

PUBLIC SECTOR CORRUPTION:  
BEHAVIOURAL ORIGINS AND  
COUNTER-BEHAVIOURAL RESPONSES

Gavin Woods

October 2010

*Public sector corruption:  
Behavioural origins and counter-behavioural responses*

Inaugural lecture delivered on 26 October 2010

Prof G Woods  
School of Public Leadership  
Faculty of Economic and Management Sciences

Editor: SU Language Centre  
Design: Heloise Davis  
Printing: rsamprinters@gmail.com

ISBN: 978-0-7972-1273-2

Copyright ©Stellenbosch University Language Centre



## ABOUT THE AUTHOR

Gavin Gower Woods has had a working career which has spanned banking, accountancy, financial management, policy research, politics and teaching at tertiary level. After spending ten years as head of a policy research institute linked to the former KwaZulu government he became a Member of Parliament in 1994. His parliamentary career covered both economic policy issues and public financial management. In this latter capacity he spent fifteen years as a member of the Standing Committee on Public Accounts (SCOPA), four of which were as Chair of the Committee. Amongst other positions held in Parliament was his chairmanship of the ad hoc committee which researched and wrote the Public Finance Management Act and as a member of the standing committee which oversaw the work of the Audit General. While still a member of parliament he was appointed Extraordinary Professor at the School of Public Management and Planning at Stellenbosch University where he taught public finance at a post graduate level on a part time basis. In July 2009 he joined the University as a full time Professor in public finance. In addition he has recently been appointed as Director of the Centre for Anti-corruption Education and Research at the University. He is currently also a Commissioner with the Public Service Commission in South Africa. He holds junior degrees in accounting, economics and sociology and master's degrees in economics, public finance and business administration. He also has a doctorate was in Economics. His publications include his co-authorship of the text book "Managing Public Money – systems from the south" and other nationally prescribed educational materials.



# PUBLIC SECTOR CORRUPTION: BEHAVIOURAL ORIGINS AND COUNTER-BEHAVIOURAL RESPONSES

## AN ANTI-CORRUPTION INITIATIVE

This paper, through an assimilation of social theory, observational research and secondary source information, explains the thinking adopted by Stellenbosch University's Anti-corruption Education and Research Centre (the Centre) when establishing its philosophical and operational approaches to the education and related skills it offers public sector officials. As such, and in keeping with the more practical mission of the Centre, this paper does not seek to engage in a vein of higher academic discourse.

The Centre's founding mission is to equip public sector officials with the know-how necessary for them to introduce and maintain effective corruption-combating programmes in their particular government organisations.

It has been observed, however, that international discussion on the subject of workplace corruption has become somewhat contentious insofar as there are a variety of differing views as to its primary causes and therefore as to how its more prevalent manifestations might best be combated.

Corruption has become an increasingly popular subject among social scientists over the past fifty years. As a result, theories and case studies abound – all of which contribute something in their own way to the Centre's understanding of the nature and causes of corruption. These causes are shown to be wide ranging and are theorised on across a wide range of political, economic, cultural, moral, legal, socio-economic and other perspectives. The consideration and possible accommodation of each of these has challenged the Centre and the development of its own position in relation to the anti-corruption crusade.

From the spectrum of approaches advocated, it would seem, however, that each of these is premised on

there being a particular causal factor, often to the exclusion or to the understating of other known causes. These differing and often opposing views include, for example, that corruption is essentially the result of a lack of ethical or moral standards; that it is because of inadequate anti-corruption type laws; that it is the result of a weak, sanctioning regime; or that it is due to ineffective organisational control systems. The basis of some of these opinions has been reduced even further – to the point that the primacy of particular causes is simply assumed.

There is little difference of opinion, however, concerning the seriousness of the problem of corruption today, not only in South Africa, but worldwide as well. Statistics that measure levels of corruption, to the extent that these are available, strongly indicate that levels of corruption are at an unprecedented high and are continuing to rise strongly in many countries – with South Africa being a particularly serious case in point. This is explained partially by the fact that corruption has become more organised and more sophisticated in recent years. The educational content of the Centre's work attempts to acknowledge this alarming situation through the directness of its analysis of the causes of corruption, and through the incisive nature of the anti-corruption skills and programmes it teaches.

Being mindful also of the serious consequences that can befall a country that experiences sustained high levels of corruption, the Centre has responded to its stated mission with a sense of urgency. As these consequences are essentially economic in nature, they tend to have a negative effect on society as a whole – especially on people's living standards. This is because high levels of corruption cause investment to be deterred, employment levels to be lowered, international trade to suffer, resources to be misallocated and the country's international reputation to be damaged. The

Centre's approach therefore recognises how important it is that its educational materials and the thinking that these contain have a positive influence on more effective resistance against corruption in South Africa's public sector.

## THE RATIONALE OF THE CENTRE'S APPROACH

The approach adopted to achieve this objective subscribes to the central requirement that any anti-corruption-related education must be developed from a fundamental premise that is philosophically sound and that is comprehensive in its understanding of the nature and causes of corruption – particularly in the public sector arena.

While not disputing the relevance of almost all of the views on how anti-corruption initiatives should be developed, the new Anti-corruption Centre has sought to establish a more encompassing understanding of the nature and causes of corruption upon which to build its contribution to the war. This contribution is to be an understanding that would try to include and link all of the main evidence-based corruption theories within one coherent and explainable reality. This reality would then provide both a foundation on and a framework within which to construct the courses it would present, and in particular the practices, methods and systems that the courses would promote as being effective in the combating of corruption.

An explanation of the Centre's cognition and reasoning about its understanding of corruption will therefore be central to the subject matter of this paper.

The rationale upon which the Centre has based the development of its thinking is from a sociological point of view. More specifically, this thinking has employed a behavioural perspective within a sociological paradigm, as it is reasoned that this viewpoint offered the comprehensive and reality-based context it sought and through which it could engage with a big and plausible picture of corruption in society – and in particular in the South African public sector.

The behavioural explanation of corruption and its causes has as its point of departure that corruption always concerns actions by people. In other words, every act of corruption is ultimately a matter of human behaviour – and this could easily be validated if all the

current theories, opinions and known incidents that concern corruption were to be contemplated against this contention.

The broad question of what might then cause corrupt behaviour, or rather, what might cause such deviant behaviour, introduces the functionalist perspective, of which sociologists such as Emile Durkheim and Talcott Parsons are representatives. Durkheim, who along with Marx and Weber was known as one of the triumvirate of major sociologists, did most to establish the shape and content of the Functionalist School. In particular, in *The Rules of the Sociological Method*, which was published in 1895, Durkheim contributes substantially to the cornerstone theories of modern functionalism.

The relevance here is that, rather than starting with the individual, a functionalist analysis of deviance begins with society as a whole. It looks for the source of the deviant behaviour in the nature of society, rather than in the biological or psychological nature of the individual.

Deviance in this context means a break with social norms and values and occurs, more specifically, when a particular type of behaviour departs from the behaviour that represents the established norms and values of a given society. With the functionalist emphasis being on the importance of shared norms and values as the basis of social order, it suggests that serious occurrences of deviance could be a threat to order and therefore a threat to society. This arguably would be true in the case of the high levels of corruption-linked behaviour that is witnessed today.

With this working context in mind, the Centre contemplated a range of research findings that had tried to explore why people become involved in corrupt (as distinct from criminal) activities. The Centre gained useful direction from studies by Richter and Burke, by Nuijten et al., and from the PriceWaterhouseCoopers 2009 Crime Survey – all of which pointed to three particular factors that are found commonly where fraud occurs. Firstly, the would-be perpetrators need an *incentive or motive* to engage in an act of corruption. Secondly, there needs to be an *opportunity* to commit the act. Thirdly, and less central to the act, is the fact that the perpetrators are usually able to *rationalise their actions*.

These three factors, in turn, were accentuated by a study conducted by the Centre that covered a number of case studies, including those by Klitgaard, Johnston,

and Anechiarico and Jacobs, who are among the world's foremost commentators on the subject of corruption. The study confirmed the acknowledged, and seemingly obvious, essential "precipitating circumstances" that generally lead to corruption-linked behaviour. These precipitators are:

- *Material need and greed* (as a human inclination)
- *Low ethical standards and values*
- *Opportunities to commit fraud and corruption*
- *Low risk of being found out and caught*
- *Low consequences if caught*

These five behaviour-influencing sets of circumstance are argued to be more fundamental than any other circumstances we might contemplate when asking what causes people to be corrupt – and what most influences the behaviour that amounts to corrupt activity.

It was against this background and within this framework of reference that the Centre sought to identify what particular situations might exist in the world or in South Africa today that, on one hand, might motivate or give incentive to the deviant behaviour in question, and, on the other hand, might provide the opportunities that ultimately allows such corrupt behaviour to express itself. The Centre identified a number of situations that are clearly influential in this regard. However, amongst these were three that appear to have been ignored or at least understated in the discourse on the nature and causes of the high levels of corruption in South Africa, and particularly in the country's public sector.

When describing these three situations and arguing their significance, the behavioural dimension should be apparent – and this, in turn, should provide indications of some of the methods that are likely to be effective in combating corruption.

### *Consumerism and materialism – a world-wide situation*

The growing impact of consumerist and materialistic tendencies in the world today amounts to a situation that relates strongly to the previously mentioned precipitating circumstance referred to as "Material Need and Greed", and is a situation that has been alluded to in the media from time to time.

Corruption is present in all countries and, with very few exceptions, levels of corruption are reported to be

rising. A situation that has developed in many of these countries over the past few decades and that has had a very marked effect of the way people behave, concerns situations where growing demands for higher living standards are exacerbated by a growing tendency towards commodification and commercialism, which, in turn, promote consumerism and materialism. Being confronted by powerful consumer advertising in the mass media causes many people to feel that they should have, and that it would be right for them to have, more than what they presently have. While a number of reasons can be advanced for this, there is an associated behaviour that concerns people's need (or greed) to improve their standard of living and their accumulation of material wealth.

While this situation of "conspicuous consumption" might be most evident in the developed countries of the world, it nonetheless has a growing presence in developing countries. Be it in Russia, China, India or countries in Africa, more and more people are aspiring to wealth and the material possessions that symbolise that wealth. Formal economic opportunities to improve one's material wealth are only enough to meet the aspirations of relatively few people in the world, and when commercial advertising and its compelling messages relentlessly reach into almost every community – even those in which there are few real economic opportunities, even the very poor begin to aspire to and expect to get more. To many of them it becomes a "right" to get more.

Concerning this situation and how it can induce acts of corruption by those who have come to feel that they are entitled to more than what they presently have, or to earn more than what they presently earn, it appears to be more apparent in the developing country setting than in the developed world situation. A functionalist explanation for this might talk to the much higher prevalence of "social control mechanisms" (the police, the courts, etc.) that exist in the developed countries. Functionalists argue that such measures are necessary, as these keep deviance in check and thereby protect the social order.

This situation of growing consumerism and materialism often produces a powerful incentive or motive to behave in a way that might well manifest as a corrupt type of activity. It is a situation that breeds avarice and self-interest – which have already become forces that are difficult to resolve or contain.

There is indisputable evidence that such a situation has become well rooted in South Africa. But, in this country, the dangers of this situation are exacerbated by our history and, in particular, by contemporary manifestations of that history.

*Fluidity of social and moral values –  
a general South African situation*

The situation of fluid social and moral values relates to the earlier “precipitating circumstance” of “low ethical standards and values”. These clearly have a pronounced impact on behavioural patterns across South African society and have particular relevance when contemplating the dramatic changes to which the society is presently being subjected. It is a situation in which the dynamics of a rapidly transforming society and the associated fluidity of social values induce much deviance of behaviour.

Once the highly regulated system of apartheid had been dismantled it was understandable that a natural and immediate realignment of many aspects of society would begin to take place. These realignments concerned fundamental structural issues within society, such as where people lived, where they went to school, where they worked and, in the case of the poorer majority, what they aspired to and what they came to believe they were entitled to.

As the change was also driven by a politics that ostensibly represented the interests of this poor majority, it is understandable that aspirations to and expectations of higher living standards were raised among many people. This would be especially true of the younger generation and their hopes for a future that was more prosperous than what their parents’ generation would have dared hope for.

These expectations were raised to unrealistic levels by political leaders making promises of material and income opportunities. These promises directly fed widespread feelings of entitlement. The new government allocated unprecedented resources in trying to accelerate the hoped-for course of change through a range of new policies and laws. They believed that these policies could re-engineer and hence fast-track greater equity in which the poor majority would experience a substantially higher standard of living through vast new opportunities for jobs, houses, education, etc.

In a somewhat matter-of-fact way, the new government set out to socioeconomically engineer the entire

society into a new “better life for all”. This, as an imperative known as “transformation”, was intended for the best and most necessary of reasons, but, just as had been discovered with apartheid, societal manipulation of this magnitude is very difficult to achieve and to sustain. The fundamental dynamics that run through societies cannot be modified in a matter of ten or twenty years – history teaches us this. For their part, global economic forces teach us that the means to improving the per capita income levels of the poor take time to develop. And then there are also lessons that alert us to the unintended consequences that are possible through such radical policy objectives – including how, by unrealistically raising the hopes of some and the fears of others, the situation will tend to produce frustrations and other tensions that ultimately will be expressed in some or other way. An increasing incidence of corruption is part of such expression.

It would seem that the possibility of any serious consequences resulting from South Africa’s policy-driven transformation was not anticipated. The failure to achieve the new economic equality that was promised is possibly the most significant source of such consequences, as it has given rise to attitudes of unconditional entitlement on the one hand and the frustration of unfulfilled hopes on the other. All-in-all, this is a situation that has developed over the past seventeen or so years and which has had a very disruptive effect on the attitudes and behaviour of many people. It has caused behaviour that sees people using whatever ways they can to gaining that which they have come to expect.

Out of this situation, and together with the earlier described situation of growing consumerist tendencies, there has also emerged a mind shift towards a type of liberal individualism – where the individual becomes increasingly central to his or her own interests, as opposed to the broader interests of the community. Initially it was western societies that promoted the cause of the individual and his or her right to seek success and wealth – but today almost all other societies have come to experience such tendencies. In a country like South Africa, the “individualism” factor and its associated “self-interest” characteristic, while long evident amongst the white suburban classes, are today fast extending to the emerging multiracial middle class, the working class, and even to the poor underclass. This development, together with burning aspirations for



wealth, is surely part of what motivates some to seek to enrich themselves – albeit through dishonest activities at times. The statistics on “white collar crime” in South Africa would seem to support this contention.

*Management incompetence –  
a South African public sector situation*

This situation of management incompetence brings us more directly into the subject of public sector corruption, makes strong reference to those “precipitating circumstances” that are shown to provide opportunities with low risks for those public officials who are inclined to behave in a corrupt way.

The contention put forward by the Centre is that the poor quality, in general, of management across all levels of government in South Africa indirectly leads to most of the public sector corruption because of the wide ranging invitations it offers to those seeking dishonest gains. As mentioned earlier, the simple formula for corruption is the would-be perpetrator’s *incentive or motive* to engage in an act of corruption, together with the *opportunity* to commit the act. A weak management situation is often the basis of such opportunities.

In order to describe how corrupt behaviour, as also promoted by the first and second situations referred to above, can be advanced through management weaknesses, it is necessary to first describe the weak management situation that exists in the South African public sector. This description will also be useful in relation to the final section of the paper, in which anti-corruption measures are discussed and recommended.

Even prior to 1994 the public sector in South Africa was not as efficient as what it could have been. Back then, however, it was a highly functional sector that achieved most of its objectives – including those that were ideologically controversial. This was due largely to a stable, generally experienced and tightly regulated bureaucracy that possessed a basic civil service mentality – albeit only towards a part of the population. The conditions and circumstances of this situation produced a considerably more efficient government than what exists today. That this is so can be deduced from the delivery record of the then government and from the Auditor General’s reports produced in the ten years leading up to 1994.

Since 1994, however, we are able to identify and track quite profound changes in public service policy

that have had a significant impact on the general competence of government in general and, more specifically, on the application of effective organisational and management systems by today’s public officials. Here it is apparent that the policies introduced by the post-1994 government for transforming the racial make-up of the public service have left it more prone to incompetence and corrupt behaviour – simply due to the serious loss of hard management experience and crucial institutional memory.

The unanticipated consequence that these policies appear to have created is one that saw a great many long-serving public officials feeling insecure and with diminished career prospects. Numbers of officials way beyond those foreseen by the new government sought early retirement, and even greater numbers simply chose to resign from the public service in order to try to establish alternate careers.

This extraordinarily high turnover of public sector personnel continued well into the new era, and was followed by a high turnover amongst the new intake of senior officials. For example, the majority of post-1994 directors general, many of whom took up their positions with little or no public sector, organisational or management experience, left their new jobs after only a few years – to be replaced by more inexperienced directors general. It is not unusual for a government department to have seen five or more directors general come and go over the past 15 years or so, despite the use of three- to five-year employment contracts. As directors general are political appointments who have to be agreed to by the President, strong and relevant CVs are seemingly not the basis upon which these appointments are made.

The Department of Public Service and Administration estimated that there was a turnover of almost 80% in senior management personnel across national and provincial departments between 1994 and 2007.

A situation has resulted in which there are few appropriately qualified managers today – particular in terms of the necessary management experience. Experience, like cognitive knowledge, is a cumulative attribute and therefore it can prove to be very costly if inexperienced individuals, even with a good university degree, are given positions of high responsibility and authority.

The aforementioned developments have left Government with considerable management deficiencies – most

especially at the level of director general, deputy director general and chief director. Individuals occupying many of these positions would not be able to secure a middle management position in a middle-sized private sector business on the basis of their CVs. The result is that this management weakness tends to permeate down through the entire organisation and ultimately is why there often is failure to achieve the government's policy objectives. It also leaves the organisation vulnerable to inefficiency and corruption.

There are regular reports of government failings in the media that come from government itself. These failures can be attributed directly to the inability of many senior managers to perform adequately. To illustrate this state of affairs a few informative studies will be referred to.

In 2008, the writer of this paper conducted a content analysis of current and past annual budget speeches made by national ministers across a number of key departments. Amongst others, the study highlighted a considerable number of ongoing crucial service delivery problems against which the relevant minister would year after year spell out yet another new plan or turnaround strategy to deal with the same problem that the plans and assurances of each previous year had failed to address. These service delivery issues included:

- Poor secondary level education and matriculation results,
- Low maths and science pass rates,
- The crisis in the public health system and in rural health care in particular,
- Dysfunctional criminal justice services, outstanding police investigations, court waiting lists,
- Overcrowded prisons,
- Poor maintenance of state buildings and other state assets,
- Low job creation through industrial development policies, and
- Floundering state enterprises.

In order to understand how and why there is such an inability by management to achieve results, the Centre has needed to look inside these organisations to get a true picture of the quality of the public sector managers. This picture was not difficult to construct, as a number of credible sources had issued considered reports and opinions on the question of poor public sector management performance.

A regular source of relevant information is that of the general news media, which report regularly and in depth on public sector incompetence and corruption issues. The sources of such information include investigative journalists, whistle blowers and expert analysts, whose published exposés, accounts and perspectives regularly inform the public on issues such as incompetent state officials, dubious government transactions, failed programmes, wasted state monies, stolen or misused assets and other corrupt activities – all of which also give substance to the serious operational problems that transverse much of the public sector.

At a different level, the Public Service Commission (PSC) has researched and published a number of studies that concern the quality of operations in government departments – especially concerning areas that are aligned with its constitutional mandate.

One such study, published in August 2007, was titled 'Report on the Evaluation of the Batho Pele Principle of Value for Money in the Public Service'. This study indicates how government departments generally fail to maintain systems through which value for money can be sought and achieved routinely. Furthermore, it states that performance information as it relates to public value is often weak and of little use.

The Public Service Commission's 'State of the Public Service Report 2009' alludes to a number of other internal shortcomings. As examples, under the heading 'A high standard of professional ethics must be maintained', the PSC research noted that:

- Acts of misconduct were on the increase,
- These acts of misconduct were not handled properly,
- Sanction procedures were adhered to poorly,
- Compliance with financial disclosure requirements had dropped by 80%,
- There was growing pressure to award tenders unethically, and
- There was non-compliance with supply chain management procedures, which opened possibilities for corruption.

Other PSC studies pointing to the shortcomings that are generally apparent in the public sector and that indicate a deeper malaise include their reports on 'Managing Conflicts of Interest in the Public Service' (2006) and 'Financial Misconduct for the 2006/07 financial year' (2007).

An interesting report that has particular relevance to this paper is the PSC's 'Report on the Evaluation of the Training Needs of Senior Managers in the Public Sector' (2008), in which an assessment of senior managers gives a very worrying picture of their general lack of adequate knowledge and ability.

For their part, the Auditor-General reports regularly reveal serious management shortcomings, and the 2009 report on 'Consolidated audit outcomes for National Departments and Entities' highlighted the following non-performance levels in national departments:

- Non-compliance with regulatory requirements 44%
- Prevention of fruitless and wasteful expenditure 43%
- Creditors settled late 79%
- Irregular expenditure not disclosed 36%
- Safeguarding of assets 36%
- Monthly clearance of suspense accounts 57%
- Usefulness of reported information 47%

The Auditor-General stressed that there were warning signs across the areas of human resources, information systems, non-compliance issues, material misstatements – all of which pointed to further problems within departments. In particular, he pointed out that there was a lack of understanding of the prescripts of human resource management. The report ends by stating that the main causes of non-compliance with financial regulation are “insufficient supervision of day-to-day activities by all levels of management and a failure of leadership. It said it is necessary to have a leadership that cared and knew what was happening.”

A considered scanning of Auditor-General reports over the past four years shows a clear and growing incidence of senior management indiscretions and shortcomings, and also of systems failure due to managers not ensuring the full and proper application of the mandatory systems. In line with this observation, it is noted that the Auditor-General said in March 2010 that “[m]ost Gauteng municipalities have breached financial regulations because they do not have enough people skilled and experienced in managing public funds”.

Other sources of credible information on the state of management of government organisations are available, but it is felt that the perspectives already offered do enough to illustrate the breadth and depth of the poor management situation across all spheres of government.

### *Poor management allows for poor system application*

Having established the seriousness of the situation, the organisational consequences of such leadership and management inadequacies become more apparent. These inadequacies, as all management schools would point out, not only lead to poor decisions and costly mistakes in terms of how monies are spent and how services are rendered, but also provide vulnerabilities that may then be criminally exploited.

The most general and most serious consequence of management inexperience and incompetence concerns the weakening and sometimes the breakdown of the management and control systems in public sector organisations. These include all the finance-related systems (budget, accounting, costing, etc.), the information reporting systems (including the IT system), the internal control system, and the accountability system.

It should be noted that, over the same period that the public sector was losing its experienced managers, a more modern financial management approach was introduced across government. This reform process was oblivious to the fact that, at the very time that the Public and Municipal Finance Management Acts (PFMA and MFMA) and their new and more sophisticated systems were being introduced, there was decreasing ability to manage the new systems. This naturally compounded the problem, especially as the new generation systems, which are crucial to good performance management and control, have not been properly or fully implemented to date – resulting in control and monitoring weaknesses that could provide opportunities to those with the tendency to be corrupt.

### *Poor system application invites corruption*

A vital feature of the public sector financial management system and its related reforms has been that management has been granted considerable scope to manage their particular government operation and to exercise the initiative to pursue higher performance – as happens in the private sector. But, as this scope granted to the PFMA at the same time exposes public monies and assets to greater risk in the event of human error, human dishonesty, etc., the PFMA simultaneously introduced a range of protections to mitigate against any such unwanted consequences. Failure by manage-

ment to properly introduce either the performance-enhancing provisions or to fully apply the provisions that are intended to manage the additional risks is what lies as the heart of much of the inefficiency and corruption in the South African public sector today. The measures stipulated in the PFMA and MFMA to lower the risks and circumvent costly problems include:

- A modern best-practice and best-standards accounting system
- A performance-based budgetary system that also alerts managers to waste and corruption
- Effective costing and investment appraisal systems
- A system through which to set, monitor, manage and report on performance
- The latitude for corrective action when and if necessary
- A comprehensive management information system
- Internal and individual accountability for actions – in year reporting
- External accountability arrangements – to oversight bodies
- A more timely and focused annual external audit
- Strong internal control arrangements – including a proper internal audit function
- A risk management system
- Better qualified financial managers
- A sanctions regime

To the extent that any of these requirements are not properly introduced and managed, possibilities for both costly inefficiencies and for corruption are greatly increased. And, with reference to the earlier observations on the Auditor-General and the PSC, the poor application of many of these requirements is apparent. Thus, the contention arising from the situation described above is that there is much opportunity for corrupt behaviour due to the weakness of operational and financial management systems, which, in turn, are due to weak management.

## THE CENTRE'S APPROACH TO CHANGING CORRUPT BEHAVIOUR

It is in the light of the Centre's understanding of the behavioural dimensions of the relevant socio-economic situations such as the three explained in this paper, and of the precipitating circumstances that cause

corruption, that it has formulated both its research and teaching programmes. Its anti-corruption mandate is exercised mainly through the courses it has developed and continues to develop. These courses are constructed in two parts, the first of which aims to promote greater understanding and awareness of corruption in the public sector workplace, and the second which advocates a range of practices that have been shown to be effected in combating corruption.

In adherence to the explanations put forward in this paper, the practices advocated and taught by the Centre have as their essential thrust the changing of corrupt behaviour in the public sector workplace. This approach takes cognisance of the internationally developed and empirically supported framework of "precipitating circumstances", which was referred to earlier. In other words, in their attempt to develop and prescribe anti-corruption measures that will modify this negative behaviour, the Centre's courses make reference to this framework of five key circumstances.

### ■ *Material need and greed (as human inclinations)*

While these inclinations of need and greed represent the underlying motive for almost all acts of corruption they are by the same token a key precipitating circumstance – whose behavioural implications can only be tempered by systematic applications that address the circumstances that are indicated in ii, iii, iv and v below.

The Centre's courses teach a range of principles and techniques regarding personnel selection and monitoring processes, which, if properly applied, should reduce the chances of having potentially corrupt employees in a government organisation.

### ■ *Low ethical standards*

There would be two obvious approaches to changing behaviour associated with low ethical standards. This would either be to find ways to encourage officials to behave ethically by trying to instil high ethical and moral standards in their attitudes, or to convince them to improve their behaviour by increasing the chances of punitive consequences. The latter option is discussed against the circumstances listed under iii, iv and v below.

It is evident that many individuals who have unsatisfied needs and/or greed do not automatically revert to corruption. The strength of their ethical conditioning and moral positioning causes most individuals to resist

temptation. Therefore, even though the Centre's approach is more stick than carrot, its course content does acknowledge the value of trying to reinforce good ethical values. As such, the course includes a component on ethical values and their importance in the workplace.

■ *Opportunities to commit fraud and corruption*

In the process of providing skills and know-how, the course places particular emphasis on internal systems – in particular systems that are part of, or linked to, the financial management range of systems. These cover procurement, assets, internal controls, risks, creditors and debtors, cash, financial information, auditing, etc. Here the intention is to teach managers the importance of these systems in reducing opportunities for corruption. The intention is to give even those managers who might not as yet have adequate knowledge and experience the essential know-how.

Adherence to stringent and modern accountability arrangements as constituting the practices and obligations that further reduce opportunities and inclinations to commit fraud and corruption is also dwelt on.

Properly implementing all these internationally developed systems and approaches, which are considered “best practice”, is what the Centre describes as the “defensive infrastructure” against corruption.

■ *Low risk of being found out and caught*

The “defensive infrastructure” that is associated with the anti-corruption responses under i, ii, and iii above not only concerns methods and systems that reduce opportunities for corruption, but includes infrastructure that greatly increases the chances of a would-be perpetrator being discovered and caught.

To further increase the risk of being found out and caught, the know-how and skills necessary for a government institution to introduce a package of anti-corruption measures must be taught. This is what the Centre refers to as the “offensive infrastructure”. These measures include fraud-prevention plans, risk management, internal audit, investigation and interrogation techniques, etc., all measures which would increase the chances of would-be perpetrators being caught – and as such these tend to act as a strong deterrent.

Instruction is also given on the employment of anti-corruption agencies such as the Special Investigations Unit, the Hawks, the Auditor-General, the Public Protector, etc. for particular types of investigations when necessary.

■ *Low consequences if caught*

Finally, it goes without saying that if no or only ineffective sanctions or punitive actions are taken when and where corrupt individuals are caught, then all the measures referred to above lose their effectiveness. In this regard, the Course deals with management responsibility to act decisively and intolerantly towards corruption and to invoke the various anti-corruption sanctions and laws and their criminalising level of consequences.

These five behaviour-influencing sets of circumstance are more fundamental than anything else we might contemplate when asking what causes people to be corrupt. As has been explained, the courses produced by the Centre strongly align their anti-corruption teaching and skills training towards changing these behaviour-linked circumstances. The aim of all of this is to change corrupt behaviour. It stands to reason that the more we are able to limit, reduce or change these preconditions, the more likely that efforts to combat corruption will be effective.

## CONCLUDING REMARKS

Internationally accepted statistics indicate that, out of every 10 people, there is one who will never cheat, one who will cheat easily, and the rest who will be swayed by pressure or temptation. It is further shown that “most perpetrators of corruption are not sophisticated criminals – but rather individuals who respond to temptations in environments where there are low risk opportunities to be corrupt”. From this it would follow that where an increasing number of individuals behave in a corrupt manner, a sociological phenomenon could be arising, which should be examined and understood. In this instance, investigation would be necessary if we were to understand workplace corruption and respond to it appropriately.

If corruption is not challenged and if effective ways to combat it are not found and applied, the psychology or mindset that exists within the public sector workforce could manifest itself in a culture of

corruption that becomes embedded – especially if individuals regularly get away with their transgressions. The general public, in turn, becomes aware of the moral shortcomings of their public service organisations and develops cynicism regarding the morality of public officials and politicians. Such cynicism is already in evidence in South Africa.

The sociology of corruption would show that, where such endemic tendencies to be corrupt exist, they are hugely difficult to defeat or even contend with. The very nature of man's growing material expectations – through the forces of world progress and its economic

linkages – increasingly stimulate individuals to seek grey areas within their moral make-up when pursuing their perceived needs. Unless the more strident capitalistic tendencies of market economics and the accompanying consumerist dynamics are moderated, the forces that drive corruption will continue to mount. Thus, while there is some doubt as to whether the war on corruption is winnable, there is no doubt that it is losable – with very serious consequences for all.

The war must therefore be fought by brave, clever and committed people, governments and other organs of civil society as an urgent exercise in limitation.

## BIBLIOGRAPHY AND OTHER REFERENCED WORK

- Anechiarico, Frank & Jacobs, James B. 1996. *The Pursuit of Absolute Integrity. How Corruption Control makes Government Ineffective*. Chicago. University of Chicago Press.
- Elliott, Kimberly A. 1996. *Corruption and the Global Economy*. Washington. Institute for International Economics.
- Fisman, Raymond & Miguel, Edward. 2008. *Economic Gangsters – Corruption, Violence, and the Poverty of Nations*. New Jersey. Princeton University Press.
- Fjeldstad, Odd-Helge. 2004. *Decentralisation and Corruption – A Review of the Literature*. Bergen. Chr. Michelsen Institute.
- Heidenheimer, Arnold J. & Johnston, Michael. 2009. *Political Corruption. Concepts and Contexts. Transactions*. New Jersey. Princeton University Press.
- Hermans, C. & Lipietz, B. 1999. *Corruption and Development. Some Perspectives*. Cape Town. ISS Monograph Series No. 40.
- Johnston, Michael. 2005. *Syndromes of Corruption – Wealth, Power and Democracy*. New York. Cambridge Press.
- Klitgaard, Robert. 1988. *Controlling Corruption*. Los Angeles. University of California Press.
- Klitgaard, Robert. et al. 2000. *Corrupt Cities – A practical guide to cure and prevention*. California. CS Press.
- Myint, U. 2000. *Corruption: Causes, Consequences and Cures*. Asia-Pacific Development Journal. December 2000, Vol. 7, No. 2.
- Nuijten, Monique & Anders, Gerhard. 2008. *Corruption and the Secret of Law. A Legal Anthropological Perspective*. Surrey. Ashgate.
- PriceWaterhouseCoopers 2009 Crime Survey. 2009.
- Richter, William I. & Burke, Frances. 2007. *Combating Corruption, Encouraging Ethics. A Practical guide to Managing Ethics*. Maryland. Rowman and Littlefield.
- Rose-Ackerman, Susan. 1999. *Corruption and Government. Causes, Consequences and Reform*. New York. Cambridge Press.
- Rose-Ackerman, Susan. 2005. *International Handbook on the Economics of Corruption*. Massachusetts. Edward Elgar.
- Shah, A. et al. 2007. *Performance Accountability and Combating Corruption. Public Sector Governance and Accountability Series*. Washington. World Bank.
- Spector, Bertram I. 2005. *Fighting Corruption in Developing Countries. Strategies and Analysis*. Kumarian. Bloomfield
- Tanzi, Vito, & Davoodi, Hamid. 1997. *Roads to Nowhere: How Corruption in Public Investment hurts Growth*. Washington. IMF.
- Van Hulten, Michel & Wempe, Johan. 2008. *Corruption, Development Co-operation and Governance*. Amsterdam. Saxion.
- Woods, G.G. 2008. State of the Nation Debate Speech. Cape Town. National Assembly Hansard.
- Auditor General. A selection of reports between 1988 to 1994 covering a sample of National Departments:
- Auditor General. 2010. General Report on Financial Management.
- PSC. 2009. State of the Public Service Report 2009.
- PSC. 2006. Report on Measuring the Efficiency of the Code of Conduct of Public Officials.
- PSC. 1999. Report on the Investigation into Dismissals as a result of Misconduct.
- PSC. 2006. Report on Managing Conflicts of Interest in the Public Service.
- PSC. 2007. Report on Financial Misconduct for the 2005/06 Financial Year.
- PSC. 2007. Report on the Evaluation of the Batho Pele Principle of Value-for-Money in the Public Sector.
- PSC. 2004. Report on the State of the Performance Management System in the South African Public Sector.

