

Bridging Christianity and Anti-Corruption Movement

Christian Ethical Reflections on Sustainable Integrity System

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Abbreviations and Acronyms

ADB	Asian Development Bank
AIDS	Acquired immunodeficiency syndrome
BPI	Bribe Payers' Index
BWIs	The Bretton Woods Institutions (World Bank and the International Monetary Fund)
CoSP	The Conference of State Parties to the United Nations Convention Against Corruption
CPI	Corruption Perceptions Index
CSR	Corporate social responsibility
CSO	Civil society organisation
DOV	the Decade to Overcome Violence
EITI	The Extractive Industry Transparency Initiative
FBO	Faith-based organisation
FCPA	Foreign Corrupt Practices Act, the United States
GCB	Global Corruption Barometer, Transparency International
GCR	Global Corruption Report, Transparency International
GF	Global Forum on Fighting Corruption and Safeguarding Integrity
HIV	Human immunodeficiency virus
HDR	The Human Development Report
IACC	International Anti-Corruption Conference
ICAC	Independent Commission Against Corruption

IMF	the International Monetary Fund
JPIC	Justice, Peace and Integrity of Creation
K-PACT	The Korean Pact on Anti-Corruption and Transparency
KPK	Corruption Eradication Commission, Indonesia
MDGs	The Millennium Development Goals
NIS	National integrity system
NGO	Non-governmental organisation
OECD	Organisation for Economic Co-operation and Development
PCR	the Programme to Combat Racism
TI	Transparency International
TI-Korea	Transparency International-Korea (South)
UDHR	United Nations Universal Declaration of Human Rights
UN	The United Nations
UNCAC	The United Nations Convention Against Corruption
UNDP	United Nations Development Programme
UNODC	United Nations Office on Drugs and Crime
UNGC	United Nations Global Compact
WB	World Bank
WARC	World Alliance of Reformed Churches
WCC	World Council of Churches
WSF	World Social Forum
YII	Youth Integrity Index

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The original meaning of corruption included “perversion or destruction of integrity”. However, corruption was defined narrowly as “the abuse of public position for private gain” in the early 1990s. The following discussions included similar misconducts in the private sector and indirect / legal forms of abuse of power as well as ‘state capture’. Now, corruption is generally defined as “the abuse of entrusted power for private gain”. Also, caution against ‘appearance of impropriety’ is requested to avoid any apparent conflict of interest. This study defines corruption as “the abuse of power for private gain against universal moral or ethical norms”.

The consequences of corruption can be outlined as injustice, violence, and destruction of creation. Corruption is a serious hindrance to fulfilling the Millennium Development Goals (MDGs). It can also become a wrong role model for people, thus a cause for the ensuring corrupt behaviors and practices.

In a Christian ethical perspective, the current financial tsunami is not only economic but also moral, ethical, philosophical, and moreover a theological crisis. The cause of this turmoil is due to moral decay. In this thesis, that kind of systemic, legal and institutionalised form of abuse of power for private gain without morality or ethical consideration is termed as ‘macro-corruption’. ‘State capture’, ‘international debt’, ‘the current economic crisis’, and ‘the abuse of pardon or impunity’ were mentioned as examples of macro corruption.

It is needed not to set any arbitrary limitation on responsibility, because ignorance, silence, and negligence can easily become conspiracy, consent, or assistance to a wrong system. From this perspective of widened responsibility, some ethical debates on ‘abortion’, ‘pacifism vs. just war’, and ‘clean wealth’ should be revisited.

‘Moralist trauma’ is mentioned as one of the background reasons of the silence on ethical foundation in the past anti-corruption studies. ‘Short-termism’ in anti-corruption movement is also criticised. There are four interrelated factors affecting ethical decision making: 1) individual belief and moral values, 2) culture of society/organisation/country or regional/global trends, 3) legal/institutional framework, and 4) expected returns and risks through law enforcement. Any institution or institutional system by itself cannot work perfectly without the positive influence from sound ethical infrastructure, that is, individual’s mind-set and the organisational culture. Thus, it should be emphasised that there are interrelatedness and intercomplementarity of ethical infrastructure with institutional system (institutional framework and law enforcement). In this framework, the current national integrity system idea or gap analysis of UNCAC should be upgraded to avoid “institutionalism”. For example, ‘pillars’ concept in national integrity system studies should be replaced by the concept of ‘components’. To overcome short-termism, youth integrity promotion should be one of top priorities within various social actors.

World Council of Churches was mostly concerned with macro-corruption and the Western creditors of international debts who conspired with the Third world dictators or corrupt politicians. Christian churches did not perform due diligence on the general meaning of corruption, corrupt culture and corrupt mindset in the past.

Especially, the initiative of *The Decade to Overcome Corruption (DOC): Churches Seeking Integrity 2011-2020* is proposed to the WCC. As a bridge between anti-corruption movement and Christian churches, this DOC initiative can accelerate the dialogue and cooperation to control corruption more effectively and to build a sustainable integrity system for making real differences in the future. Through this kind of dialogue and cooperation, anti-corruption movement and faiths can find more effective and concrete solutions to corruption and other global problems.

Key words: corruption, fraud, bribe, accountability, transparency, integrity, responsibility, ethical infrastructure, Christianity, ecumenical.

Chapter 1. Introduction

“Corruption is one of the fundamental evils of our time. It rears its ugly head everywhere. It lies at the root of almost all important problems – or at least prevents their solution – and has a particularly devastating effect in the poor regions of the world, where it holds millions of people in bondage to suffering, poverty, disease, violent conflict and exploitation.”

Peter Eigen ¹

(Founder and Chair of the Advisory Council of Transparency International)

1.1 General Statement of the Problem

Corruption is a personal, social, and global disease that destroys justice, peace, and integrity of creation. The fight against corruption, thus, is extremely important in resolving current global problems. Now is the time to grasp anti-corruption issues firmly. Anti-corruption is not just one of the choices among poverty, drug, HIV/AIDS, climate change, human security, or any other global issues, but an essential and vital prerequisite for progress in those fields.

¹ Peter Eigen, *The Web of Corruption: How a Global Movement Fights Graft* (Frankfurt and New York: Campus Verlag, 2003), tr. by Joelle Diderich, p. 13; (Original in German) *Das Netz der Korruption: Wie eine weltweite Bewegung gegen Bestechung kämpft* (Frankfurt: Campus Verlag, 2003), p. 11.

Many studies and discussions have been conducted by scholars and experts to tackle corruption. Different initiatives and tools have also been suggested and developed by many players to prevent corruption. In addition, a wide variety of global and regional conventions were developed to control or fight corruption.

Transparency International (TI), the global leading civil society organisation (CSO) in the fight against corruption, was launched in 1993 and has developed many important tools to combat corruption. They include Corruption Perceptions Index (CPI), Bribe Payers' Index (BPI), Global Corruption Barometer (GCB), Global Corruption Report (GCR), Integrity Pacts (IP), Business Principles Countering Bribery (BPCB), Resisting Extortions and Solicitations in International Transactions (RESIST), Advocacy and Legal Advice Centres (ALAC), and monitoring of various international conventions, among others.²

In addition, one of the most important contributions of the TI movement is the concept of the National Integrity System (NIS).³ *TI Source Book 2000* describes the ultimate goal of establishing NIS as making corruption a “high risk” and a “low return” undertaking. ⁴ Subsequently, TI's NIS concept has been a great influence in analyzing anti-corruption provisions and capacities and in making anti-corruption strategies of many countries.

² Refer the web site of Transparency International, <http://www.transparency.org/>.

³ Peter Eigen, *Das Netz der Korruption* (Frankfurt: Campus Verlag, 2003), pp. 96-101.

⁴ Jeremy Pope, *TI Source Book 2000 - Confronting Corruption: The Elements of a National Integrity System* (Berlin: Transparency International, 2000), p. 35.

The problem is that there is no panacea to eradicate corruption from society. Thus, TI emphasises that adopting a holistic approach and building coalition can effectively control corruption. TI's founder, Peter Eigen, explained in the preface of the *TI Source Book 2000* that “[b]y adopting an holistic approach and by co-opting all the principal actors into the process of anti-corruption reform, a country or community can enhance its capacity to curtail corruption to manageable levels.”⁵

Is there still any room for speaking out more on how to fight against corruption? In spite of TI's enormous contributions to the global fight against corruption, there still remains the question of whether TI has paid enough attention to moral values as the ethical foundation of integrity system or not. If there is any negligence on the importance of moral values, including those of faiths, it will be a real hindrance in making the longer-term sustainable integrity system at a local level as well as at a global level. This study, thus, deals with the basic concern of building a sustainable integrity system, at the local level as well as at the global level.

Another basic concern is on the negligence that can be found in the ecumenical movement of the World Council of Churches (WCC) with regard to corruption issue. Since its foundation in 1948, WCC has raised or dealt with many important social agendas as well as its inner-church topics. Those agendas include peace, human rights, democracy, poverty, racism, jubilee debt, HIV/AIDS, violence, climate change, and human security. Most of those global problems

⁵ Jeremy Pope, *ibid.*, p. xv.

were relatively well discussed within the ecumenical movement. Of course, some deliberations on corrupt international economic structure, especially on odious international debts and the international economic system are also found in the recent history of the ecumenical movement. However, they were mainly about the international debt issue. Is it possible to agree with the argument that there was enough discussion on ‘corruption in general’ and also on the actions against it in the past sixty years’ history of WCC? Was there any concentration on the linkage between corruption and those issues? Is it possible to overcome poverty alone without solving corruption and other problems together? Is the fixation of disorder in macro international level the only needed cure for all other diseases?

If there is any negligence in fighting corruption, it will be a real obstacle in “Making a Difference Together.”⁶ Only due diligence on anti-corruption can make a real difference.

1.2 Purpose of the Study

This study tries to facilitate dialogues between Christianity and the anti-corruption movement. Through the dialogue, both of them will get an urgent need of improvements in their strategies as well as mutual cooperation for their better performance.

⁶ “Making a Difference Together” was a theme for the WCC’s 60th anniversary. See <http://www2.wcc-coe.org/pressreleasesen.nsf/index/pr-cc-08-15.html> (Retrieved April 7, 2009).

The purpose of this study, thus, is mainly to overcome the division between faiths and anti-corruption movement under the ‘integrity’ theme. It has the following twofold concrete implications.

On the one hand, Christianity, through its holistic understanding of the human nature, can make positive influences to the anti-corruption movement. Anti-corruption studies were mostly conducted by economic or policy scientists in the past. It is surprising how seldom corruption-related studies were done by theologians or moral philosophers. Corruption should become an important subject especially to Christian ethics researchers. The current tendency of neglecting the society’s values, moral foundation, or mind-set of the people by the anti-corruption movement can also be rectified through the research of ethicists. Anti-corruption movement will pay more attention on how to build a sound moral – ethical infrastructure for longer-term success in the fight against corruption. In addition, from the Christian ethical perspective, this study suggests an alternative approach to some current debates on the following issues in ethics: ‘abortion’, ‘pacifism vs. just war’, and ‘clean wealth’.

On the other hand, the dialogue between Christianity, among faiths, and anti-corruption movement can contribute to the church and its Ecumenical movement by providing a better understanding on the reality of corruption, from which God’s people are suffering. Through this thorough understanding of society and the world, the churches’ policies or strategies can be empowered and strengthened to make a real difference in the future.

1.3 Scope of the Study

For those purposes, this study attempts to present some snapshots of the past deliberations on the definitions of corruption in Chapter two. Especially, it introduces some developments on the concept of corruption in the past two decades. This review is compared with the general definition of corruption as a lack of integrity.

Consequences of corruption are dealt in Chapter three to show the linkage between corruption and other global problems and to provide an understanding on anti-corruption as a prerequisite of solving those problems.

In Chapter four, the writer deals with corruption issue from his Christian ethical perspective. His reflections expand the range of corruption into macro level, as found in some examples: state capture, international debt, international economic structure, and pardon-impunity. Ignorance, silence, and negligence are also shown as a form of conspiracy, consent, or assistance to corruption. In addition, the close relationship between the system and individual is explored. Through the deliberation on wider understanding of the concept of corruption, the writer shows that any arbitrary limit on the responsibility to society should be kept away from ethics. This perspective allows revisit to some ethical issues: debates on abortion (pro-life vs. pro-choice), violence (pacifism vs. just war), and wealth (clean wealth vs. clean poverty).

Chapter five describes on the negligence of ethical infrastructure in anti-corruption movement. The writer suggests another view on factors composing

integrity system than that of current TI's, so-called 'pillars' of NIS. Through the understanding on the 'components' of integrity system, the study shows the insufficiency of current gap analyses on the United Nations Convention against Corruption (UNCAC) that are mostly restricted in legislation and enforcement, lacking concerns on the sustainable ethical foundation. In this regard, the study proposes youth integrity promotion as one of the ways to avoid any short-termism, found in most of anti-corruption strategies.

In Chapter six, the documents of the WCC's recent General Assemblies and its web sites are searched to show how corruption is dealt within the ecumenical movement. Those results are presented with the writer's proposal of an initiative, the Decade to Overcome Corruption: Churches Seeking Integrity 2011-2020.

In conclusion, the writer introduces some practical implications and recommendations for anti-corruption movement and Christian ethical implications of this study with the summary.

1.4 Methodology

This study presupposes a working definition of corruption as "the abuse of power for private gain against universal moral or ethical norms". This study adopts 'a holistic approach' that can also be labeled as 'a system view', a tool to understand the whole shape of the corruption problem and to develop solutions. It

cannot be permitted to restrict human being as an object that is controlled by social institutions or regulations. Those 'external' causes do not work exclusively by themselves, but work in conjunction with other 'personal' drives or belief systems.

Werner Karl Heisenberg, the awardee of the 1932 Nobel Prize in Physics, developed the uncertainty principle of quantum theory.⁷ He made tremendous developments not only in physics but also in other areas. One of his findings is that in the material world everything is connected as a web. He explained:⁸

The world consisted of things in space and time, the things consist of matter, and matter can produce and can be acted upon by forces. The events follow from the interplay between matter forces; every event is the result and the cause of other events.

This view can be adopted for understanding the causes and the effects of corruption as well. For example, corruption can be understood as a result of some causes, including the failure in building a sound ethical infrastructure in society. At the same time, corruption is also a decisive hindrance against the formation of a sound ethical infrastructure.

⁷ See David C. Cassidy, *Uncertainty: the Life and Science of Werner Heisenberg* (New York: W.H. Freeman, 1992).

⁸ Werner Heisenberg, *Physics and Philosophy: the Revolution in Modern Science* (New York: Harper, 1958), p.196.

As the title of his book, *Physics and Beyond*, suggests, Heisenberg's concerns were not restricted to physics.⁹ He himself experienced a difficult period of time in his life as a German nuclear energy researcher during the Hitler's Nazi regime. He expanded the range of his concerns into the domains of philosophy and ethics. Heisenberg's concerns also included ethical issues that are also important in Christian ethics, like the issue of the relationship between 'justice' and 'love'.¹⁰ These ethical problems were raised from his same understanding of mutual influence, in other words, 'fundamental complementarity'.¹¹

Fritjof Capra took Heisenberg's concern on the correlation among natures and complementarity one step further and linked 'the New Physics' with Eastern mysticism.¹² He contrasted the two paradigms: the Newtonian world-machine and the new physics. He wrote: "[t]he new vision of reality we have been talking about is based on awareness of the essential interrelatedness and interdependence of all phenomena – physical, biological, psychological, social, and cultural."¹³

Capra named this new vision of reality as 'the systems view of life'¹⁴. His broad understanding of the current globalisation, world economic structure, and

⁹ Werner Heisenberg, *Physics and Beyond: Encounters and Conversations* (New York: Harper & Row, 1971).

¹⁰ Werner Heisenberg, *ibid.*, pp. 141-154.

¹¹ Werner Heisenberg, *Physics and Philosophy*, p.205.

¹² Fritjof Capra, *The Tao of Physics* (Boulder: Shambhala Publications, 1975).

¹³ Fritjof Capra, *The Turning Point: Science, Society, and the Rising Culture* (New York: Bantam Books, 1988), p. 265.

¹⁴ Fritjof Capra, *ibid.*, pp. 265-304.

financial system demonstrates the possibility of a ‘macro view of corruption of the system,’ as described in Chapter two of this study.

Thus, a holistic approach can be applied as a relevant view to understand the factors influencing ethical decision making. The writer also presupposes that the following factors, as displayed in Table 1, influence the decision making: 1) individual belief and moral values, 2) culture of society/organisation/country or regional/ global trends, 3) institutional framework including its performance and law enforcement, and 4) expected returns and risks.

From this viewpoint, the writer denies any one-sided analysis on the nature of human being, either it is centered in ‘societal structure’ or in ‘individual mindset’. On the contrary, he emphasises the interrelatedness and interdependency of all elements.

Table 1. Elements Affecting Ethical Decision Making

Elements Affecting Ethical Decision Making
Individual Belief and Moral Values
Culture of Society/Organisation/Country or Regional/Global Trends
Institutional Framework
Expected Returns and Risks

This study explores the scope of corruption through this macro system view. Macro forms of corruption are explored within ‘state capture’, ‘international debt’, ‘the current international economic crisis’, and ‘the right of

pardon or the privilege of impunity'. This view demonstrates the additional consequences of corruption as a role model. The holistic approach is adopted to reflect some ethical issues as well.

In other words, this study adopts 'system ethics' (holistic ethics) as its main methodology through which things and activities can be understood within its relationship and interaction with others.

In this study, the following approaches are applied. First, relevant literature, publications, and studies, including Web resources, are reviewed in order to get in-depth information on both anti-corruption movement and the Ecumenical movement. Second, face-to-face dialogues, and discussions at meetings like workshops and conferences are added to include the understanding of key actors in both movements of TI and WCC.

1.5 Limitations

Regarding the documents of anti-corruption movement and Christianity, the author searched and evaluated the relevant materials written mainly in English. Thus, a bias can exist due to the concentration of discussions mostly from the Western society.

This study limited its scope to the ecumenical documents of the WCC since its eighth General Assembly in 1998. The official reports of the eighth and ninth

General Assemblies of the WCC and other related documents in the official web sites¹⁵ of the WCC were referenced.

This study dealt with anti-corruption movement of non-governmental organisation (NGO) mainly within Transparency International movement. As a leading international NGO coalition to fight against corruption, TI has an influential voice in the global society. Thus a study on TI's documents and conferences can give a brief but general overview of the current trends in anti-corruption movement.

This study does not discuss any specific institutional concerns that focus on building better institutional framework to control corruption effectively or developing new tools to promote transparency and accountability. In contrast, this study is mainly concerned about building a sound and sustainable ethical infrastructure.

In spite of the writer's strong concerns for both the Korean society and the Christian churches, any concrete analysis on corruption-related problems within them and suggestions for them will be left for future studies. Similarly, the specific feature of the Eastern way of thinking is not dealt in this study.¹⁶

¹⁵ Refer the official web site of WCC <http://www.oikoumene.org/> and that of its ninth General Assembly <http://www.wcc-assembly.info/>.

¹⁶ About the similarities of the Eastern way of thinking with quantum dynamics, found by recent physical studies, see Fritjof Capra, *The Tao of Physics*.

Chapter 2. Concepts of Corruption

“Corruption is injustice, silence is consent.”

Slogan at a Public Hearing in India¹⁷

In this chapter, the development of definitions and concepts of corruption during the past couple of decades is explored.¹⁸ There were important developments in defining corruption during that period of time. Definition of corruption embraced the ‘private’ sector corruption, included the ‘indirect’ form of corruption, and moreover, was expanded into the ‘legal’ area. Ethics for public officers triggered the consideration of avoidance of conflict of interest. The ‘appearance’ of the impropriety in officials’ activities is a special feature of that issue. However, conflict of interest should also be understood from a macro view too.

¹⁷UNDP, *Tackling Corruption, Transforming Lives: Accelerating Human Development in Asia and the Pacific* (Delhi: UNDP, 2008), p. 130.

¹⁸ For a general introduction on concepts and definitions of corruption, see Arnold J. Heidenheimer (ed.), *Political Corruption: Readings in Comparative Analysis* (New Brunswick, Transaction Books, 1978), pp. 3ff.: especially Jacob van Klaveren, “The Concept of Corruption” and Arnold A. Rogow and H. D. Lasswell, “The Definition of Corruption”; Arnold J. Heidenheimer and Michael Johnston (ed.), *Political Corruption: Concepts and Contexts* (New Brunswick: Transaction Publishers, 2002) 3rd ed., pp. 3ff.: especially “Introduction to Part I”, Carl J. Friedrich, “Corruption Concepts in Historical Perspective”, John A. Gardiner, “Defining Corruption”, and Colin Leys, “What is the Problem about Corruption”.

2.1 Corruption vs. Integrity

One of the general definitions of corruption is found in *Britannica Online Encyclopedia*. It defines ‘corruption’ as “[i]mproper and usually unlawful conduct intended to secure a benefit for oneself or another. Its forms include bribery, extortion, and the misuse of inside information. It exists where there is community indifference or a lack of enforcement policies. In societies with a culture of ritualised gift giving, the line between acceptable and unacceptable gifts is often hard to draw.”¹⁹ More detailed definitions are found in *Oxford English Dictionary* as shown in Box 1:²⁰

Box 1. Definitions of ‘Corruption’ in *Oxford English Dictionary*

The action of corrupting; the fact of being corrupted; the condition of being corrupt; corrupt matter; a corrupt example or form; corrupting agency: in the various physical, moral, and transferred applicat[i]ons of CORRUPT.

I. Physical.

1. The destruction or spoiling of anything, *esp.* by disintegration or by decomposition with its attendant unwholesomeness; and loathsomeness; putrefaction. *Obs.* **b. spec.** Decomposition as a consequence of death; dissolution.

c. Applied to inorganic matter: The breaking up or decomposition of a body, the oxidation or corrosion of metals, etc. *Obs.* **d.** In a more general sense: Destruction, dissolution of the constitution which makes a thing what it is. *Obs.*

¹⁹ Britannica Online Encyclopedia,

<http://www.britannica.com/EBchecked/topic/1163901/corruption> (Retrieved April 11, 2009).

²⁰ Oxford English Dictionary, <http://dictionary.oed.com/cgi/entry/50050860> (Retrieved May 14, 2009). Condensed. Bolds and Italics were used in the original.

(Continued from the previous page)

2. Infection, infected condition; also *fig.* contagion, taint. *Obs.* **b.** *Law.* **corruption of blood:** the effect of an attainder upon a person attainted, by which his blood was held to have become tainted or ‘corrupted’ by his crime, so that he and his descendants lost all rights of rank and title; in consequence of which he could no longer retain possession of land which he held, nor leave it to heirs, nor could his descendants inherit from him. **3.** *concr.* Decomposed or putrid matter, *esp.* in a sore, boil, etc.; pus. *Obs. exc. dial.*

II. Moral.

4. A making or becoming morally corrupt; the fact or condition of being corrupt; moral deterioration or decay; depravity. **b.** (with *a* and *pl.*) **c.** Corrupting influence or agency.

5. Evil nature, ‘the old Adam’; anger, ‘temper’. Now *colloq.* or *dial.*

6. Perversion or destruction of integrity in the discharge of public duties by bribery or favour; the use or existence of corrupt practices, *esp.* in a state, public corporation, etc. **b.** A case or instance of corrupt practice. *Obs.*

7. Despoiling of virginity, violation of chastity.

8. The perversion of an institution, custom, etc. from its primitive purity; an instance of this perversion.

9. Change of language, a text, word, etc. from its correct or original condition to one of incorrectness, deterioration, etc. **b.** A concrete instance of such alteration.

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corruption, n.

► *Electronics and Computing.* The introduction of flaws into software or data, *esp.* such that it becomes unusable or inaccessible by normal procedures. Also: the process of making a disk, card, etc., unusable by damaging the software or data it contains.

(Source: *Britannica Online Encyclopedia*)

Generally, the word ‘corruption’ has been understood as an “impairment of integrity, virtue or moral principle; depravity, decay, and/or an inducement to

wrong by improper or unlawful mean.”²¹ Aristotle used the concept of corruption to describe tyranny as a corrupt form of monarch.²²

In other areas, it was used as a term to mean a lack of integrity in authenticity or correctness.²³ For example, there are some disputes on “Bible corruption” vs. “Quran corruption”.²⁴ In those cases, the word ‘corruption’ does not mean any kind of bribery or extortion. Instead, the issue is just about the integrity and authenticity of the Bible.

Corruption is also used to describe “putrefaction or decomposition” of recently living matter. This physical process is the primary model of the metaphorical meaning of corruption, so advanced states of corruption in, e.g. a political structure are said to result in their putrefaction.”²⁵ This usage is similarly found in some of Asian languages, including Korean²⁶, Chinese²⁷, and Japanese²⁸.

²¹ Wikipedia, [http://en.wikipedia.org/wiki/Corrupt_\(disambiguation\)](http://en.wikipedia.org/wiki/Corrupt_(disambiguation)) (Retrieved April 24, 2009).

²² Arnold Heidenheimer and Michael Johnston (ed.), *Political Corruption: Concepts and Contexts*, p. 3.

²³ For example: “Data corruption, as an unintended change to data in storage or in transit. Linguistic corruption, as the change in meaning to a language or a text introduced by cumulative errors in transcription as changes in the language speakers' comprehension.”: Wikipedia, *op. cit.*

²⁴ <http://www.answering-islam.org/Walid/corruption.html> (Retrieved April 27, 2009).

²⁵ Wikipedia, [http://en.wikipedia.org/wiki/Corrupt_\(disambiguation\)](http://en.wikipedia.org/wiki/Corrupt_(disambiguation)) (Retrieved April 24, 2009).

²⁶ Dong-A Publishing Company, *Dong-A's New Concise Korean-English Dictionary* (Seoul, Dong-A Publishing Company, 1979), p. 639.

These broader concepts of corruption correspond with what John T. Noonan's study, *Bribes*, pointed out. In studying the concept of bribes, he explored a wide range of documents from the ancient Near East to contemporary America. He pointed out that there was a broader usage of the term bribe. According to him, "[t]he core concept of a bribe is an inducement improperly influencing the performance of a public function meant to be gratuitously exercised."²⁹ According to Noonan, the term 'corruption' was not restricted to just bribery, but was commonly used in the broader meaning of 'lack of integrity'. He mentioned that it included sexual depravity, political defection, and even theological untruthfulness, among others.³⁰ In similar context, some theologians used the term 'corruption of creation' to mean the opposite of the 'integrity of creation'.³¹

²⁷ Wikipedia (Chinese), <http://zh.wikipedia.org/wiki/%E8%85%90%E8%B4%A5> (Retrieved May 12, 2009).

²⁸ Wikipedia (Japanese), <http://ja.wikipedia.org/wiki/%E8%85%90%E6%95%97> (Retrieved May 12, 2009).

²⁹ John T. Noonan, Jr., *Bribes* (New York: Macmillan, 1984), p. xi.

³⁰ John T. Noonan, Jr., *ibid.*, pp. 538-543.

³¹ Harry A. Hahne, "The Birth Pangs of Creation: The Eschatological Transformation of the Natural World in Romans 8:19-22" (Th.D. Dissertation, University of Toronto, 1997): Available at <https://tspace.library.utoronto.ca/bitstream/1807/10544/1/nq22181.pdf> (Retrieved May 16, 2009); Mark H. Graeser, John A. Lynn, and John W. Schoenheit, *Don't Blame God!: A Biblical Answer to the Problem of Evil, Sin, and Suffering* (Indianapolis: Christian Educational Services, 1994); Charles H. H. Scobie, *The Ways of Our God: An Approach to Biblical Theology* (Grand Rapids: Eerdmans, 2003).

The term 'integrity' can also be understood in this connection. Oxford English Dictionary defines 'integrity' as Box. 2 below:³²

Box 2. Definition of 'Integrity' in *Oxford English Dictionary*

1. The condition of having no part or element taken away or wanting; undivided or unbroken state; material wholeness, completeness, entirety. b. Something undivided; an integral whole.

2. The condition of not being marred or violated; unimpaired or uncorrupted condition; original perfect state; soundness.

3. In moral sense. a. Unimpaired moral state; freedom from moral corruption; innocence, sinlessness. *Obs.* b. Soundness of moral principle; the character of uncorrupted virtue, esp. in relation to truth and fair dealing; uprightness, honesty, sincerity.

(Source: *Britannica Online Encyclopedia*)

John Kekes was right when he pointed out that integrity is a complex notion.³³ He mentioned authenticity and constancy, as a couple of essential

³² Oxford English Dictionary, <http://dictionary.oed.com/cgi/entry/50118583> (Retrieved May 14, 2009). Condensed. Bolds and Italics were used in the original.

³³ John Kekes, "Constancy and Purity", *Mind* 92, no. 368 (October 1983), p. 499. He wrote: "Integrity is a complex notion. In one of its senses, it is principled action; in another, it is wholeness. I shall call the first authenticity, and the second constancy. A man shows authenticity if he has made a commitment and acts according to it. But there is more to it, because one is called upon to act authentically only if it is difficult to act in accordance with his commitments. Authenticity is shown only in the face of challenge. If a man acts authentically over a long time, we can say that he has integrity, in one sense of the word. But he may not have it in the other sense, because the commitments he habitually honours may frequently change. A principled man may not be a whole man, he

characteristics of integrity. For him, “[c]orruption is to engage in a pattern only or mainly for the external goods one hopes to gain. Lack of corruption is to maintain a proper balance between seeking external and internal goods.”³⁴ He also distinguished natural purity from reflective purity.

Thus, as a general term, ‘corruption’ can be referred as any behavior or condition which lacks integrity. In this regard, it was correct when OECD defined integrity as follows:³⁵

“Integrity” is used in the public sector to refer to the proper use of funds, resources, assets, and powers, for the official purposes for which they are intended to be used. In this sense the opposite of “integrity” is “corruption”, or “abuse”.

Controlling corruption cannot succeed without building integrity in the longer term. Thus, understanding how to build in an integrity system means understanding how to fight against corruption. In that sense, the ultimate goal of international anti-corruption movement is building a ‘Global Integrity System’.³⁶

may not be all of a piece, for his commitments may be incompatible, or he may punctiliously adhere to one commitment after another. Constancy is to act authentically in accordance with coherent commitments. The second sense of integrity, wholeness, can be ascribed to a man only if his life has a deliberate pattern.”

³⁴ John Kekes, *ibid.*, pp. 516f.

³⁵ Howard Whitton and János Bertók, *Managing Conflict of Interest in the Public Sector: A Toolkit* (Paris: OECD, 2005), p. 7.

³⁶ Geo-Sung Kim, as the coordinator, wrote in the workshop description on “Youth Integrity: Ethical Infrastructure for a Sustainable Future” as follows: “This workshop will show the linkage between corruption and the current problems in youth integrity. Under

2.2 Public and Private

Until the early 1990s, most scholars and institutions defined corruption very narrowly. Academia tried to make a ‘scientific’ definition of corruption to the furthest extent possible.³⁷ However, it was concentrated on public sector corruption, as Joseph S. Nye (1967) defined:³⁸

Corruption is behavior which deviates from the formal duties of behavior which deviates from the formal duties of a public role because of private-regarding

the initiative of Transparency International-Korea (South), some National Chapters of TI conducted pilot surveys of the Youth Integrity Index (YII) to measure the current status of youth integrity in each country. The results of 2008 YII surveys will initially be released during this workshop. Participants of the workshop will share a common understanding about the urgent need to increase integrity amongst youths. It will aim to develop the key building blocks of a global Youth Integrity Promotion Program that will develop sound ethical infrastructure for the youth as a basis of the Global Integrity System. At the end of the workshop, some concrete proposals will be made for common action in each sector of society.” See 13IACC, http://www.13iacc.org/en/IACC_Workshops/Workshop_4.7 (Retrieved May 14, 2009).

³⁷ See two articles in Arnold J. Heidenheimer and Michael Johnston (ed.), *Political Corruption: Concepts and Contexts*: John Gardiner, “defining Corruption” (pp. 25-40) and Colin Leys, “What is the Problem about Corruption?” (pp. 59-73).

³⁸ Joseph S. Nye, “Corruption and Political Development: A Cost-Benefit Analysis” in Arnold J. Heidenheimer and Michael Johnston (ed.), *ibid.*, p. 284; this paper was originally published in *American Political Science Review*, LXI, 2 (June 1967), pp. 417-27.

(personal, close family, private clique) pecuniary or status gains; or violates rules against the exercise of certain types of private-regarding influence.

Most international organisations also adopted narrow definitions of corruption. Heidenheimer categorised this kind of definitions as ‘public-office-centered’.³⁹ Thus, corruption was defined generally as “the abuse of public position to private gain”.⁴⁰ These narrower definitions were widely accepted by most of the social scientists and anti-corruption practitioners. The World Bank defined corruption as “the abuse of public office for private gain.”⁴¹ It was also used by Transparency International in its early years.⁴² In *TI Source Book 2000*, corruption was explained as follows:⁴³

For the purposes of this Source Book, “corruption” involves behavior on the part of officials in the public sector, whether politicians or civil servants, in

³⁹ Arnold J. Heidenheimer (ed.), *ibid.*, pp.7f.

⁴⁰ Peter Eigen, *The Web of Corruption*, p. 13. Similar definitions are found in the following article: Igne Amundsen, “Corruption: Definitions and Concepts” (draft), Chr. Michelsen Institute (Draft, January 17, 2000), p. 5; <http://www.u4.no/document/showdoc.cfm?id=23> (Retrieved May 13, 2009); Vito Tanzi, “Corruption Around the World: Causes, Consequences, Scope, and Cures” in George T. Abed and Sanjeev Gupta (ed.), *Governance, Corruption, and Economic Performance* (Washington, D.C.: IMF, 2002), p. 25.

⁴¹ WB, *Helping Countries Combat Corruption: The Role of World Bank* (Washington DC: WB, 1997), p. 8; Requoted from ADB, *Anticorruption Policy* (Manila: ADB, 1998), p. 9.

⁴² Peter Eigen, *The Web of Corruption*, p. 13.

⁴³ Jeremy Pope, *op. cit.*, p. 2.

which they improperly and unlawfully enrich themselves, or those close to them, by the misuse of the power entrusted to them.

However, many anti-corruption advocates and experts raised the issue of bribe givers and that within the private sector. Early in 1968, Gunnar Myrdal pointed out that corruption has not only the demand side but also the supply side. He wrote:⁴⁴

The term “corruption” will be used in this chapter in its widest sense, to include not only all forms of “improper or selfish exercise of power and influence attached to a public office or to the special position one occupies in public life” but also the activity of the bribers.

There were claims that corruption is not a one-sided bribe-taking. These claims argue that there is a supply side, mostly from the private sector.⁴⁵ In spite of its narrow definition of corruption that underlined the public sector, TI did not exclude the private-to-private corruption. Instead, there were some clues for

⁴⁴ Gunnar Myrdal, “Corruption - Its Causes and Effects” in *Asian Drama : an Inquiry into the Poverty of Nations*, Vol. II (New York: Pantheon, 1968), p. 937; that Chapter was reprinted with a new title of “Corruption as a Hindrance to Modernization in South Asia” in Arnold J. Heidenheimer (ed.), *Political Corruption: Readings in Comparative Analysis*, pp. 229-239 and Arnold J. Heidenheimer and Michael Johnston (ed.), *Political Corruption: Concepts and Contexts*, pp. 265-279.

⁴⁵ Frank Fogl, “The Supply Side of Global Bribery”: in TI and WB, *New Perspectives on Combating Corruption* (Washington DC: TI and WB, 1998), pp.55-64.

the inclusion of private sector in TI's concept of corruption. It wrote in Chapter 16 of *TI Source Book 2000* as follows:⁴⁶

Corruption in the private sector is far from being as clear-cut as public sector corruption. While some countries have laws explicitly criminalizing the acceptance by employees of "secret commissions" or "kick-backs", many do not. Yet it is increasingly recognised that such activities are criminal. The recipients of kick-backs within the private sector, or who exploit their positions to sell their employers' goods at a premium when in short supply, are effectively stealing from their employers. As formerly publicly-owned utilities pass into the private sector, frequently in monopoly or near-monopoly situations, the need for individual countries to ensure that any loopholes in this area are closed, becomes ever more compelling.

In the next stage, the Asian Development Bank (ADB) made a judgment to change these narrow definitions because "they do not give adequate attention to the problem of corruption in the private sector or to the role of private sector in fostering corruption in the public sector."⁴⁷ Thus, ADB included private corruption into the concept of corruption also and modified their definitions as follows:⁴⁸

"Corruption involves behavior on the part of officials in the public and private sectors, in which they improperly and unlawfully enrich themselves and/or

⁴⁶ Jeremy Pope, *op. cit.*, p. 139.

⁴⁷ ADB, *Anticorruption Policy* (Manila: ADB, 1998), p. 8.

⁴⁸ ADB, *ibid.*, p. 9.

those close to them, or induce others to do so, by misusing the position in which they are placed.”

Since then, corruption was more generally defined by TI as “the abuse of entrusted power for private gain”.⁴⁹

This inclusion of the private sector corruption was maintained by the United Nations Convention against Corruption (UNCAC), adopted in 2003. Chapter three of the Convention gives a list of specific offences that “shall be adopted” or “shall be considered adopting” or “may be considered” by the State Parties of the convention.⁵⁰ Among others, bribery in the private sector (Article 21) and embezzlement of property in the private sector (Article 22) were included in the list of ‘shall-consider’ obligations of the state parties. Those articles are as follows:⁵¹

Article 21(Bribery in the private sector)

Each State Party shall consider adopting such legislative and other measures as may be necessary to establish as criminal offences, when committed

⁴⁹ TI, *Global Corruption Report 2001* (Berlin: TI, 2001), p. xv.

⁵⁰ UNDOC, *Legislative Guide for the Implementation of the United Nations Convention against Corruption* (New York: UN, 2006), p.4: “Whenever the phrase “each State Party shall adopt” is used, the reference is to a mandatory provision. Otherwise, the language used in the guide is “shall consider adopting” or “shall endeavour to”, which means that States are urged to consider adopting a certain measure and to make a genuine effort to see whether it would be compatible with their legal system. For entirely optional provisions, the guide employs the term “may adopt”.”

⁵¹ UNODC, *United Nations Convention Against Corruption* (New York: United Nations, 2004), p. 19.

intentionally in the course of economic, financial or commercial activities: (a) The promise, offering or giving, directly or indirectly, of an undue advantage to any person who directs or works, in any capacity, for a private sector entity, for the person himself or herself or for another person, in order that he or she, in breach of his or her duties, act or refrain from acting; (b) The solicitation or acceptance, directly or indirectly, of an undue advantage by any person who directs or works, in any capacity, for a private sector entity, for the person himself or herself or for another person, in order that he or she, in breach of his or her duties, act or refrain from acting.

Article 22 (Embezzlement of property in the private sector)

Each State Party shall consider adopting such legislative and other measures as may be necessary to establish as a criminal offence, when committed intentionally in the course of economic, financial or commercial activities, embezzlement by a person who directs or works, in any capacity, in a private sector entity of any property, private funds or securities or any other thing of value entrusted to him or her by virtue of his or her position.

This addition of private sector in the concept of corruption was similarly adopted by OECD. Thus, OECD introduced that “[o]ne frequently-used definition that covers a broad range of corrupt activities is the “abuse of public or private office for personal gain”⁵² and explained “[t]his definition can be a useful reference for policy development and awareness-raising, as well as for elaborating anti-corruption strategies, action plans and corruption prevention measures.”⁵³

⁵² OECD, *Corruption: A Glossary of International Standards in Criminal Law* (Paris: OECD, 2008), p. 22. This glossary is available also at

<http://www.oecd.org/dataoecd/41/57/41650182.pdf> (Retrieved May 6, 2009).

⁵³ OECD, *ibid.*

However, in many international conventions, the term ‘corruption’ was not defined. OECD glossary on corruption explained:⁵⁴

The OECD, the Council of Europe and the UN Conventions do not define “corruption”. Instead they establish the **offences for a range of corrupt behaviour**. Hence, the OECD Convention establishes the offence of bribery of foreign public officials, while the Council of Europe Convention establishes offences such as trading in influence, and bribing domestic and foreign public officials. In addition to these types of conduct, the mandatory provisions of the UN Convention also include embezzlement, misappropriation or other diversion of property by a public official and obstruction of justice. The conventions therefore define international standards on the criminalisation of corruption by prescribing specific offences, rather than through a generic definition or offence of corruption.

2.3 Direct and Indirect

Another importance of the UNCAC in conceptualizing corruption is the criminalisation of ‘indirect’ forms of corruption. Article 2 (e) of UNCAC reads as follows: “[p]roceeds of crime” shall mean any property derived from or obtained, directly or indirectly, through the commission of an offence. Furthermore, UNCAC mentions “directly or indirectly” eight times more in Chapter three on criminalisation and law enforcement.⁵⁵

⁵⁴ OECD, *ibid.* Bolds were used in the original.

⁵⁵ Two times each in Articles 15, 16, 18, and 21.

This inclusion of 'indirect' forms of corruption influenced the legal framework in some countries. For example, the Anti-Corruption Act of South Korea was amended on July 21, 2005 in accordance with the Convention. This amendment was "[t]o expand the definition of corrupt conduct to cover indirect forms of corruption such as forcing a person to commit corruption or suggesting that he or she do so."⁵⁶ It also reflected the assumption that corruption is not a unilateral practice but rather a bilateral or a multilateral one.

A very traditional 'indirect' form of corruption is the use of 'intermediaries'. A local agent or a representative can be a good source of information. But "[i]ntermediaries may also act as a 'buffer' against demands for bribes: they can make their own decisions whether or not to pay, according to local custom."⁵⁷ But the Foreign Corrupt Practices Act (FCPA) of the United States and OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions also strictly prohibit this kind of

⁵⁶ KICAC, *News Brief* No.8 (Autumn 2005), p. 3; See Geo-Sung Kim, "Country Reports: South Korea" in TI, *Global Corruption Report 2006* (London: Pluto Press, 2006), pp. 246-250; and TI-Korea, "Direction and subjects for anti-corruption legislation" (in Korean, unpublished, TI-Korea, 2005), pp. 35-37. This inclusion of 'indirect' forms of corruption in Korean Anti-Corruption Act was initially suggested by Geo-Sung Kim at TI-Korea's panel discussion on "Direction and subjects for anti-corruption legislation", held on February 14, 2005 in Parliamentary Office Building, Seoul, Korea.

⁵⁷ John Bray, "The use of intermediaries and other 'alternatives' to bribery" in Johann Graf Lambsdorff, Markus Taube, and Matthias Schramm (ed.), *The New Institutional Economics of Corruption* (Abingdon: Routledge, 2005), p. 112.

indirect form of corruption. For example, due diligence procedure is required to avoid any violation of FCPA.

Of course, there are other detours.⁵⁸ As an example, one can imagine more broadly how such an ‘indirect’ form of corruption can occur in the electronic procurement system. Electronic procurement system was accepted as a very effective tool for promoting transparency. That is why Multilateral Development Banks have supported some governments of their member countries for adopting the electronic government procurement system. Those banks explain the electronic government procurement solutions as follows:⁵⁹

Electronic Government Procurement (e-GP) solutions have been proven to produce transparency and significant savings for those countries able to implement them successfully.

e-GP is a very effective tool in the fight against corruption, the promotion of integration and the stimulation of greater productivity not only at government level, but also in small and medium enterprises.

At the beginning of 2003, an e-GP working group was created under the Multilateral Development Banks (MDBs) Procurement Harmonization Process. Since then, the Asian Development Bank, the Inter-American Development Bank, and the World Bank have achieved a very high degree of harmonisation in their approach to providing technical advice and support to their member countries in developing their e-GP strategies and solutions.

⁵⁸ John Bray, *ibid.*, pp. 129ff.

⁵⁹ <http://www.mdb-egp.org/index.aspx?PageId=home&Language=EN> (Retrieved April 29, 2009).

However, a serious corruption case can also ‘indirectly’ occur in such kind of electronic procurement system. One hypothetical case is below.⁶⁰

Government (A) decided to adopt the system. And it made a system development contract with a company (B). High ranking public officer (minister or higher) asked to provide a hacking tool for making real-time monitoring possible. And company (B) developed it and provided it to the officer for not-making any trouble with the government (A). Then, electronic procurement system becomes a useless tool. Transparency of the system is only for the officer (and his gangster). He can monitor everything in the system, and then can handle the bidding process. All tenders are in his hands. If he wants, he can give awards to the bidder he points. Company (B) did not give any bribe to the officer. But the officer can make a huge amount of money through the hacking software.

In this hypothetical case, the damage from this kind of indirect corruption will be bigger than any direct bribery for a specific procurement of good or service. Through this indirect corruption, electronic procurement system will become nothing more than just a money-making tool and a window dressing.

Similar cases can occur in the development of ‘security software’. If a company gives the solution to pass over firewall to any government agency or public officer, it can be systemically used for fraud and human rights violation, among others. That is why management of any ‘indirect’ forms of improper activities should be underlined and controlled together with its direct forms.

⁶⁰ This hypothetical case was introduced by the writer in his presentation on “The Role of Civil Society in the Fight Against Corruption” at the 8th Regional Seminar of ADB/OECD, held in Macao SAR, P. R. China on March 25-26, 2009 under the theme “Good Practices in Corruption Prevention”.

Thus, ADB is currently using a more developed concept of corruption.⁶¹

“Corrupt, fraudulent, collusive, and coercive practices comprise corruption, which involves behavior on the part of officials in the public and private sectors, in which they improperly and/or unlawfully enrich themselves and/or those close to them, or induce others to do so, by misusing the position in which they are placed. Corruption also encompasses the behavior of entities facilitating corrupt, fraudulent, collusive, or coercive practices, including any government employee (including employees of state-owned enterprises and subvented agencies); any employee of an individual, firm, or organization; and any principal, partner, shareholder, director, or officer of any such firm or organization, as well as agents operating on their behalf.”

Now, many countries are applying ‘ethics legislation’. It means that they have decided “to rely on the law to enforce rectitude, rather than self-regulation”⁶². The border line between law and ethics does not exist as a clear fixed form. Through ‘ethics legislation’, elected or appointed officials get more detailed duties and obligations, as Tim Lankester pointed out.⁶³

There is no single fixed concept of corruption or any agreement on the elements of the offences. Also, development of the concept is still in progress.

⁶¹ ADB, “Operation Manual: Bank Policies” (OM Section C5/BP, Issued on December 19, 2008); See <http://www.adb.org/Documents/Manuals/Operations/OMC5.pdf> (Retrieved April 12, 2009). Its older version is found at ADB, *Anticorruption Policy* (Manila, ADB, 1998), p. 10.

⁶² Tim Lankester, “Conflict of interest: A historical and comparative perspective” in ADB/OECD, *Managing Conflict of Interest: Frameworks, Tools, and Instruments for Preventing, Detecting, and Managing Conflict of Interest* (Manila: ADB, 2008), p. 25.

⁶³ ADB/OECD, *ibid.*

Box 3. An Illustrative List of Corrupt Behaviors

- The design or selection of uneconomical projects because of opportunities for financial kickbacks and political patronage.
- Procurement fraud, including collusion, overcharging, or the selection of contractors, suppliers, and consultants on criteria other than the lowest evaluated substantially responsive bidder.
- Illicit payments of "speed money" to government officials to facilitate the timely delivery of goods and services to which the public is rightfully entitled, such as permits and licenses.
- Illicit payments to government officials to facilitate access to goods, services, and/or information to which the public is not entitled, or to deny the public access to goods and services to which it is legally entitled.
- Illicit payments to prevent the application of rules and regulations in a fair and consistent manner, particularly in areas concerning public safety, law enforcement, or revenue collection.
- Payments to government officials to foster or sustain monopolistic or oligopolistic access to markets in the absence of a compelling economic rationale for such restrictions.
- The misappropriation of confidential information for personal gain, such as using knowledge about public transportation routings to invest in real estate that is likely to appreciate.
- The deliberate disclosure of false or misleading information on the financial status of corporations that would prevent potential investors from accurately valuing their worth, such as the failure to disclose large contingent liabilities or the undervaluing of assets in enterprises slated for privatization.
- The theft or embezzlement of public property and monies.
- The sale of official posts, positions, or promotions; nepotism; or other actions that undermine the creation of a professional, meritocratic civil service.
- Extortion and the abuse of public office, such as using the threat of a tax audit or legal sanctions to extract personal favors.
- Obstruction of justice and interference in the duties of agencies tasked with detecting, investigating, and prosecuting illicit behavior.

(Source: ADB, *Anticorruption*, p. 11.)

Tendencies in international conventions are to not define corruption directly but to present some offences that should be controlled by their parties.

ADB has already made a list of ‘illicit’ behaviors typically referred to as ‘corruption’⁶⁴, as shown in the Box 3.

Consequently, there are diverse areas covered by some important international anti-corruption conventions, as the following Table 2 shows.

OECD adopted the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions in November 1997.⁶⁵ OECD’s major concern in the Convention is controlling bribery in international business transactions. However, OECD, with other actors, is dealing with corruption not narrowly but broadly by exposing the “supply-side”. In its commentaries, OECD explained as follows:⁶⁶

This Convention deals with what, in the law of some countries, is called “active corruption” or “active bribery”, meaning the offence committed by the person who promises or gives the bribe, as contrasted with “passive bribery”, the offence committed by the official who receives the bribe. The Convention does not utilise the term “active bribery” simply to avoid it being misread by the nontechnical reader as implying that the briber has taken the initiative and the recipient is a passive victim. In fact, in a number of situations, the recipient will have induced or pressured the briber and will have been, in that sense, the more active.

⁶⁴ ADB, *Anticorruption*, p. 11.

⁶⁵ OECD, *op.cit.*, p. 12.

⁶⁶ OECD, *Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and Related Documents* <http://www.oecd.org/dataoecd/4/18/38028044.pdf> (Retrieved May 6, 2009), p. 12; The text of the Convention with commentaries and recommendations is available there.

Table 2. Summary of the Conventions

Standard	OECD Convention	Council of Europe Convention	UN Convention
Bribery offences	<ul style="list-style-type: none"> Active bribery of a foreign and international public official (mandatory) 	<ul style="list-style-type: none"> Active and passive bribery of national public officials (mandatory) Active bribery of a foreign and international public official (mandatory) Active and passive bribing judges and officials of international courts (mandatory) Passive bribery of foreign and international public officials (reservation is possible) Active and passive bribery in the private sector (reservation is possible for passive) 	<ul style="list-style-type: none"> Active and passive bribery of national public officials (mandatory) Active bribery of a foreign and international public official (mandatory) Passive bribery of foreign and international public officials (optional) Active and passive bribery in the private sector (optional)
Other corruption-related offences ¹	<ul style="list-style-type: none"> Money laundering with bribery of a foreign public official as a predicate offence where bribery of a domestic official is a predicate offence (mandatory) Accounting offences for the purpose of bribing foreign public officials or of hiding such bribery (mandatory) 	<ul style="list-style-type: none"> Money laundering (mandatory) Accounting offences (reservation is possible) Trading in influence (reservation is possible) 	<ul style="list-style-type: none"> Money laundering (mandatory) Embezzlement, misappropriation or other diversion of property by a public official (mandatory) Obstruction of justice (mandatory) Trading in influence (optional) Abuse of functions (optional) Illicit enrichment, embezzlement of property in the private sector (optional) Concealment (optional)
Responsibility of legal persons	For active bribery of a foreign and international public official criminal, administrative or civil	Criminal offences of active bribery, trading in influence and money laundering committed by legal persons	Criminal, civil or administrative liability of legal persons for the offences established by the Convention
Sanctions	Effective, proportionate and dissuasive criminal penalties, monetary and other sanctions	Effective, proportionate and dissuasive penalties, criminal or non-criminal, including monetary	Sanctions should take into account the gravity of the offence
Other standards			<ul style="list-style-type: none"> Preventive measures in public and private sectors Asset recovery International cooperation
Monitoring	<ul style="list-style-type: none"> Article 12 states that Parties shall cooperate in carrying out a programme of systematic follow-up to monitor and promote full implementation of the Convention. OECD Working Group on Bribery monitors the implementation of the Convention through Phase 1 and Phase 2 peer reviews. The Group is discussing the need to extend the monitoring process beyond its current mandate, which is due to expire at the end of 2007 	Council of Europe's GRECO (Group of States against Corruption) monitors the implementation of the Convention through rounds of peer reviews on selected issues	<ul style="list-style-type: none"> Article 63(e) states that the State Parties shall agree upon activities, procedures and methods of work for reviewing periodically the implementation of the Convention by State Parties. The nature of the review mechanism to be adopted is under discussion.
<p>1. Many Istanbul Action Plan countries have established some of these criminal offences, such as embezzlement, private bribery and abuse of office. One exception is illicit enrichment, i.e. when there is a significant increase in the assets of a public official that he/she cannot reasonably explain in relation to his/her lawful income. Nevertheless, the reviews of these countries did not identify these offences as immediate priorities. This glossary therefore will not deal with these offences, although they could be revisited in the future.</p>			

(Source: OECD, *Corruption: A Glossary of International Standards in Criminal Law*, p. 16.)

Similarly, the United Nations Convention Against Corruption (UNCAC) did not make any direct definition of corruption. In Article 2 (use of terms) of UNCAC, there are items on ‘public official’(a), ‘foreign public official’(b), ‘official of a public international organisation’(c), ‘property’(d), ‘proceeds of crime’(e), ‘freezing’ or ‘seizure’(f), ‘confiscation’(g), ‘predicate offence’(h), and ‘controlled delivery’(i). There is no direct definition of corruption. Instead, Chapter three (criminalization and law enforcement) gives a list of certain offenses that shall be adopted (mandatory) or shall be considered adopting (optional) by state parties through legislative and other measures.⁶⁷

The following are mandatory obligations of criminalization and law enforcement of state parties: ‘bribery of national public officials’ (Article 15), ‘bribery of foreign public officials and officials of public international organisations’(Article 16), ‘embezzlement, misappropriation or other diversion of property by a public official’(Article 17), and ‘laundering of proceeds of crime’(Article 23).

‘Trading in influence’(Article 18), ‘abuse of functions’(Article 19), ‘illicit enrichment’(Article 20), ‘bribery in the private sector’(Article 21), ‘embezzlement of property in the private sector’(Article 22), ‘concealment’(Article 24), and ‘obstruction of justice’(Article 25) are voluntary or optional for the consideration of state parties.

⁶⁷ UNDOC, *Legislative Guide for the Implementation of the United Nations Convention against Corruption*, pp.17-21.

2.4 Illegal or Legal

Another important issue in the concept of corruption is ‘legal’ corruption. Generally, corruption was perceived as an illegal activity in the past. However, this ‘soft’ form of corruption appeared on the agenda in a name of “state capture” by the World Bank (WB).

WB defined corruption narrowly as “the abuse of public power for private gain”.⁶⁸ In spite of this conservative definition, WB did not dismiss the private sector corruption. On the contrary, WB stressed ‘soft’ form of corruption, more than other actors in the anti-corruption field. Thus, it was expressed that corruption is not always illegal but sometimes it can be ‘legal’, too. In *World Bank Policy Research Working Paper* (No. 2444), Hellmann, Jones, and Kaufmann unbundled the concept of corruption, especially in transition economies, and contrasted “state capture with two other types of relationships between firms and the state – *influence* and *administrative corruption*.”⁶⁹ They wrote as follows:⁷⁰

⁶⁸ See Vito Tanzi, “Corruption Around the World: Causes, Consequences, Scope, and Cures” in George T. Abed and Sanjeev Gupta (ed.), *Governance, Corruption, and Economic Performance* (Washington, D.C.: International Monetary Fund, 2002), p. 25.

⁶⁹ Joel S. Hellman, Geraint Jones, and Daniel Kaufmann, “Seize the State, Seize the Day: State Capture, Corruption and Influence in Transition” (September 2000), *World Bank Policy Research Working Paper* No. 2444 (abstract). Available at Social Science Research Network: <http://ssrn.com/abstract=240555>. Italics were used in the original.

⁷⁰ Hellman, Jones, and Kaufmann, *ibid.*, p. 2. Italics were used in the original.

State capture is defined as *shaping the formation of basic rules of the game* (i.e. laws, rules, decrees, and regulations) through *illicit* and non-transparent private payments to public officials. Influence refers to the firm's capacity to have an impact on the formation of the basic rules of the game *without* necessary recourse to *private* payments to public officials (as a result of such factors as firm size, ownership ties to the state and repeated interactions with the state officials), Administrative corruption is defined as private payments to public officials to distort the prescribed *implementation* of official rules and policies.

The term they used in defining state capture was 'illicit', not 'illegal'. By adopting the word 'illicit', they tried to explain that state capture should not always have to be an 'illegal' activity as well as 'influence' that does not 'necessarily' require any private payment to public officials.⁷¹

⁷¹ Kenneth G. Wilson, *The Columbia Guide to Standard American English* (New York: Columbia University Press, 1993), pp. . It explained on "illegal, illegitimate, illicit (adjs.)" as follows (Italics and bolds were used in the original):

These three are synonyms, but there are some useful distinctions among them. *Illegal* means "against the law, unlawful": *It was illegal to possess a weapon of that sort. Illicit* means almost the same thing, "unlawful, prohibited by law, improper," but many of its uses suggest the furtive or clandestine nature of acts so characterized: *The family had been operating an illicit still. Illegitimate* overlaps with the other two in the general sense of "unlawful," but it has other, more specialized meanings as well: "a bastard, born out of wedlock," as in *He was an illegitimate child*, and "contrary to logic," as in *Their conclusions were clearly illegitimate*, or "against the accepted usage of words," as in *She said that **irregardless** was an illegitimate word and so not a word at all.*"

Later, Daniel Kaufmann⁷², the former director of Global Governance at the World Bank Institute, extended the scope of corruption into the soft forms: collusion and state capture. He wrote as follows:⁷³

Specifically, the traditional notion of “abuse of public office for private gain” has often been interpreted in a legal sense to mean committing an illegal act, and, more broadly, placing exclusive focus on the public sector.

However, the reality of corruption is two-fold: first, it most often involves collusion between at least two parties, typically from the public *and* private sectors, for a corrupt act to take place; second, where the rules of the game, laws and institutions have been shaped, at least in part, to benefit certain vested interests, some forms of corruption may be *legal* in some countries.

For instance, soft forms of political funding are legally permitted in some countries, through the creative use of legal loopholes, and may exert enormous influence in shaping institutions and policies benefiting the contributing private interests, and at the expense of the broader public welfare. A similar problem is seen in favoritism in procurement, where, as we mentioned earlier, a transparent and level playing field may be absent, without necessarily involving illegal bribery.

⁷² Daniel Kaufmann led the work on governance at the World Bank Institute until November 2008. Afterwards, he took a new position as a Senior Scholar at the Brookings Institution. Many useful materials are found through his blog: <http://thekaufmannpost.net/> (Retrieved May 6, 2009).

⁷³ Daniel Kaufmann, “Corruption, Governance and Security: Challenges for the Rich Countries and the World” (October 2004). Available at *Social Science Research Network (SSRN)*: http://papers.ssrn.com/sol3/Delivery.cfm/SSRN_ID609897_code163813.pdf?abstractid=605801&mirid=1 (Retrieved May 6, 2009), p. 90; Italics were used in the original.

Kaufmann, thus, suggested “to explore a less traditional definition of corruption, one that accounts more broadly for the undue benefits derived by the private few from their excessive influence in shaping the institutions, policies, laws and regulations of the state to their own ends”.⁷⁴ Furthermore, he supported the idea of “legal forms of corruption”. He continued:⁷⁵

Vested interests that remove public policy from the realm of democratic—i.e. contestable— decision-making should be an important component of this new definition. Undue influence by private vested interests on the state sector may, or may not, involve the exchange of a bribe or related form of illegal corruption. In other words, room is thus provided, in this more neutral definition of corruption, for so-called legal forms of corruption, which can be defined simply as the “privatization of public policy.” Such an alternative definition focuses on the key mediating institution or agent committing the abuse of power, namely the institution of (undue) influence, driven by vested interests. It also provides for neutrality in terms of the legality, or lack thereof, of the corrupt act itself.

Finally, it is neutral as regards the private or public nature of the sector players, implicitly recognizing the important and activist role of those in the private sector as well. In particular, it enables us to scrutinize the role of corporate ethics, in both its legal and illegal corruption dimensions, alongside the often-cited role of public sector ethics.

Similar practices have been occurring in policy-making. Public policies should serve the public in general. However, some corporations or sectors exercise their influences over policymakers, either legally or illegally. If they

⁷⁴ Kaufmann, *ibid.*

⁷⁵ Kaufmann, *ibid.*

are successful in influencing policymakers, public moneys will be used to in their favour, directly or indirectly. However, most of those policies are widely accepted as legal, in spite of its nature being a result of “policy capture”⁷⁶.

Illegal lobbying for policy capture tends to accompany corrupt activities. Legalisation of lobbying is, in that sense, a ‘transparent’ tool to decrease the possibilities of ‘policy capture’ as a form of corruption.

In short, corruption should not be restricted as an activity that is always illegal. It may, or may not, be illegal. In other words, “corruption is not necessarily unlawful.”⁷⁷

2.5 Conflict of Interest

In spite of the ADB’s synthetic definition above, there are more topics to be considered in conceptualizing corruption. Discussion on managing public officers’ ethics raised the issue of ‘conflict of interest’.⁷⁸

⁷⁶ See Murat Kotan, “Rich country policy capture at the UN works out badly for billions in need and a crisis free future: A critical reading of the co-facilitators’ compromise proposal” *Jubilee Nederland* (June 2009):

http://www.jubileenederland.nl/db/upload/documents/Analysis_of_Compromise_text._JubNL.pdf (Retrieved June 30, 2009).

⁷⁷ Seumas Miller, Peter Roberts, and Edward Spience, *Corruption and Anti-Corruption: An Applied Philosophical Approach* (Upper Saddle River: Pearson Education Hall, 2005), p. 2. They provided some concrete cases of corrupt practices which are not unlawful.

The inclusion of conflict of interest was added one of the important developments in understanding corruption during the last couple of decades in addition to the inclusion of the private sector, the indirect form of corruption, and ‘legal’ corruption.

The best way of managing risk is not detection and counterplan afterwards, but mapping risks and prevention in advance. Thus, concerns on ‘corruption risk management’ are increasing in the public and the private sector as well as in civil society. Many public institutions and private companies have developed their code of ethics and code of conduct to prevent corrupt practice or unethical behavior amongst the officers.

One typical feature of the discussion on conflict of interest is the inclusion of avoidance of ‘apparent conflict of interest’ as well as real conflict of interest. Those codes of ethics/conducts are not restricted to providing concrete guidelines to avoid ‘real conflict of interest’. At the same time, they are concerned more about avoidance of any similar ‘appearance’ of the conflicting situation that will also undermine their credibility and reputation.

OECD has also emphasised that any ‘apparent’ conflict of interest should be avoided. It introduced the case of US government’s Executive Order 12674, *Principles of Ethical Conduct for Government Officers and Employees* with its 14 principles. The last, but probably not the least, of them is as follows:⁷⁹

⁷⁸ OECD, “Ethics in Public Service: Current Issues and Practice” (1989); <http://www.oecd.org/dataoecd/59/24/1898992.pdf> (Retrieved May 3, 2009).

⁷⁹ OECD, *ibid.*, p. 55.

Employees shall endeavour to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in this part. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

In accordance with US principles, many ethics codes for public officers incorporated this principle. For example, Code of Conduct for United States Judges (effective July 1, 2009) reads “A judge should avoid impropriety and the appearance of impropriety in all activities” in Canon 2. Commentary to this canon is as follows:⁸⁰

An appearance of impropriety occurs when reasonable minds, with knowledge of all the relevant circumstances disclosed by a reasonable inquiry, would conclude that the judge’s honesty, integrity, impartiality, temperament, or fitness to serve as a judge is impaired. Public confidence in the judiciary is eroded by irresponsible or improper conduct by judges. A judge must avoid all impropriety and appearance of impropriety. This prohibition applies to both professional and personal conduct. A judge must expect to be the subject of constant public scrutiny and accept freely and willingly restrictions that might be viewed as burdensome by the ordinary citizen. Because it is not practicable to list all prohibited acts, the prohibition is necessarily cast in general terms that extend to conduct by judges that is harmful although not specifically mentioned in the Code. Actual improprieties under this standard include violations of law, court rules, or other specific provisions of this Code.

⁸⁰ http://www.uscourts.gov/library/codeOfConduct/Revised_Code_Effective_July-01-09.pdf (Retrieved May 3, 2009).

Another example of the implementation of OECD's policy is found in a toolkit, *Managing Conflicts of Interest*, that was published jointly by the Independent Commission Against Corruption of New South Wales and the Crime and Misconduct Commission of Queensland in Australia. The toolkit describes the term 'apparent conflict of interest' as follows:⁸¹

An apparent conflict of interest exists where it appears that a public official's private interests could improperly influence the performance of their duties – whether or not this is in fact the case.

Thus, this juxtaposition of the real 'impropriety' with 'the appearance of impropriety' in the revised code shows the importance of managing appearance and its inclusion in the ethics code.

However, this topic of conflict of interest should not be underscored just as a matter of mere ethical issue. It is because more serious problems can also arise in the area of conflict of interest. As Tim Lankester pointed out, "political patronage remains more widespread" in the United States "than in most Western democracies"⁸². The problem, here, is that this patronage is 'accepted'⁸³ as an old tradition. He introduced some examples:⁸⁴

⁸¹ The Independent Commission Against Corruption of New South Wales and the Crime and Misconduct Commission of Queensland in Australia, *Managing Conflicts of Interest in the Public Sector: Toolkit* (Sydney and Brisbane: the Independent Commission Against Corruption and the Crime and Misconduct Commission, 2004), p. iii.

⁸² ADB/OECD, *op. cit.*

⁸³ ADB/OECD, *ibid.*

⁸⁴ ADB/OECD, *ibid.*

[...] ambassadors are routinely chosen on the basis of a connection with the President—friendship or financial support for his election. And thousands of other senior officials in the federal government are appointed on the basis of their political affiliation. Furthermore, conflicts of interest are not adequately controlled, especially in the area of public procurement, and public spending more generally.

He added some more examples of private businesses’ “influence on how the rules are formed and implemented”.⁸⁵

Similarly, there are legal forms of favouritism. In some countries, appointment of closely related people to certain public positions is a legally bestowed right of high level officers, including the President. Sometimes, they use the privilege for private concerns that may, or may not be related with any direct or indirect gains from those beneficiaries. Public policies and national strategies can be distorted by the concerns over the benefit of the inner circle of high level officers.

In such cases, it is not only a matter of conflict of interest, but also that of ‘macro’ corruption via *grande* collusion as well as state capture or policy capture. Macro-corruption issue will be explained in the following Chapter four.

At the same time, it should also be noted that counter-policies are prepared at the lower level (mostly local governments and municipalities) to neutralise the national policies. Some officers hesitate to enforce or implement the written law and orders. It is a similar case with some governments’ counter-

⁸⁵ Tim Lankester, *op. cit.*

policies and their hesitation to implement in spite of their participation in international conventions.

Chapter 3. Consequences of Corruption

“Corruption [is] a moral issue, that the fabric of society can be eroded. Young people now have as their role models [the leaders] who have made money as a result of corruption. Corruption destroys the future of society, and we must not ignore these effects. If we take moral, ethics out of our work, we are no better than animals.”

General Olusegun Obasanjo (Former President of Nigeria)⁸⁶

At the Inaugural Conference of Transparency International in May 1993

Consequences of corruption can be summarised as follows: “violence, injustice, and destruction of the integrity of creation.” They are just the opposite of “justice, peace, and integrity of creation”.

Moreover, there is another serious effect of corruption. Any corruption case can be regarded as “the teacher by negative example”⁸⁷. At the same time, it can be accepted as a wrong ‘role model’ by the people, especially by the next

⁸⁶ Deutsche Stiftung für international Entwicklung and Transparency International, *Accountability and Transparency in International Economic Development: the Launching of Transparency International* (Berlin: Zentralstelle für Wirtschafts- und Sozialentwicklung, 1994), p. 22.

⁸⁷ Zedong Mao, ed. by Michael Y. M. Kau and John K. Leung, *The Writings of Mao Zedong, 1949-1976* (Armonk, N.Y.: M.E.Sharpe, 1986), Vol. II (January 1956-December 1957), p. 133.

generation. Thus, this effect of becoming role model should be mentioned as an additional but critical evil influence of corruption, as General Olusegun Obasanjo, Former President of Nigeria, pointed out at the inaugural conference of Transparency International in May 1993.⁸⁸

3.1 Corruption and Injustice

As explained in Chapter two, there are many forms of corruption: direct and indirect, public and private, direct and indirect, and illegal and legal. There are also some more differentiations between ‘grand’ (*grande*) and ‘petty’ (*petite*) corruption; systemic and individual corruption; and syndicated and nonsyndicated corruption.⁸⁹

What is ‘grand’ corruption? The Corruption Glossary, published by U4 Anti-Corruption Resource Centre, explained grand corruption as follows:⁹⁰

High level or “grand” corruption takes place at the policy formulation end of politics. It refers not so much to the amount of money involved as to the level at which it occurs - where policies and rules may be unjustly influenced. The kinds of transactions that attract grand corruption are usually large in scale - and therefore involve more money than bureaucratic or “petty” corruption. Grand corruption is sometimes used synonymously with political corruption.

⁸⁸ Deutsche Stiftung für international Entwicklung and Transparency International, *op.cit.*

⁸⁹ ADB, *Anticorruption Policy*, pp. 10f.

⁹⁰ The U4 Anti-Corruption Resource Centre, <http://www.u4.no/document/glossary.cfm> (retrieved May 23, 2009).

Most of those grand corruption cases are connected with high level officers, politicians, and the ruling power. They can be found in huge projects of arms trade, construction, extractive industry, or public procurement, among others. For example, the amount of bribery between BAE Systems, the arms company of the United Kingdom, and the Prince of Saudi Arabia was assumed to exceed 1 billion UK pounds, or roughly 1.5 billion US dollars. *The Guardian* reported as follows:⁹¹

The arms company BAE secretly paid Prince Bandar of Saudi Arabia more than £1bn in connection with Britain's biggest ever weapons contract, it is alleged today.

A series of payments from the British firm was allegedly channelled through a US bank in Washington to an account controlled by one of the most colourful members of the Saudi ruling clan, who spent 20 years as their ambassador in the US.

It is claimed that payments of £30m were paid to Prince Bandar every quarter for at least 10 years.

It is alleged by insider legal sources that the money was paid to Prince Bandar with the knowledge and authorisation of Ministry of Defence officials under the Blair government and its predecessors. For more than 20 years, ministers have claimed they knew nothing of secret commissions, which were outlawed by Britain in 2002.

⁹¹ *The Guardian*, June 7, 2007 <http://www.guardian.co.uk/world/2007/jun/07/bae1> (Retrieved April 17, 2009). The journalist of this report, David Leigh, is one of the two winners of Transparency International's 2008 International Integrity Awards. See http://www.transparency.org/news_room/latest_news/press_releases/2009/2009_02_13_integrity_awards_2008 (Retrieved April 17, 2009).

An inquiry by the Serious Fraud Office (SFO) into the transactions behind the £43bn Al-Yamamah arms deal, which was signed in 1985, is understood to have uncovered details of the payments to Prince Bandar.

But the investigation was halted last December by the SFO after a review by the attorney general, Lord Goldsmith.

He said it was in Britain's national interest to halt the investigation, and that there was little prospect of achieving convictions.

Tony Blair said he took "full responsibility" for the decision.

However, according to those familiar with the discussions at the time, Lord Goldsmith had warned colleagues that British "government complicity" was in danger of being revealed unless the SFO's corruption inquiries were stopped.

The abandonment of the investigation provoked an outcry from anti-corruption campaigners, and led to the world's official bribery watchdog, the OECD, launching its own investigation.

The fresh allegations may also cause BAE problems in America, where corrupt payments to foreign politicians have been outlawed since 1977.

The allegations of payments to Prince Bandar [are] bound to ignite fresh controversy over the original deal and the aborted SFO investigation. [...]

The amount of 1.5 billion US dollars is equivalent to nearly the whole amount of half a 'century' contributions to the WCC.⁹² If this amount could be used directly to help the poorest people in vulnerable areas, it would be great news. However, it was paid to a prince who was already a member of one of the richest families⁹³ in the world.

⁹² "Contributions to the WCC, including membership, totalled CHF 37.1 million in 2006 (83% of total income), while the remainder CHF 7.5 million was generated from rental income, book sales and investments.": See <http://www.oikoumene.org/en/who-are-we/background/frequently-asked-questions.html> (Retrieved April 29, 2009).

⁹³ http://en.wikipedia.org/wiki/List_of_billionaires (Retrieved May 18, 2009).

There are also ‘petty’ types of corruption. ‘Petty’ corruption “involves low level officials, the provision of routine services and goods, and small sums of money”⁹⁴. According to the corruption glossary of the U4 Anti-Corruption Resource Centre, it was explained as follows:⁹⁵

“Petty” corruption (also called administrative or bureaucratic corruption) is the everyday corruption that takes place where bureaucrats meet the public directly. Petty corruption is also described as “survival” corruption (“corruption of need”): a form of corruption which is pursued by junior or mid-level agents who may be grossly underpaid and who depend on relatively small but illegal rents to feed and house their families and pay for their children’s education.

Also, petty corruption is often called ‘facilitation payments’⁹⁶. The current Foreign Corrupt Practices Act of the United States (FCPA, November 10, 1998) § 78dd-2 (Prohibited foreign trade practices by domestic concerns) includes: “(b) Exception for routine governmental action. Subsection (a) and (i) of this section shall not apply to any facilitating or expediting payment to a foreign official, political party, or party official the purpose of which is to expedite or to secure

⁹⁴ ADB, *Anticorruption Policy*, p. 10.

⁹⁵ The U4 Anti-Corruption Resource Centre, <http://www.u4.no/document/glossary.cfm> (retrieved May 23, 2009).

⁹⁶ “Such small payments, made usually for facilitating services provided by public officials mostly in developing nations, are called ‘facilitation payments’...”: See Toru Umeda, “The Permissibility of Facilitation Payments ”, presented at the Fourth World Congress of the International Society of Business, Economics, and Ethics (ISBEE), held on July 15-18, 2008 in Cape Town, South Africa.

http://www.isbee.org/index.php?option=com_docman&task=doc_download&gid=215&Itemid=39 (Retrieved May 18, 2009).

the performance of a routine governmental action by a foreign official, political party, or party official.”⁹⁷ OECD convention also has a ‘generous’ position on this, as follows:⁹⁸

9. Small “facilitation” payments do not constitute payments made “to obtain or retain business or other improper advantage” within the meaning of paragraph 1 and, accordingly, are also not an offence. Such payments, which, in some countries, are made to induce public officials to perform their functions, such as issuing licenses or permits, are generally illegal in the foreign country concerned. Other countries can and should address this corrosive phenomenon by such means as support for programmes of good governance. However, criminalisation by other countries does not seem a practical or effective complementary action.

This kind of allowances of ‘petty’ corruption in the name of ‘facilitation’ payments, which is also called ‘grease’ payments by the FCPA or OECD convention, is under the criticism of civil society organisations. For example, the U4 Anti-Corruption Resource Centre mentions that one of the main weaknesses of the OECD Convention is that “[it e]xcludes coverage of

⁹⁷ <http://www.usdoj.gov/criminal/fraud/fcpa/history/1998/amends/s23751.html> (Retrieved May 18, 2009).

⁹⁸ http://www.oecd.org/document/1/0,3343,en_2649_34859_2048129_1_1_1_1,00.html (Retrieved May 18, 2009).

facilitation payments (also known as “grease” payments).⁹⁹ And the Centre correctly points as follows:¹⁰⁰

Although petty corruption usually involves much smaller sums than those that change hands in acts of “grand” or political corruption, the amounts are not “petty” for the individuals adversely affected. Petty corruption disproportionately hurts the poorest members of society, who may experience requests for bribes regularly in their encounters with public administration and services like hospitals, schools, local licensing authorities, police, taxing authorities and so on.

Justice is not an abstract term. It should be concrete. Justice is incompatible with corruption. Corruption always accompanies injustice. In that sense, anti-corruption is one path to incarnation of justice.

3.2 Corruption and Violence

At the 24th General Assembly of World Alliance of Reformed Churches (WARC), held on July 30 – August 12, 2004 in Accra, Ghana, Rev. Robert H. Jordan, Executive Committee member from Argentina (Reformed Churches in

⁹⁹ The U4 Anti-Corruption Resource Centre,

<http://www.u4.no/themes/conventions/oecdconvention.cfm> (Retrieved May 23, 2009).

¹⁰⁰ The U4 Anti-Corruption Resource Centre, <http://www.u4.no/document/glossary.cfm> (retrieved May 23, 2009).

Argentina) spoke on “From bullets to bread”.¹⁰¹ He pointed out that “the force of bullets upheld this life-destroying economic project”.¹⁰² In his understanding, the corruptors “[t]hose who agreed to loans knowing the money was not going to be used as indicated” and the corrupted “those who misused it” should take co-responsibility on the violence during the military dictatorship period as well as on the foreign debt itself.¹⁰³ In other words, corrupt system was sustained by the force of bullets.

Extractive industry can be mentioned as another corruption-prone area, especially grand corruption. The Extractive Industries Transparency Initiative (EITI) pointed out that “3.5 billion people live in countries rich in oil, gas and minerals. With good governance the exploitation of these resources can generate large revenues to foster growth and reduce poverty. However when governance is weak, it may result in poverty, corruption, and conflict”.¹⁰⁴ Thus EITI “aims to strengthen governance by improving transparency and accountability in the extractives sector” and sets a global standard for companies to publish what they pay and for governments to disclose what they receive.¹⁰⁵

¹⁰¹ WARC, *Accra 2004: Proceedings of the 24th General Council of the World Alliance of Reformed Churches* (Geneva: WARC, 2005), p. 23. The text of his speech is in Appendix 23 to the Proceedings: pp. 235-340.

¹⁰² WARC, *ibid.*, p. 236.

¹⁰³ WARC, *ibid.*

¹⁰⁴ EITI, <http://eititransparency.org/eiti/summary> (Retrieved May 22, 2009).

¹⁰⁵ EITI, *ibid.*

In his article, Michael Ross pointed out that “the likelihood of civil war in countries that produce oil, gas, and diamonds rose sharply from the early 1970s to the late 1990s; so did the number of rebel groups that sold contraband to raise money”.¹⁰⁶ He presented some new measures and new tests to prove the relationship between natural resources and civil wars.¹⁰⁷

Similar finding was already filmed into the movie *Blood Diamond* (2006), directed by Edward Zwick.¹⁰⁸ Thus, as far as there is no good governance in the management of resources, that resource is not a blessing but a curse.¹⁰⁹

Furthermore, civil war situation may lead “to more corruption, which affected the socio-economic, political, religious and psychological fibers”.¹¹⁰ There are evidences that show corruption breaks peace. Corruption and violence cannot be easily separated.

¹⁰⁶ Michael Ross, “A Closer Look at Oil, Diamonds, and Civil War” *Annual Review of Political Science* (June 2006), Vol. 9 Issue 1, pp. 265-300:
<http://www.sscnet.ucla.edu/polisci/faculty/ross/A%20Closer%20Look%20page%20proofs.pdf> (Retrieved May 22, 2009).

¹⁰⁷ Michael Ross, *ibid.*

¹⁰⁸ <http://blooddiamondmovie.warnerbros.com/> (Retrieved May 22, 2009).

¹⁰⁹ TI, *Promoting Revenue Transparency: 2008 Report on Revenue Transparency of Oil and Gas Companies* (Berlin: TI, 2008), p. 5: Resource curse “[r]efers to the situation in certain countries where the great wealth generated by extractive industries has often undermined economic growth and social development rather than support it.”

¹¹⁰ David Tocun-Dolo Flomo, “The Precipitation of Corruption in Civil War Situation – the Liberian Experience”, an Eessay for the Student’s Forum at the 10th IACC.
<http://www.10iacc.org/content.phtml?documents=300&art=15> (Retrieved May 22, 2009).

3.3 Corruption and Destruction of Creation

Corruption is one of the core causes of destruction of creation. It harms the sustainability of the globe.

No single life can be sustained without water. In spite of its indispensable and irreplaceable character, the water crisis is becoming more serious in the world. UNDP's *Human Development Report 2006* issued a warning about the global crisis in water and sanitation. It reported that the crisis "is – above all – a crisis for the poor."¹¹¹ Transparency International's *Global Corruption Report* (GCR) 2008 summarised the crisis as follows.¹¹²

Water is vital and has no substitutes. Yet a water crisis that involves corruption engulfs many regions of the world. Nearly 1.2 billion people in the world do not have guaranteed access to water and more than 2.6 billion are without adequate sanitation, with devastating consequences for development and poverty reduction. In the coming decades the competition for water is expected to become more intense. Due to overuse and pollution, water-based ecosystems are considered the world's most degraded natural resource. Water scarcity already affects local regions on every

¹¹¹ "Almost two in three people lacking access to clean water survive on less than \$2 a day, with one in three living on less than \$1 a day. More than 660 million people without sanitation live on less than \$2 a day, and more than 385 million on less than \$1 a day.": UNDP, *Human Development 2006 Beyond scarcity: Power, poverty and the global water crisis* (New York: UNDP, 2006), p. 3.

¹¹² TI, *Global Corruption Report 2008* (Cambridge: Cambridge University Press, 2008), p. xxiii. It can be downloaded at http://www.transparency.org/publications/gcr/gcr_2008 (Retrieved May 22, 2009).

continent, and by 2025 more than 3 billion people could be living in water-stressed countries.

What are the causes of this crisis? Wangari Maathai, the 2004 Nobel Peace Prize Laureate and founder of the Green Belt Movement, wrote in the foreword to the GCR 2008 as follows:¹¹³

Managing water wisely is as paramount to our common future as it is difficult to achieve. Different visions, values and interests compete for shaping water governance. But one fact is clear: the global water crisis that destroys sources of water and waterways, and leaves a large portion of the world without access to safe drinking water, that destroys lives and livelihoods all over the world and that continues to create ecological disasters at an epic and escalating scale is a crisis of our own doing.

It is a crisis of governance: man-made, with ignorance, greed and corruption at its core. But the worst of them all is corruption.

Corruption means power unbound. It gives the powerful the means to work against and around rules that communities set themselves. This makes corruption in water particularly pernicious. It allows the powerful to break the rules that preserve habitats and ecosystems, to plunder and pollute the water sources that entire world regions depend upon and to steal the money that is meant to get water to the poor. Corruption shuts smallholders out of irrigation systems, displaces communities with impunity during dam construction, disrespects carefully crafted arrangements for water-sharing across borders, and permits the poor and ignorant to carry out activities that undermine the environment and their livelihoods, all with grave consequences for environmental sustainability, social cohesion and political stability. Perhaps most destructive of all, the force of corruption threatens to create a situation in which the rules continue to be gamed in favour of the powerful and efforts for reform are thwarted.

¹¹³ Wangari Maathai, “Water in the community: why integrity matters” in TI, *ibid.*, p. xix.

Tackling corruption in water is therefore a prerequisite for tackling the global water crisis. With the stakes so high, Transparency International's Global Corruption Report 2008 could not come at a better moment. The report helps us to better understand the many different forms that corruption takes and it describes in detail the effects it has wrought. But, most importantly, it does not end on a gloomy note; it also describes some very practical initiatives that can be taken to combat corruption in water.

She did clearly witness that this water crisis "is a crisis of governance: man-made, with ignorance, greed and corruption at its core", but "the worst of them all is corruption".

Clean water, as a public good and human right, should be accessible to everyone, "equitably and without discrimination". However, there are so many concrete cases of corruption in the water sector around the world.

3.4 Corruption vs. the Millennium Development Goals

Corruption distorts just distribution of wealth. It wrests the portion of the wealth allotted to some people, especially the poor and the weak.

It has already been issued that in the tsunami relief operation, good governance and anti-corruption were essential for the successful support of the

real victims.¹¹⁴ The proceedings of the Jakarta Expert Meeting on Curbing Corruption In Tsunami Relief Operations wrote as follows:¹¹⁵

Corruption in the delivery of aid undermines the very spirit of humanitarian action: to “do no harm.” Relief supplies—including food, water, medicines, and shelter—can, as a result of corruption, be diverted away from affected communities or distributed inequitably. This, in turn, can have fatal consequences for many individuals and can force desperate households to engage in other, often illegal, means to survive. The longer period of reconstruction required after major disasters is particularly prone to corruption due to a tendency to bypass standard procedures to ensure rapid rebuilding. Improper planning or contracting processes that favor particular interest groups can, for example, result in substandard or inappropriately located roads and housing, or lead to commercial interests’ acquiring land at the expense of former owners who are “relocated.” Such outcomes ignore the needs of survivors, often further marginalizing those from the poorest sections of society. Preventing opportunities for corruption in relief and reconstruction efforts is therefore key to ensuring effective and equitable assistance to those in greatest need.

If corruption distorts the relief efforts, it turns those tsunami victims into corruption victims, again.

This view can be applied to the other areas of action to achieve the Millennium Development Goals (MDGs), as shown in the following Box 4.¹¹⁶

¹¹⁴ ADB, OECD, and TI, *Curbing Corruption In Tsunami Relief Operations* (Manila: ADB, 2005).

¹¹⁵ ADB, OECD, and TI, *ibid.*, pp. 7f.

¹¹⁶ UN, *The Millennium Development Goals Report 2008* (New York: UN, 2008); UN, *Millennium Development Goal 8 Delivering on the Global Partnership for Achieving the Millennium Development Goals: MDG Gap Task Force Report 2008* (New York: UN,

Box 4. Millennium Development Goals

- Goal 1: Eradicate extreme poverty and hunger
- Goal 2: Achieve universal primary education
- Goal 3: Promote gender equality and empower women
- Goal 4: Reduce child mortality
- Goal 5: Improve maternal health
- Goal 6: Combat HIV/AIDS, malaria and other diseases
- Goal 7: Ensure environmental sustainability
- Goal 8: Develop a Global Partnership for Development

It is right when Ban Ki-moon, UN Secretary-General, emphasises in the foreword of *MDGs Report 2008* that MDGs “are not only development objectives; they encompass universally accepted human values and rights such as freedom from hunger, the right to basic education, the right to health and a responsibility to future generations”.¹¹⁷ After the introduction on the progress made in the past period, he explained the difficulties and threats:¹¹⁸

We face a global economic slowdown and a food security crisis, both of uncertain magnitude and duration. Global warming has become more apparent. These developments will directly affect our efforts to reduce poverty; the economic slowdown will diminish the incomes of the poor; the food crisis will raise the

2008); <http://www.un.org/millenniumgoals/>; and <http://www.undp.org/mdg/basics.shtml> (Retrieved May 22, 2009).

¹¹⁷ UN, *The Millennium Development Goals Report 2008*, p. 3.

¹¹⁸ UN, *ibid.*

number of hungry people in the world and push millions more into poverty; climate change will have a disproportionate impact on the poor.

[...]

The current troubled climate poses a risk that some advances in reducing poverty may unravel. There could also be setbacks with regard to other MDGs.

What are the reasons for those three difficulties? In the foreword, there is no mention about the seriousness of corruption, fraud, poor governance, or lack of accountability. However, those threefold difficulties were derived from the same root, the lack of accountability. As mentioned in the following Chapter, macro corruption lies as the root cause of the economic slowdown. In more direct words, those three difficulties are resulting from the failure of building a ‘sustainable global integrity system’.

In the current situation of high level of corruption and bad governance, MDGs are not easily achievable, in spite of the critiques that MDGs are only ‘minimum’¹¹⁹ development goals.

In some countries, teachers are asking extra money from their students. Without giving bribe to their teacher, most of those students cannot learn in class or get good scores in spite of good performance. In one country, the amount of ‘daily bribe’ varied from three cents in rural area to ten cents in cities (in US currency). Furthermore, teachers sell candies or cookies to their students, as a tool of ‘extra’ bribe. Some parents who cannot afford to pay these are not

¹¹⁹ http://www.socialwatch.org/en/press/2006/docs/3_Development_Goals.doc (Retrieved May 22, 2009).

able to send their kids into school, in spite of the constitutional right to education.

However, it is difficult to blame only those teachers, because their monthly payments are less than one hundred US dollars. Without that kind of ‘daily bribe’ or extra income, they cannot afford ‘daily bread’, needed for their family members’ survival.¹²⁰

Health issues are also closely related with corruption. The Pan-African Lutheran Church leadership consultation in response to the HIV/AIDS pandemic exposed that fighting corruption and accountability of governments are essential factors to overcome injustice, including poverty and HIV/AIDS. Thus, one of their commitments reads:¹²¹

We commit ourselves to fight corruption and we will hold our governments accountable for just distribution of resources, both nationally and globally, as ongoing injustice contributes to increased poverty and further spread of HIV/AIDS.

¹²⁰ This story was informed to the writer by a Christian missionary who is working for local people of that country in South Asia region in January 2005. Similar stories are also found on the web. <http://www.irinnews.org/report.aspx?ReportId=81825> (Retrieved May 22, 2009); and “Ethics and corruption in education”, <http://www.iiep.unesco.org/research/highlights/ethics-corruption/in-the-news/asia-and-the-pacific.html> (Retrieved May 22, 2009).

¹²¹ <http://www.oikoumene.org/en/resources/documents/wcc-programmes/justice-diakonia-and-responsibility-for-creation/ehaia/declarations-and-policy-statements-on-hiv-aids-by-churches-and-faith-based-organisations-2001-2005/african-lutherans.html> (Retrieved May 17, 2009).

Corruption in the health sector is not just a phenomenon in the Third world countries. It is also found in the developed countries, in addition to other sectors. A study by Transparency International – Germany shows the need for control and prevention of corruption and fraud in German health institutions.¹²²

Both fighting corruption and promoting integrity are essential to overcome poverty, to achieve universal primary education, to reduce child mortality, to improve maternal health, to combat HIV/AIDS, malaria and other diseases, and to ensure environmental sustainability.

Furthermore, global partnership for development should consider integrity, accountability, and anti-corruption issue as a kind of ‘quality control’ for all of its efforts.

There was a civil society organisations meeting with then Prime Minister of Japan, Yasuo Fukuda, on June 18, 2008 in his residence in Tokyo to prepare for the G8 Summit.¹²³ At the meeting, the writer expressed this same concern to him as follows:

Please let me request your strong leadership in Group of Eight Summit to emphasize that anti-corruption measures are tools for quality control of poverty reduction, peace, human rights, fighting climate change and environmental degradation.

¹²² Transparency Deutschland, *Transparenzmängel, Korruption und Betrug im deutschen Gesundheitswesen: Kontrolle und Prävention als gesellschaftliche Aufgabe* (Berlin: Transparency Deutschland, 2004).

¹²³ http://www.transparency.org/news_room/in_focus/2008/g8 (Retrieved June 29, 2009).

Ahead of the UN General Assembly's high-level summit on the economic crisis on June 24-26, 2009, UN Millennium Campaign said through a press release on June 23, 2009, that finding money for aid is a matter of political will - not lack of resources - and calls on donors to finally meet their aid commitments. It introduced that "since the inception of aid (overseas development assistance) almost 50 years ago, donor countries have given some \$2 trillion in aid. And yet over the past year, \$18 trillion has been used globally to bail out banks and other financial institutions. The amount of total aid over the past 49 years represents just eleven percent of the money used to bail out the financial institutions in just one year."¹²⁴ From this release, not only the amount but also the structure of the financial sector should be kept in mind.

¹²⁴http://www.endpoverty2015.org/files/062309%20Financial%20Crisis%20Press%20Release_0.pdf (Retrieved June 26, 2009).

Chapter 4. An Ethical Interpretation of Corruption

Some who seek to escape from taking a stand publicly find a place of refuge in a private virtuousness. Such a man does not steal. He does not commit murder. He does not commit adultery. Within the limits of his powers he does good. But in his voluntary renunciation of publicity he knows how to remain punctiliously within the permitted bounds which preserve him from involvement in conflict. He must be blind and deaf to the wrongs which surround him. It is only at the price of an act of self-deception that can safeguard his private blamelessness against contamination through responsible action in the world. Whatever he may do, that which he omits to do will give him no peace. Either this disquiet will destroy him or he will become the most hypocritical of Pharisees.

Dietrich Bonhoeffer¹²⁵

4.1 Macro Corruption

In the 1990s, most of the experts and scholars from the First world had some kind of presupposition in their mind that corruption is a kind of disorder brought on by some corrupt individuals within the institution. They paid their attention primarily on weakness of the structure. Thus, they developed some tools to prevent corruption and recommended institutional reform.

¹²⁵ Dietrich Bonhoeffer, *Ethics* (New York: Macmillan, 1964), p. 6.

However, the terminology of corruption is no longer restricted to just illegal activities that happen in public domain. Besides the mandatory bribery offences, the United Nations Convention Against Corruption (UNCAC) suggested including some corruption related offences as optional requirements of the state parties: ‘trading in influence’ (Article 18), ‘abuse of functions’ (Article 19), ‘illicit enrichment’ (Article 20), ‘bribery in the private sector’ (Article 21), ‘embezzlement of property in the private sector’ (Article 22), concealment (Article 24), and ‘obstruction of justice’ (Article 25). If both mandatory and optional requirements of UNCAC are accepted, the range of corruption will be defined more broadly. The old microscopic view of corruption can no longer be sustained as an effective path in understanding and controlling corruption. Instead, ethical interpretation should be applied to realise the macro forms of corruption problems as well as already well-described micro forms.

The term ‘macro corruption’, thus, can be applied to describe “the abuse of power for private gain against universal moral or ethical norms, taken by macro-system of social structure and national or international order”. It is a fraudulent activity of system for private gain against social justice and ‘common good’ of all human being whether it is legally provided or customary practiced.

Among others, four kinds of macro form of corruption will be mentioned as examples: ‘state capture’, ‘international debt’, ‘the current international financial tsunami’, and ‘the right of pardon or the privilege of impunity’.

First, ‘state capture’ should be understood as one of the soft forms of corruption. As explained in Chapter two, it makes states (public institutions) come

under the status of captivity of a private few. There are various ways of capturing and maintaining the captivity: by military coup, by 'legal' election¹²⁶, by false claims (advocacy) through irresponsible media, by 'buying and managing' high level public officers and politicians, and by the support from the so-called 'neighbour countries', among others. Anyway, the priority of the service of basic social orders and public institutions will be given to some captors who manipulate the 'public' domain. 'State capture' is obviously one such kind of 'macro' corruption, in spite of its 'legal' appearance. It includes partial state capture in making public policies that is termed as 'policy capture'.

Second, 'odious foreign debt structure' should be revisited as another kind of macro corruption. In the 90's, foreign debt of the Third world countries was one of hottest issues in the international fora. Especially, the debt issue was accepted as one of the most important social agendas of WCC's eighth General Assembly.¹²⁷

Local Christian churches also witnessed that those debts are unjust and connected with corruption. For example, *Tegucigalpa Declaration* (1999), Latin American and Caribbean Jubilee 2000 Platform, analysed the debt situation and

¹²⁶ In many countries, the election results were released as 'legal' and 'valid' in spite of many cases of buying votes, forced votes, and/or other kinds of election frauds.

¹²⁷ WCC, *Together On the Way: Official Report of the Eighth Assembly of the World Council of Churches*, ed. by Diane Cooksey Kessler (Geneva: WCC Publications, 1999), p. 11: "One afternoon as delegates returned to the Great Hall following an afternoon tea break, others stood shoulder to shoulder around the hall and passed a red paper chain through the hugh circle while chanting "Cancel the debt!"

declared under the subtitle of “Yes to Life, No to Debt” on January 27, 1999 as follows:¹²⁸

The foreign debt of the so-called Third World, due to its exorbitant amount and rate of growth, and because of worsening conditions, now excludes four-fifths of the world's population from economic and social development. The debt is a direct reflection of the unjust international economic order, the result of the long history of slavery and exploitation to which our peoples have been subject.

In the mid 1970s, Latin America's foreign debt totalled \$60 billion. By 1980, it was \$204 billion, and by 1990, \$443 billion. It is estimated that the amount will reach nearly \$706 billion in 1999, requiring an annual debt service payment of \$123 billion. In payments to service the foreign debt alone, the region paid out \$739 billion between 1982 and 1996 -- more than the entire accumulated debt.

¹²⁸ WCC, <http://www.oikoumene.org/en/resources/documents/wcc-programmes/public-witness-addressing-power-affirming-peace/poverty-wealth-and-ecology/finance-speculation-debt/27-01-99-tegucigalpa-declaration.html> (Retrieved May 17, 2009). This declaration was adopted by Latin American and Caribbean Jubilee 2000 Coalition including members from Argentina, Bolivia, Brazil, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Peru and Venezuela. The writer underlined for emphasis. Similarly in Argentina, the numbers of foreign debt show the rapid increase during the military dictatorship: “in 1949 foreign debt was zero, in 1976 it increased to 7.875 billion dollars and in 1983 when the dictatorship ended this sum was 45.087 billion dollars. It was a time of massive capital evasion, non-registered importation and paying of interest. In 1990 foreign debt reached 62.233 billion dollars. The foreign debt today has risen to 130 billion dollars, even though over last 25 years more than 200 billion dollars have been repaid.”: Rev. Roberto H. Jordan, “From Bullets To Bread” in WARC, *op. cit.*, p. 235.

In addition, it asserted that under those circumstances, “the foreign debt has been and continues to be unpayable, illegitimate, and immoral”.¹²⁹ It explained the reasons as follows:¹³⁰

The debt is illegitimate because, in large measure, it was contracted by dictatorships, governments not elected by the people, as well as by governments which were formally democratic, but corrupt. Most of the money was not used to benefit the people who are now being required to pay it back.

The debt is also illegitimate because it swelled as a result of interest rates and negotiating conditions imposed by creditor governments and banks, who persistently and outrageously denied debtor countries the right of association, while the creditor groups joined together in veritable creditor syndicates (Club of Paris, Management Committee), backed by the economic coercion of the International Monetary Fund and the World Bank. Their strategy was clear: you negotiate on your own; we negotiate as a bloc.

In addition, it is immoral to pay the debt because in order to do so, the governments of our countries would have to allocate an extremely high percentage of public spending, which mainly affects the delivery of social programmes and the wages of working men and women, generates unemployment and seriously hurts the economy. There is already a huge social deficit in terms of people's health, education and nutrition. Governments today spend 60% less per capita than they did in 1970. Furthermore, attempting to increase exports will only lead to super-exploitation of our natural resources, which will increasingly damage the environmental balance of our countries and threaten the very survival of future generations.

The debt is also used as a justification to maintain neo-liberal policies, including structural adjustment programmes, as institutional mechanisms to perpetuate dependence. Bail-out programmes by creditors, with the support of the International Monetary Fund and the World Bank, including the Highly

¹²⁹ WCC. *ibid.*

¹³⁰ WCC. *ibid.* The writer underlined for emphasis.

Indebted Poor Countries initiative, have only served to ensure the continuity of mechanisms to keep countries deep in debt.

The declaration emphasised that “international and national laws on debt generally fail to meet the objective of ensuring peaceful coexistence”.¹³¹ Those laws were criticised as “legal measures which threaten the paramount objective of the law, work against the public interest, and jeopardise social peace: therefore, they have no legitimate *raison d'être*”.¹³² In that sense, “systemic and quasi-legal corruption” was mentioned in the Declaration as “an integral part of the legal problems involved in foreign debt” along with “the flight of capital” and “tax havens”.¹³³

Similarly, *Lusaka Declaration and Areas of Action* (1999) also emphasised that they will work against “localized symptoms of our debt burden and economic process, including war, corruption and other evils that undermine our development processes”¹³⁴. It pointed out some areas of action including the following:¹³⁵

¹³¹ WCC. *ibid.*

¹³² WCC. *ibid.*

¹³³ WCC. *ibid.*

¹³⁴ WCC, <http://www.oikoumene.org/en/resources/documents/wcc-programmes/public-witness-addressing-power-affirming-peace/poverty-wealth-and-ecology/finance-speculation-debt/29-05-99-lusaka-declaration.html> (Retrieved May 15, 2009). Lusaka Declaration was the outcome of the conference attended by delegates from debt and jubilee 2000 structures from southern, east and west African countries. The writer underlined for emphasis.

¹³⁵ WCC, *ibid.* The writer underlined for emphasis.

As a first priority, additional research on audits of foreign loans (for failed development or structural adjustment projects) will be required, partly to establish coresponsibility of the creditors in very specific ways. This information will help establish how much in reparations we can legitimately demand, and will allow us to approach lenders and donors on a bilateral and multilateral basis. In particular, corrupt political leaders, bureaucrats and businesspeople have engaged in systematic capital flight and corruption, and we call on our allies who monitor offshore financial flows to intensify their studies of how much of Africa's resources have been raided. In turn, we require strategies to force those in the North who have benefitted from African capital flight--including the major international banks--to acknowledge their responsibility to pay reparations to our societies. Examples of previous reparations include Swiss banks in relation to Nazi Germany and the Marcos regime in the Philippines, and land rights reparations for indigenous Canadians and Australians. Led by the South African demand for reparations from banks which funded apartheid, we will intensify our demands for social justice the more we identify how our continent has been systematically exploited.

The Third world debt crisis shows the exact case of macro corruption that is “systemic and cyclical”. Taimoon Stewart wrote as follows:¹³⁶

The current well-managed and efficient teamwork of the creditors is a manifestation of the growing maturity and sophistication of the world system. The collaboration of the core powers ensures that stability is maintained, and has redefined inter-core rivalry to the limited manifestation of minor trade rivalry. This can only mean the more efficient extraction and remittance of resources from debtor economies to the creditors in the current crisis.

¹³⁶ Taimoon Stewart, *The Third World Debt Crisis: A Continuity of Imperialism* (Geneva: South Centre, 2002), p. 28.

Third, ‘the international economic system’ should be reformed to avoid any criticism against it as one of the leading case of ‘macro’ and ‘grand’ corruption. The Third world debt crisis is also a part of this system. Furthermore, in spite of the opposition against so-called ‘neo-liberalism’ and its policies, there are other tools in the hands of dominant international economic power that result in similar crisis. It is important to remember that the current financial crisis was warned by many intellectuals and scholars, because of its immanent fragile structure.

Recently published *Meltdown* explained how greed and corruption shattered the financial system. It introduced many writers’ views on ‘seeds of disaster’ (Part One), ‘alarm bells’ (Part Two) with the descriptions on the crisis itself (Part Three) and the road to recovery (Part Four).¹³⁷ However, the contents do not expose any ‘sudden’ or ‘new’ crisis but only that was already anticipated and warned.

In his book, *The Hidden Connections*, Fritjof Capra’s insights “from the perspective of the new unified understanding of biological and social life”¹³⁸ were applied into the networks of global capitalism. He introduced Manuel Castells’

¹³⁷ Katrina Vanden Heuvel and the Editors of the Nation, *Meltdown: How Greed and Corruption Shattered Our Financial System and How We Can Recover* (New York: Nation Books, 2009).

¹³⁸ Fritjof Capra, *The Hidden Connections: Integrating the Biological, Cognitive, and Social Dimensions of Life into a Science of Sustainability* (New York: Doubleday, 2002), p. 132.

criticism of the new economy as “the global casino”¹³⁹ in which abstract financial products, like “future options”, “hedge funds”, and “derivatives”, are channeling most of what is extracted as profit into the metanetwork of financial flows. In that sense, for Capra, the current form of global capitalism is not only “unstable” economically but also “ecologically and socially unsustainable, and hence not viable in the long run”.¹⁴⁰ It is why he asserted that “we need to design and implement regulatory mechanism to stabilize the new economy”¹⁴¹.

Ravi Batra also predicted in his book, *The New Golden Age: The Coming Revolution Against Political Corruption and Economic Chaos* (2007), that “America would face a credit and banking crisis, housing market crash, a continued increase in oil and gasoline prices in spite of a slowing economy, rising joblessness, record-setting gold prices, falling interest rates with soaring money supply, a sinking dollar, a bloated federal budget deficit, an explosion of consumer and government debt, and, above all, steep stock market losses.”¹⁴²

¹³⁹ Manuel Castells, *The Information Age*, vol. 1, *The Rise of the Network Society* (London: Blackwell, 1996), pp. 434f. Recited from Fritjof Capra, *The Hidden Connections*, p. 137.

¹⁴⁰ Fritjof Capra, *The Hidden Connections*, p. 157.

¹⁴¹ Fritjof Capra, *ibid.*, p. 140.

¹⁴² Raveendra N. Batra, *The New Golden Age: The Coming Revolution Against Political Corruption and Economic Chaos* (New York: Palgrave Macmillan, 2008), pp. 227. Before this addendum of the author, he already mentioned in the hardcover edition (2007) that “A crisis is sure to erupt soon that will force the people to elect only responsible and honest leaders who will steer the nation, along with the world it leads, toward sanity in politics, economics and the general state of affairs” (p. 98) and that “Any kind of corruption is bad; but the corruption of economic policy is perhaps the worst. Such malfeasance occurs when lawmakers not only enrich themselves but also deny just rewards to the

What were the real problems behind the phenomena? He wrote that they are “the official corruption and self-interest of governing bodies and wealthy CEOs.”¹⁴³ Ravi Batra used the term ‘corruption’ mostly in this sense of macro corruption. He criticised also in his new afterword to the 2008 edition of his book that “[t]he vast majority of intellectuals, concerned about their careers and comforts, act to justify the status quo and offer theories that promote the self-interest of the ruling class.”¹⁴⁴ For him, current economic chaos is not a sudden unexpected happening. According to him, it was already foreseen from his other previous forecasts.¹⁴⁵

Similar early warning of the dangers of the current financial tsunami was made by George Mullen, among others. Mullen wrote to *the San Diego Union-Tribune* in 2005 that “World economies, including that of the United States, have been built not only on a house of cards, but on a foundation of beach sand as well.”¹⁴⁶

Paul Krugman, the recipient of the 2008 Nobel Prize in Economics, also criticised some scholars who claimed that “depression-prevention was a solved

downtrodden, that is to those who have little bargaining power and are the weakest sections of society” (p. 99). This warning became reality as correct as his previous three forecasts in his other books: *The Downfall of Capitalism and Communism*, *The Great Depression of 1990*, and *Muslim Civilization and the Crisis in Iran* (pp. 9-11).

¹⁴³ Raveendra N. Batra, *ibid.*, p. 228.

¹⁴⁴ Raveendra N. Batra, *ibid.*, p. 103.

¹⁴⁵ Raveendra N. Batra, *op. cit.*, pp. 9f.; 227ff.

¹⁴⁶ George Mullen, “The coming financial tsunami” *San Diego Union-Tribune*, June 9, 2005: See http://www.signonsandiego.com/uniontrib/20050609/news_1z1e9tsunami.html (Retrieved April 7, 2009).

problem”.¹⁴⁷ Some of those scholars who Paul Krugman criticised include: Robert Lucas (2003), winner of the 1995 Nobel Memorial Prize in Economics, and Ben Bernanke, a former Princeton professor and chairman of the Federal Reserve.¹⁴⁸ Earlier, he warned about the Asian crisis of the 1990s as “a troubling omen for all of us, a warning that the problems of depression economics have not disappeared in the modern world”.¹⁴⁹ He also made warnings about other financial crisis: Latin America’s crises, Japan’s trap, and Asia’s crash.¹⁵⁰ For Krugman, policy perversity which ignored those warnings, including his own, is connected with the current financial crisis.¹⁵¹ As an example of the problems within the international financial system, he mentioned that “[h]edge funds don’t hedge”, and “[w]hat hedge funds do, by contrast, is precisely to try to make the most of market fluctuations”.¹⁵² In his thought, “hedge funds have been left virtually untouched by regulation”.¹⁵³ The current crisis, thus, is understood as showing the sum of all fears.¹⁵⁴ In spite of the absence of stress on the lack of moral and ethical basis in

¹⁴⁷ Paul Krugman, *The Return of Depression and the Crisis of 2008* (New York: W. W. Norton & Company, Inc., 2009), p. 9f.

¹⁴⁸ Paul Krugman, *ibid.*, pp. 9ff.

¹⁴⁹ He wrote that “the first edition of his book (1999) was written in response to the Asian crisis of 1990s”: Paul Krugman, *ibid.*, p. 4.

¹⁵⁰ Paul Krugman, *ibid.*, pp. 30-100.

¹⁵¹ Paul Krugman, *ibid.*, pp. 101-164.

¹⁵² Paul Krugman, *ibid.*, p. 120.

¹⁵³ Paul Krugman, *ibid.*, p. 121.

¹⁵⁴ Paul Krugman, *ibid.*, pp. 165-180.

the financial system, his book clearly pointed out the fragile structure of the financial system.

As mentioned in Chapter three, \$18 trillion has been spent globally to bail out banks and other financial institutions in 2008, which is more than nine times the amount of total aid by donor countries over the past 49 years.¹⁵⁵

What are the lessons from this so-called ‘financial tsunami’¹⁵⁶ in the current global economy? Is it just a financial crisis and no more? Is it possible to prevent such crisis from occurring again by establishing another ‘institution’? The answer is ‘no’. The real fundamental causes of the current economic turmoil should definitely include lack of sound principles in economic activity, bad corporate governance, and fragile ethical infra-structure in the global economy, especially those of the financial sector, in addition to the failure of proper regulation of the financial sector.

In that sense, the current financial crisis is not only an economic crisis but also a moral, ethical, philosophical and even a theological crisis. Lack of integrity and a fragile base of moral values in the financial sector should be mentioned as the root cause of this crisis, so-called ‘financial’ crisis. In other words, this financial crisis shows one typical case of macro corruption, based on ‘moral

¹⁵⁵ http://www.endpoverty2015.org/files/062309%20Financial%20Crisis%20Press%20Release_0.pdf (Retrieved June 26, 2009).

¹⁵⁶ See RF. William Engdahl, “The Financial Tsunami: Sub-Prime Mortgage Debt Is but the Tip of the Iceberg” in *Global Research* (November 23, 2007), <http://www.globalresearch.ca/index.php?context=va&aid=7413> (Retrieved April 7, 2009).

chaos’, ‘ethical anomie’ and ‘lack of philosophy’ only with full of ‘fraudulent skills’ by those market manipulators. WCC is saying this spiritless financial system is ‘corrupt’, in addition to ‘the odious foreign debt structure’.

Fourth, ‘the legally granted right of impunity and pardon’ are often abused to protect and save ‘corrupt’ people. In addition to diplomatic reasons, impunity was originally developed and granted as a tool to promote independency and accountability of high level officers, including judges, ministers, and parliamentarians in some countries. Thus, it should not be used for their private purposes.¹⁵⁷ However, in some cases it became a weapon to protect themselves from any accusations of corruption or other criminal activities, including human rights violations.

Similar criticism on the improper use of impunity is found in WCC’s document, “[e]xpression of solidarity with the churches and people of Argentina”, which was publicised on January 10, 2002. In the Expression, impunity was mentioned with corruption and abuse of power that breaks justice. It reads as follows:¹⁵⁸

¹⁵⁷ See Yitiha Simbeye, *Immunity and International Criminal Law* (Hants: Ashgate, 2004), pp. 109-134; and Rosanne Van Alebeek, *The Immunity of States and Their Officials in International Criminal Law and International Human Rights Law* (Oxford: Oxford University Press, 2008).

¹⁵⁸ <http://www.oikoumene.org/en/resources/documents/wcc-commissions/international-affairs/regional-concerns/latin-america/10-01-02-expression-of-solidarity-with-the-churches-and-people-of-argentina.html> (Retrieved May 17, 2009). Letter to member churches in Argentina, by then General Secretary Rev. Konrad Raiser, 10 January 2002. The writer underlined for emphasis. See also WARC, *op. cit.*, p. 238.

We are moved by the cry of the Argentinian people and the way in which the churches, ecumenical organizations and other members of civil society are responding to this crisis, which is to some extent also ethical and spiritual. In the context of the Decade to Overcome Violence, launched at the beginning of 2001, we urge Christians, churches, people of other faiths and all men and women committed to peace to join forces to overcome this crisis and build a society of greater justice and solidarity in Argentina, strengthening ties with other countries in the region. As churches and other social groups have said, politicians must be called upon to act responsibly, to put an end to corruption, impunity and abuse of power and to take immediate steps that will lead to genuine national reconciliation based on justice. In the present situation this can only be done by strengthening democracy and ensuring respect and protection of human rights, as a mark of our concern for the life which God the Creator has entrusted to our care.

In addition to impunity, the constitutional power to grant pardons was also abused by some Presidents to save criminals who had/have/will have political, economic, or any other relationships with the President.¹⁵⁹ Some corrupt politicians or businessmen are granted pardons from the President.¹⁶⁰ In these cases, impunity or the right to grant pardon can become a tool of ‘grand’

¹⁵⁹ Mr. Rich case was introduced in Global Witness, “All The Presidents’ Men” (March 2002), p. 56:

http://www.globalwitness.org/media_library_detail.php/85/en/all_the_presidents_men (Retrieved May 23, 2009).

¹⁶⁰ Geo-Sung Kim, “Some Suggestions on the Problems of Abuse of Rights to Pardon” in Transparency International-Korea (ed.), *Anti-Corruption Map II* (in Korean, Seoul: Saramsaenggak, 2002), pp. 151-159. This paper was originally presented at the panel discussion hosted by Transparency International-Korea on October 24, 2002 in Seoul, Korea. It is on TI-Korea’s web site also:

<http://ti.or.kr/tikbbs/data/pds/265.gspardon.pdf> (Retrieved May 23, 2009).

corruption. Thus, the following theses should be considered to avoid any serious conflict of interest through pardons, as a kind of ‘grand’ and ‘legal’ corruption:¹⁶¹

1. It should not be allowed to grant pardon against the spirit of the constitution.
2. Proliferation of corruption-tolerant culture follows the abuse of the right to grant pardon.
3. Abuse of the right to grant pardon violates citizen’s right to happiness.
4. Self-pardoning of ‘political-public-private’ sectors should be avoided, because it makes conflict of interest in macro level.
5. Unlawful ‘quasi-pardoning’ should be also expelled.
6. Restriction of the right to grant pardon should be legislated according to the spirit of the constitution.

In short, all of ‘state capture’, ‘international debt’, ‘the current international financial tsunami’, and ‘the right of pardon or the privilege of impunity in some cases’ exhibits “the abuse of power for private gain against universal moral or ethical norms” in a macro level. In that sense, they should be termed as macro corruption, in spite of no ‘direct’ or ‘discovered’ bribery. Any tendency that overlooks this macro corruption should be avoided. The seriousness of macro corruption is not less than any ‘grand’ corruption cases. Macro corruption cannot be seen through a microscope, because it mostly exists in ‘legal’ or ‘customary’ forms. However, macro corruption should not be overestimated as ‘untouchable’.

¹⁶¹ Geo-Sung Kim, *ibid.*

It is not operated by ‘invisible’ hands, but ‘visible’ and ‘touchable’ hands that can be controlled and eradicated by global common action against it.

4.2 Ignorance, Silence, and Negligence

The development in the concept of corruption will continue in the future. The next stage of better comprehension of corruption will be found on the road to ‘ignorance’, ‘negligence’, and ‘silence’.

Some anti-corruption advocates wrote more than ten years ago that “[a]fter years of being tolerated with a mixture of apathy, cynicism, and denial, corruption is becoming a target of serious international action.”¹⁶²

‘Ignorance’ on corruption often leads people to false perception that poverty, drug, HIV/AIDS, and violence are their ‘fate’ and not resistible. However, it is human rights violation as itself. Thus, anti-corruption education with integrity promotion should be in the top priority list of governments and other stakeholders of society, including faith-based organisations.

Similarly, ‘silence’ on corruption, especially on macro-corruption, will become ‘conspiracy’, ‘consent’, or ‘assistance’ as itself. If a person does not report to the authority about corruption case on which he/she has information, there will not be any difficulties. But if he/she reports the case, it will soon be

¹⁶² John Brademas and Fritz Heimann, “Tackling International Corruption”, *Foreign Affairs*, Sep/Oct 1998, Vol. 77, Issue 5, p.17.

the beginning of many difficulties. Thus, some countries legislated to make whistle-blowing (reporting) as a legal duty of public officials. In that sense, whistle-blowers (reporters) should be protected fully and rewarded as much as possible.

However, the reality is not as simple as written codes. One concrete example is as follows:

There was a fireman who blew the whistle against his corrupt boss. The boss ordered to investigate the past of the whistle-blower, and finally found some grounds for a disciplinary punishment against him. Should the anti-corruption authority protect him anyway, in spite of these personal faults of the whistle-blower? Or, should the law be fair to everybody, whether he is the whistle-blower or not? Did the boss commit any harmful harassment against the whistle-blower? Or, did he do the right job as a boss of the fire station?

If anyone would really like to support the reporter, the whistle-blower's personal faults, if any, should be bargained. And the boss's case should be seriously treated because of his bad intentions against the whistle-blower. The world is not so simple as black and white. It has a gray zone as well. Moreover, this gray zone does not have only a single brightness but different degrees of brightness.

If the other party (the public institution or private company, among others) can investigate his/her past activities and find something guilty, it can be used as a counterpunch against the whistle-blower.

However, the current Article 33 of UNCAC says that protection of the reporting person is just optional to the state parties. On the contrary, protection

of witnesses, experts, and victims is a mandatory obligation in the Article 32 as below:¹⁶³

Article 32. Protection of witnesses, experts and victims

1. Each State Party shall take appropriate measures in accordance with its domestic legal system and within its means to provide effective protection from potential retaliation or intimidation for witnesses and experts who give testimony concerning offences established in accordance with this Convention and, as appropriate, for their relatives and other persons close to them.

[...]

Article 33. Protection of reporting persons

Each State Party shall consider incorporating into its domestic legal system appropriate measures to provide protection against any unjustified treatment for any person who reports in good faith and on reasonable grounds to the competent authorities any facts concerning offences established in accordance with this Convention.

This discrepancy in the Convention between the protection of reporter and that of the witness, expert, and victim should be fixed as soon as possible.

Most of discussions in the past were focused on ‘personal’ level of corruption and integrity. However, if a ‘society’ fails to conduct ‘due diligence’ for the next generation’s integrity system as well as the existing one, it will bring negative results in the next generation, due to the ‘fragile’ or ‘virtual’ integrity system. And if anyone leaves corruption as it is, then he or she cannot achieve perfection of purity, which is integrity, in spite of no personal ‘direct’

¹⁶³ UN, *United Nations Convention Against Corruption*, pp. 25f.

engagement in any corrupt practices. Furthermore, if someone cannot root out corruption, corruption will influence the people including the next generation. People will learn how big amount of money can be raised through corruption: directly or indirectly, and illegally or legally.

In that sense, today's negligence or failure in building a sustainable integrity system will result in the prevalence of corruption and preservation of corrupt social structure, as a system or a culture in the future. Without due diligence on integrity education, building a sustainable integrity system will be far from being satisfactory.

4.3 System and Individual

In *Controlling Corruption*, Klitgaard introduced a story of one justice who took charge of the Philippines' Bureau of Internal Revenue (BIR) from September 1975 to 1985.¹⁶⁴ That justice's efforts to curb corruption in BIR were well described by Klitgaard and gave him some insights on the objectives of anti-corruption policies from "an abstract economic look"¹⁶⁵.

However, the story also raises some 'ethical' issues, because the justice stayed in position during the Marcos era, even after the assassination of the opposition leader Benigno Ninoy Aquino at the Manila International Airport on

¹⁶⁴ Robert Klitgaard, *Controlling Corruption*, pp. 13-21.

¹⁶⁵ Robert Klitgaard, *ibid.*, p. 13.

August 21, 1983.¹⁶⁶ As Klitgaard pointed out, “even a corrupt president may want a better functioning, less corrupt tax system”.¹⁶⁷ Is there no relationship between corruption and democracy or dictatorship? In such a situation, what do public officials need to do? Is it enough to clean-up the corruption of the bureau alone under the corrupt dictator? Is it possible for any individual to be ‘perfect’ within the corrupt system?

Similar “practical” concern was also found in Susan Rose-Ackerman’s *Corruption and Government*.¹⁶⁸ She sought to analyse the causes, consequences, and remedies of corruption. She described some consequences of corruption, including its economic impact.¹⁶⁹ For her, “[c]ultural 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.”¹⁷⁰ Thus she concentrated on how to achieve institutional reform, mainly in ‘developing’ countries and those ‘in transition’. To reduce incentives and to increase costs of corruption, she recommended some reform options such as programme elimination, privatisation, reform of public programmes, the deterrent

¹⁶⁶ Library of Congress, *Country Profile: Philippines* (March 2006), p. 5. See: <http://lcweb2.loc.gov/frd/cs/profiles/Philippines.pdf>

¹⁶⁷ Robert Klitgaard, *op. cit.*, p. 21.

¹⁶⁸ Susan Rose-Ackerman, *Corruption and Government: Causes, Consequences, and Reform* (Cambridge: Cambridge University Press, 1999).

¹⁶⁹ Susan Rose-Ackerman, *ibid.*, pp. 9-26.

¹⁷⁰ Susan Rose-Ackerman, *ibid.*, p. xi.

effect of anti-corruption laws, and procurement systems.¹⁷¹ In addition, some public service restructuring (including pay reform, conflicts of interest, incentive systems, and the control of corruption in hierarchies) and reform (deregulation, privatisation, and our sourcing) were suggested with careful and external performance monitoring.¹⁷² This approach also reflects most of the current anti-corruption strategies, including that of TI¹⁷³, WB, etc.

These approaches are showing a tendency towards ‘institutionalism’, which is a tendency of thinking that installation and suitable operation of any institution(s) can effectively solve the problems of corruption.¹⁷⁴ As neo-liberalists believed, ‘deregulation’ or ‘well-designed institutional framework’ probably contributed to controlling corruption to a certain extent. However, it does not account for all of the truth, but just a part of it. On the contrary, one of those deregulated institutions is now criticized as having brought about the global financial crisis. That is why there is now a demand for increased and more effective regulations. Critical weaknesses within such ‘institutions’ and

¹⁷¹ Susan Rose-Ackerman, *ibid.*, pp. 39-68.

¹⁷² Susan Rose-Ackerman, *ibid.*, pp. 39-68.

¹⁷³ According to *TI Source Book 2000*, the ultimate goal of establishing a National Integrity System is to make corruption a “high risk” and “low return” undertaking. See Jeremy Pope, *op. cit.*, p. 35.

¹⁷⁴ In this thesis, the writer does not mean any special social theory by ‘institutionalism’, whether it is old institutionalism or new one. About the ‘old institutionalism’ and ‘new institutionalism’, see B. Guy Peters, *Institutional Theory In Political Science: The ‘New Institutionalism’* (London and New York: Continuum, 1999), pp. 1-24. See also, Johann Graf Lambsdorff, Markus Taube, and Matthias Schramm (ed.), *The New Institutional Economics of Corruption* (London and New York: Routledge, 2005).

‘deregulations’ were also shown through the crisis in the form of macro corruption.

However, it is important to understand that whether the policy direction is ‘deregulation’ or ‘more regulations through stronger institutions’, both approaches are not free from the critiques of ‘institutional tendency’. They do not understand the weaknesses of those institutional approaches.

Again, can those restructuring or reforms always make real differences? If that is possible, then all anti-corruption efforts should be concentrated within those institutional reforms. However, so many countries are showing that those legislative efforts and formal systems do not make any real differences.

Moreover, Christine Parker pointed out that “enforcement often fails to improve compliance because it insufficiently deters”¹⁷⁵. She argued for the ‘deterrence trap’¹⁷⁶ – ‘compliance trap’ dilemma.¹⁷⁷ The lesson learned from this situation is that no sound sustainable anti-corruption structure can be developed without any proper management principles based on moral and ethical values.

Earlier in 1981 in his book *Christian Business Ethics*, Tom Blackburn raised the issue of the system and the individual as follows:¹⁷⁸

¹⁷⁵ Christine Parker, “The “Compliance” Trap: The Moral Message in Responsive Regulatory Enforcement” *Law & Society Review* Vol. 40, Issue 3 (September 2006), p. 591.

¹⁷⁶ Christine Parker, *ibid.*, pp. 591f.

¹⁷⁷ Christine Parker, *ibid.*, p. 591.

¹⁷⁸ Tom Blackburn, *Christian Business Ethics: Doing Good While Doing Well* (Chicago: Fides/Claretian, 1981), pp. 57f.

World War II ended in what Karl Jaspers called “the question of German guilt.” Certainly Hitler and the Nazi leaders were guilty of something – and the Nuremberg trials established some guilt for the survivors. But no one man or small group of men alone was responsible for the “final solution,” the wanton murder of 6 million people, carried out by a cast of thousands and known about by tens of thousands who couldn’t or didn’t stop it. The circles of individual guilt widened, and widened, and widened. Inevitably, it had to be pointed out that if everyone was guilty, no one was guilty.

Blackburn, however, did not accept that, in such a situation, only the System sins, and no more. Instead, he asserted:

A sustainable analysis does not blame everything on the System. The System is created by people, and it runs on the strength of their millions of individual judgments. If everyone is guilty when the System sins, then it is not true that no one is guilty. What is true is that there are degrees of guilt; some are more guilty than others. But to assign individual guilt within a System’s sin it would be necessary to know the individual’s role, how well he understood it, and why he did not resist playing it (the standard grievous matter, sufficient reflection and full consent of the will test). Assigning individual guilt in a continuing social sin does not really get to the root of the sin because, by definition, the System uses interchangeable individuals to do its work.

For him, the System “is the interaction of culture, economy, and politics that influences an individual in any given situation to emphasise some values and ignore others” and “assigns roles”¹⁷⁹. He was right when he evaluated that “[i]n truth, the System probably isn’t as bad as the critics say nor as good as its

¹⁷⁹ Tom Blackburn, *ibid.*, p. 59.

supporters would have it”. Under this basic understanding, he wrote about the responsibilities and limitations of ‘individuals’ living within the ‘system’.

4.4 The Limits of Responsibility

There is a misconception that one is free from corruption or fraud, if one has not engaged in any bribery or misdeed. However, nobody is really free from corruption. It is because anyone is surely an offender, conspirator, sideliner and/or victim of corruption in ‘indirect’ and ‘macro’ level. Furthermore, nobody is free from the task of curbing corruption because corruption will negatively impact the contemporary neighbour as well as the future generation. In that sense, as a human being on the earth, everybody should share the burden of overcoming the current corrupt system.

If anyone looks for his/her perfection and integrity, he/she should take into consideration that his/her neighbours are crying and will cry because of corruption and social problems that are derived or, at least, connected with corruption. However, the current anti-corruption movement does not pay enough attention to these ‘indirect’ and ‘macro’ forms of corruption.

It is similar with what Dietrich Bonhoeffer called as “the utter failure of all ethical fanaticism”. In his *Ethics*, he explained it as follows:¹⁸⁰

¹⁸⁰ Dietrich Bonhoeffer, *Ethics* (New York: Macmillan, 1964), p. 4. Italics were used in the original.

Still more distressing is the utter failure of all ethical *fanaticism*. The fanatic believes that he can oppose the power of evil with the purity of his will and of his principle. But since it is part of the nature of fanaticism that it loses sight of the totality of evil and rushes like a bull at the red cloth instead of at the man who holds it, the fanatic inevitably ends by tiring and admitting defeat. He aims wide of the mark. Even if his fanaticism serves the high cause of truth or justice, he will sooner or later become entangled with non-essentials and petty details and fall into the snare set by his more skillful opponent.

Furthermore, Bonhoeffer raised the issue of escaping to a place of refuge in a “private virtuousness”, as mentioned in the beginning of this Chapter.

This perspective of Bonhoeffer can also be applied to the anti-corruption movement. If someone likes to be perfect in matters of integrity due to private virtuousness and does not want to take part in any kind of corruption, he/she can escape himself/herself from the real world to the shelter of refugee. It, however, does not satisfy the real perfection of integrity. Moreover, if anybody take into account the responsibility to the neighbours, to the future generation, and to the other creatures in the world, it will be only possible to confess “[n]ot that I have already obtained this or am already perfect; but I press on to make it my own [...]”¹⁸¹

Integrity can only be reached on the road to integrity, and there is no other way. In that sense, integrity is just a ‘self-direction’ and ‘will’ to fulfil integrity.

¹⁸¹ Philippians 3,12: Herbert G. May and Bruce M. Metzger (ed.), *The New Oxford Annotated Bible with Apocrypha: Revised Standard Version Containing the Second Edition of the New Testament* (New York: Oxford University Press, 1973), p. 1426.

4.5 Ethical Debates Revisited

The lessons from ethical illumination on corruption issues can be applied to give some insights into other ethical issue. First, the ‘abortion’ debate in Christian ethics should be revisited from this perspective. One biblical scholar raised the following question:¹⁸²

[...] Jennifer had unexpectedly become pregnant. Their initial response to this news was a mixture of pleasure, dismay, and resignation. Despite the major reconfiguration of their lives that this turn of fortune would necessitate, they decided that they would indeed receive and raise this unplanned child. As the pregnancy proceeded, however, tests indicated that the baby would be born with Down’s syndrome. Faced with this situation, Bill and Jennifer began to rethink their position. Could they really handle a child with such a disability? Would it be the right and compassionate thing to bring such a child into the world? Would the responsibility of caring for a Down’s syndrome child drain all their resources and energies from their important work and from their other children?

As a biblical scholar, he suggested that the burden faced by Bill and Jennifer should be undertaken by the community, and thus the abortion can be eschewed.¹⁸³ If the community can afford that Down’s syndrome child, is everything OK in spite of those ‘already born’ lives who are suffering from extreme poverty, HIV/AIDS, violence, war, and terrorism, among other things, all around the world? Is it possible to limit the responsibility to protect life in a certain territory or only in a particular country? Is it acceptable for any Christian

¹⁸² Richard B. Hays, *The Moral Vision of the New Testament: Community, Cross, New Creation* (New York: HarperSanFrancisco, 1996), pp. 444-461.

¹⁸³ Richard B. Hays, *ibid.*, p. 457.

who believes that he or she can ‘fulfil’ the responsibility with giving protection only for the lives in his/her ghetto?

Without taking any side between ‘pro-life’ and ‘pro-choice’, it is clear that, in his book, there was no room for discussion on ‘already born’ children in extreme famine condition or on the people who are confronted by genocide situation, among others. It is important to mention that people who are living outside the ghetto should also be under the same responsibility of the community. It is clear that anybody or any community cannot do everything for all people around the world. Any community or individual can only do their best, and then, wait for the final judgment by the Absolute Being. In that sense, “bear one another’s burdens, and so fulfill the law of Christ” (Gal. 6:2 AA) which was cited by Hays in the closing of this case study is absolutely adequate.¹⁸⁴

Second, this ethical perspective can be applied in the ‘pacifism vs. just war’ debate in ethics. As Jong-Sun Noh wrote in his *Religion and Just Revolution: Third World Perspective*, “[t]he evaluation of violence and nonviolence, whether violence is always wrong and nonviolence always good, has been the key question as ethicists evaluate the relationship between religion and revolution.”¹⁸⁵ From Western dualistic perspective, this dispute cannot come into conclusion. Jong-Sun Noh, thus, wrote that “organic and holistic” view can

¹⁸⁴ Recited from Richard B. Hays, *ibid.*

¹⁸⁵ Jong-Sun Noh, *Religion and Just Revolution: Third World Perspective* (Seoul: Voice Publishing House, 1987), p. 151.

be a solution “rather than dichotomous and dualistic”.¹⁸⁶ On the one hand, pacifism can easily become a negligence of protection for one’s neighbours as well as for oneself.¹⁸⁷ On the another hand, just war concept tends to justify violence in spite of its conditional allowance. However, if anyone considers the ‘indirect’ side of nonviolence, there cannot be a concrete and strict border between violence and nonviolence. If anyone considers the due diligence in such a revolutionary situation, violence and nonviolence will meet as the opposite side of coin to each other.

Third, similar approach can be adopted in Christian ethics about the possibility of ‘clean wealth’. Is it possible to live as a ‘rich’ Christian with fulfilling the law of Christ that requires unlimited service to the needed people? There is no way to be rich with perfect fulfilment of love for the neighbour. There can only be degrees of integrity in raising wealth and degrees of love in using it. In this regard, any advocacy for clean wealth can become a way of cheating to hide the unlimited responsibility for others.

¹⁸⁶ Jong-Sun Noh, *ibid.*

¹⁸⁷ On pacifism, see John Howard Yoder, *The Politics of Jesus: Vicit Agnus Noster* (Grand Rapids: William B. Eerdmans Publishing Company, 1972); and *When War is Unjust: Being Honest in Just-War Thinking* (Maryknoll: Orbis Books, 1996) 2nd ed. On the issues of just war debates, see Paul Robinson (ed.), *Just War in Comparative Perspective* (Hampshire: Ashgate, 2003); Chris J. Dolan, *In War We Trust: The Bush Doctrine and the Pursuit of Just War* (Hampshire: Ashgate, 2005).

Chapter 5. Ethical Infrastructure: A Neglected Agenda in Anti-Corruption Movement

With regard to relying on the meaning, meaning itself is beyond debate of such matters as, like against dislike, evil against virtue, falsity against truth. Hence, words indeed may have meaning, but the meaning is not the words. Consider, for example, a person instructing us by pointing to the Moon with his finger... To take words to be the meaning is like looking at the finger and not at the Moon. The person would say, "I am pointing to the Moon with my finger in order to show it to you. Why do you look at my finger and not at the Moon?" Similarly, words are the finger pointing to the meaning; they are not the meaning itself. Hence, do not rely upon words.

Buddha¹⁸⁸

There are two important points that were neglected in the past anti-corruption movement. On the one hand, there is the neglected issue of macro corruption, as described in Chapter four. If anyone fails to criticise the core of the corrupt system, he or she cannot have a broader understanding of corrupt global order. This point was well developed by the ecumenical movement.¹⁸⁹ On the other hand, building an ethical infrastructure is also a neglected agenda in the

¹⁸⁸ "The Buddha pointing at the Moon: When the finger stops pointing the Moon remains." <http://www.wheelofbecoming.com/html/moon.html> (Retrieved May 3, 2009).

¹⁸⁹ See Samuel Kobia, *The Courage To Hope* (Geneva: WCC Publications, 2003), pp. 69-91. He criticised that international watchdog institutions provide a wealth of information which "in turn serve the interest of the developed world." (p. 70).

anti-corruption movement. If anyone fails to make efforts in building it, it will reflect that he or she does not have a longer term perspective in making anti-corruption strategy. Both things should be reflected in future strategies of the anti-corruption movement. In this Chapter, the writer concentrates on the second point.

5.1 Moralism Trauma and Moralism

Gunnar Myrdal wrote in his *Asian Drama: an Inquiry into the Poverty of Nations* that “it is almost taboo as a research topic and is rarely mentioned in scholarly discussions of the problems of government and planning.”¹⁹⁰

In his book, *Controlling Corruption*, Robert Klitgaard explained that corruption was used as an excuse for colonial occupation in the past. He introduced Gunnar Myrdal’s notion about ‘diplomacy in research’ and ‘the taboo on research’. Additionally, he mentioned Stalislav Andreski’s argument on ‘the conspiracy of silence’ due to ‘inverted racialism’.¹⁹¹ Klitgaard pointed out that early writers on “the backward nations” and colonies sometimes emphasised corruption as a sign of moral weakness, even inferiority, of the “natives.”¹⁹² He continued:¹⁹³

¹⁹⁰ Gunnar Myrdal, *Asian Drama: an Inquiry into the Poverty of Nations*, pp. 937-960.

¹⁹¹ Robert Klitgaard, *Controlling Corruption* (Berkeley, Los Angeles, London: University of California Press, 1988), pp. 9f.

¹⁹² Robert Klitgaard, *ibid.*, p. 9.

¹⁹³ Robert Klitgaard, *ibid.*

These moralists included Western and colonialist authors, but they were not the only ones; the ethical condemnation of governmental corruption has a long pedigree in the Islamic world, China, India, and other civilizations. Though the West can claim no monopoly on the abhorrence of bribery, nepotism, and official venality, some Western authors did use allegations of corruption as a blunt instrument. In some cases they mistakenly classified as corrupt the manifestations of different mores and modes of socioeconomic organization; in other cases they used corruption as an excuse for colonial occupation. Later authors have condemned the parochial and self-serving perspective of such Western writers as emblematic of imperialist thinking. Therefore, partly to escape being labeled imperialists, many present-day scholars have simply avoided sensitive topics like corruption.

This can be called as a kind of ‘moralist trauma’ in Western scholars’ mind. This trauma hindered them from thinking about the moral aspect of corruption and integrity issue. On the contrary, moral basis of anti-corruption policies and strategies was not focused in the past studies.

Robert Klitgaard limited his study mostly to ‘practical’ questions on how to develop anti-corruption policies. After quoting James Q. Wilson’s words, Klitgaard wrote:¹⁹⁴

¹⁹⁴ Robert Klitgaard, *ibid.*, p. 12.

At least with regard to anticorruption policies in developing countries, I tend to share Wilson's warning. And so I will leave to Noonan and others the important work of analyzing the moral, philosophical, theological, and cultural sides of corrupt behavior.

He accepted the importance of 'the moral aspect' of corruption.¹⁹⁵ His last words in the book were "[w]e should not lose this sense of moral violation"¹⁹⁶. However, there were a few scholars who scrutinised this point of view. Most of the Western scholars did not accept the moral or ethical approach in dealing with corruption.

Furthermore, there were few studies on this issue from philosophers or theologians. The task of controlling corruption was treated as an 'inappropriate' subject to them. At the same time, researchers and policymakers did not pay enough attention to this 'immoral' aspect of corruption, with very little exceptions. There were mostly 'practical' concerns to control corruption in the short term.

Sound moral foundation cannot also become a panacea to eradicate corruption. However, that foundation is not useless. Corruption is not only a failure of control caused by the lack of some institutions, but also a comprehensive failure of constructing an 'integrity system'. Thus, it can be concluded that the moralist trauma in the Western scholars' mind was one of the

¹⁹⁵ Robert Klitgaard, *ibid.*, pp. 190ff.

¹⁹⁶ Robert Klitgaard, *ibid.*, p. 210.

main obstacles to a 'genuine' holistic understanding of corruption and to building a sound integrity system through 'sustainable' ethical infrastructure.

5.2 Integrity System

What is a 'genuine' holistic understanding of corruption? Corruption is not only a failure of control because of lack of some institutions, but also a comprehensive failure of constructing an 'integrity system'. Thus, it can be concluded that this kind of moralist trauma has prevented a holistic understanding of corruption.

Integrity system is composed of the following: personal beliefs or values, culture of society or organisation, and legal/institutional framework. Thus, if anyone wants to build a sound integrity system, she/he should consider all components of it together. However, in the past studies of strategies, or initiatives of anti-corruption and integrity system, there were little concerns paid about 'personal beliefs or values' and 'culture of society or organisation'. Most of concerns have pointed legal/institutional framework, including its performance and law enforcement.

If anti-corruption practitioners' concerns are exclusively paid on the 'pillars' of NIS or articles of international initiatives or conventions, then that will be easily concluded with the 'long-term collapse of the temple' or the 'failure in promoting integrity and controlling corruption'.

In the story of “the Buddha pointing at the Moon: When the finger stops pointing the Moon remains”, everybody knows that the principal concern should be paid on the Moon, not on the finger. It will be applicable for building integrity system whether it is for personal, organisational, national, or global dimension. In that sense, the story can be translated as follows: “articles or pillars indeed may have meaning for integrity system, but the meaning for integrity system is not the articles or pillars”.

What are the factors affecting corruption? Many anti-corruption experts aimed to make corruption a ‘high risk’ and ‘low return’ undertaking.¹⁹⁷ It was based on the presupposition that if the ‘system’ works, corruption can be controlled well.

Any (un)ethical practice is a result of decision that is made after the comparison between the ‘pushes’ and the ‘pulls’, or in other words, ‘yeses’ and ‘noes’ on the special situation. That is not a simple decision between black and white, but that from gray zone, more correctly, that of many kinds of grays.

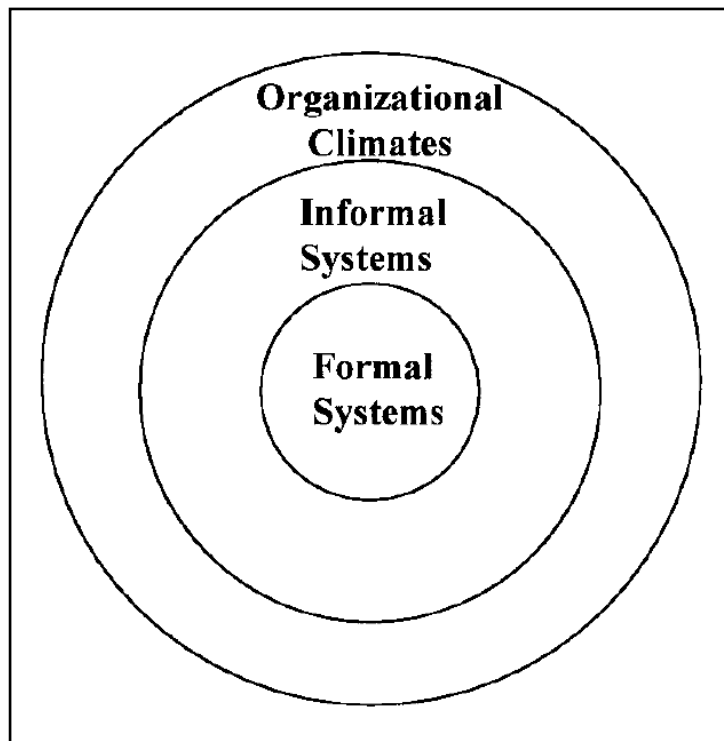
The above presupposition, however, overlooked other factors affecting corruption in real situation. The ‘risk’ and the ‘return’ are only the parts of them. What, then, are those other factors affecting corruption? For the whole understanding on ‘integrity system’, the past studies on ‘ethical infra structure’ will be useful.

In 2003, Tenbrunsel and others argued that “[t]he ethical infrastructure consists of formal and informal systems—each including communication,

¹⁹⁷ Jeremy Pope, *TI Source Book 2000*, p. 35.

surveillance, and sanctioning components—as well as the climates that support these systems”.¹⁹⁸ And they wrote: “[t]hese elements are visually depicted in Fig. 1. In the following discussion, we argue that each of these elements are important and that one must consider the interrelationships between them to fully understand their influence on ethical behavior in organizations”.¹⁹⁹

Figure 1. Elements of the ethical infrastructure



(Source: Tenbrunsel et al., “Building Houses on Rocks” p. 287.)

¹⁹⁸ Ann E. Tenbrunsel, Kristine Smith-Crowe, and Elizabeth E. Umphress, “Building Houses on Rocks: The Role of the Ethical Infrastructure in Organizations”, *Social Justice Research*, Vol. 16, No. 3 (September 2003), pp. 285-307.

¹⁹⁹ Ann E. Tenbrunsel et al., *ibid.*, p. 287.

Thus, for them, the term ‘ethical infrastructure’ describes the elements incorporating the formal systems, the informal systems, and the organisational climates that support the infrastructure.²⁰⁰ Formal systems mean “documented and standardised”, visible to anyone.²⁰¹ “Conversely,” they defined informal systems “as those indirect signals regarding appropriate ethical conduct that are received by the organizational members.”²⁰² And they introduced the organisational climates as follows:

In general, we define organizational climate as organizational members’ shared perceptions (e.g., Chan, 1998; Joyce and Slocum, 1984; Schneider, 1990) regarding a particular aspect of an organization; in other words, organizational climates are in reference to something (e.g., ethics). Because climate is born out of the context of an organization, climates vary across different contexts (e.g., Naumann and Bennett, 2000; Rouiller and Goldstein, 1993; Tracey, Tannenbaum, & Kavanagh, 1995; Zohar, 1980).

In spite of their major concern on business sector, they presented very important findings on ethical infrastructure through the study. However, they did not pay enough attention to ‘individual level’ of the climates²⁰³, especially ‘values’, ‘norms’, or ‘belief’ of the individual.

²⁰⁰ Ann E. Tenbrunsel, et al., *ibid.*, p. 286.

²⁰¹ Ann E. Tenbrunsel, et al., *ibid.*, p. 288.

²⁰² Ann E. Tenbrunsel, et al., *ibid.*

²⁰³ They mentioned some scholars as mentioning ‘individual level’ as a kind of ‘psychological level’. See Ann E. Tenbrunsel et al., *ibid.*, p. 296.

In 2006, in the working draft of “Ethical Infrastructure for Good Governance in the Public Pharmaceutical Sector”, Eloy Anello explained ‘the ethics infrastructure’ as follows:²⁰⁴

For a framework of moral values and ethical principles to have a significant and sustainable impact on the professional conduct of public servants an “ethics infrastructure” is required. The basic components of this are:

- A framework of moral values and ethical principles
- A code of conduct
- A programme for the socialization of an ethical framework and code of conduct
 - Established anti-corruption legislation
 - Established administrative procedures
 - Mechanisms for whistle-blowing (ombudsman)
 - Sanctions on reprehensible acts
 - Mechanisms for collaboration between existing anti-corruption agencies
 - Management, coordination and evaluation of an ethical infrastructure

He mentioned that “[t]he first three components on the list are based on the values approach and the remaining six on the disciplinary approach”.²⁰⁵ ‘Individual level’, however, is still missing in those basic components.

²⁰⁴ Eloy Anello, “Ethical Infrastructure for Good Governance in the Public Pharmaceutical Sector”, World Health Organization Working draft for field testing and revision (November 2006), p. 8:

<http://apps.who.int/medicinedocs/index/assoc/s14080e/s14080e.pdf> (Retrieved May 3, 2009).

²⁰⁵ Eloy Anello, *ibid.*

What does affect ethical decision making? There is no single element which influences to the decision making exclusively. Contrarily, as suggested in Chapter one, the following multiple factors should be mentioned: 1) individual belief and moral values, 2) culture of society/organisation/country or regional/global trends, 3) institutional framework including its performance and law enforcement, and 4) expected returns (including fulfilment of drives) and risks (including reputational ones).

Two upper elements in Table 1, 'individual belief and moral values' and 'culture of society/organisation/country or regional/ global trends', consist of 'ethical infrastructure'. In contrast, two lower elements, 'institutional framework' and 'expected returns and risks (through law enforcement)' consist of 'institutional system'.

For example, the strength in belief and moral values gives a foundation of any individual's or any group's decision making. Of course, they come from moral and religious education as well as personal devotion to the faith. If this is strong enough alone, to confront the sum of other weaknesses in individual of societal level, anyone can make an ethical decision. If this is not strong, other factors should cover this weakness in moral and religious foundation for ethical decision making. If others cannot meet the shortage in moral foundation, it will be concluded as an unethical decision and practice. This juxtaposition of strong and weak factors will help understanding of decision making.

There will be different strengths and weaknesses of special elements in each individual. This understanding can be applied not only for any individual

person but also for any organisation, company, country, or for the world. Thus, the ultimate goal of establishing an Integrity System should be to strengthen all factors affecting corruption.²⁰⁶ Especially, the weaker factors should be on the priority areas.

Table 3. Noes against Corruption

Noes against Corruption
Individual Integrity (incl. belief, moral values ...)
Organisational Reliability
Institutional Stability (incl. legal framework, codes, guidelines ...)
Risks of Corruption (incl. exposure, punishment, reputation ...)

Table 4. Yeses for Corruption

Yeses for Corruption
Individual Fraudability (incl. needs, desire ...)
Organisational Susceptibility
Institutional Vulnerability
Returns of Corruption

Tables 3 and 4 introduce those ‘yeses’ and ‘noes’ to corrupt practice. The whole ‘integrity system’ can be built by all of the four factors in Table 1.

²⁰⁶ Compare with Jeremy Pope, *ibid.*

There are no fixed frontiers among those elements. Moreover, each of them receives and gives influences from/to the others. For example, moral values or beliefs of the individual and that of the organisation (society) as a group will give and take influences very strongly. In that sense, it should be mentioned that those elements are not ‘independent’, but ‘interdependent’ and ‘inter-complementary’ to each other.

In the past, individual ethics emphasised the first element: individual integrity with personal conversion, moral values, and religious belief, among others. Contrarily, social ethics put emphasis on the rest of the elements. If there are any missing elements, it cannot be called as a ‘holistic’ understanding.

5.3 Pillars vs. Components

In the beginning of TI movement, it designed the concept of a national integrity system (NIS). Peter Eigen, the founder of TI movement, wrote:²⁰⁷

It is based on our conviction that in order to protect itself from corruption, society relies on a multitude of instruments such as laws, institutions, guidelines and values, which together form a mosaic. That is why we coined the term “integrity system”, which runs like a mantra through all of TI’s activities.

Afterwards, TI’s conceptualisation of NIS was very well received by anti-corruption practitioners around the world. In 1997, Economic Development

²⁰⁷ Peter Eigen, *The Web of Corruption*, pp. 85.

Institute (EDI) of the World Bank published a working paper, *National Integrity System: Country Studies* that was conducted on two African countries, Uganda and Tanzania, through workshops facilitated by EDI and Transparency International.²⁰⁸ The paper explained that the ultimate goal of establishing a national integrity system is to make corruption a “high risk” and “low return”

²⁰⁸ Petter Langseth and Rick Stapenhurst, *National Integrity System: Country Studies* (Washington, D.C.: Economic Development Institute of the World Bank, 1997).

Pauline Tamesis explained the background of the paper as follows:

“The Economic Development Institute of the World Bank in partnership with Transparency International (TI) has held “integrity” workshops in numerous countries that bring together people from both the public and private sectors to discuss the problem of corruption and to devise strategies to combat it. In brief, EDI’s approach to fighting corruption and improving governance focuses on *curbing corruption by building integrity and improving the delivery of services to the public*. To operationalise this approach, EDI initiated an action research programme where it is involved in a learning process—one in which many new approaches are considered in partnership with their clients. In each country where EDI is active, it works in partnership with the government and civil society to develop a national integrity system that consists of: (a) awareness-raising; (b) institution-building; (c) prevention; and (d) prosecution. Ultimately, EDI’s goal is to empower individuals, communities and governments in client countries with information that enhances their capacity to foster sustainable, equitable development. EDI facilitates seminars for opinion leaders, including parliamentarians, journalists, educators and NGOs, in order to support consensus building and create an informed citizenry. The EDI/TI partnership also emphasises raising public awareness and education through quality programmes in schools and mass media. The EDI Governance and Anti-Corruption Team, in collaboration with TI, devised the concept of a national integrity system that consists of eight “pillars of integrity”.”

Pauline Tamesis, “Different Perspectives of International Development Organisations in the Fight Against Corruption”,

<http://mirror.undp.org/magnet/Docs/efa/corruption.htm#8%20Different%20Perspectives%20of%20Inte> (Retrieved Apr. 29, 2009).

undertaking.²⁰⁹ And it mentioned the eight following ‘pillars’: political will, administrative reforms, “watchdog” agencies, Parliament, public awareness, the judiciary, the media, and the private sector.²¹⁰ *TI Source Book 2000* explained:²¹¹

The “pillars” are interdependent but may be of differing strengths. If one pillar weakens, an increased load is thrown onto one or more of the others. If several pillars weaken, their load will ultimately tilt, so that the “round balls” of “sustainable development”, “Rule of Law” and “quality of life” will roll off, crash to the ground and the whole edifice collapse into chaos.

Transparency International explains the National Integrity System (NIS) as follows: “[it] is the sum total of the institutions and practices within a given country that address aspects of maintaining the honesty and integrity of government and private sector institutions. Any attempt to address corruption effectively and sustainably involves a holistic approach, examining each of these institutions and practices and the various inter-relationships to determine where remedial action is required. Ad hoc reforms are unlikely to succeed.”²¹²

What should be done for building a sound NIS? It became a critically important question for making anti-corruption strategy. Of course, this idea of ‘national’ integrity system can be applied later to conceptualise ‘global’ integrity

²⁰⁹ Petter Langseth and Rick Stapenhurst, *ibid.*, p. 5; Jeremy Pope, *TI Source Book 2000*, p. 35.

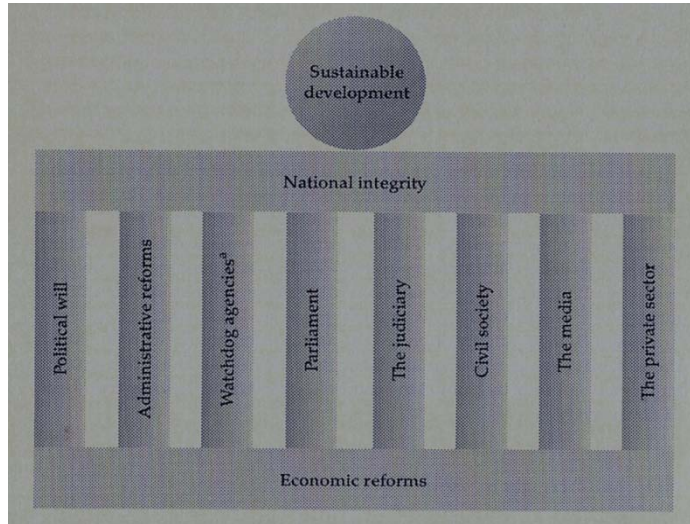
²¹⁰ Petter Langseth and Rick Stapenhurst, *ibid.*

²¹¹ Jeremy Pope, *TI Source Book 2000*, p. 36.

²¹² http://www.transparency.org/publications/sourcebook/content_overview (Retrieved May 23, 2009); See Jeremy Pope, *TI Source Book 2000*, pp. 31-40.

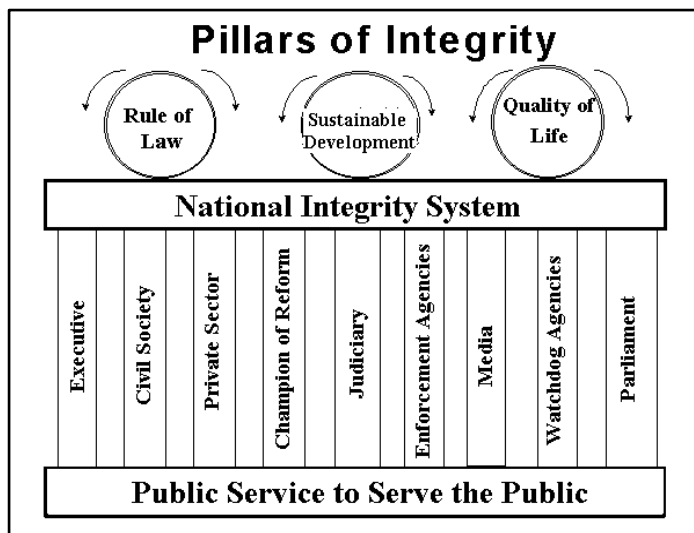
system. Following Figure 2 and Figure 3, older versions of NIS temple, illustrate the structure of stakeholders in building national integrity system. However, the basis was described as “economic reforms”.

Figure 2. National Integrity System



(Source: Staphenurst, *Curbing Corruption*, 1999, p. 130)

Figure 3. The Pillars of National Integrity



(Source: Pauline Tamesis, “Different Perspectives ... in the Fight Against Corruption”).

Originally, TI's Source Book 2000 had answered as follows in the first Chapter about the questions: "So what has gone wrong? What is corruption rearing its ugly head in more and more ways?"²¹³

The answer may lie in two areas, both of which are addressed in this Source Book. The first is a weakening of social values, with the broader public interest and social responsibility being subordinated to the enhancement of material status in the personal ethics of many. The second is a lack of transparency and accountability within public integrity systems. In many countries there is a widespread feeling that the public service has lost its way – that many elements within the public sector are corrupt, as are many of the private sector firms that transact business with them. The public sees officials, and officials seem to see themselves, as existing to serve the political ambitions of higher officials which may result in promotions for themselves. Accountability to the public is mere rhetoric, used when reporting to Parliament or making speeches at the United Nations. This portrait may be unfair to many, but the perception is widely held.

However, there are little mentions in the Source Book about a weakening of social values. It paid most of its attention to the institutional 'pillars'. The editor emphasised the importance of 'the pillars' of the NIS by the image of temple,²¹⁴ as Figure 4 shows. Executive, parliament, judiciary, public service, "watchdog" agencies (public accounts committee, auditor-general, ombudsman, police, anti-corruption agency, etc.), civil society, private sector, media, and international

²¹³ Jeremy Pope, *ibid.*, p. 2.

²¹⁴ The "integrity pillars" were first presented as such by TI's Ibrahim Seushi in Tanzania. They have since found their way into a growing body of literature. See Jeremy Pope, *ibid.*, p. 36.

actors were mentioned as those pillars of NIS.²¹⁵ And some corresponding core rules and practices were added for those pillars.

Those pillars are not all of the components of the temple. Furthermore, the foundation is one of the most important components of the temple, but it is not one of pillars. Thus the foundation, in other words, individual or cultural factors are composing 'ethical infrastructure'. However, the Source Book does emphasise neither the importance of individual integrity, including belief and moral values, nor the reliability of social belief system as a culture, in spite of its pointing out in Chapter one.

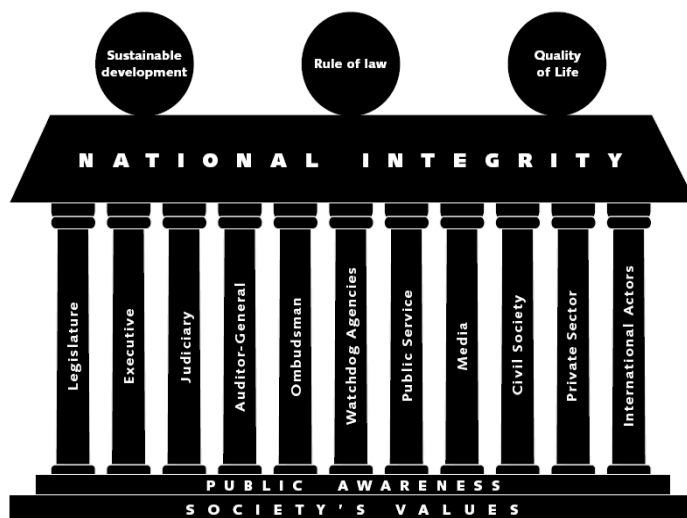
It should be emphasised that the temple has to be built up on the solid foundation, like the Parthenon on the Acropolis of Athens. It cannot be sustainable when it is built up on sandy foundation. Similarly, the *Source Book 2000* again wrote as follows:

The "temple" itself is built on and sustained by foundations which comprise public awareness and society's values. If public awareness is high and values are strong, both will support the "pillars" which rest on them, giving them added strength. On the other hand, if the public is apathetic and not watchful, or if the values are widely lacking, then the foundations will be weak. The "pillars" will be empty and ineffectual, and lack the underpinning necessary if they are to safeguard the nation's integrity.²¹⁶

²¹⁵ Jeremy Pope, *ibid.*

²¹⁶ Jeremy Pope, *ibid.*

Figure 4. Temple of National Integrity System



(Source: Jeremy Pope, *TI Source Book 2000*, p. 35.)

However, no single chapter was prepared for describing this important ‘foundation’ of NIS. As Table 5 shows, only the ‘institutional’ pillars and corresponding core rules/practices could get attention by the editor of the book. Both society’s values and public awareness should have included as important ‘components’ of NIS as well as those pillars. Table 6 shows the result of the analysis on the contents of the *TI Source Book 2000* according to the ‘components’.

Table 5. Contents of the *TI Source Book 2000* by Chapters

PART II: Institutional Pillars of the National Integrity System	
6	An Elected Legislature
7	The Role of the Executive

8	An Independent Judicial System
9	The Auditor-General
10	The Ombudsman
11	Independent Anti-Corruption Agencies
12	Public Service to Serve the Public
13	Local Government
14	An Independent and Free Media
15	Civil Society
16	The Private Corporate Sector
17	International Actors and Mechanisms
PART III: Rules and Practices for the Institutional Pillars	
18	Free and Fair Elections
19	Administrative Law – Judicial Review of Official Actions
20	Public Service Ethics, Monitoring Assets and Integrity Testing
21	Conflict of Interest, Nepotism and Cronyism
22	Public Procurement: Where the Public and Private Sectors Do Business
23	Good Financial Management
24	The Right to Information – Information, Public Awareness and Public Records
25	Giving Citizens a Voice
26	Competition Policy and Containing Corruption
27	Laws to Fight Corruption
28	Surveys as Tools – Measuring Progress

Table 6. Classification of the Contents of the *TI Source Book 2000* by Components of NIS

Components of NIS	Chapter(s)	Corresponding Core Rules/Practices	Chapter(s)
Executive	7	Conflict of Interest rules	21
Legislature/Parliament	6	Fair elections	18
Public Accounts Committee		Power to question senior officials	None
Auditor General	9	Public reporting	(27)
Public Service Local governments	12 13	Public service ethics	20, 23
Judiciary	8	Independence	(19)
Media	14	Access to information	24
Civil society	15	Freedom of speech	25
Ombudsman	10	Records management	24
Anti-corruption/watchdog agencies	11	Enforceable and enforced laws	(27)
Private Sector	16	Competition policy, including public procurement rules	22, 23, 26
International community	17	Effective mutual legal/judicial assistance	27
Public Awareness	None		(28)
Society's Value System	None		None

As there was not enough emphasis on this important factor of NIS in the *TI Source Book 2000*, followed TI's anti-corruption movement also did not deal with society's value system, one of core 'component' of NIS. This initial failure made

most of the following NIS studies for some countries silence on the foundation of it.²¹⁷

The concept of NIS temple was a great idea. But there was little emphasis on the foundation of the temple in the anti-corruption movement. Those stone pillars of the Parthenon temple was built up on the Acropolis of Athens. The Acropolis itself is a rocky hill, thus a very solid foundation.²¹⁸

Any corruption of public officials, businessmen, and general citizen is not only a result of weakness in legal system, improper law enforcement, or low performance of those anti-corruption ‘pillar’ institutions but also a result of the failure in effective integrity education in schools and in society as well as at home. Now, anti-corruption movement has to emphasise more on the ethical infrastructure, as one core and basic, but not-well-spoken ‘component’ of NIS, as the basis of the temple.

In the NIS study in Australia, the researchers suggested to replace the symbol of Greek temple with that of bird’s nest as the following Figure 5.²¹⁹

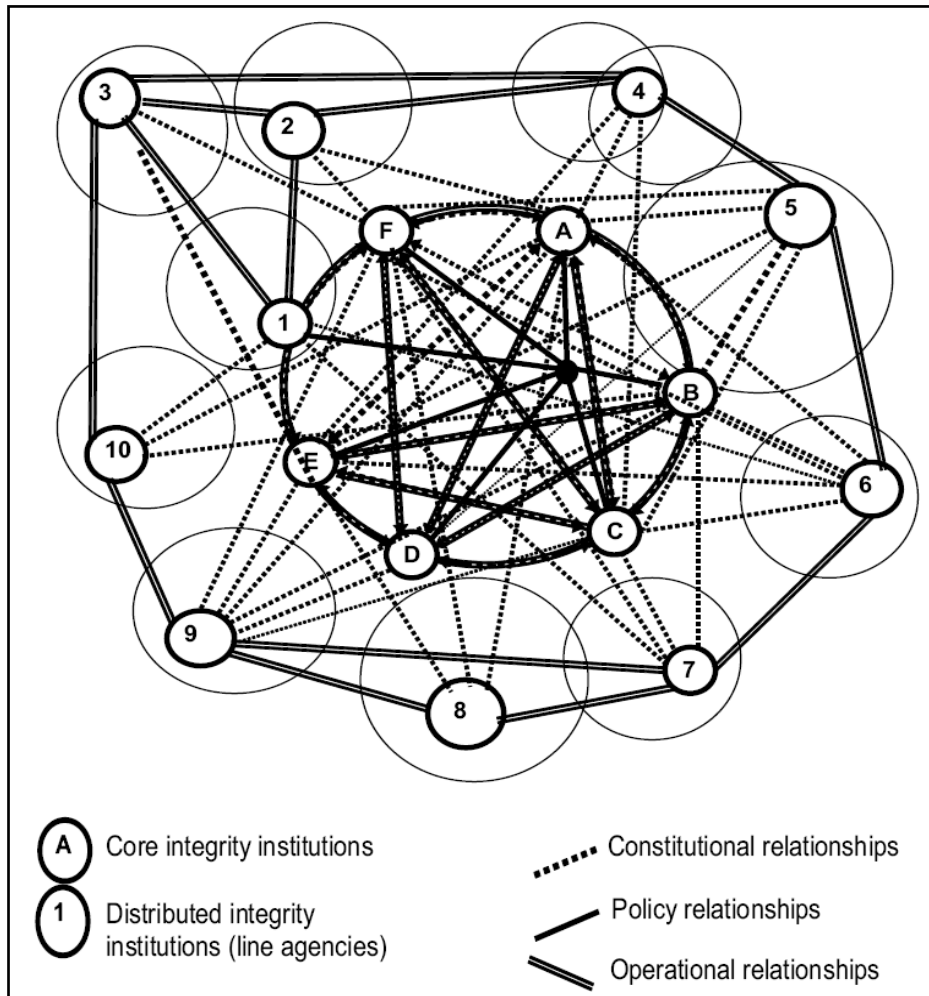
²¹⁷The list and contents of NIS assessments for more than 77 countries are found at: http://www.transparency.org/policy_research/nis/nis_reports_by_country.

²¹⁸ <http://whc.unesco.org/en/list/404> (Retrieved May 4, 2009).

²¹⁹ Charles Sampford, Rodney Smith, and A. J. Brown, “From Greek Temple to Bird’s Nest: Towards A Theory of Coherence and Mutual Accountability for National Integrity Systems.” *Australian Journal of Public Administration* 64, no. 2 (June 2005), pp. 96-108.

With that replacement, they wanted to emphasise “the intricacy of the interrelations and interdependencies”²²⁰.

Figure 5. Integrity System ‘Bird’s Nest’



(Source: Sampford et al, “From Greek Temple to Bird’s Nest”, p. 105)

²²⁰ Transparency International Australia and Griffith University, *Chaos or Coherence?: Strengths, Opportunities and Challenges for Australia's Integrity System: National Integrity Systems Assessment (NISA) Final Report* (Victoria: Transparency International Australia and Griffith University, 2005), p. 16.

In that study, the researchers mentioned the following institutions and relationships: core integrity institutions, distributed institutions, constitutional relationships, policy relationships, and operational relationships. That new metaphor of bird's nest for an integrity system can be a useful tool for explaining the interrelations and interdependencies within those institutions which were already mentioned in *TI Source Book 2000* as 'interdependent'²²¹.

However, they did not pay enough attention to the core frame of the nest, that is, the ethical infra-structure. This lack of concern on the ethical infrastructure of an integrity system is corresponding with their findings on the common key elements of 'western' integrity and governance assessments as the following Table 7. As far as this bird's nest metaphor cannot explain the importance of the backbone structure in an integrity system, the temple metaphor will be more useful to emphasise the ethical foundation of an integrity system.

One of recent NIS country studies of TI was conducted on Ireland.²²² In this study also, 'pillars' were the focus of the study as in the above table. But it is unique and important that this study recommends religious organisations, along with other actors, "should take a leadership role in promoting the principles of trust, transparency and responsibility across government, business and civil society."²²³ Similarly, Transparency International Lithuanian Chapter also

²²¹ Jeremy Pope (ed.), *op. cit.*, p. 16.

²²² TI, *National Integrity Systems: Transparency International Country Study Ireland 2009* (Berlin, Transparency International, 2009); Full report of this NIS study can be also downloaded at http://www.transparency.ie/Files/NIS_Full_Report_Ireland_2009.pdf.

²²³ TI, *ibid.*, p. 28.

recommended to “[d]evelop anti-corruption culture of the public (and the youth in particular)”²²⁴.

Table 7. Common Elements of Western Integrity & Governance Assessments

Assessment model/approach				
National Integrity Systems	OECD Anti-Corruption Mechanisms	OECD Ethics Infrastructure	Public Integrity Index	Governance Matters
Transparency International	OECD, Paris		Centre for Public Integrity (US)	World Bank
Pope 1996, 2000; Doig & McIvor 2003; Larmour & Barcham 2004	OECD 1996	OECD 1999,2000	Camerer 2004	Kaufman 2003
Key elements to be assessed				
Legislature	Oversight by legislature	Political will	Electoral & political processes	Political stability
Executive			Branches of government	
Judiciary	Specialised bodies to prosecute corruption	Effective legal framework		
Auditor-General	Supreme financial audit authority	Efficient accountability mechanisms	Oversight and Regulatory Mechanisms	Control of corruption
Ombudsman	Ombudsman			
Watchdog Agencies	Anti-corruption regulation			
	Corruption investigation bodies			
Public Service	Human resource mgt procedures	Supportive public service conditions	Administration and Civil Service	Regulatory quality
	Financial mgt controls			
	Organisational mgt controls	Workable codes of conduct		
	Guidance & training for public officials	Professional socialisation mechanisms		
Media	Transparency mechanisms		Civil Society, Public Information and Media	Voice & accountability
Civil Society		Active civil society		
Private Sector				
International Actors				

(Source: Transparency International and Griffith University, *Chaos or Coherence?*, p. 3.)

²²⁴ Transparency International Lietuvos skyrius, *Lithuanian Map of Corruption 2001-2005* (Vilnius: Eugrimas, 2006), p. 155.

TI prepared NIS Country Study Question Guidelines “for the purposes of contributing to the overall NIS country study”.²²⁵ In the Guidelines, TI explained as follows:²²⁶

As indicated in the terms of reference for the NIS country study, the assessment of the NIS is the core aspect of each NIS country study. The categories for assessment, and the questions within each category, are meant to provide a detailed overview of the formal and real capacities of each NIS ‘pillar’. As a reminder, the aim of this evaluation is to provide a strong empirical overview of 1) the laws or rules that are in place in the NIS and 2) the actual practices on the ground.

Box 5. Additional Elements for Revision of NIS Evaluation Guidelines

- 1) All of ‘pillar’ or ‘pillars’ in the Guidelines should be replaced by ‘component’ or ‘components’.
- 2) An overview of ‘socio-cultural foundation of NIS’ should be added as the third aim of the evaluation.
- 3) New general category on ‘Socio-Cultural Foundation of NIS’ should be added with the following items under the category:
 - u) People’s behaviour and perception on corruption and integrity,
 - v) Long-term national integrity promotion programme,
 - w) Integrity education in schools and media, and
 - x) Anti-Corruption education in the public and private sectors

²²⁵ TI, “National Integrity System Country Study Question Guidelines” (Unpublished, last updated August 2, 2005), p. 3.

²²⁶ TI, *ibid.*; Italics were used in the original.

Taking into consideration the basis of NIS, TI's Evaluation Guidelines should be revised accordingly as Box 5.

5.4 Finger vs. Moon

International conventions against bribery or corruption cannot make real difference through endorsement or ratification per se by any state party. Thus, implementation of those conventions is always on the top priority list of the agenda for the Conference of State Parties or similar conventions. This is also true for the United Nations Convention Against Corruption (UNCAC).

Many civil society organisations (CSOs) emphasise that without implementation those initiatives cannot make any progress. Thus they organise themselves as a coalition for effective participation in those conferences and in the monitoring process. The UNCAC Coalition²²⁷ says that it “is convinced that UNCAC's success in reducing corruption on-the-ground will depend greatly on the adoption of an effective and participatory review mechanism at the next Conference of the State Parties (CoSP) in Doha, in November 2009”.²²⁸

²²⁷ “The UNCAC Coalition (also known as the Coalition of Civil Society Friends of the UNCAC) is a network of more than 50 civil society organisations (CSOs) established in August 2006, committed to promoting the ratification, implementation and monitoring of the UNCAC.” : See <http://www.uncaccoalition.org/> (Retrieved May 17, 2009).

²²⁸ http://www.uncaccoalition.org/index.php?option=com_content&view=article&id=51%3Aamaystatement%20&catid=19%3Afrontpagecat&Itemid=1&lang=en (Retrieved May 17, 2009).

United Nations Office on Drug and Crime (UNODC) provided some tools for better compliance with the UNCAC. *UN Anti-Corruption Toolkit* ²²⁹ is one of them. However, there was little emphasis on building an ethical infrastructure in it in spite of the following description on prevention:²³⁰

Many institutions can be called upon to play a role in corruption prevention. Some elements of the criminal justice system can be classified as preventive, for example, those handling prosecutions and those charged with imprisoning or removing from office individuals convicted of corruption. More generally, institutions such as schools, universities and religious institutions, can play a role in awareness-raising and mobilizing moral and utilitarian arguments against corruption. Social and economic institutions can play a similar role, as well as developing and implementing institutional, structural and cultural measures to combat corruption in their own dealings.

According to *the Toolkit*, promoting ethical behaviour is needed in each sector, for example, public sector and judiciary, among others. It did not include any special tool to encourage building a sound ethical structure in a society, except for the case of the Anti-Corruption Agency (ACA) of Malaysia.²³¹ The toolkit does pay little attention to the role of religious groups in building an ethical infrastructure as well as the ethical infrastructure itself.

²²⁹ UNODC, *The Global Programme Against Corruption UN Anti-Corruption Toolkit* (Vienna: UNODC, 2004), 3rd ed.

²³⁰ UNODC, *ibid.*, p. 79.

²³¹ UNODC, *ibid.*, pp. 195-198; For the detailed description on Malaysian case, see Government of Malaysia, *National Integrity Plan* (Putrajaya: Integrity Institute of Malaysia, 2004).

Most concerns about implementing UNCAC are heading to the legislation of the provisions. It is similar in the Self-assessment tool for the state parties to the UNCAC.²³² According to the tool, major elements which can measure the status of compliance with the UNCAC in relation to technical assistance can be summarised as Box 6.

Of course, they did not include all of those elements of the UNCAC, but only some major Articles. However, in those assessment processes, state parties will not find any need or request to consider the significance of ethical infrastructure in building an integrity system as a core obligation of the state party to the Convention.²³³ Building a sound ethical infrastructure should be included as an important and basic element in the assessment on the status of compliance with the UNCAC.

In this regard, the Independent Commission Against Corruption (ICAC) in Hong Kong can be called as a preeminent role model among anti-corruption authorities for building a sustainable ethical infrastructure. “Since its inception in

²³² <http://www.unodc.org/unodc/en/treaties/CAC/self-assessment.html> (Retrieved June 11, 2009).

²³³ The results of the first round of self-assessments of the state parties were introduced in UNDOC, *Status of compliance with the United Nations Convention against Corruption and overview of technical assistance needed to implement the Convention*, A Report presented to the 4th Meeting of the Working Group on the Implementation of the 10th Principle of the United Nations Global Compact held in New York on February 26-27, 2009.

1974,” ICAC “has embraced a three-pronged approach of law enforcement, prevention and community education to fight corruption”.²³⁴

Box 6. Major Elements of Compliance with the UNCAC

- A. Preventive Measures (Chapter II)
 - a. Preventive anti-corruption policies and practices (article 5)
 - b. Preventive anti-corruption body or bodies (article 6)
 - c. Public procurement and management of public finances (article 9)
- B. Criminalization and law enforcement
 - a. Bribery of national public officials (article 15)
 - b. Bribery of foreign public officials and officials of public international organizations (article 16)
 - c. Embezzlement, misappropriation or other diversion of property by a public official (article 17)
 - d. Laundering of proceeds of crime (article 23)
 - e. Obstruction of justice (article 25)
- C. Asset recovery
 - a. Prevention and detection of transfers of proceeds of crime (article 52)
 - b. Measures for direct recovery of property (article 53)
 - c. Mechanisms for recovery of property through international cooperation in confiscation (article 54)
 - d. International cooperation for purposes of confiscation (article 55)
 - e. Return and disposal of assets (article 57)

(Source: UNODC, “Status of Compliance with the United Nations Convention against Corruption and overview of technical assistance needed to implement the Convention”, presented on February 26-27, 2009 at the 4th Meeting of the Working Group on the Implementation of the 10th Principle of the United Nations Global Compact in New York, USA. Summarised by the writer.)

²³⁴ ICAC, http://www.icac.org.hk/en/about_icac/bh/index.html (retrieved July 8, 2009).

Several governments, as state parties to UNCAC, aimed a “comprehensive overview on the implications of the Convention”²³⁵ on domestic legislation and practices. Bangladesh Compliance and Gap Analysis mentioned its background as follows:²³⁶

A reform regime, necessary for the effective implementation of the UNCAC, needs to be based on a clearly articulated compliance review/analysis (gap analysis) of the implications of provisions of the UNCAC on the Bangladesh domestic legislation, practices and institutional realities along with an assessment of the extent of compliance, gaps and capacity needs. Such analyses have been successfully used as an instrument for identifying legal and institutional changes by some other States Parties.

Some kind of ‘institutionalistic’ premises are laid in those UNCAC Gap analyses. The first premise is that the most important thing in UNCAC is legal and institutional framework for successful corruption prevention. Thus legislative efforts become the top priority of the government which is already a state party to UNCAC or is preparing the ratification of it. The second premise is that legal practices and technical applications are the next important things in implementing UNCAC. These premises are also found in the documents of United Nations Office on Drugs and Crime (UNODC) or other international institutions. UNODC

²³⁵ KPK, *Gap Analysis Study Report: Identification of Gaps between Laws / Regulations of the Republic of Indonesia and the United Nations Convention Against Corruption* (Indonesia. KPK, 2006), p. iv.

²³⁶ The Government of the People’s Republic of Bangladesh, *UNCAC: A Bangladesh Compliance & Gap Analysis* (Bangladesh. Government of Bangladesh, 2008), p. 17.

prepared two guide books for the implementation of UNCAC. *Legislative Guide for the Implementation of the UNCAC*²³⁷ was already published. *Technical Guide, a Manual of Best Practices for the Implementation of the UNCAC*, will be published soon.²³⁸ There should be another guide with which governments as well as other actors of the society can follow to promote integrity as an effort to build sustainable ethical infrastructure.

ADB and OECD published *Anti-Corruption Policies in Asia and the Pacific* to introduce progress in legal and institutional reform in the framework of their Anti-Corruption Action Plan.²³⁹ Fortunately, this progress report introduces a little about the activities among those democracies.²⁴⁰ However, it presupposed that “educating the general public and raising awareness about corruption issues and countermeasures” is a “key function that non-governmental actors take on in many countries”.²⁴¹

Is it possible to assert that those legislative efforts of the governments and institutional reform including installation of anti-corruption bodies will make real differences in fighting corruption without any additional efforts or in any condition? Those legislative efforts are vital and inevitable. Technical

²³⁷ http://www.unodc.org/pdf/corruption/CoC_LegislativeGuide.pdf (Retrieved June 5, 2009).

²³⁸ <http://www.unicri.it/wwd/justice/uncac.php> (Retrieved June 5, 2009).

²³⁹ ADB and OECD, *Anti-Corruption Policies in Asia and the Pacific: Progress in Legal and Institutional Reform in 25 Countries* (Manila: ADB and OECD, 2006).

²⁴⁰ ADB and OECD, *ibid.*, pp. 60f.

²⁴¹ ADB and OECD, *ibid.*, p. 60.

enforcement and assistance for implementation of the requirements of the UNCAC will also be important. Anti-corruption authorities can do something for promoting good governance and accountability in the public sector. However, the performance of anti-corruption strategy of each country differs country by country, in spite of similar legal foundations and institutional backgrounds. In this regard, the foundation or social condition of those legal systems and their enforcements should be mentioned as a critically important factor for the successful implementation of the Convention, especially in the longer term.

Is the aim of the UNCAC just preparation of legal basis and not successful prevention of corruption? If any state party fails to look into this foundation, it will be followed by an unsustainable legal and institutional structure that will not work properly. All legal structure or its application is but the finger pointing at the integrity system. Without concerns on making a solid foundation of the integrity system, any efforts to build that kind of structure will easily become just a ‘finger-concerned’ approach.

In that sense, it should be mentioned also that there are too many ‘free rider’ state parties to the UNCAC in spite of “successful” legislations that are required by the Convention. UNCAC should be accepted as a global consensus on common efforts to build a corruption-free world that can be reachable only through building a sustainable integrity system.

5.5 Short-termism vs. Sustainable Ethical Infrastructure

A vision of a corruption-free society is very encouraging and attractive. However, it will be realised, only if it comes with very concrete strategies to reach this vision. In other words, a vision without detailed concrete programmes will fall into a void of political propaganda or become just a mirage that can never be realised.

Any anti-corruption strategy cannot succeed in the longer term if it does not contain an eager vision for ethical infrastructure ‘and’ concrete programmes to promote integrity with the participation of all sectors of society. In that sense, most of the current anti-corruption strategies can be criticised as showing ‘short-termism’. Building a sustainable ethical infrastructure should be the top priority in making an anti-corruption strategy successful.

Corruption has very diverse facets. It occurs in different sectors, in various forms, and in diverse societies whether it is developing or developed.²⁴² There will be no single country, free from corruption. Corruption scandals are found in the newspapers almost every day around the world. There is no sanctuary on the earth. Corruption hits not only the public servants or politicians but also the

²⁴² TI’s annual publication of *Global Corruption Report* introduces about the prevailingness of corruption more deeply: See *Global Corruption Report 2001* (Berlin: TI, 2001); *Global Corruption Report 2003* (London: Profile Books, 2003); *Global Corruption Report 2004* (London: Pluto Press, 2004); *Global Corruption Report 2005* (London: Pluto Press, 2005); *Global Corruption Report 2006* (London: Pluto Press, 2006); *Global Corruption Report 2007* (Cambridge: Cambridge University Press, 2007); *Global Corruption Report 2008* (Cambridge: Cambridge University Press, 2008).

judiciary or even faith-based organisations. All of those areas have the same foundation in a unit society, that is, ethical infrastructure of the society. If a society can build a sound ethical infrastructure, there will be better public ethics, business ethics as well as in a civil society. For that area, faith-based organisations can and should do something.

What are the consequences of corruption? Corruption has direct connection with justice, peace, and integrity of creation (JPIC). It is one of the most serious obstacles in achieving the Millennium Development Goals (MDG). Kofi A. Annan, former Secretary-General of the United Nations, wrote about the consequences of corruption as follows:²⁴³

Corruption is an insidious plague that has a wide range of corrosive effects on societies. It undermines democracy and the rule of law, leads to violations of human rights, distorts markets, erodes the quality of life and allows organized crime, terrorism and other threats to human security to flourish.

Corruption undermines the social value system and its future as well. How can anti-corruption strategy avoid ‘short-termism’? There were little reflections on current anti-corruption strategies about whether they are sustainable or not in the longer term. Without building a sound ‘ethical infrastructure’, those anti-corruption strategies cannot make a difference. It is like a foolish man who built

²⁴³ In the foreword of UNCAC publication; UNODC, *United Nations Convention against Corruption*, p. iii.

his house on sand.²⁴⁴ If any anti-corruption strategy cannot overcome ‘short-termism’, it will be difficult to respond to the doubt of ineffectiveness in government because of corruption control.²⁴⁵

For a sustainable ethical infrastructure, promotion of youth integrity should be one of top priorities for governments, companies, civil society as well as faith-based organisations. Problem of corruption cannot be easily cured in a society without proper youth integrity promotion.

In this regard, review of current education system on the value of integrity is inevitable. The writer has emphasised the importance of the basis as well as other components of integrity system.²⁴⁶ Transparency International - Korea (TI-Korea) hosted an international Youth Integrity Index workshop on July 16-17, 2008 in Seoul, Korea. Participants of the workshop developed a standard questionnaire for Youth Integrity Index 2008 with a common methodology.²⁴⁷ They considered moral/ ethics, righteousness, law abiding, and anti-corruption

²⁴⁴ See Ann E. Tenbrunsel, Kristin Smith-Crowe and Elizabeth E. Umphress, “Building Houses on Rocks: The Role of the Ethical Infrastructure in Organizations”, *Social Justice Research* 16, Number 3 (September, 2003), pp. 285-307; Eloy Anello, *Ethical Infrastructure for Good Governance in the Public Pharmaceutical Sector*. In these articles, the authors aimed to give recommendations to companies. But it can be applied to public sector as well as to country level.

²⁴⁵ For example, see Frank Anechiarico and James B. Jacobs, *The Pursuit of Absolute Integrity: How Corruption Control Makes Government Ineffective* (Chicago: University of Chicago Press, 1996).

²⁴⁶ Geo-Sung Kim, “Society and Moral Foundation”, *The Korea Times* (May 30, 2006), p. 9. See Appendix (3).

²⁴⁷ See Appendix (4).

to measure the mindset of the youth.²⁴⁸ However, the interrelatedness among them was emphasised. There are no clear boundary lines between them. On the contrary, there are gray zones correlated with the next.

With the standard questionnaire, TI's three National Chapters in Bangladesh, India and South Korea, and Mongolian Independent Authority Against Corruption (IAAC) conducted surveys in September 2008 in each country. In spite of their specific features as pilot surveys, the results show the fact that there are 'cultural differences and characteristics' from country to country.²⁴⁹

²⁴⁸ TI-Korea, *op. cit.*, p. 20; pp. 24f.

²⁴⁹ TI-Korea, *op. cit.*

Chapter 6. Corruption: A Neglected Agenda in the Ecumenical Movement

*“As well as building an alert and empowered civil society, we must fight corruption by educating our children against abuse of power. We must fight corruption by becoming champions of civic virtue, that quality of citizenship that seems to have been lost with the passing of the years. As we approach the new millennium, we need the help and support of every one of us in order to reach this goal. We must remain confident that we can stop the cancer of corruption. As much as we speak of the globalisation of corruption, we must also welcome the global tidal wave of public demands for good government.”*²⁵⁰

Oscar Arias Sánchez

(Former President of Costa Rica, 1986-1990, Nobel Peace Prize Laureate, 1987)²⁵¹

In 1990s, corruption agenda became one of priority issues in international society. Transparency International, launched in 1993, formed a global network of non-governmental organisations to fight against corruption. OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions was enacted in 1999. In its resolution 55/61 of 4 December 2000,

²⁵⁰ Oscar Arias Sánchez, in the foreword, Jeremy Pope, *op. cit.*, p. xiii.

²⁵¹ This Chapter was based on the writer’s presentation on “How to Overcome Short-termism in Anti-Corruption Strategy: Youth Integrity Promotion”, presented at the 8th Regional Seminar of ADB/OECD, held in Macao SAR, P. R. China on March 25-26, 2009 under the theme “Good Practices in Corruption Prevention”.

the General Assembly of the United Nations recognised that an effective international legal instrument against corruption was desirable and decided to establish an ad hoc committee for the negotiation of such an instrument.²⁵² After three years of preparation and negotiation, the United Nations Convention Against Corruption (UNCAC) was signed by nearly 100 states in December 2003, in Merida, Mexico.²⁵³ UNCAC entered into force on December 14, 2005 in accordance of its article 68 (1).²⁵⁴

However, recent ecumenical movement of the World Council of Churches (WCC) paid little attention to this ‘anti-corruption’ agenda. WCC’s documents, including that on its web site, are not familiar with the concepts of corruption, bribery, and fraud.

In this Chapter, the writer introduces some documents of the ecumenical movement and analyses the characteristics of those documents of the ecumenical movement from the late 1990s. In addition, he suggests an initiative of “the Decade to Overcome Corruption: Churches Seeking Integrity 2011-2020” for WCC to strengthen cooperation with the anti-corruption movement and to participate more actively in the fight against corruption.

Similar strategies can be adopted within other faiths. As Hans Küng stressed at the eleventh International Anti-Corruption Conference (IACC) in

²⁵² UNODC, <http://www.unodc.org/unodc/en/treaties/CAC/index.html> (Retrieved June 10, 2009).

²⁵³ UNODC, <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html> (Retrieved June 10, 2009).

²⁵⁴ UNODC, *ibid.*

Seoul, Korea, 2003, “the armoury of spiritual and intellectual resources available to human kind, from each religious and all philosophical traditions should be used, as it has been done in the respective declarations of a global ethic.”²⁵⁵

6.1 Frequency of Corruption Issue in WCC’s Web Site

To get some preliminary information on the documents on WCC’s web sites, frequency of some issues were counted through Google’s search function on April 30, 2009.²⁵⁶

As shown in the following Table 7, the results are saying that among those words, the most prioritised top three were ‘peace’, ‘justice’, and ‘human right(s)’. ‘Climate change’ and ‘racism’ followed. However, ‘corruption’ and ‘bribery’ showed up even less than the recently developing issue of ‘human security’. The results cannot be limited within that of quantitative analysis.

²⁵⁵ Hans Küng, “The Ethical Framework of the Global Market Economy” at the 11th IACC, [http://www.11iacc.org/download/speech/\(Sun\)%20Hans%20Kung.doc](http://www.11iacc.org/download/speech/(Sun)%20Hans%20Kung.doc) (Retrieved October 31, 2008). The same concern was expressed in his *Global Responsibility: In Search of a New World Ethic*. (New York: Crossroad, 1991).

²⁵⁶ <http://www.oikoumene.org/en/search.html?search=Search> (Retrieved April 30, 2009). Those sites are <http://www.oikoumene.org> and <http://www.wcc-assembly.info>. WCC’s Old domain (<http://www.wcc-coe.org/>) did contain less pages than the new one (<http://www.oikoumene.org>) on those issue words.

Table 8. Frequency of Some Issues on WCC Web site

word site	oikoumene.org	wcc- assembly.info
peace	16,700	495
justice	12,100	502
human right	10,300	171
climate change	2,530	46
Racism	2,280	377
human security	955	32
Corruption	706	56
Bribery	6	None

(Retrieved on April 30, 2009)

Moreover, the fact that UNCAC was never mentioned on those sites with its full name or its abbreviation as Table 8 shows can be mentioned as another proof of this ignorance on anti-corruption agenda within the ecumenical movement.

Table 9. Frequency of UDHR and UNCAC on WCC Web site

convention	oikoumene.org	wcc- assembly.info
Universal Declaration of Human Rights	405	5
United Nations Convention against Corruption	None	None

(Retrieved on April 30, 2009)

6.2 Anti-Corruption Agenda in Recent General Assemblies of WCC

Corruption itself was not a hot issue in the ecumenical movement of WCC in the past couple of decades. It was treated as a side issue that was driven from other issues, for example, international debt or democracy issue.

The eighth General Assembly of WCC gathered in Harare, Zimbabwe under the theme of “Turn to God – Rejoice in Hope” on December 3 – 14, 1998.²⁵⁷ The official report of this 50th anniversary jubilee assembly, *Together On the Way*, shows that its major social concerns were poverty, debt cancelation, and globalisation, among others.

Policy Reference Committee II of the eighth assembly addressed four issues specially related to the engagement of the churches in the world: (1) a response to the Africa plenary, (2) international debt, (3) globalisation, and (4) the Ecumenical Decade – Churches in Solidarity with Women.²⁵⁸

With regard to the debt issue, “A jubilee call to end the stranglehold of debt on impoverished peoples” was presented by the committee and final text was approved on December 14, 1998.²⁵⁹ Through the document, the eighth general assembly blamed debt and loan negotiations, because they were conducted in secret between elites in the North and elites in the South, fostering corruption. Furthermore, it criticised that “[m]ilitary and corrupt dictatorships and those of

²⁵⁷ WCC, *Together On the Way: Official Report of the Eighth Assembly of the World Council of Churches*, p. 1, 5.

²⁵⁸ WCC, *ibid.*, p. 177.

²⁵⁹ WCC, *ibid.*, pp. 177-184. Its whole text is available in Appendix (1) of this thesis.

the apartheid regime have incurred the most unacceptable kind of debt, defined in international law as odious debts”.²⁶⁰

In this regard, the assembly called the member churches and the ecumenical movement to work for the followings: “a) debt cancellation for severely indebted, impoverished countries to enable them to enter the new millennium with a fresh start; b) substantial debt reduction for severely indebted middle-income countries within the same time frame; c) participation by civil society in deciding and monitoring how funds made available by debt cancellation should be used to restore social and ecological damage; d) establishment of an independent, transparent arbitration process for debt cancellation, and ethical lending and borrowing policies to prevent future recurrence of the debt crisis; e) ethical governance in all countries and legislative action against all forms of corruption and misuse of loans; f) full support to impoverished people of the indebted nations which cannot service their debts and suffer sanctions as a consequence”.²⁶¹

The eighth assembly, in addition, appealed to the leaders of G8 nations to recognise the urgent need to “cancel the debts of the poorest countries” and to “use their powers to ensure that funds illegitimately transferred to secret foreign bank accounts are returned to debtor nations”, among other things.²⁶²

²⁶⁰ WCC, *ibid.*, p. 180.

²⁶¹ WCC, *ibid.*, pp. 181f.

²⁶² WCC, *ibid.*, p. 182.

This international debt issue appeared on the table of the assembly through the long period of professional supports by the Advisory Group on Economic Matters from 1980s.²⁶³ WCC explained that “[a] growing ecumenical preoccupation at that time was the massive external debt burdening many countries in the South and the consequences of this for the poorest and most vulnerable people in those societies”.²⁶⁴ Its studies looked at “how international financial organisations such as the World Bank and International Monetary Fund operate”.²⁶⁵ Thus, WCC could conclude that the Bretton Woods institutions (BWIs) were closely related with those “odious debts” in the past. This view was also reflected in WCC’s statement on the debt crisis (1999) later on. It reads as follows:²⁶⁶

The G8 governments and the Bretton Woods institutions (World Bank and International Monetary Fund, IMF) have primary responsibility for the root causes of the debt crisis. They initially encouraged irresponsible lending and then compounded the problem by raising interest rates. This resulted in indebted countries being caught in endless cycles of borrowing, losing control of their financial, economic and social affairs, and being forced to implement IMF Stabilisation and Structural Adjustment Programmes. Moreover, debtor

²⁶³ WCC, *From Canberra To Harere: An Illustrated Account of the Life of the World Council of Churches 1991-1998* (Geneva, WCC 1998), p. 27.

²⁶⁴ WCC, *ibid.*

²⁶⁵ WCC, *ibid.*

²⁶⁶ <http://www.oikoumene.org/en/resources/documents/wcc-commissions/international-affairs/global-economy/09-06-99-statement-on-the-debt-crisis.html> (Retrieved May 17, 2009). This statement was issued by WCC in Geneva, June 9, 1999. Underlined by the writer for emphasis.

governments have also been obliged to give priority to their debt repayments rather than spending on health, sanitation, clean water, education, and other social needs. This has often led to the erosion of local democratic institutions and has built an environment for corruption.

Furthermore, the appeal of the assembly for returning stolen assets was partially reflected later in the United Nations Convention Against Corruption (2003)²⁶⁷ and the Stolen Asset Recovery (StAR) initiative of World Bank (2007)²⁶⁸, among others. This is exactly what can be called as a macro corruption.

In spite of its contribution to the understanding of the essence of the debt issue, as one of macro forms of corruption, the following three points should be noted. First, there were no concrete proposals for the churches to do ethical governance and legislative action against all forms of corruption. Second, any sufficient follow-ups by the member churches or the WCC itself were not known afterwards. Third, corruption was treated as a matter of high level politicians and rich Western creditors. In that sense, there was no room for churches to do anything concrete to fight against corruption. Of course, this text was prepared to issue the debt problem.

The beginning of dealing with corruption issue in the WCC's ecumenical movement created a distorted perspective on corruption. Those three points can be confirmed through the contrast of WCC's messages with the Harare Covenant.

²⁶⁷ Chapter five on Asset Recovery (Articles 51-59). UNODC, *United Nations Convention Against Corruption*, pp. 42-48.

²⁶⁸ See WB and UNODC, *Stolen Asset Recovery (StAR) Initiative: Challenges, Opportunities, and Action Plan* (Washington: WB, 2007).

The Covenant, “Our Covenant with God” was adopted in Harare, Zimbabwe, on December 1998, just before the beginning of the 8th General Assembly of WCC.

The text reads as follows:²⁶⁹

[...]

We acknowledge that African leaders have committed crimes against their own kith and kin in the past and at present times.

We repent now of our sins against each other and beseech you O God to heal our land and deliver us from all evil.

[...]

We hereby renew our commitment to reconstruct and rebuild our communities and work tirelessly for a future of Africa full of life in abundance. We commit ourselves to:

- continue the unfinished task of transforming our social, political and economic systems and institutions for an inclusive and just society;
- seek and pursue peace and reconciliation for our people and communities;
- establish appropriate ethical values in work, governance and management, and good stewardship;
- do everything in our means to overcome the scourge of HIV/AIDS;
- affirm the right of African children to hope for a bright future which we shall help to work out with all our strength and all our ability;

We therefore renew our covenant with God in fulfilling these promises and invite men and women of goodwill, and especially this Assembly, to accompany us in this journey of hope.

²⁶⁹ “The Harare Covenant: December 1998” *Ministerial Formation* 98/99(Geneva: World Council of Churches Education and Ecumenical Formation, July/October 2002), p.5. See http://www.oikoumene.org/fileadmin/files/wcc-main/documents/p5/Ministerial_formation/mf098-99.pdf (Retrieved May 17, 2009). Underlined by the writer for emphasis.

In relation with corruption and justice, the Covenant expressed their commitments that they will “continue the unfinished task of transforming our social, political and economic systems and institutions for an inclusive and just society” and “establish appropriate ethical values in work, governance and management, and good stewardship.” In this Covenant, there is no direct mention about the foreign debt issue. It mentioned the opposite side of the coin, that is, crimes committed by African leaders. This tone is totally different from the voice of the 8th general assembly of WCC. In that regard, it is understandable that this Covenant was hardly accepted by the continued event in the same place. However, it is important that the issues of ethical values and governance were mentioned as their tasks as well as justice in social, political and economic systems. This is what lacks in the understanding of the 8th general assembly.

The 9th Assembly of the World Council of Churches met in Porto Alegre, Brazil, 14 - 23 February 2006, addressing the theme “God, in your grace, transform the world”.²⁷⁰

Archpriest Vsevolod Chaplin, deputy chairman, department for external church relations, Moscow patriarchate, addressed “Post-Soviet Countries: The Need for New Morals in Economy” at the plenary on economic justice of the assembly on February 16, 2006.²⁷¹ He introduced “the Code of Moral Principles and Rules in Economy”. One code is pointing to the state capture and more:

²⁷⁰ WCC, *God, in Your Grace: Official Report of the Ninth Assembly of the World Council of Churches*, ed. by Luis Rivera-Pagan, (Geneva: WCC Publications, 2007), p. i.

²⁷¹ WCC, *ibid.*, pp. 210-212.

“[p]olitical power and economic power should be separated. The participation of business in politics and its impact on public opinion should be open and transparent. The entire financial support given by business to political parties, public organisations and the mass media should be made public and verifiable. Any secret support is to be condemned publicly as immoral”.²⁷² Another code pointing out corruption reads: “[i]ndividuals and structures guilty of grievous crimes, especially those involved in corruption, should be unacceptable as business partners or participants in the business community”.²⁷³ However, this local voice was not strongly echoed by the assembly.

The 9th general assembly approved a statement on Latin America. It expressed assembly’s hope and worry at the same time as follows: ²⁷⁴

15. Moreover, in recent years many countries have made significant changes through presidential elections, as an expression of participatory democracy of the peoples. Candidates and parties who have shown more sensitivity to the needs and rights of the peoples have often been elected. New governments have stood up in a stronger way in confronting International Financial Institutions, Trade Agreements and subsidised agriculture in northern countries. Internal policies, more respectful of human rights and addressing poverty, hunger and other social needs have been developed. These governments have raised hope in the region and beyond, though the strong limitations they are facing, and the contradictions and corruption which threaten some of them, should not be overlooked.

However, in the resolution of the 9th assembly on Latin America, there is no direct mention about corruption. It can be interpreted as a result of ignorance on the seriousness of the corruption problem.

²⁷² WCC, *ibid.*, p. 212.

²⁷³ WCC, *ibid.*

²⁷⁴ WCC, *ibid.*, p. 301.

The same general assembly adopted the statement on UN Reform. It mentioned corruption as one of the challenges which cannot be resolved by individual states alone, thus through reform of the UN, it can be more effective to “the pursuit of global peace with justice”.²⁷⁵

It is important that some raised the issue of corruption and its vices to this assembly. However, there was no more scrutiny on corruption issue in the report of the 9th general assembly of WCC. Again, no concrete roles were suggested to the churches to fight corruption and to promote integrity. Thus, it can be concluded that corruption was also treated as one of the side issues by the Porto Alegre assembly.

6.3 Anti-Corruption Agenda in Related Documents

The following couple of documents can be referred to as outlining WCC’s understanding on corruption. First, “[c]hurches’ response to the policies

²⁷⁵ WCC, *ibid.*, p. 313-320.

“5. After the end of the cold war and the rapid spread of globalization the UN finds itself at a critical juncture. On the one hand, complex global problems require a cooperative and multilateral response. Never before has it been so clear that the challenges of communicable diseases and environmental degradation, of corruption and organised crime, of proliferation of arms and the threat of terrorism cannot be resolved by individual states alone. On the other hand, this very situation has given rise to new fears, to mutual suspicion, and even to acts of indiscriminate violence leading some to withdraw behind barriers of exclusion or to rush to unilateral action believing that it is more effective.” (p.314)

of international financial institutions” (2003) is one of the most important document, reflecting WCC’s understanding of corruption issue. The document was prepared for the third World Social Forum (WSF) that was held in Porto Alegre, Brazil, on January 23-28, 2003. In this document, international financial institutions (IFI’s) were criticised because they use “good governance, fight against corruption and the conflict between community-focused traditions and the competitiveness required in the market economy” as “an attempt to blame the victims and distract from the analysis of the relationship between root-causes and consequences”.²⁷⁶ In that sense, the document further asserted that “[i]nstead of talking about distorted markets, it is much more appropriate to speak of distorted societies under the unfettered influence of market forces”.²⁷⁷

This profound gap of understanding between WCC and IFI’s is again reflected in the second document, a report of the WCC-IMF-WB high-level encounter. James D. Wolfensohn(WB president), Samuel Kobia(WCC general secretary), and Rodrigo de Rato(IMF director), met on October 22, 2004 in the Ecumenical Centre, Geneva, Switzerland. The meeting was an important chance for exchanging views and ideas on development and corruption and for enhancing their views of each other. However, there was no unified understanding on the past and the present of the global economic system. The document “the Synthesis of discussions and summary of agreements” explains that the objectives of this encounter “were two-

²⁷⁶ WCC, <http://www.oikoumene.org/en/resources/documents/wcc-programmes/public-witness-addressing-power-affirming-peace/poverty-wealth-and-ecology/neoliberal-paradigm/01-03-lead-us-not-into-temptation.html> (Retrieved May 15, 2009).

²⁷⁷ WCC, *ibid.*

fold: firstly, to explore common and differing perceptions of the three organisations regarding economic growth, distribution and redistribution of resources, ideas of equality and participation in poverty eradication; and, secondly, to work towards a statement underscoring the common commitment of the three organisations to combating poverty and working for social justice, and outlining the areas of disagreement and possible plans for future collaboration amongst the three institutions”.²⁷⁸ The encounter could not produce a common understanding on corruption or debt issue. The same perspective was reflected in *The Courage To Hope*, the book of Samuel Kobia, general secretary of WCC.²⁷⁹

6.4 Characteristics of Anti-Corruption Agenda in the Ecumenical Movement

Most of WCC’s documents which mention ‘corruption’ in an ordinary meaning were references to the experiences, understanding, and cry of local churches. On the contrary, it is not easy to find pages mentioning corruption in that meaning in WCC’s official documents. The writer supposes that within the Ecumenical movement, in separation from local churches, there were three characteristics on dealing with corruption issue.

²⁷⁸ WCC, <http://www.oikoumene.org/en/resources/documents/wcc-programmes/public-witness-addressing-power-affirming-peace/poverty-wealth-and-ecology/trade/22-10-04-wcc-imf-wb-high-level-encounter.html> (Retrieved May 15, 2009). The writer underlined for emphasis. Its whole text is available in Appendix (2).

²⁷⁹ Samuel Kobia, *op. cit.*, pp. 69-91.

First, WCC is mainly concerned about ‘macro’ corruption of the First world countries. This perspective is very important to realise a wider concept of corruption. Furthermore, international debt was criticised by the ecumenical movement as the result of corruption, especially between the Western creditors and the dictators in debtor countries. In that sense, the legitimacy of those debts was questioned and followed by the debt cancelation issue. Additionally, the international financial system is interpreted as a core of corruption. This perspective is important to understand as a form of macro corruption for the anti-corruption movement. Furthermore, it should be acknowledged that WCC was one of main contributors in raising a strong movement against odious international debt, especially before the Millennium.

Second, WCC criticised the attempts to blame ‘victims’. “Lead us not into temptation: Churches’ response to the policies of international financial institutions”, a document of WCC, shows why it spoke on corruption (especially corruption of the Third world countries) as little as possible. Corruption was and is a sensitive issue in the ecumenical movement because of that basic position.

Third, WCC did not pay enough attention to corruption in a general meaning, in spite of local churches’ understanding of its seriousness. It can be interpreted that the ‘distorted’ perspectives of WCC, as a reaction against those ‘legitimizing attempts’, hindered any further discussion on corruption in a general meaning. Thus, major concerns of the Ecumenical movement were found on social problems: violence, injustice, human rights violation, third world debts, climate change, HIV/AIDS, and racism. However, corruption was and is working

in the background of most of those problems. As Samuel Kobia rightly pointed, “[w]e shall uproot corruption through a new understanding of the dignity of who we are, as well as through radical movements of ethical consciousness that infiltrate all levels of participation in governance to guide our future actions and attitudes”²⁸⁰

6.5 Proposing DOC: The Decade to Overcome Corruption: Churches Seeking Integrity 2011-2020

It is appropriate that one can distinguish the difference between genuine religions and false ones from their concern and practices for liberation of people, as Jong-Sun Noh wrote that “[t]he False religion can be ‘the opium of the oppressed’ according to Karl Marx and others. But the genuine religions are the true forces for the liberating people and saving the alienated, discriminated and exploited and even spiritually deprived of.”²⁸¹

Corruption lies at the bottom of those alienation, discrimination, and exploitation of the people, and is a core part of them. In that sense, anti-corruption struggle in the religions should be promoted more and more.

However, most of the churches are still not well aware of the gravity of the corruption issue. If corruption cannot be controlled, other global problems will not be easily solved. In that sense, faith-based organisations, including Christian

²⁸⁰ Samuel Kobia, *op.cit.*, p. 91.

²⁸¹ Jong-Sun Noh, *Story God of the Oppressed: Joshua Syndrome and Preventive Economy* (Seoul: Hanul Publishing Co., 2003), p. 47.

churches, should make their best efforts to cooperate with anti-corruption initiatives and movements, including the United Nations Convention Against Corruption and Transparency International.²⁸²

WCC's next general assembly should seriously discuss this issue of corruption and its linkage with other social diseases. Furthermore it is needed to begin some kind of anti-corruption initiative within the ecumenical movement. WCC has emphasised *the Decade to Overcome Violence: Churches Seeking Reconciliation and Peace 2001 - 2010* (DOV) initiative, as a global movement that strives to strengthen existing efforts and networks for preventing and overcoming violence, as well as inspiring the creation of new ones.

Similarly, *the Decade to Overcome Corruption: Churches Seeking Integrity 2011-2020* (DOC) initiative should be considered by WCC. Within this programme framework, the following programmes and activities, among others, can be included for its realisation.

First, WCC and its local member churches can host symposia and organise tables to discuss anti-corruption and integrity issues. Through those occasions, anti-corruption advocates, pastors, theologians (including Christian ethicists), lay leaders (including women and youth), and other actors (public, private sectors and civil society organisations) can share experiences and ideas to effectively combat

²⁸² Similar concern was already expressed in Katherine Marshall and Marisa Van Saanen, *Development and Faith: Where Mind, Heart, and Soul Work Together* (Washington D.C.: WB, 2007), pp. 231-240.

corruption. Churches' dialogues with anti-corruption activists and experts should be encouraged, also.

Second, corruption and integrity issue should be discussed thoroughly by the tenth General Assembly. It will be better, if WCC can host a general meeting on those issues.

Third, theological studies, lectures, and curricula should be encouraged. Theological seminaries and denominations can host continuing education for the pastors as well as for the lay leaders. Through those courses, they can be prepared to be Christian leaders promoting integrity and fighting corruption in the society. Similar curricula can be presented for the church schools. Women and youth should not be ignored in the programme.

Fourth, 'Integrity Sunday' can be considered to emphasise those issues in the churches. Common sermons on corruption and integrity can be preached and common prayers can be shared with all Christians. WCC and its local churches can provide special banner and poster, movies, hymnals and reading materials with some documents for worship service and other events for that Sunday. Churches can invite anti-corruption activists as speakers and can share experiences and ideas. It will be a great chance for further cooperation, too.

Fifth, churches can prepare and share common guidelines for the Christians to fight against corruption and to safeguard integrity. Those guidelines will be useful not only to raise awareness but also to strengthen ethical infrastructure in the society. Besides the guidelines, other publications on those issues can also be circulated.

Chapter 7. Conclusion

“They hate him who reproves in the gate, and they abhor him who speaks the truth. Therefore because you trample upon the poor and take from him exactions of wheat, you have built houses of hewn stone, but you shall not dwell in them; you have planted pleasant vineyards, but you shall not drink their wine. For I know how many are your transgressions, and how great are your sins – you who afflict the righteous, who take a bribe, and turn aside the needy in the gate.”

Amos 5,10-12 (Revised Standard Version)²⁸³

7.1 Another ‘Climate Change’ Needed

Current global economy is suffering from the financial crisis. In fact, it is not just a financial or an economic crisis. Christian ethical perspective exposes a ‘moral’, ‘ethical’, ‘philosophical’ and ‘theological’ crisis from the bottom of this turmoil. In that sense, the global financial tsunami should be explained as a result of lack of integrity, bad governance, and wealth-seeking without spirit. The global financial market structure should be revisited from an ethical and a value-based viewpoint.

²⁸³ Herbert G. May and Bruce M. Metzger (ed.), *The New Oxford Annotated Bible with Apocrypha: Revised Standard Version Containing the Second Edition of the New Testament*, p. 1112.

Corruption is a name of a pandemic that harms not only human beings but also the other creatures on the world. It deprives lives and quality of life from them. It cannot be easily measured how big its negative impact is on the quality of life, especially on overcoming poverty, violence, human rights violations, injustice, oppression, and mental and physical diseases including HIV/AIDS. Corruption prevents suitable access to education, information, as well as security of the people. It distorts political and economic order and stability. Democracy and fairness cannot exist with corruption.

Corruption is a result of moral decay. At the same time, corruption is also a cause of lack of moral stability. Corruption is a critical hindrance to justice, peace, and integrity of creation. Without overcoming corruption, the Millennium Development Goals cannot be met by 2015.

In the past decade, most international concerns were about the so-called 'climate change', which was a symbol of the problem of global warming. Ecological concerns, of course, should receive further attention in the international fora. However, it should not be a replacement of the 'corruption' agenda.

The change of moral and ethical climate is very much needed not only at the individual or organisational level but also at the national and global level. How to build a sound *Global Integrity System*? It should be more deeply discussed. The sustainable global strategies should be prepared soon and implemented thoroughly.

7.2 Some Practical Implications and Recommendations for Anti-Corruption Movement

This study has some practical implications and concrete recommendations for the anti-corruption movement. Among others, the followings should be included in this conclusion.

First, current concerns about the ‘pillars’ of the National Integrity System should be replaced with the ‘components’ of it. Exclusive concern about the pillars often prevents the understanding of the importance of the foundation of the temple. Thus, more attention should be paid to the moral and ethical foundation of the person as well as that of the society. Current symbol of the temple and guidelines for national integrity system assessment should be revised accordingly.

Second, building a sound ‘ethical infrastructure’ should be included as a core element of state party’s compliance with the anti-corruption and anti-bribery conventions, especially with the UNCAC. Gap analyses, self-assessments, and monitoring on the implementation of the UNCAC should be revised accordingly. In most cases, the implementation of the Convention only means the legislation and technical enforcement of those articles of the convention, and nothing more. But it will be very difficult to meet the ‘spirit’ of the convention without paying concerns on the culture and moral/ethical infrastructure of the country. State parties’ efforts for building a sound ‘ethical infrastructure’ should become the core strength for making real differences. Without overcoming this lack of concerns on ‘the Moon’, it will become a kind of additional ‘paper work’ freezing on the ‘fingers’ only. Some critiques on ignorance on the ethical infrastructure in

anti-corruption efforts should be seriously considered by the state parties as well as the actors of each country to make real differences in prevention of corruption in the longer term.

Third, 'macro' form of corruption should be also illuminated and eradicated in international and national dimension as well as 'micro' corruption. Those 'legalised' and 'embedded' forms of fraud victimise most of global citizens, especially those who are living in very difficult situation, as the recent financial crises showed. Without overcoming this 'macro' corruption and broader understanding on that, any policy to put a finger only to 'small fishes' will fail into the conspiracy, consent, or assistance to those 'big fishes' in the higher and more important positions.

Fourth, moral decay and ethical instability should be included as one of the vicious consequences of corruption. As discussed in Chapter three, a corrupt person can be accepted not only as "the teacher by negative example" but also a wrong role model for the people, especially for the next generation. Most economic analyses in the past often failed to look at the latter. This evil effect of corruption should not be overlooked.

Fifth, organisers of international conferences should consider this issue of 'ethical infrastructure' as one of the main agenda for them. In this regard, the Conferences of State Parties to UNCAC should consider including this agenda for all state parties as well as other stakeholders.

Sixth, there is no way to overcome corruption alone. It means anti-corruption practitioners should get advices from other experts, including religious

leaders, and work together. The sooner all of them begin to cooperate, the better and the bigger the results will be.

Last, but not least, anti-corruption education and integrity promotion should be implemented in school and society as well as at home. Without proper education and training on integrity for the youth, corruption and fraud cannot be easily confronted in the next generation. It means that current strategies without suitable integrity education will become a house on sand and not on the rock. For making anti-corruption strategies sustainable in the long term, integrity promotion, especially for the youth, should be on the top priority list. In this regard, assessment and indexing can be a good portal for further navigation of anti-corruption education, as Transparency International-Korea's Youth Integrity Indices show. For that purpose, international donors, foundations, national governments, and private companies should invest more in building a sound ethical infrastructure and a Global Integrity System for the future.

7.3 Christian Ethical Implications of the Study

The writer could get the following Christian ethical implications from this study, among others.

First, social ethics and personal ethics are not exclusive of each other. It was shown in this study that integrity system is composed of personal beliefs or values, culture of society or organisation, legal/institutional framework, and law

enforcement. If any one factor is weak, other factors should cover that weakness. In that sense, those factors are working together and are interdependent. Past antagonism between personal salvation and social gospel should reconcile with each other. The division among Churches and denominations can also be overcome through this perspective. Both are interdependent in essence. The stronger both work together, the bigger difference they can make.

Second, there should not be any arbitrary limit in Christian responsibility to the neighbours. As Dietrich Bonhoeffer explained in his *Ethics*, integrity in a place of refuge cannot be a real integrity. It is because integrity is not only a matter of being ‘directly’ engaged in any kind of fraud, corruption, or violence. On the contrary, living in that place can become a conspiracy or consent to the wrong-doers not only to the contemporary neighbours but also to the next generations and other creatures suffering from all kinds of ‘corruption’ including ‘macro’ corruption. The same point can be applied to the so-called ‘clean wealth’ debate. Some people think that clean wealth means raising money without any violation of legal framework. However, it is not the fulfillment, but one of the requirements. Moreover, the accumulation of wealth can become a reason of curses, as the Words of Jesus: “for I was hungry and you gave me no food, I was thirsty and you gave me no drink”²⁸⁴. Furthermore, the debates on pacifism and ‘just war’ theory and abortion between ‘pro-life’ and ‘pro-choice’ should be criticised from this perspective.

²⁸⁴ Matthew 25:42, Revised Standard Version.

Third, efforts to overcome those social diseases should be correlated with anti-corruption struggles. Corruption is not an isolated social cancer but a spreading cancer that affects other parts of the body, and thus, results in serious problems of health, including death. Discussion on the Jubilee and debt cancellation should be made on this ground of corruption, both in micro and in macro forms. In this regard, current economic crisis should be discussed within Churches as a macro-corruption through global financial markets.

Fourth, corruption should be on the table of the discussion between the ecumenical movement and the anti-corruption movement. It can be similarly applied to other faiths, as Hans Küng suggested in the 11th International Anti-Corruption Conference, held in 2003 Seoul, Korea. Inter-religion dialogues and cooperation programmes should also be encouraged.

Finally, it should be emphasised that the Church herself should take the role of “being a role model of integrity and good governance.” In some news stories, churches are blamed because of bad practices within themselves. It is same for believers. They should perform the best quality of integrity in their lives. Without overcoming this critical problem in faith-based organisations, sermons will be void without any echoes. For pastors, the most difficult task will not be the sermon itself but living in accordance with the sermon. For believers, their best concern will not be selecting a good preacher, but living as the Word.

7.4 Subjects for Further Studies

Further studies are needed on the following issues, among others.

First, theological studies on corruption related issues should be considered.

They will include:

- Biblical understanding on ‘corruption’, especially on ‘bribery’,
- ‘corruption’ issue in Church history,
- Purity in the church (with regard to corruption and hypocrisy),²⁸⁵
- Christian ethical reflection on global financial market and economic system,
- Practical guidance to avoid corruption and fraud in the life from Christian ethical perspective,²⁸⁶
- Corrupt practices within churches and tolerance on corruption in Christians,
- Educational contents on anti-corruption for Christians,
- Christian ethics in work field (in public and private sectors, among others),

²⁸⁵ For example, see: Eric Frank , “Philip Melancton: Scholar and Reformer” *Western Reformed Seminary Journal* (August 1996), Vol. 3, No. 2, pp. 36-41.

²⁸⁶ Similar attempts were made to prepare biblical decision-making checklists and practical guide to compliance with Section 404 of Sarbanes-Oxley Act in companies. See Stephen G. Austin and Mary Steelman, *Rise of the New Ethics Class, Life After Enron: Not Business As Usual* (Florida: Charisma House, 2004).

- Alternative economic activities (their meaning and limitations as supplementary tools),²⁸⁷
- Guidelines for Christian ‘social responsibility’ including corporate social responsibility, and
- Roles and programmes of local churches as well as the Ecumenical movement for the anti-corruption movement²⁸⁸.

Second, interdisciplinary studies should be encouraged to find better approaches to building a real ‘sustainable’ and ‘sound’ ethical infrastructure in an organisation, country, or in the world. Those studies will include:

- Any relationship between the current anti-corruption initiatives and the macro corruption system (including any real or apparent conflict of interest),
- An interpretation of global financial market and economic system from the perspective of (macro) corruption study with alternative strategies,

²⁸⁷ They will include fair trade, responsible investments, the Caux Round Table initiative, and the United Nations Global Compact initiative. See Lisa Whitehouse, “The Global Compact: Corporate Citizenship in Action, but is it Enough?” in John Eade and Darren O’Byrne (ed.), *Global Ethics and Civil Society* (Hampshire: Ashgate, 2005), pp108-120.

²⁸⁸ Katherine Marshall and Marisa Van Saanen, *Development and Faith: Where Mind, Heart, and Soul Work Together* (Washington DC: The International Bank for Reconstruction and Development and the World Bank, 2007), pp. 231-240.

- Effects of corruption cases, whether they are accepted by the people (youth) as the teacher by negative example or a role model,
- Local and global programmes to promote integrity of the society (identifying best practices for them, in addition), and
- Suggestions of roles and activities of each actor in the global, regional, and local society to promote integrity, as a sustainable ethical infrastructure.

7.5 Summary

In the introduction, the writer explained the importance of corruption agenda. Corruption was defined in this study as “abuse of power for the profit against universal moral or ethical norms”.

In Chapter two, this study presented different concepts of corruption. In the beginning of the debate, it was restricted to the public domain. However, it was expanded into the private sector. Indirect and legal forms, including ‘state capture’ and ‘policy capture’, were included as well as further consideration on ‘appearance of impropriety’.

The consequences of corruption were outlined as injustice, violence, and destruction of creation in Chapter three. Also, achievement of the Millennium Development Goals by 2015 as planned depends on overcoming corruption and promoting accountability.

An ethical perspective was applied to interpret corruption in Chapter four. As the ecumenical movement of WCC has emphasised, systemic and legal forms of institutionalised corruption was also explored in ‘state capture’, ‘international debt’, ‘the current international financial tsunami’, and ‘the right of pardon or the privilege of impunity’. The writer requested to not make any arbitrary limitation on the responsibility, because ignorance, negligence, and silence can easily become a conspiracy or consent to corrupt system. Furthermore, it was mentioned that the system cannot be perfect without the individual’s mind-set or else the organisational culture will not work positively. Additionally, this perspective based on the responsibility was adopted to provide solutions for some ethical debates on ‘abortion’, ‘pacifism vs. just war’, and ‘clean wealth’.

In Chapter five, ethical infrastructure was researched. It referred to ‘moralist trauma’ as a background of the silence on integrity and moral foundation in anti-corruption movement. The writer also criticised the so-called ‘institutionalistic’ tendency in anti-corruption movement that does not concern the longer term sustainable infrastructure. In that perspective, both of the current national integrity system study of TI and gap analysis on UNCAC were criticised because of the lack of concerns on building a sustainable ethical infrastructure. For NIS study, to replace the concept of ‘pillars’ by that of ‘components’. To overcome ‘short-termism’, the writer asserted that youth integrity promotion should be one of the priorities within various social actors.

As factors affecting ethical decision making, the writer mentioned 1) individual belief and moral values, 2) culture of organisation/society/country or

regional/global trends, 3) legal/institutional framework including its performance and law enforcement, and 4) returns (including fulfilment of drives) and risks (including reputational ones). The first two factors form ethical infrastructure. In this framework, the current national integrity system idea and gap analysis of UNCAC were exposed as requiring some upgrades. For example, NIS ‘pillars’ concept should be replaced by ‘components’ concept.

In Chapter six, it was examined that due diligence on corruption was not properly performed in the Ecumenical movement in the past. Especially, the role of faith-based organisations was sought in the same Chapter and the Decade to Overcome Corruption (2011-2020) was proposed with some brief tasks.

In Chapter seven, the writer introduced some practical implications and Christian ethical implications, with the summary of this study.

Preparation and implementation for building a sound ethical infrastructure will make a difference. Through this process of self-healing, all human being, with other creatures, can enjoy the ‘corruption-free’ life which was granted by the Creator.

“Because the creature itself also shall be delivered from the bondage of corruption into the glorious liberty of the children of God.” (Romans 8:21)²⁸⁹

²⁸⁹ *The Holy Bible*, Containing the Old and New Testaments, King James Version (London: Collins’ Clear-Type Press, 1957), New Testament, p. 166.

Appendix (1) The Debt Issue at the Eighth General Assembly of WCC

5.2. THE DEBT ISSUE ¹

(From Policy Reference Committee II Report)

II. A jubilee call to end the stranglehold of debt on impoverished peoples

1. Debt and jubilee in the new millennium

On the eve of the third millennium, the jubilee assembly of the World Council of Churches must ponder God's jubilee command and Christ's proclamation, which affirms this vision. Gathered in sub-Saharan Africa, we have heard the cries of the millions of people who have borne the social, political and ecological costs of the tenacious cycle of debt. We are called, through a process of discernment and response, to seek new ways to break the stranglehold of debt, to redress its consequences, and ensure that debt crises will not recur. This can only be achieved through a new, just global order.

The WCC is firmly committed to joining people of faith and communities of conscience in implementing the sabbath-jubilee mandate, sounding the trumpet and rejoicing in the hope of jubilee when debt is cancelled. We offer this policy statement for reflection by all members of the ecumenical community, call our churches to action and commit ourselves to achieving debt cancellation.

¹ As adopted by the WCC eighth assembly, December 1998. WCC, *Together On the Way: Official Report of the Eighth Assembly of the World Council of Churches*, ed. by Diane Cooksey Kessler (Geneva: WCC Publications, 1999), pp. 177-182.

Since the 1970s, the WCC, its member churches and ecumenical partners have placed high priority on addressing the debt crisis. On several occasions the WCC has spoken in solidarity with the victims of indebtedness. In response to a mandate of the central committee, the WCC Los Rubios consultation on debt (1998), involving representatives of 24 countries and diverse denominations, launched a process to develop this policy statement on debt. However, the churches' hopes for cancelling the debt of impoverished countries and for alleviating hunger have not been realized.

2. The sabbath-jubilee vision... a jubilee call to life for all

Through the sabbath-jubilee tradition, the Hebrew and Christian scriptures offer a critical mandate for periodically overcoming structural injustice and poverty and for restoring right relationships. In the earliest Hebrew sabbath traditions, consumption and exploitation of the land were limited by the sabbath and the sabbath year. People and animals were to rest every seventh day and the land every seventh year (Ex. 23:10-12). During the sabbath year, there was to be release from debts and slavery and during the jubilee year a restoration of all family lands (Lev. 25). These commandments are taken up in "the year of the Lord's favour" (Isa. 61:1-2a) and described in Isa. 65:17-25 as "new heavens and a new earth". In other words, justice brings peace for all God's creation. In the New Testament, Jesus extends the jubilee vision by proclaiming good news to the poor, release to the captives, sight to the blind and liberation of the oppressed. He taught his disciples to pray for the forgiveness of debts (as we forgive our debtors). Pentecost was characterized by the voluntary sharing of possessions, so that "there was not a needy person among them" (Acts 4:34, cf. Deut. 15:4).

The sabbath tradition of the jubilee vision is as relevant today as it was thousands of years ago. Debt bondage by the poorest countries to Western governments and creditors is today's new slavery. The accelerating concentration of wealth for a few in the richest countries and the devastating decline in living

standards in the poorest countries call for correction along the lines of the ancient sabbath and jubilee cycles. The social, political and ecological costs of the debt crisis can no longer be tolerated and must be redressed. Only when we have implemented the sabbath-jubilee mandate can we “turn to God” and “rejoice in hope”.

3. *The eighth assembly of the World Council of Churches affirms that*

a. Cancelling the debt of impoverished countries and addressing the devastating cycle of debt accumulation are matters of urgency.

Today’s globalized economy promotes the accumulation of wealth in the hands of a few through lending money or through speculation. This process is promoted by G7 leaders through the Bretton Woods institutions, which have encouraged debtor nations to borrow on international financial markets, made easier by the International Monetary Fund’s (IMF) deregulation of capital movements around the world. Because foreign debt can only be repaid in hard currency (e.g. US dollars or sterling), indebted countries are obliged to orient their economies towards the raising of these revenues from exports or new loans. This explains why debtor nations are forced to concentrate on cash crops such as coffee, cocoa and carnations, as opposed to staple foods, and why they are caught up in endless cycles of borrowing.

The foreign debt is growing exponentially. Present debt-management proposals such as those devised by creditors (the Heavily Indebted Poor Countries (HIPC) initiative) offer too little, too late, to few countries. Because these are designed by creditors, their purpose is debt collection not debt relief. Furthermore, Western creditors, represented by the IMF, impose conditions whose purpose is to generate revenues for debt service. Structural Adjustment Programmes impose unacceptable conditions on debtor nations and drain them of precious resources. Unless present debt-management plans are transformed into debt-release

opportunities, the devastating cycle of debt accumulation will repeat itself, condemning millions more people to suffering.

The poorest countries are not the only ones trapped by the debt crisis. Countries that are arbitrarily defined as “middle income” are also threatened by debt crises. As the crisis in southeast Asia and in Brazil shows, reckless lending leads to speculative investment, high levels of debt and capital flight. When governments have to back their own currencies against speculative attack, they are forced to raise interest rates and seek new loans from the IMF. Furthermore, as illustrated in the case of Thailand, the IMF obliges debtor governments to “nationalize” private losses caused by the financial crisis, transferring the burden to the public, who did not benefit from the loan. Substantial debt reduction is urgently needed for these severely-indebted middle-income countries to enable them to escape the downward cycle of debt and economic degradation.

The policies of the Bretton Woods institutions, in particular the rapid liberalization of capital flows, are increasingly being questioned. Recent public statements by the chief economist of the World Bank have drawn attention to fundamental flaws in these policies. Furthermore, he has noted the double standards applied by the Bretton Woods institutions to Western economies on the one hand and indebted nations on the other. It is important to support those leaders in the World Bank and IMF who promote poverty eradication policies.

b. The basic human needs and rights of individuals and communities and the protection of the environment should take precedence over debt repayment.

Highly indebted countries pressed by capital shortages to seek new loans are forced to adopt IMF policies and renounce control of their economic sovereignty. Debtor governments are obliged to give debt repayments priority over spending on health, sanitation, clean water, education and other social needs. This undermines accountability by debtor governments to their people, which in turn erodes local democratic institutions. Debt and loan negotiations are always conducted in secret between elites in the North and elites in the South, fostering corruption.

The diversion of resources from impoverished peoples in debtor countries to rich Western creditors is a violation of human rights. Furthermore, the impunity with which creditors are able to impose such policies is a travesty of justice. Children and women are forced to bear the full costs of debt repayment through reductions in health, sanitation and clean water programmes. In addition, by concentrating on exports, poor countries strip forests and over-exploit land and non-renewable resources, further aggravating serious environmental problems. High levels of debt and economic degradation inevitably lead to social conflict and disintegration, in particular war. Military and corrupt dictatorships and those of the apartheid regime have incurred the most unacceptable kind of debt, defined in international law as odious debts.

c. New structures and mechanisms, involving participation and dialogue between creditors and debtors, are critically needed.

Both lenders and borrowers must take responsibility for the debt crisis. It is unjust that creditors dominate the debt relief process. We need new, independent and transparent structures for governing relations between debtors and creditors. In particular, we need a new just process of arbitration for international debt cancellation, such as the introduction of an international insolvency law, which ensures that losses and gains are equally shared.

Collective political will is urgently needed to develop an international, ethical lending- borrowing mechanism, which involves civil society, including churches, in the process of debt relief and in preventing future debt crises. These mechanisms must produce ethical, mutually responsible and transparent solutions, which not only satisfy requirements for economic efficiency, but also for the protection of basic human needs and rights as well as the environment. Where funds are released through debt cancellation or other relief measures, civil society organizations must be enabled to take part in determining how monies are reallocated for social priorities.

d. Churches can play a powerful role in providing solutions to the debt crisis, particularly in the area of building partnerships.

Significant work towards debt cancellation has been done by churches and Christian world communions. The WCC encourages member churches, church-related institutions, relevant campaigns and movements such as the jubilee 2000 Coalition, to renew their commitment to solving the debt crisis, informing and mobilizing the public to generate political will to transform unjust international structures and relations. Churches can best do this by demanding information from their governments on lending and borrowing policies.

The assembly encourages member churches and its partners to provide critically needed fora for discussion with governments and international financial institutions. They should urge governments of the wealthier countries to: (1) increase support for bilateral and multilateral debt cancellation, and (2) undergird efforts to make international financial institutions more democratic, transparent and responsive to the needs of the world's most impoverished.

4. The eighth assembly of the World Council of Churches calls on the member churches and the ecumenical movement to work for:

- a. debt cancellation for severely indebted, impoverished countries to enable them to enter the new millennium with a fresh start;
- b. substantial debt reduction for severely indebted middle-income countries within the same time frame;
- c. participation by civil society in deciding and monitoring how funds made available by debt cancellation should be used to restore social and ecological damage;
- d. establishment of an independent, transparent arbitration process for debt cancellation, and ethical lending and borrowing policies to prevent future recurrence of the debt crisis;
- e. ethical governance in all countries and legislative action against all forms of corruption and misuse of loans;

f. full support to impoverished people of the indebted nations which cannot service their debts and suffer sanctions as a consequence.

5. *In line with the sabbath-jubilee vision, the eighth assembly of the World Council of Churches appeals to the leaders of the G8 nations to recognize the urgent need to:*

a. cancel the debts of the poorest countries to enable them to enter the new millennium with a fresh start;

b. substantially reduce the debts of the middle-income countries within the same time frame;

c. accept that debt cancellation cannot wait until conditions set by creditors are met;

d. introduce a new, independent and transparent arbitration process for negotiating and agreeing upon international debt cancellation;

e. implement measures to promote accountability of debtor countries when debts are relieved; these measures must be determined and monitored by local community organizations, including churches and other representative organizations of civil society, to ensure that debt cancellation leads to a just distribution of wealth;

f. use their powers to ensure that funds illegitimately transferred to secret foreign bank accounts are returned to debtor nations;

g. engage, in consultation with civil society, in a process of global economic reform towards a just distribution of wealth and preventing new cycles of debt.

Appendix (2) Common Ground and Differences of View Between the BWI and WCC

The following summarizes the current status of discussions between staff of the BWIs and the WCC by stating what we have identified as common ground and (inside brackets) differences of view. The document reflects “work in progress” in the continuing dialogue among the three organizations.¹

Central to the common ground that we have identified is our common concern with fighting poverty. The three organizations share the objective of reducing poverty, and are working to achieve this objective in the respective areas of our mandates and responsibilities. Important among the aims of our dialogue are that it should help to increase the effectiveness of our work to reduce poverty, including by improving the communication and cooperation between the BWIs and the WCC.

I. BWIs—Institutional and Governance Issues

1. The BWIs’ Roles, Human Rights, and the UN

The BWIs are needed to organize, facilitate, and promote international economic cooperation among governments, in accordance with the Articles of Agreement by which they were established.

The Universal Declaration of Human Rights was adopted in 1948 by the General

¹ Document issued at a high-level encounter between the three organizations at the Ecumenical Centre in Geneva 22 October 2004. <http://www.oikoumene.org/en/resources/documents/wcc-programmes/public-witness-addressing-power-affirming-peace/poverty-wealth-and-ecology/trade/22-10-04-wcc-imf-wb-high-level-encounter.html> (Retrieved May 15, 2009).

Assembly of the United Nations, representing member states from around the world that are also member countries of the BWIs and from whose people the WCC's membership is drawn. The BWIs and WCC agree, in particular, that poverty and underdevelopment can foster violations of human rights and that such violations make fighting poverty more difficult and less durable.

[The WCC believes that the BWIs should play a more active role in promoting human rights, including through policy conditionality. The BWIs view their work as contributing to human rights in the sphere of economic, development, and related social policies, through their promotion of economic development, rising living standards and poverty reduction, high employment, macroeconomic and financial stability, etc.. But the BWIs consider that they have neither the mandate nor the expertise to promote human rights more broadly defined, which they view as belonging to the UN, among international organizations, and to individual governments, which have the primary responsibility for maintaining human rights within their borders.]

[The WCC would argue that the BWIs should be primarily accountable to the UN. The BWIs, however, point to their direct accountability to their member countries, established by their Articles of Agreement, which make them legally and operationally independent of the UN. At the same time, the BWIs point to their close collaboration with the UN on many issues and in many activities. (See also section I (4) on accountability of the BWIs, below.)]

2. Representation and Voice of Member Countries of the BWIs

Improvements are needed in the distribution of votes, representation, and voice among the member countries of the Fund and the Bank, particularly to strengthen the representation of developing and emerging market countries—both those that have grown in economic importance since the last revision of representation and

those whose relative positions are weak and have weakened. Recent steps to strengthen the voice of African countries by expanding the offices of African Executive Directors at the BWIs are welcome but insufficient. There are strong arguments both for a revision of IMF quotas and World Bank capital subscriptions to reflect up-to-date economic data on the relative economic size of countries, and for an increase in “basic votes” (the equal number of votes allocated to each member country in the Articles of Agreement) to their original level in proportion to total quotas, in order to increase the representation of low-income countries. However, to achieve these steps a consensus among the members countries of the BWIs would be needed that does not currently exist.

[The WCC would say that country representation in the BWIs should not be based wholly, or at all, on their relative economic size, and that there should be a democratic sharing of power between developing countries and rich countries. The WCC is particularly concerned that the veto power of the richest countries on some decisions should end. Equal country representation, as in the UN General Assembly, or representation based on country populations, would be fairer in their view. The BWI staffs view it as likely that votes and representation will continue to be determined largely by measures of relative economic size, not only because of the established legal basis of the institutions but also because of the expectations of the countries that provide the largest financial support to them. On this view, if representation were determined by a system based on one-vote-per-country or one-vote-per-head-of-population, the institutions would become unable to perform their functions because of lack of support from the largest and richest countries. The BWI staff also point out that a one-vote-per-country system is far from democratic, given the widely differing populations of different countries.]

3. Accountability of the BWIs

The BWIs are accountable to the authorities of their member countries. The increase in the openness and transparency of the BWIs over the past decade is welcome, partly because it has increased their broader accountability to citizens of their member countries, including through interaction with parliaments, civil society organizations, and the media.

[The WCC would say that the accountability of the BWIs is still inadequate, that they should take clearer responsibility when mistakes are made, and that further steps should be taken to increase the institutions' openness and transparency, including through more open access to Board proceedings, to make it clear that they are "accountable to the general public".]

II. Objectives of Economic and Social Policy and the Work of the BWIs

1. The primary objective of economic and social policy is to improve human welfare, notably through the promotion of sustainable growth in real incomes; high employment; poverty reduction; efficient use of resources; reasonable equity of income distribution, across generations as well as at any point in time; and macroeconomic and financial stability.

2. The roles, missions, and activities of the BWIs have evolved over time, owing to internal and external pressures that have, in turn, reflected such developments as the expansion of their membership, the evolution of the world economy and financial system, and the lessons of experience. The World Bank's mandate, in particular, has evolved to encompass a broader definition of economic development that recognizes that economic growth is not sufficient: a more holistic view of development is now widely accepted, one that includes access to health, education, and housing, and aims for the empowerment of individuals and communities. The IMF's activities have evolved in recent years toward a sharper focus on its core responsibilities in the macroeconomic and financial sphere; the

prevention of financial crises; and the promotion of sustainable economic growth, including in low-income countries, where the IMF collaborates with the World Bank in promoting poverty reduction.

3. The BWIs and WCC are working to contribute in their areas of responsibility and expertise to achieve poverty reduction and the UN's Millennium Development Goals (MDGs), which are a welcome statement of objectives agreed by the global community. The BWIs and the WCC agree that poverty reduction at the pace that is needed requires not only economic growth but more equitable distribution of income and wealth.

[The World Bank would underline the importance they attach to the issue of equity, as evidenced in the dedication of the 2005 World Development Report to this topic. The IMF would concur, pointing, for example, to the emphasis it places on protecting and strengthening social safety nets, and health and education spending, when there is pressure to contain or reduce government expenditures. The WCC, nevertheless, would say that they place more emphasis on the objective of equity than do the BWIs. They would also emphasize that "man shall not live by bread alone" and that there are non-economic objectives on which economic policy should place higher priority, including the advancement of social and cultural rights, and social justice.]

III. Economic and Social Policy Strategies

1. For any country, successful economic and social development calls not only for good economic and social policies domestically, but also for international commerce, international financial transactions (lending and borrowing), and international cooperation. In normal circumstances, the main responsibility for achieving economic and social objectives in a country lies with the government of the country itself. For developing countries, international assistance from richer

countries and the appropriate international organizations is essential, including aid, other forms of financial assistance, technical assistance, and policy advice.

2[.] Successful economic and social development, characterized by the achievement of the above objectives, cannot be obtained through unfettered free markets. Indeed, the BWIs exist because of the recognition of the existence of market failures and work in many arenas to ensure that markets work more transparently, fairly, and equitably [The BWIs, consider that, as shown by history, a market-based economy provides the only economic system that makes it possible to achieve successful economic and social development and to promote individual freedom. The WCC does not ascribe to this view—see next paragraph.] A successful economy (successful in terms of sustainable and equitable growth in living standards) [--which, in the view of the BWIs, must be market-based--] requires the government to play a number of roles: the provision of good governance (including transparency and accountability); a sound legal framework; appropriate regulation of markets and of private sector activities; disciplined and stabilizing macroeconomic (fiscal and monetary) policies, to promote macroeconomic and financial stability and thus sustainable economic growth; the provision of other public goods (including, essentially but not exclusively, basic health care and education); and social safety nets to support the weak and those who suffer from the structural changes and dislocations involved in the development of a dynamic market economy. Unproductive or wasteful public spending, including military spending, should be avoided or minimized.

[The WCC does not believe that market-based economies are necessary to improve human welfare. The WCC considers it particularly important that local economies built on freely accepted communitarian principles need to be respected and protected, including by legislation and property rights. The WCC would thus say that they emphasize more than the BWIs the need to prevent economic development from disrupting local economies and societies, and bringing unwelcome changes to values and the established “way of life.” The WCC also

believes that a market-based economy, unless there is much more government intervention than envisaged by the BWIs, leads to the exclusion and marginalization of many poor communities. The WCC would therefore see a broader role for governments, including in the provision of goods and services, especially essentials like water. The WCC is generally skeptical of, or opposed to, the privatization of the provision of public services, which they view as violating the rights of the poor to have direct access to public goods. The BWIs, however, take a pragmatic approach on privatization, pointing to the problems that have often arisen with state-provided services and the benefits of using market mechanisms.]

[They would also argue, more often and strongly than the BWIs, that the goal of macroeconomic stability should be subordinate to social goals.]

[The WCC would also see a need for taxation to play a larger role in promoting a more equitable distribution of income and wealth.]

3. Openness to international trade, though not a panacea, benefits a country's growth and poverty reduction, and the BWIs have consistently been strong advocates of open trade and fair trade rules. When a country liberalizes its imports, the main beneficiary is the country itself. But although the country as a whole benefits, especially in the longer run, and although consumers and most producers benefit (from cheaper imports and the stimulus of foreign competition), trade liberalization can also cause economic damage to the sectors of the economy that compete with the liberalized imports, and to the workers in those sectors. Such damage needs to be assessed *ex ante*, and should be addressed by policies, including social safety nets and retraining arrangements to help those who suffer. Such policies are inadequate in many countries.

[The WCC would emphasize more than the BWIs the distortions and imbalances of economic power associated with the role in trade of multinational corporations, and would call for stronger regulation of these. The BWIs would emphasize more than the WCC the benefits that multinational corporations have brought to developing countries, through investment, new technologies, employment opportunities, and relatively favorable pay.]

[The WCC would also argue that the BWIs often press poor countries to liberalize too far and too fast, without allowing enough time for safety nets to work. They also argue that the BWIs are able to press small, low-income countries to liberalize whereas they are powerless to remove the major barriers to market access and agricultural subsidies in the advanced countries, even though these are harmful to the interests of the poor as well as the advanced countries themselves.]

4. Capital flows

a. Foreign direct investment is broadly beneficial to the countries to which it flows. It boosts growth and development by promoting fixed investment and the transfer of technology, and it is relatively stable—usually not a source of instability. But FDI inflows to developing countries are not evenly distributed among them: they are concentrated in the most rapidly growing successful countries, and most low-income countries face the challenge of attracting larger FDI inflows.

b. Short-term capital flows are more problematic, because they are more easily reversed and thus more likely to be a source of instability, including for the domestic financial system. These problems were demonstrated in the Asian financial crisis of 1997-98. They show that an economy should not be fully opened up to all capital flows until macroeconomic policies and the financial system are sufficiently strong.

[The WCC considers that short-term capital flows should be brought under restrictive controls and be subject to international taxation. The BWIs consider that short-term capital flows, while posing dangers that call for appropriate macroeconomic and financial sector policies, play vital roles, including in helping to stabilize foreign exchange markets and finance economic activity and investment. They also question the feasibility, as well as the desirability, of international taxes on capital flows.]

5. Balance of payments problems

Most countries that borrow from the BWIs have balance of payments problems. A particular purpose of the IMF is to provide temporary financial assistance, under adequate safeguards, to help countries correct balance of payments problems “without resorting to measures destructive of national or international prosperity”.

[The BWIs consider that improving export performance will usually be an important aim of policies to correct a balance of payments problem, and restore external viability and sustainable growth. The WCC disputes this, instead focusing on the aim of increasing domestic production for the domestic market, in order to reduce imports.]

6. Resource transfers

a. Data for official development finance, export credits, and private capital flows show a positive net resource flow to developing countries from advanced economies. After deducting interest payments and profit remittances, net transfers to developing countries are much smaller, but still positive. However, private flows, including direct investment, are concentrated in relatively successful developing economies, and they have declined markedly since the Asian crisis.

Thus for some, mainly middle-income, developing countries, there is an outward net resource flow and a negative net transfer of financial resources. Most low-income countries continue to receive net inward transfers of resources, but they are too small to meet the extensive human needs in these countries. Given also the relative shortage of capital throughout the developing world, this situation is far from optimal.

b. Part of the answer lies in increasing aid. Aid to the developing countries from the richer countries is too small. All donor countries should increase aid to the UN target of 0.7 percent of their GNP. The BWIs and WCC support the full implementation of the Monterrey Consensus, and call for the advanced economies to meet their commitments to increased ODA and improved market access. Donors and recipients should work together to ensure that aid is used effectively and “aid fatigue” is eliminated. Specifically the WCC and the BWIs share a concern that the issue of corruption be effectively addressed, both as a technical issue (waste of resources and undermining rule of law) and as a moral problem.

c. The WCC and BWIs also agree that some advanced economies need to reduce their own net foreign borrowing (i.e. their external current account deficits).

[The WCC views debt reduction (including cancellation) and the regulation of capital flows as the key to achieving the desired reversal of net transfers. The BWIs support debt reduction (see (7) below), but put more emphasis on the need for developing countries to implement more effectively policies that would encourage more long-term capital inflows.]

7. Policies need to be “owned,” not only by the authorities of the country concerned, but also by its people. At the same time, it makes sense for the provision of financial assistance (except for humanitarian/emergency assistance) to be based on policy conditionality, so that the assistance provided achieves

agreed objectives and is not wasted. Hence, the need for dialogue and negotiation between donors and creditors, on the one hand, and recipients, on the other, and also the need for participation by civil society in the policy-making process, as in the Poverty Reduction Strategy Paper (PRSP) process. The PRSP process provides an appropriate framework for the formulation and implementation of nationally-owned policy programs in, and international support for, the low-income countries.

[The WCC is skeptical about much of the policy conditionality required by the BWIs. It would emphasize the shortcomings of the PRSP process, including what they consider to be the excessive conditionality, and the lack of adequate public participation and scrutiny. They argue, in particular, that there is often little or no participation in the formulation of the macroeconomic policies associated with PRSPs or the Poverty Reduction and Growth Facility (PRGF).]

8. Debt relief, including debt reduction, is an essential element in the international community's strategy to reduce poverty in low-income countries.

[The WCC would call for the unconditional cancellation of the foreign debts of low-income countries, including debt to the BWIs, and especially the debts accumulated by despotic regimes.]

[The BWIs view debt cancellation as (1) resource-constrained (it may compete with aid; debt cancellation by the BWIs would seriously reduce their ability to help other countries); (2) not necessarily directly helpful to poverty reduction, since the resources provided to reduce debt can be wasted; (3) not fair to countries that do not qualify for debt cancellation (because they do not meet the definition of "low-income" or "HIPC-eligible"), or to the poor within them; (4) potentially harmful to the country's creditworthiness and economic prospects (creditworthiness being important because successful development requires borrowing from abroad). They would therefore emphasize the need to link debt

reduction to policies, as in the HIPC initiative, and they have been working actively to promote and achieve debt reduction in that context. Following the recent decision of the BWIs to extend the HIPC Initiative for two more years, the BWIs are working on (1) establishing a single framework to help low-income countries achieve and maintain robust debt sustainability while pursuing their development objectives, and (2) how further debt relief might be financed.]

9. Globalization[,] international trade and capital flows, discussed above—has helped to raise real incomes and reduce poverty in many countries. It does, however, bring risks (see, for example, above section on capital flows); it also imposes costs on some, at least in the short run; and some countries—especially in Africa—have been sidelined, and have benefited little, or not at all. The risks and costs have to be addressed by government policies and by international cooperation, including through the BWIs. The potential marginalization of low-income countries, particularly in Africa, from the globalization process demands special attention from the global community, including the WCC and the BWIs.

IV. Economic and Social Progress Report

1. The post-Second World War period has been characterized by unprecedented growth in real incomes and reductions in poverty, but also a widening of income disparities among countries, with most countries becoming richer but several countries in recent decades stagnating or declining. Poverty reduction appears to have accelerated since about 1980, thanks partly to globalization, and it appears to have been accompanied by a decline in income inequality globally. China, South-East Asia, and India have been particular success stories. Indeed, the decline in global income inequality is accounted for largely by the rapid improvement of real incomes in China and India, two low-income countries with very large populations. There has been much less progress in many other countries, especially in Africa, the Middle East, and Latin America. In most of Africa, in particular, there has been little economic progress in recent decades, and in some

countries there has been regress and decline of living standards. Africa's difficulties have been exacerbated, especially in the past decade, by the dreadful toll of the HIV/AIDS epidemic.

2. Progress in low-income countries, and particularly in Africa, requires improved governance; better economic policies, including increased openness to trade; increased openness to African exports in the advanced economies; and increased aid from the rich countries. This progress thus requires action by both the low-income countries and their international partners, including the richer countries and the BWIs. The Monterrey Consensus, the MDGs, the Doha Development Agenda, and the PRSP process provide a sound framework for progress.

Appendix (3) Society and Moral Foundation

Geo-Sung Kim (*The Korea Times*, May 30, 2006, p. 9.)

At the Korea Press Foundation building in central Seoul, nine foreigners participated in a function to commemorate the May 18th Democratic Uprising, which took place in the southwestern city of Kwangju in 1980.

The delegates, who received invitations from Transparency International-Korea and the Council for the Korean Pact on Anti-Corruption and Transparency, were from Cameroon, Latvia, Indonesia, Taiwan, Russia, Canada, the U.S., Australia, and Fiji.

After hearing an explanation as to what exactly happened on May 18, 1980, the delegates all said that they could not imagine such an image in the context of present day South Korea. Furthermore, they all agreed that today, Koreans enjoy a high level of freedom compared to the rest of the world.

In the dialogue that followed, I realized that each delegate was a part of the identification and implementation of ways to raise societal morality in their respective states.

Among the delegates, there were also those that had created an organization called “Action for Life”, to promote a moral strengthening movement to achieve absolute honesty, purity, unselfishness and love in their societies.

Below are a couple of encouraging stories they shared.

“There was a student who, after being caught cheating, was given the punishment of standing in the blazing sun for an hour by his teacher. While serving his punishment, the student saw his teacher approach him. What the teacher said next startled the student. ‘When I was in school, there was a time when I cheated but I was never punished,’” a Taiwanese delegate said.

“A student once asked a teacher, ‘Why did you give me a C when I studied so hard?’ She realized that the grade was not based on her performance. Rather, it was based on whether the student gave an envelope to the teacher and how thick it was. Early next semester, the student told the teacher, ‘I’m not going to give you any money so please give me a grade based purely on my academic performance,’” a Russian delegate said.

The delegate continued, “From that day on, the student wore a badge on her shirt to remind the teacher of her pledge to academic integrity. Soon the student’s friends began to wear the badge, and eventually, both students and teachers of the entire school followed.”

The number of similar stories involving such grassroots moral strengthening efforts was endless. Subsequently, the delegates identified the need to work together to create global integrity systems.

In 2005, Transparency International (TI) released its 11th Corruption Perception Index (CPI). From a total of 10 points, Korea received an abysmal five, putting it 23rd among the 30 participating OECD countries. Is it possible to improve this number so that Korea will be within the top 10 least corrupt countries in the next 20 years?

There is data available to analyze the validity of this claim. TI-Korea conducted several surveys specific to middle and high school students in Seoul, Pusan and Taegu as well as a nationwide survey on the same age group. To evaluate the students’ value systems, they presented them with the statement, “If corrupt practices will allow me to gain one billion won, then a sentence of 10 years in prison will not deter me.”

The percentage of students who said “strongly agree” and “agree” was 16.7 percent (Seoul, 2001); 13.2 percent (Taegu, 2002); 16.8 percent (nationwide, 2002); 15.2 percent (Pusan, 2005); and 18.5 percent (Taegu, 2006). From these results, it is obvious that the problem of corruption in Korean society will not be solved overnight.

The data also showed that on a corruption scale from one to 10, girls were less corrupt by one whole point. Similarly, the same discrepancy was made evident between students with formal anti-corruption training and those without such training.

There was no significant difference between the data collected from high school students and the data collected from middle school students. The result of those surveys indicates conclusively the importance of moral education in the fight against corruption.

To assume that the next generation will somehow change their thought processes and naturally become uncorrupt[ed] is the same as planting green beans in order to acquire red beans.

Without a firm moral foundation, society will be unable to sustain healthy, long-term growth. There are numerous examples from history where a decline into shaky societal morals, a breakdown of citizen confidence and intense societal discord led to the destruction of a civilization.

There are stories about corrupt practices in all sectors of Korean society today. Whether it's in the private sector, public sector, education sector, legislative sector, or even faith-based organizations and the judiciary, it seems that no group is immune to this pervasive phenomenon. However, we mustn't blame the branches and the leaves without first observing the root of the problem.

Now is a time when we must observe whether or not society's moral foundation is firm, and can swiftly and effectively respond to basic questions on integrity.

Appendix (4) Questionnaire for Youth Integrity Index 2008

	Moral/ Ethics	Righteousness	Law abiding	Anti-Corruption
Cognitive	3	4	1	2
Affective	6	5	7	8
Behavioral	9	11	10	12

HOW DO YOU AGREE / DISAGREE WITH THE FOLLOWING STATEMENTS:

1. It is acceptable for my best friend to cheat in exam.
(SA/A/NAND/D/SD)
2. It is acceptable for leaders to do something which might be illegal as long as they can make my living better.
(SA/A/NAND/D/SD)
3. Being rich is more important than being honest (integral).
(SA/A/NAND/D/SD)
4. In order to win student club leader's election, it is acceptable to buy snacks and gifts in the campaigning process.
(SA/A/NAND/D/SD)
5. Giving a "gift" to a teacher is a good way to get better grades.
(SA/A/NAND/D/SD)
6. It is not necessary for student to specify sources of citation in case they copy articles from internet and incorporate in their own homework.
(SA/A/NAND/D/SD)
7. A government official can ask a special favor of the service taker/clients in return.
(SA/A/NAND/D/SD)

8. Even if my best friend who cheated in a test, I would report the case to the teacher/ parent / someone you trust anyway.

(SA/A/NAND/D/SD)

9. Waiting in a long queue, I would try to cut it to get to the movie faster.

(SA/A/NAND/D/SD)

10. If there were no inspector /sergeant, I might not follow the traffic rules.

(SA/A/NAND/D/SD)

11. I would inform proper authority about someone who engages in crime and/or corruption.

(SA/A/NAND/D/SD)

12. It is acceptable for my family to get rich by abusing power or breaking the law.

(SA/A/NAND/D/SD)

Additional questions (voluntary):

13. If I can solve the problem by bribe, I am willing to do it.

(SA/A/NAND/D/SD)

14. If I could get one million USD, I would commit any criminal act even though I may go to jail.

(SA/A/NAND/D/SD)

***. Have you ever been educated about anti-corruption at school?**

(Y/N)

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Abstract in Korean (한글초록)

박사학위청구논문

기독교와 반부패운동의 가교

지속가능한 순전성 체계에 관한 기독교윤리학적 고찰

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부패란 원래 순전성(integrity)의 부족 또는 파괴를 의미하는 단어였지만, 부패 논의가 본격적으로 국제사회에서 시작되던 초창기 1990 년대에 부패 개념은 공공 부문에 국한된 것으로 좁게 정의되었다. 이후 논의를 통해 기업 부문에까지 확장되었으며, 이어서 간접적 부패와 ‘국가포획’을 포함한 합법적인 부패 등이 ‘부적절한 것으로 보이는 행위’에 대한 주의와 더불어 추가되었다. 이 연구는 부패를 “권력을 남용하여 보편적 도덕이나 윤리적 규범에 반하게 사적 이득을 취하는 행위”로 정의한다.

부패는 불의와 폭력, 창조질서의 파괴를 심화시킨다. 동시에 다른 사회문제들과 밀접하게 연관되어 새천년개발목표의 실현에도 결정적인 장애요소로 작용한다. 아울러 사람들에게 역할모델이 되어 또다른 부패의 원인이 될 수도 있다.

기독교윤리학적 관점에서 볼 때, 최근 세계적 금융위기는 도덕적, 윤리적, 철학적, 또한 신학적 위기이며, 부패와 마찬가지로 도덕적 쇠락의 결과이다. 이런 금융위기를 초래한 세계경제질서나 악성 외채문제, 국가포획(state capture), 사면권이나 면책특권의 남용 등은 체계화되고 합법적이며 제도화된 형태의 도덕과 윤리에 반한 권력의 남용이란 점에서 ‘거시적 부패’이며, 극복되어야 할 대상이 된다.

아울러 부패 문제에 대한 무지나 태만, 침묵 등이 쉽게 부패한 체제에 대한 공모, 방조 또는 묵인으로 이어질 수 있다는 점에서 책임의 한계를 함부로 좁게 설정해서는 안된다. 낙태, 평화주의-정당전쟁론, 청부(clean wealth) 등의 윤리학적 이슈들도 이처럼 보다 광범위한 책임이란 관점에서 재고될 필요가 있다.

반부패운동에서 순전성이나 도덕적 토대에 대한 침묵의 원인들 가운데 하나는 ‘도덕주의적 상흔’이었다. 반부패운동에서의 ‘단기주의’도 마찬가지로 비판되어야 한다. 부패 문제와 관련하여 개인의 의사결정에 영향을 미치는 요소들은 1) 개인적 믿음과 도덕적 가치들, 2) 사회, 조직, 국가의 문화 또는 권역이나 세계적인 추세들, 3) 법제 체계, 4) 법집행을 통한 돌아올 이득과 위험요소 등이다. 어떤 제도나 법률 등도 그 자체로만 완벽하게 작동할 수 없다는 점에서 부패를 제도만으로 해결하기는 힘들다. 오히려 법제 장치와 법집행, 즉 법제 체계는 개인의 세계관과 사회 또는 조직의 문화로 구성되는 윤리적 인프라와 상호보완적인 관계에 있다. 따라서 법적 제도적 측면에만 주된 관심을 쏟는 제도주의적, 단기주의적 한계를 극복하려면 이른바 ‘기둥’들에만 매몰되지 않고 개인적 가치와 조직적 문화를 포함한 총체적인 ‘구성요소’들에 대하여 관심을 기울일 때에만 지속가능한 윤리인프라 구축이 가능하다. 이를 위해 우선적으로 청소년들의 순전성을 높이기 위한 노력을 기울여야 한다.

세계교회협의회는 그동안 거시적 부패에 집중한 대신, 부패친화적 문화 또는 순전성체계 구축 등에 대한 숙고와 실천은 부족하였으므로 향후 반부패운동과의 상호 대화와 협력이 필요하며, 나아가 ‘부패극복의 십년대’ 이니셔티브를 추진하는 것이 바람직하다. 종교와 반부패운동의 가교로서 이는 보다 효과적인 부패 통제와 국가의 순전성 체계 구축은 물론 지속가능한 지구적 순전성 체계의 건설에 이바지할 것이다. 또한 종교기관들은 좋은 거버넌스에 관한 역할모델이 되어야 한다. 이러한 대화와 협력을 통해 종교들은 부패를 비롯한 각종 사회 문제들을 해결하는데 보다 효과적이며 구체적인 방안을 찾아내고 바람직한 변화의 주체로 참여할 수 있게 된다.

핵심되는 말: 부패, 부정, 뇌물, 책임성, 투명성, 순전성, 책임, 윤리인프라, 기독교, 에큐메니칼.