

# CORRUPTION AND CULTURE: REVISITING THE CLAIM OF ITS RELATIONSHIP

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**Abstract.** The researcher has long discussed ideas on how culture related to corruption. The buzzword “corrupt culture” was introduced to describe a group of people who act corrupt behavior. Some researcher proclaimed that particular culture permits corrupt behaviors, such as gift-giving. However, to claim that gift-giving is a corrupt behavior, prudent consideration should be taken place. What is being meant as gift-giving in a certain area could be understood as simple bribes in other areas. This paper highlight the importance of understanding cultural relativism before judging the claim of a vile relationship between corruption and culture. Further, strategy to combat corruption is also advised.

## 1 INTRODUCTION

Transparency International released reports where Indonesia in the past several years has been consistently listed as one of the most corrupt countries in the globe. For the past ten years, Indonesia ranked 126th out of 180 countries in 2008, 118th in 2012, 90th in 2016 and 96th in 2017. In 2018, the country ranked 89 out of 180 countries in the Corruption Perception Index (CPI) by Transparency International, with a score of 38 points out of 100 (Transparency International, 2018). Though the level of corruption seems to be declining, corruption has been so endemic inside the country. Currently, corruption is not only on the central power in Jakarta, but all the way goes to the remote village areas.

A report from the Indonesia Corruption Watch (ICW) in 2018 revealed that village funds were one of the five sectors with the most corruption cases in 2017. Compared to other sectors, corruption in village funds was ranked first with 98 cases, far higher than the case corruption in the government with 55 cases, education with 53 cases, transportation with 52 cases and social community with 40 cases (ICW, 2018). Data from the Corruption Eradication Commission (Komisi Pemberantasan Korupsi-KPK) also show similar tendencies. According to the KPK report, in the first six months of 2017, a total of 459 community reports were received for alleged corruption of village funds (KPK, 2018).

The vast spread of corruption cause for concern by many parties. Immense corruption leads to severe condition to the home countries. One of the earliest research on the effect of corruption done by Rose-Ackerman (1978) in which she argued that corruption hinders countries' economic development, a view that received an agreement among various

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scholars. Mauro (1995, 1997) and Wei (1997) began the cross-country analysis on the relationship between corruption and growth. Their works find that corruption reduces private investment and the growth of gross domestic product (GDP). Corruption is also a hindrance to economic growth in Asian countries (Thach, Duong & Oanh (2017) and significantly deters the inflow of foreign direct investment (FDI) to host countries (Zhao, et al., 2003).

On another note, the effect of corruption on micro-level has been studied by Kimuyu (2007) stated that corruption impairs a firm's growth and the propensity to export due to the significant spending on informal payments. Husted (2002) also argue that corruption also reduces the level of human capital and shatters confidence both in public and private organizations.

Many countries have been on a long road in fighting corruption. There are lengthy efforts within the governmental and non-governmental organization as well as international organizations to establish specific guidelines to prevent bribery and unethical practices in business (Getz and Volkema, 2001). Notwithstanding, exterminating corruption is not a flipping of a hand, because it is a multifaceted social phenomenon that penetrates many facets of societies.

Until several years ago, the traditional approach to study about corruption was related to economic and political factors, for example, like on how corruption impacts the economic growth, openness to trade, and the flow of foreign direct investment as well as the type of government and the degree of power to the press freedom. Yet the continuing corruption cases revealed appears quite obvious that the corruption in a certain country may depend by causes other than economic and political factors.

A number of researchers have shifted their focus to put culture as a determinant factor in corruption. They believe that individuals' behavior has a basis that rooted from family, education, social norm and environment that influence the way of their thinking and acting. The buzzword of "corrupt culture", which imply a predisposition for a group of people who behave in corrupt ways, then, emerges as an alternative excuse to the issue.

However, the notion of "culture" has often been used to elucidate or justify an act of corruption. Gift-giving, for instance, it is sometimes acclaimed as part of certain country's culture but it can be mistakenly understood as bribery or corruption. To what extent we should tolerate the cultural practice as the normal acceptable practice rather than corrupt act? On this paper, in addressing those concerns, the questions to be answered is: To what extent the word corrupt culture is legitimate? What strategies can be deployed to relieve the "corrupt culture" in our society?

The structure of the paper is following. First, it will give context on the concept of corruption. Second, it will review existing theories that explain the causes of corruption. Third, it will explore the influence of culture in which the culture of corruption is judged to be inherent in it. Finally, it will prescribe the possible strategies to alleviate the corrupt culture.

## **2 Theoretical Perspective on the Cause of Corruption**

Research and literature on the causes of corruption are voluminous. The potential causes of corruption, according to Arifianto (2001) based on a theoretical perspective, could be classified into three categories: the mainstream economic theory, patrimonialism, and kleptocratic state theory. Each of these categories will be explained briefly in this section.

## **2.1 Mainstream Economic Theory**

According to mainstream economic theory, corruption is more likely to happen in countries where the state plays a dominant role in the economy. This condition leads to the monopoly of the state to control the country's economic activities. In a country where government plays a significant role to rule economic activities, the government released too many regulations that regulate the country's economy, which hampered the participation of the private sector. Consequently, for private sectors to be able to participate in economic activities, they have to make payoffs to government officials so that they can operate their economic activities with little intervention from the state. In mainstream economic theory, a country with no system of accountability and transparency that discourage corrupt behavior also triggered corruption.

Empirical research has support this notion stated that the more competitive and open one country is, the less likely corruption would become an endemic problem within it (Ades & Di Tella, 1995). Majeed (2014) also confirms this finding stated that the combination of trade openness and high bureaucracy quality deter corruption. These research confirm that corruption correlates with a high level of government intervention in the economy.

## **2.2 Patrimonialism Theory**

The prominent figure of the patrimonialism is Max Weber. Weber opined that there are three types of authority: traditional authority, in which authority is based on the hereditary claims based on tradition and rulers tend to have absolute power; charismatic authority, in which authority is based on the charisma of the leader and his or her ability to convince the public to follow his or her orders; lastly is rational/legal authority in which the leader obtains authority through legal and professional means (Weber, 1974).

In a country based on traditional authority, government officials are not recruited based on merit consideration, instead of on the family relations or personal closeness to the leader. The power that the leader has in this type of authority could maintain government officers' loyalty by playing to give reward or punishment. This system of authority called patrimonialism.

In the patrimonial system, there is no separation between the public and private property of the leader. The leader often uses public resources to secure their power. As a consequence, the citizen must pay enormous rents to the government officials to receive government services. For those who would like to become the government, officers also have to provide large sums of money to occupy or show loyalty to the leader. The leader who get and maintain their power using these traditional ways often ignore the "formal" laws that prohibit corrupt behavior.

## **2.3 Kleptocratic State Theory**

In kleptocratic state theory, endemic corruption exists because the ruling regime has a sole interest, which is to maximize their own wealth. Anderski (1968) defined a kleptocrat as someone whose primary goal is personal enrichment and possesses the power to further this goal while holding public office. In a kleptocratic system, the governmental elites maximize their economic interest through their power and position. Laws and regulation (such as taxes, subsidies, and privatization) are made not because of its requisites but to maximize the avail of the elites.

## **3 Cultural Perspective on Corruption**

To understand the link between corruption and culture is not an easy job. First and foremost, we must understand what the meaning of culture is. Citing from Larmour (2012), culture, according to Williams (1983) is “one of the two or three most complicated words in the English language”. Culture can be defined into three concepts (Larmour, 2012). First, it refers to a process of intellectual, spiritual, and aesthetic development related to the idea of civilization. Second, it focuses on a particular way of life, and third, it narrowly used to artistic and intellectual endeavors, for example, like dance, music, and film.

In the context of this paper, we prone to refer culture as the particular way of life, because of its relevancy to what is so-called as “cultural relativism” in which the perspective of something that is regarded as corrupt in one culture might not be regarded as corrupt in another. Despite cultural relativism, where certain act, for example, gift-giving, might be permissible in particular culture but sometimes mistakenly as bribery or corruption, this section would suggest how we should revisit the link between corruption and culture.

Wijayanto (2013) describes why the practice of corruption, especially in Javanese culture is acceptable. On his paper, he noted that Javanese culture perceives power as the “no-question” of legitimacy, meaning that power derives from a single homogenous source, which is God. The idea that power does not raise a question on legitimacy brings the Javanese culture to its exposure to the abuse of power. People should just accept whatever the ruler (king) do. The King is allowed to accumulate the wealth for his own interest, although it should belong to the people. There is no separation on what is the public and private wealth. The example of this view can be seen in how Javanese culture see the prosperity of the King reflects the prosperity of society.

Another claim that is served as a rationale for the corrupt behavior in Javanese culture is related to how Javanese views about family. Javanese is educated to be somebody who should bring a good thing to the family. When someone already succeeds, he or she must not forget his or her family. In terms of corruption practice, it implies that if Javanese becomes a leader, he or she should put his or her family in the priority. For example, if there is a project, he or she should give it to the people who have the closest family relationship. Prioritizing family is a kind of moral obligation in the Javanese culture.

Another example of how corruption seems to be prevalent and accepted by society could also be found in African culture. Olusegun Obasanjo, former president of Nigeria once stated that in the African concept, gifts are considered as a token and not demanded. The value of the gifts is in the spirit rather than the material value, and it usually did in the open and never in secret. Therefore, people should distinguish between gifts and bribes.

In understanding the value of the gift, there are three obligations that underpin the needs to gift. First, the obligation to give, when the leaders are obliged to share their food with relatives or friends and so on. Second, the obligation to accept, which means that any refusal upon the gifts will offend. Third, the obligation to reciprocate, which means that when someone receives (receiver) one thing from his or her friend (giver), the receiver should give back with minimum the same value or even more to the giver (Mauss, 2002 as cited in Larmour, 2012).

In regards to the explanation on corruption and culture, to what extent does corruption and culture related? Does the lack of significance of formal organizations imply that corruption is ingrained in highly corrupted countries?

Culture is often fused with the general moral orientation of the people in a particular country. However, there is at least three problems with this tenet of corruption. First, the concept of cultural relativism implies that corruption should not be defined as a “one size that fits all”. The definition of corruption should have a cultural context rather than culture’s definition which imposed upon everyone else. One imaginary example is when an incumbent president competes with a non-governmental figure that competes in an election.

Long story short, the incumbent president won the elections because during his presidency he allocates a lot of developmental budget to the prosperity of the people. So, despite competitor's allegation against the use of the national budget as a means of campaign material, people want the incumbent president to lead them in the future years. Was the incumbent president the previous action is the inducement for the votes? Was this considered a corruption?

The second reason on why we should be careful in linking corruption and culture is due to the fact of lack of empirical support. Barr and Serra (2010) made an experimental analysis to seek the linkage between corruption and culture. They conducted thirteen experimental sessions, involving 195 participants to assessed whether the tendency to corrupt related to the reference of the level of corruption in the participants' home country. Their finding suggests that individuals should not be prejudged with reference to their country of origin.

Another survey to the respondents of the eighteen sub-Saharan African countries was asked their views on the corruption dilemma, for example like giving a job to someone from his or her family who does not have adequate qualifications. The result shows that between 60 percent to 76 percent of the 25,086 respondents consider the case of corruption dilemma presented as wrong and punishable (Rothstein, 2017).

Finally, we should be prudent to relate corruption and culture because designated the culture of a nation as corrupt would take us nowhere. The discourse of culture in understanding corruption should give us the benefit instead of the detriment. When we are pointing out that certain culture reserved corrupt behavior, it is not a good start to achieve abroad policy change. We should embrace the cultural values as a basis to prevent corruption. Javanese culture with its "family pride" value can be used to against corruption by accentuating the importance of preserving the good name of the family with achievements rather than merely the distribution of power. The pride of having legitimate achievement should be underscored. The cultural value of being prudent is also can be put to point out the account of future consequences, such as considering all alternative actions to the possible aftermath. In short, the value of culture should not be seen as individual elements but as a comprehensive way of thinking and way of life. Lastly, we should distinguish the difference between cultural values and cultural practice. Hofstede (1991) suggests that national cultural differences consist of difference in values (moral) and practices. An ethical government officer in the systematically corrupt country may morally disapprove of the unofficial payment, but it will be less sensible to him to be the only honest officer in a system where the corrupt behavior is presumed as a social practice.

## **4 Strategies to Alleviate the Corrupt Culture**

With regards to the statement on how we should be prudent in linking culture and corruption, we should be optimist in a way to use the culture as the strategy to fight corruption. Research by Fisman and Miguel (2007) show that culture can play as key role to prevent despicable behavior.

Honesty is a value upheld highly in Indonesia, however corrupt behaviors that obviously contrast to this value are frequently happens. One of the sources of this action is suspected due to permissive culture towards corrupt acts. Promoting anti-corruption values needs to be done through various of channels. One of the predominant way to initiate cultural change is through education.

Strategy could be directed to integrate anti-corruption values into the academic curriculum in schools and universities. The government could empower the anti-corruption education networks to propagate the awareness of corruption, its impacts and detriment as

well as to strengthen the social sanctions. Teachers and lecturers can put teaching materials which require students to undertake various activities aiming to build students' knowledge about concepts, principles, causes and negative effects of corruption as well as preventing and overcoming corruption.

Some countries have tested the effectiveness of integrating anti-corruption value through education channel. Nyamsogoro (2015) did a pilot research to test the effectiveness of integrating anti-corruption program in three business schools in Africa; Nigeria, South Africa and Tanzania through the development of Anti-Corruption Toolkit. Each of the business schools employ different strategy to pilot the toolkit; in Nigeria, the toolkit is integrated to the MBA program curriculum, while in South Africa the toolkit is tested through the business ethics course and in Tanzania it was introduced in regular postgraduate courses and in executive education program. He argue that integrating anti-corruption toolkit through education received positive feedback from the students.

Another lessons are also provided by another country like Hong Kong with its Independent Commission Against Corruption (ICAC). One of the responsibilities of ICAC is to be responsible for the education and mobilizing public support in the fights against corruption (Chan, 2000). The examples of their works are explaining corruption to the public in layman's language so that it can be understood easily by citizen, providing anti-corruption curriculum material and give direct teaching and teacher training for schools and universities. They also create a campaign through creative art to attract the youth through creating a popular cartoon character.

## 5 Conclusion

Despite massive strikes on the support of the connection between corruption and culture, we should revisit its relationship with prudent consideration. Culture does indeed useful to understand how people respond to certain acts that are judged as corrupt behavior. However, it does not automatically deny the ethical basis of judgment about corruption. We should distinguish between what is cultural values and cultural practices. We can use cultural values to understand how people decide to behave as well as use it as a counterattack strategy to combat corruption. At the end of the day, we all agree that combating corruption is the job to everyone. Education is believed to be one of the primary ways to tackle down corruption. Lessons from the best practice from other countries show that education plays an important part to create sustain and strong community that share the values of anti-corruption.

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