

Administrative Corruption: The Contexts and Strategies (A Comparative Study of the Muslim and the West Perspectives)

Siavash Rashidi¹, Mohammadbager Babaei²

Abstract

Corruption is a global phenomenon that has existed from the rise of the primary governments. It is an important factor in causing harm and losses to public policies and interests. The purpose of the present study is to consider the Western and Islamic scholars' viewpoints regarding corruption. This a non-empirical and literature review as well as comparative study taking archival and theoretical information into account. The findings show the corruption is detrimental to the organizations' credibility and all their resources will be influenced considerably. Also, the study shows a significant difference between both Western and Islamic contexts concerning corruption as Western countries are rule-based, whereas the Islamic countries ,if not all, are relationship-based ones which, inevitably are entangled with corruption, and finally the authors put forward some suggestions and guidelines as how to deal with it in the Iranian organizations.

Keywords: Corruption, Iran, Islam, the West

1. Introduction

Corruption is a global phenomenon that has existed from the rise of the primary governments. It is an important factor in causing harm and losses to public policies and interests. Corruption poses obstacles to economic growth trajectory and affects economic development, negatively. The

¹Department of Management, Qazvin Islamic Azad University (QIAU), Qazvin, Iran. Email: Siavash.rashidi@qiau.ac.ir

²Department of Management, Imam Hossein University, Tehran, Iran

impact is more in open economies than closed economies (Blackburn, Gonzalo, & Forgues, 2010). Through directing the potentials, talents, and resources toward improper activities, corruption causes recession in all aspects. So, it is a serious and undeniable necessity to tackle with administrative corruption (Abbas Zadegan, 2003).

According to Machiavelli, corruption is a process by which moral norms of individuals will be undermined and their virtue and piety will be destroyed. From the perspective of Montesquieu, corruption changes a good political system to a terrible system (Zahedi, 1980). He stated that corruption is in all forms of illicit use of personal power and position (Zahedi, 1980). Mc Mullen believes that corruption occurs when a public official gets bribes for doing a prohibited action.

1.1 Definition Of Corruption

Different definitions have been presented for corruption. In the broadest definition, corruption has been interpreted as abuse of public resources for personal benefit. In most of the definitions, focus on public administration, focus on the market, and focus on public interest has been considered (Rabee, 2003; Stapenhurst, & Langseth, 1997; Collier, 1999).

1.2 The Principles (Values) Of Islam About The Corruption

As the perfect religion, Islam is opposed to any form of corruption and emphasizes on the purity and righteousness. This emphasis is particularly clear about the public rights. However, Islam's view about the causes and consequences of corruption in the administrative system is as follows:

1. Humans are constantly subject to slipping and deviation; "avoidance of doubt" and "Vara" guarantees their faith safety.
2. Loving the world has an outstanding role in slipping and deviation of humans. Therefore, managers and staff should take care of public property in the management of public affairs and in personal consumptions.
3. The financial abuse of the position is an important risk that threatens the officers and directors of the Islamic regime. In addition, the religious justification for this abuse is another risk that leads to greater sins and further offenses.
4. The senior managers of Islamic regime should be extremely careful about the way of increasing their assets. Also, Islamic regime should monitor their life.

5. The offenders –without any exception-should be punished. The communication with the officials of Islamic regime should not lead to rent-seeking.

According to Islam, there is a close relationship between the corruption of government and corruption of people. If the rulers themselves are corrupt, people also tend to the corruption, and vice versa; this principle is undeniable. In the history, a great deal of evidence can be found about this principle. According to Islam, corruption may appear in administrative, social, political, and economic areas. In each time and period, society needs a special administrative organization to organize the affairs.

1.3 Types Of Corruption

The International Development Agency of United States defined the corruption as abuse of power for personal interests. From the perspective of the agency, the corrupt actions include the abuses of public occupations. The agency proposed two dominant kinds of corruption: widespread corruption and executive or administrative corruption. The widespread corruption includes the exchange of resources and access to rents or other interests by officials, corporate, selected networks, and sponsors. On the contrary, the executive or administrative corruption refers to the small tradeoffs by the middle and lower-level officials. From the agency perspective, the most important difference between these two types of corruption is that the administrative corruption reflects a particular weakness within the regime; while, widespread corruption can include the destruction and manipulation of the whole regime for personal gains (Theobald, 1990).

On the other hand, the empirical studies of World Bank show a strong correlation between the governance and administrative corruption (Natsios, 2005).

There are different types of corruption: bureaucratic corruption, political corruption, and grand corruption (Chhibber, Laajaj and Bain, 2006). Most of the time, the organizational corruption is done for reaching the personal goals. But in similar cases, corruption has been done for reaching the organizational benefits. Accordingly, Aguilera and Vadera (2008) have proposed three types of organizational corruption:

1. Procedural corruption: when employees at all levels of the organization do not follow ethical and business procedures, procedure corruption will occur.

2. Pattern corruption: If an organizational environment requires taking bribes for doing the works of politicians and bureaucrats, this kind of corruption will occur.
3. Group corruption: Suppose that a multinational company with some subset operates in several locations. If the subsets work in countries which taking bribes and corruption is common, group corruption will occur (Aguilera and Vadera, 2008).

According to Okogbule (2006) the following phenomena are correlated with corruption: poverty, unemployment, greed, institutional weaknesses, weak law enforcement, disrespect for the law, and lack of ethical codes and standards. Of course, these are the symptoms and not the causes of corruption (Okogbule, 2006).

From the perspective of Hiun Himer, corruption may be divided into three types: black, gray, and white.

- a) Black-Corruption: it is hated by the people and the political elite.
- b) Gray-Corruption: it is mostly hated by elite; but the masses are indifferent about it.
- c) White-Corruption: it is seemingly against the law, but the elite and the majority of people do not know it so bad that its causes are called to punish.

In the political literature of Muslims, various types of corruption are mentioned: wealth-seeking, pleasure-seeking, fame-seeking (seeking dignity), dominance (oppression), and insouciance (liberation). Khaje Nasirodin Toosi and Abdul Rahman Ibn Khaldun have referred to three kinds of corruption: dictatorship (authoritarianism), seeking luxury, and indolence. Also, it has been narrated from the Prophet that corruption is in three types: political, economic, and ideological corruption (Farsi, 1990).

1.4 The Factors Affecting Corruption

The question that arises here is: What are the causes of corruption?

Numerous reasons for this deviation are proposed by Muslim scholars in political literature that they can be divided into two "psychological" and "sociological" groups.

- a) Psychological factors: in addition to the desire for power, there are three characteristics in human which are very important factors in power monopoly:

1 - Recruiting and employing others, 2 – selfishness, and 3- insatiable greed (Tabatabee, n.d.)

b) Sociological causes: There are several causes. Muslim thinkers pointed to three specific factors:

1 - Political living conditions, 2- fitness between policy and centralist structure, and 3- ideological reasons (Bashirie, 1994).

The real causes of corruption are rooted in culture and social affairs and economic and political systems. According to Olcoybule, the major cause of corruption is the lack of political will to deal with it. He believes that corruption is a critical threat to the stability of the community and law enforcement. It should be remembered that the real forms of corruption are often rooted in the past corruptions.

According to Islam, corruption is the unlawful use of personal and collective social status. The social dimension of corruption includes bribery, violation or neglecting the right of people, employing incompetence individuals, firing the competence work forces. The politic aspect is applying agents and executive powers on the basis of partisan and factional interests and supporting the faulty politicians and employees. The economic aspect includes embezzlement, the sale of natural resources and factories to friends and family, selling information to specific groups and people, employing incompetent and incapable contractors and technicians for doing the projects, and working with drug traffickers and distributors (Gazi Moradi, n.d.).

The factors which form the corruption are mainly economic, political, and bureaucratic factors; the bureaucratic factors are very prominent (Hosseini & Nejad, 2002). The following factors prepare the ground for corruption: inefficient administrative structure, negative bureaucracy, ineffective management systems, lack of meritocracy system, lack of relationship between performance and benefits (Zahedi, 1980). Some researches as Magnouloux (2006) suggest that the most important causes of corruption include: economic problems of public sector employees, cultural characteristics of society, imperfections in organizational systems, the factors that are related to the characteristics of individual workers, and inefficient regulation.

1.5 Consequences Of Corruption

The economic consequences of corruption are as following:

1. Allocation of resources (goods, services, and human resources)
2. Corruption can minimize the speed and the rate of economic activity.

Magnouloux (2006) believes that there is a negative correlation between the level of corruption and the level of economic growth. The corruption can negatively affect the level of people's trust in long-term and impact on institutional, social, and political stability. Corruption is a disease that spoils the procedures and criteria of people's progress in the government bureaucracy (Kahana & Liu, 2010). The World Bank considers corruption as a major obstacle to social and economic development (Ng, 2006). Corruption is a serious problem affects all sectors of society (Seligson, 2006).

We can summarize the devastating consequences of corruption as follows:

- Corruption directs the economic valuable sources toward non-productive activities and decreases the likelihood of achieving the government's goals.
- Corruption directs other valuable resources such as staff of public sector toward counter-productive activities. It causes resentment and frustration of the employees and officers in the public sector and thus reduces the efficiency of the organization.
- Because corruption is a hidden and invisible phenomenon, it is fundamentally undemocratic and damages the democratic processes and institutions.
- Corruption inhibits the growth of healthy competition and efforts to reduce poverty and causes social injustice.
- Corruption undermines people's belief in their abilities and leads to disappointment and frustration over the foreseeable future.
- Corruption leads to an increase in transaction costs, disrupts the sustainable development, and restricts the possibility of predicting the economic status (Seresht, 2004).

1.6 Difference Between Forms (Norms)

Those are seen as corruption in the West, they may be acceptable in other places. The tender issue can be an example. A person who deals in a bid in Western culture, he bids based on quality and clarity of the information. In this case, if the person considers specially his friends, he will be known as a corrupt; this relationship may cause the bid to be affected. In contrast, friends are the focus of trust in most of the countries; therefore, people bid together with their trusted friends.

The law-based countries are more vulnerable to fraud. There are two distinct characteristics for law-based countries:

1. The regulations are authority-based.
2. If people do not implement properly the regulations, they will feel guilty sense. In other words, they are not under constant supervision.

This approach can be mostly seen in the United States. The scams and fraud phenomenon in law-based cultures is considered to be a threat. The behavior of individuals is not under the direct and private supervision; hence, we can say that economic efficiency in western countries is solely due to this lack of control. However, low supervision has its own pests. For example, the law-based complex institutions are largely relying on voluntary and good behavior. When a group of critic people complain about their status, the stability of country will be threatened.

2. Conclusion

Compared with the West, Islam has a specific view about the meaning of corruption. Four reasons have been proposed for this issue:

1. Islam does not depend on ground realities; it is rooted in the permanent and stable principles of Sharia.
2. Many forms of corruption are explained with clear and unambiguous examples.
3. Islam has created a special order between the concepts of ethics. Corruption can disrupt the harmony and order and lead to the injustice and abuse of the principles.
4. Islam has a strong commitment towards private property, transparency, rule of law, and limited role of government.

Therefore, we can say that the Sharia considers corruption as a serious threat to the economic and social balance. This has caused the West to accept it. However, there are differences between the two cultures in solving the problem of corruption. For example, the role of individual ethics to avoid corruption is mentioned as an important factor in the Qur'an and Sunnah. While, Western strategy goes beyond ethical approach; it solves the problem with changing procedures, providing individual reward and punishment, influencing special people, and deporting them. Avoiding corruption is an external factor in the Western approach; while, it is internal in the Islam. However, we believe that both approaches are good. Muslim communities could benefit from

Civil and Administrative Reforms- emphasized by the West- in their organizations. Anyway, the moral dimensions to reduce corruption have both inner and outer aspects. Everyone can avoid corruption internally and externally and benefit from ethical behavior.

References

- AbbasZadegan, S. M.. (2003). Corruption.Tehran. Cultural research office.
- Aguilera, R. V. and Vadera, A. K. (2008). "The dark side of authority: antecedents mechanisms, and outcomes of organizational corruption", *Journal of Business Ethics* Vol. 77, pp. 431-49
- Bashirie, H. (1994). Revolution and political basij.Tehran.University of Tehran.
- Blackburn, K., Gonzalo, F., & Forgues, P. (2010). Financial liberalization bureaucratic corruption and economic development. *Journal of International Money and Finance*, 29, 1321-1339.
- Chhibber, A. Laajaj, R. and Bain, B. (2006). Governance and Anti Corruption: ways to enhance the World Bank impacts, Independent Evaluation Group, Knowledge & Evaluation Capacity Development, The World Bank
- Collier, M. (1999). Explaining Corruption: An Institutional-Choice
- Farsi, J., (1990). Islam evolution.Tehran,Secentific and cultural publication.
- Gazi Moradi, H. (n.d.). The Iranian Authoritarianism.Tehran
- Hosseini, S. M., & Nejad, M. F. (2002). Corruption and its controlling methods.
- Kahana, N., & Liu Qijun, A. B. (2010). Endemic corruption. *European Journal of Political Economy*, 26, 82-88
- Magnouloux, H. (2006). "Analyse e'conomique de la corruption", *Rapport Moral sur l'Argent dans le Monde 2005*, Association d'e'conomie financie`re, Paris, pp. 41-55
- Natsios S. A. (2005). USAID Anticorruption Strategy Washington D. C
- Ng, D. (2006). The impact of corruption on financial markets. *Managerial Finance*, 32(10), 822-836
- Okogbule, N. S. (2006). "An appraisal of the legal and institutional framework for combating corruption in Nigeria", *Journal of Financial Crime*, Vol. 13 No. 1, pp. 92-106
- Rabee, (2003). *Sociology of Corruption in the developing countries*.Tehran.
- Seligson, M. (2006). *The Measurement and Impact of Corruption Victimization: Survey Evidence from Latin America*. World Development
- Seresht, F. (2004). *The factors effecting coorruption and model development in Iran*.
- Stapenhurst, F., & Langseth, P. (1997). *The Role Of Public Administration In Fighting Corruption*. Public Sector Management

- Tabatabee, S. M. H. (n.d.). Tafsir Almizan, 2nd volume, Tehran. Allame Tabatabee scientific association
- Theobald, R. (1990). Corruption, Development and Underdevelopment Durham, NC: Daka U. press.
- Zahedi, S. H. (1980). An overview of coorruption. Manageemnt knowledge journal.