms of moral analysis presents particular challenges, specifically related to the definition and consensus on means and ends, ethical approaches, and potentially even meta-ethical underpinnings. A long history of contending ethical approaches including utilitarianism, Kantian/deontological ethics, virtue ethics, the Basic Needs School, and variants of the capabilities approach all offer attractions and opportunities for evaluating the full dimension of human flourishing. The rationale for the specific choice of an analytic framework can rightfully require extensive justification and persuasion, which it is not within the scope of this paper to provide. Suffice it for the present to note that such a framework would almost certainly blend elements of two or more moral theories, and would not attempt to take a purist's approach under the banner of any one moral theory.

For the purposes of this paper, only one representative normative analytic framework is commented upon within the context of the corruption problematic. Rooted in the Aristotelian concept of the good life being the life of excellent human functionings, the capabilities approach was

pioneered by Nobel Laureate economist Amartya Sen and philosopher Martha Nussbaum, and further developed by David Crocker and others (Crocker 1995). Under this view, development is not measured on the basis of a person's economic status or her access to a set of "basic needs." The capabilities approach instead considers how a society can best be structured so as to enable a person to fulfill her potential, to do what she chooses with her life, and to live and act in certain valuable ways. As further articulated through the work of many other leading moral philosophers, the capabilities approach now offers a tool to assess the quality of human well-being and to evaluate the elements of a comprehensive state of human flourishing.

The capabilities approach was not expressly conceived as a tool to consider the phenomenon of corruption. It does, however, prove illustrative and provides some explanatory insights into the many ways that the probable sources and consequences of corruption affect human well-being or (in terms more indicative of process and less of an end-state) human flourishing. For this application, a specific but hypothetical life and primarily the more discernible consequences of corruption on that life will be considered.

The hypothetical character is a generally healthy young single Kenyan man named James Mwangi. He has recently migrated to Nairobi from a rural life, seeking his fortune. He sustains himself through construction jobs as a laborer, and rents a very rudimentary accommodation in a shantytown known as Mathare Valley. At a direct, personal level, he is confronted with the following typical daily incidents of corruption:

- a) harassment by police seeking petty bribes
- b) "chai" payments (kickbacks) to the construction foreman of 1/3 of his daily wages, as an "entry fee" for securing a job each day, but with no job security
- c) fees to youth gang members in the shantytown for "protection"

Mwangi is carefully saving whatever small amount of shillings remains after buying his food and essentials, in order to pay a significant bribe to the construction foreman to be engaged on the "permanent" staff. Of course he knows that this offers no real job security except that he and other "permanent" staff get some preference in the daily selection of workers, and he will be "entitled" to be issued boots and a safety hat. For the interim, he must work in dangerous conditions barefooted and without safety equipment, since (due to bribes to inspectors by the construction firm)

labor safety laws are not enforced. Mwangi has no cash reserves or assets available for any emergencies that might arise should he be injured, and even his extended family would be hard pressed to come to his aid. The government provides very basic public health services, if he is willing to miss work to wait an entire day. Should he be hospitalized with no spare money to use as bribes he would be forced to sleep on a bedframe without a mattress, or even on the dirty floor of a ward in the Kenyatta National (public) Hospital. He would receive no food unless he could pay for it, although charity organizations would see to it that he received at least some bread.

Even with prudent saving, Mwangi will have no money available to buy new clothing or shoes, or to travel “home” to his family and village for at least a year. His teeth require dentistry, but that is entirely out of the question. Still, James Mwangi clings to a faint hope of a better future. There is, of course, a larger story affecting Mwangi. Due to systematic corruption, large amounts of aid funding that had been intended to provide better education, housing, medical care, enforcement of job safety regulations, and a small lending scheme have been “diverted.” Efforts by union organizers to establish labor unions for construction workers have been frustrated by a variety of corrupt activities, particularly the co-opting of labor leaders by extortion, as labor unions would result in higher wages and better, more secure employment arrangements. Such a result would not be to the benefit of powerful elite politicians, who have financial interests in construction firms. Even the building he is working to construct is structurally inadequate, due to corrupt building plans review practices allowing the contractor to skimp on reinforcing steel in his concrete. Foreign and domestic investment that would have created plentiful jobs, and provided specialized job training for Mwangi and his friends never happened, as investors lost interest in placing their funds in the insecure and poorly managed Kenyan economy (Mauro 1998). Basic infrastructure expenditures budgeted by the government that would have provided safer roads relatively free from potholes, clean piped water, and sanitation will not happen due to “irregularities” in the bidding of the contracts.

There are also ways that corruption will affect Mwangi that cannot be isolated. A general sense of powerlessness that comes from living in such harsh conditions with so few prospects for betterment and with no voice in even local affairs leaves Mwangi often desolate and downcast. This in time affects not just his mood but also his health, and it is clear that his tiny spark of hope for a lucky break will not sustain him forever.

How can we evaluate Mwangi’s experience of what moral theory deems

to be “the good life” or better the level of his well-being in such a way as to isolate the affects of corruption? In reality this is not possible; corruption affects many aspects of life in multiple ways. Instead, researchers could begin to apply surveys based on the capabilities approach through interview and focus group techniques, capturing the experience of the good life or better, how well the lives are going of a reasonably representative number of individuals in similar situations. The researchers would also need to take careful note of the external political, institutional, social, and economic conditions that affect the persons surveyed. Subsequent surveying of these same individuals over time while simultaneously monitoring changes (in public policy, in the qualitative impacts of major development projects, of specific reform measures, and/or of serious efforts at moral education) may provide a very informative, comprehensive evaluation. It would only, however, be a start. Such survey work needs to be tempered by careful contextual research so as not to attribute — without evidence and clearly identified causal mechanisms — causation to correlation. The outsider’s perspective might also prove a valuable measure in weighing people’s answers in light of what their reasonable range of aspirations is under existing conditions, versus what they might aspire to were they not so vulnerable or constrained by local circumstances.

What might appear as the lowest ranked items in reviewing Mwangi’s hypothetical survey? Considering some of the virtues a capabilities approach survey instrument might contain, Mwangi would possibly score himself very low on such aspects as:

a) Being able to be adequately sheltered – Mwangi cannot sustain himself on the food produced on his family’s small farm, and must go to the city. Having no financial resources, he must accept the lowest grade of housing, consisting of the 8 hour per day rental of a bed in an unsanitary, insecure, and unpleasant shack in the shantytown. He has no security of tenure.

b) Being able to have opportunities for sexual satisfaction – Mwangi is unable to earn enough money for a dowry, and hence marriage is not possible for the near term. There are local women available and interested for sexual encounters, but Mwangi is well aware of the ravages of HIV/AIDS and decides against taking this risk. There is no social institution in the shantytown to facilitate Mwangi meeting women whom he might consider for a committed relationship or as matrimonial candidates.

c) Being able to engage in critical reflection about the planning of one’s

own life – Mwangi has little or no control over most of the critical variables necessary to plan his life, and is susceptible to the worst effects of misfortune.

d) Being able to live with concern for and in relation to animals, plants, and the world of nature – Mwangi has little time or interest in environmental concerns. His life is harsh, his environment is brutal, and whatever cannot be put to an immediate functional use holds no interest for him.

e) Being able to live in one's very own surroundings and context – Mwangi has no immediate prospects of this level of autonomy or individuality.

f) Capability to live a rich and fully human life, up to the limit permitted by natural possibilities – Mwangi's life at present is anything but rich and full, as would be clear from a glance of the low numerical values that researchers would mark on his survey form.

g) Ability to achieve valuable functionings – In the capabilities approach, a valuable functioning refers to the ability and freedom to choose a worthwhile act or end state. Mwangi is able to carry out all basic physical functions as long as his health remains good, but he has not had the benefit of even moderate financial resources, a good education, job training, or other empowering experiences. Hence, the range of valuable functionings available to him is highly constrained.

This type of survey, were it to be carried out systematically and with diligence, offers the potential to capture a profoundly thick portrayal of human flourishing, or the lack thereof. Coming from an ethics-based approach, it clearly is not intended to isolate only a narrow range of issues, unlike comparable economic or demographic surveys. It is not a “moral survey” in the sense of establishing a moral framework of relative and/or universal values, yet it originates from an ethics perspective and offers an integrative and deeply informative assessment of a certain approach to the quality of life of those surveyed. It is also only a baseline. One would still need to carry out further research to identify causation, and evaluate what social, cultural, political, and institutional practices, including corruption, are generating both positive and negative influences.

Ethics arguably is concerned with “the good life” as well as with right and wrong action. At its most basic, the impact of corruption is to deny to the majority many of those elements of the good life and critical resources necessary to greater human flourishing. Corrupt elements in

society prey upon the Mwangis of this world, those who are most vulnerable. It operates both directly and indirectly, often redirecting services originally intended for the poor to those most willing to pay (Rose-Ackerman 1999).

The capabilities approach to the evaluation of the quality of human life and potential is concerned with an objective assessment of the elements that constitute the good life. The ethical question in this context is primarily whether the elements being considered are that important, and why others are excluded. In determining “importance,” the capabilities approach assumes no single moral theory; it allows flexibility in arriving at a particular list of elements reflecting the moral theory or blend of theories, which must be articulated elsewhere in the analysis. In this sense, it is both an objective and a values-laden (or, more positively stated, a values-rich) approach, running counter to the empirical or factual “objectivity” claims of economics-based analysis. The assumption of a value-neutral economics is not new, and has been extended to bracket many aspects of corruption from consideration of an ethical context. Typically the economics approach to corruption also begins with an ethically suspect fundamental assumption, that self-interested behavior is — and ought to be — the prime determinate of human decision-making.

Direct impacts of corruption are matters of great concern. Otherwise virtuous and law abiding citizens, when faced with severe needs and corrupt influences, are often inclined or forced to abandon their moral principles (Mauro 1998). When this is restricted to a few individual cases, the results may not be that significant to the larger society’s values and practices. But when corruption is embedded into a culture, as has become the case now in Kenya, this personal abandonment of civic virtue becomes commonplace, and may ultimately destroy the sense of importance of inculcating these civic values and moral principles.

Even indirectly, the negative impact of corruption on human flourishing is present. The presence of widespread corruption is a disincentive to private investment and economic growth. Corrupt governments themselves cut expenditures on education and health, routing funds to larger public investments that can be more easily leveraged to generate illicit revenues

As previously stated, this is only a beginning. There are other direct evaluative opportunities offered by the ethical tradition, in such areas as human rights, democracy, and good governance. While each of these is captured instrumentally in the capabilities approach, isolating certain ethical issues can provide focus. As noted by Frank Vogl, “Human rights and pro-democracy organizations have also increasingly recognized how

achievement of their most basic aims is threatened by the pervasiveness of corruption (Vogl 1998, 33).”

The ethics based approach seeks not to supplant, but instead to embrace and complement, the work of economists, sociologists and political scientists. Starting with Aristotle, the relationship between economics and politics to human ends, and specifically the pursuit of wealth, is framed within the ethical tradition (Sen 1987).

Responding to Corruption

The World Bank is currently deeply involved in consideration of the problem of corruption. This is evident in recent statements, for example: “The harmful effects of corruption are especially severe on the poor, who are hardest hit by economic decline, are most reliant on the provision of public services, and are least capable of paying the extra costs associated with bribery, fraud, and the misappropriation of economic privileges (World Bank 1997, 1).” Only the passage of time will determine the ability of the Bank to provide leadership on the prevention and control of corruption. Many question whether the Bank is institutionally appropriate to the task, and whether this current interest may only be a passing fad. Some experts outside the Bank, particularly Robert Klitgaard, concentrate on detailed practical measures to control and/or prevent corruption. Except for possible moral remedies, this paper is not intended to cover this important aspect in any depth. Clearly, however, the most effective political response to the threat of corruption is the inculcation of democratic values, which in turn as noted by Rose-Ackerman becomes the stimulus for significant constitutional, institutional, and attitudinal reforms (Rose-Ackerman 1999).

Robert Klitgaard’s approach to systematic corruption reform downplays the potential role of moral education and instead involves the initial application of a “shock to disturb a corrupt equilibrium.” This is followed by the design of better and/or reformed systems of governance (Klitgaard 1998, 4,6).

The Moral Response to Corruption

The literature makes it clear that considerable thought has been given to responses to corruption in the cultural, economic, institutional, and political domains. The moral or ethical response has been less well articulated, but some interesting work has been done in this regard. As described above, the particular characteristics of any specific cultural, economic, institutional, and political environment greatly influences the

existence, types, intensity and depth of corruption. Given characteristics under these headings that are conducive to corruption, what does ethical reflection offer regarding the eradication or control of existing corruption? Applying the basic assumption of most economists, that people resort to corruption because of perceived self-interest, encouraging people to be more self-interested offers no prospect of corruption alleviation. Carrying this argument further, Amartya Sen notes that one cannot ask people to be less self-interested without a good reason. While Sen advocates, like others, substantial institutional reforms (including improved inspections, penalties, limits to discretionary powers of civil servants, and improved pay for civil servants), his final observation is that only a strong sense of civic virtue or duty will be persuasive. Sen notes that Plato once made a similar observation, commenting that this would be “no easy task.” An attitudinal shift is required, not just to be dutiful, but more importantly in an individual’s relationship to rules and conformity. Sen wisely observes that “. . . a sense of *relative justice* vis-à-vis a comparison group (in particular, others similarly placed) can be an important influence on behavior. Indeed, the argument that *others do the same* was one of the commonly cited *reasons* for corrupt behavior. . . (Sen 1999, 275 - 278).” He concludes that people are motivated not only by the prospect of profits, and that values and norms do indeed matter. “In trying to alter a climate of conduct, it is encouraging to bear in mind the fact that each vicious circle entails a virtuous circle if the direction is reversed (Sen 1999, 278).”

Sen is not relying on the conjecture of an imminent, sweeping fundamental change in human behavior, under which high-minded morality suddenly becomes the principal driver of individual human decision-making. But importantly, he is also not defaulting to the opposite position (despite its attraction to many other economists) of assuming that people are and always will be influenced only by crude or enlightened self-interest and not by moral values at all (Sen 1999).

Serious moral remedies to corruption are being proposed. James Wolfensohn, president of the World Bank, has advocated an “Islands of Integrity” approach, in which a particular agency (supply side) or a specific major contract or set of contracts within one economic area (demand side) is focused on intensively. Corrupt practices would be identified and, through such devices as Transparency International’s “integrity pact,” bidders on contracts would be obliged to commit themselves not to use bribery, and to complete transparency of documentation and process (Vogl 1998). A similar approach is recommended by Gray and Kaufman (“pockets of political support”) and by Susan Rose-Ackerman (“integrity

systems”), although the latter is quick to note that this must be linked to more fundamental changes in the way a government conducts its business (Gray and Kaufman 1998, Rose-Ackerman 1999).

CONCLUSION

While many experts on corruption avoid making direct reference to ethics or moral values, their language — sometimes and increasingly explicitly — is value rich. Consider this:

Corruption may have its roots in culture and history, but it is, nevertheless, an economic and political problem. It produces inefficiency and unfairness in the distribution of public benefits and costs. It is a symptom that the political system is operating with little concern for the broader public interest (Rose-Ackerman 1999, 226).

While Rose-Ackerman may be partially correct, her use of values rich vocabulary sends us a different message. Corruption is essentially an ethical problem, in that its ultimate effect is to diminish the potential for many more people to enjoy a full life of human flourishing. The ethical tradition has long provided a helpful and often insightful view on the means and ends of the good life. It now offers even more than exhortative statements and persuasion. The capabilities approach in particular has the potential to be applied as a powerful analysis and monitoring tool, in a way that may serve to actively shape public policy, modify public attitudes, and expand human potential.

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