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CORRUPTION IN BANGLADESH:
DISCOURSE, JUDGEMENTS AND
MORALITIES

by

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Summary

This paper briefly traces various attempts to understand corruption, through accounts of corruption as an obstacle to development and subsequent views of corruption as a transitory fact of life in modernizing societies, to more recent ideas about access and participation. Corruption cannot be viewed simply in moral terms, nor can it be conveniently individualised. The argument is developed that corruption can be viewed in terms of both understanding (as a development issue) and judgement (as a conditionality issue). There is a need to examine the subject in the context of state, markets and the structure of power. The issue of corruption is then linked to current debates taking place about new approaches to public administration and the now fashionable term "good governance". Moving to the specific country case of Bangladesh, it is noted that very little has been written on corruption, despite widespread anecdotal evidence of its extent. The large inflows of aid combined with a weak state creates many opportunities for corruption. measures taken to combat corruption are then reviewed with examples from a number of countries. The paper concludes by presenting ideas for a methodology, based on network theory, for the identification and analysis of

corruption in Bangladesh with a view to developing a strategy for its reduction.

INTRODUCTION

There are few issues in development as controversial as that of corruption: almost everybody involved has an opinion and a perspective.

For the general public in countries of the north, whose earnings provide donations and taxes for assisting the Third World, evidence or rumours of corruption in governments of the south or amongst international development agencies generates a sense of moral outrage. For development practitioners, engaged in the administration of scarce resources for development, corruption is a source of considerable frustration and disillusionment. Among Bangladeshis, corruption among those working in the government and the bureaucracy is openly discussed and indeed is faced as part of daily life, but most people consider themselves powerless to address the phenomenon on any practical level. Others regard it as their right to engage in "corrupt" actions in order to supplement meagre state salaries.

For government apologists, the problem of corruption can paradoxically become both an obstacle to development and an excuse which is used to explain, to both its people and to donors, why its development efforts so often fall short of expectation. And finally, donors' perceptions of local corruption can all too easily lead to morale-destroying "policing" roles for their staff in development projects.

Researchers have addressed themselves to the matter of corruption from the perspectives of a variety of disciplines: sociology, political science,

social anthropology and economics. While corruption was regarded as a worthwhile subject for study in the 1960s and the 1970s, it seems to have featured less prominently in development research in more recent times, perhaps due to both its political unfashionability and the failure of many analyses to produce straightforward, practical solutions to the problems. However, in the 1990s, corruption is back on the agenda again as policy debates are conducted around the new policy agendas of good governance and institutional reform. For the public in northern countries, the high profiles given to recent large-scale disasters (the Bangladesh cyclone and the famine in Somalia) sets expectations of effective relief efforts against allegations of corruption and bureaucracy.

It is also possible, from a theoretical perspective, to analyse corruption in terms of development discourse (as the work of Escobar (1995) shows, although he does not deal specifically with corruption in his analysis) in which Western representations of the 'third world' reflect the dynamics of Northern power over the countries of the South. Indeed, corruption can be seen as part of a constructed system of 'transnational morality' which, in Escobar's words, is 'more a sign of power over the Third World than a truth about it' and one which contains many contradictions. For example, while recipient governments may be criticised for contracting aid-related work to firms related to government agencies through family, the 'tying' of UK aid to British business is seen as permissible and even desirable.

This short review is the result of a preliminary exploration of the general and the Bangladeshi sections of the corruption literature and aims to provide a number of ideas for moving the debate forward.

HOW CAN WE DEFINE CORRUPTION?

What is meant by corruption? It becomes apparent from the literature that a set of quite diverse activities are sometimes described as being "corrupt". And as Schaffer (1986: 359) notes (quoting an earlier paper by Williams):

Corruption, like beauty, is in the eye of the beholder. Like beauty it is widely believed to be more than just skin deep most observations of the phenomenon are hindered by myopia or astigmatism.

Many observers would make a distinction between administrative corruption, which refers to the misallocation of public resources for private gain, and political corruption, which involves subversion of political processes for private gain, such as the manipulation of the electoral process by open or disguised bribery (Etzioni-Halevy, 1983).¹

Of course, this distinction is to some extent an artificial one and both types of activities may well be related. However, the present review is primarily concerned with administrative corruption.

An immediate problem is the subjectivity of many views of corruption. An allegation of corruption clearly involves a value judgement of some kind, and the same act may be viewed by different actors from different perspectives. There is also a tendency for allegations of corruption to be linked with a sense of superiority of Western values

and institutions. The West is believed to have created the Weberian concept of the modern "rational" bureaucracy (Clarke, 1983).² Hence, there is a need to decide whether to regard corruption in absolute or in relative terms.

This leads us to make a distinction between two broad approaches to corruption, one based on judgement, based on the operation of what might be termed "transnational moralities" and the other on understanding.³ Looking at corruption in a judgmental way tends to produce an ethnocentric perspective, but may have value in the context of improving administrative performance. Viewing corruption in a more understanding way involves trying to see the phenomenon in the context of the wider society and culture in which it occurs.

These distinctions help to provide a framework in which different types of corruption can be located. This can be represented as two sets of polarities:

	Judgement	Understanding
Absolutism	X	
Relativism		X

These ideas are discussed in more detail later in this paper.

Most definitions refer to the use of public office for private advantage, in ways which transgress formal rules or law. Werner (1983: 147) suggests three types of definition:

- (a) Public office-centred definitions which involve a deviation from legal and public duty norms for private benefit, whether in the form of pecuniary, status or influence gains;
- (b) Market-centred definitions viewing corruption as a maximising activity in which officials manipulate pecuniary gains according to the supply and demand in the market place of their official domains;
- (c) Public interest-centred definitions stressing the betrayal of public interest by preferring particular to common interests.

Although certain acts can be shown clearly to infringe rules and regulations, others can exist on the boundary line between "right and wrong". Moreover, some actions may transgress rules, but may be perceived to be in the public interest and may not therefore be considered to be corrupt. Some have tried to refine definitions to include a wider morality, such as Palmier (1983), who sees an important element of corruption as whether an action calls into question a person's loyalty to their employers and interferes with their duties, and not just in terms of the act itself.

In fact, any official is likely to have a range of loyalties which he or she must then continually prioritize: to an employer; to colleagues; to

immediate family; to extended kin; to higher principles; to self-interest.

For example, a person's loyalty to their employer may mean being asked to condone the misuse of funds and denying his or her responsibility to report wrongdoing or take action against it. In a society as hierarchical as Bangladesh, the explanation that someone was "just carrying out orders" may be an acceptable evasion of such responsibilities. This leads our discussion into the issue of institutional culture, which is discussed below in more detail.

The inability to arrive at a clear definition of corruption may not simply be an academic problem: according to Monteiro (1966) writing on India, ambiguity is a key characteristic which helps to facilitate corrupt behaviour. He points out that corruption can sometimes thrive precisely because people do not know what it is. Without clear and agreed knowledge of "the rules" for transactions, it is not possible to enforce generally agreed moralities. On the other hand, a good knowledge of rules by those in power can facilitate a knowledge of how to "bend" them. As Wood (1992) has pointed out, there may be "parallel rationalities", including different sets of rules, which govern behaviour in different spheres and at different levels.

ATTEMPTS TO UNDERSTAND CORRUPTION

Modernization theory has prompted both judgement and understanding about corruption. Werner's (1983) influential review article on corruption begins by describing studies in the 1950s and 1960s which were morally critical and highly judgmental of corruption, which was seen as a major constraint to modernization. Corruption was condemned as a central problem of underdevelopment.

In the 1970s (although still broadly subsumed under the modernization approach) the emphasis became less ethnocentric and judgmental and more understanding, centred on the idea that corruption was simply a function of immature, post-colonial societies and would slowly disappear as economic progress (and its associated behavioural changes) took place. Essential to this view was the notion that corruption was an adaptation to imperfect markets in modernizing societies. It became common to see corruption as actually endemic to problems of state management, with collusion taking place between private interests and the state. Corruption was therefore seen as producing rent-seeking behaviour and administrative inefficiency. But studies of Western Europe, the United States and the communist regimes of Eastern Europe (Clarke, 1983) revealed the persistence of corruption even in so-called modern societies.

Such approaches therefore betrayed an ethnocentricity in their assumptions that institutions in developing societies would evolve towards a form similar to those found in the West. They also

undervalued the interaction between local institutions, colonial administrations, prevailing moralities and institutional culture (Wood, 1992).

The reaction to the complacency of these early approaches was based on research showing that corruption could be dysfunctional and self-perpetuating, owing to what one observer termed "spill over" effects (Werner, 1983):

- (a) The behaviour of leaders affected that of their followers;
- (b) Corruption had a tendency to spread across institutions;
- (c) Borderline or "grey" corruption (i.e. that on the margins between right and wrong) tended to grow in destructive ways.

In the years immediately after independence in many African countries, corruption was often seen as resulting from the pressures and contradictions of modernization: contradictory dichotomies were judgmentally perceived as being based around contrasts such as literate government/illiterate society, formal laws/local customs and rules governing disinterested officials/ritual gift exchange. But as Ouma (1991) argues, such explanations tended to miss the point. Instead, we need to look towards structural issues and the motives and expectations of those involved in such transactions and their relation to the political and economic matrix of society. For example, Ouma points out that negative political experiences in Uganda in much of the post-independence period destroyed community sentiments and

contributed in public policy to a rise in individual as opposed to institutional goals, with little risk attached to lavish and ostentatious conduct by public officials. There was a resultant lack of voice for people in their dealings with government and a lack of political accountability.

But studies which saw corruption purely as a malfunction of the system were also flawed (Schaffer, 1986: 360). Forms of behaviour such as access encounters, the use of intermediaries and the amelioration of transactions by personal contacts were actually part of the routine of bureaucratic life under conditions of resource scarcity rather than deviant behaviour from outside the system. Corruption therefore came to be seen as signalling and contributing to the poor allocation of scarce resources. Rent-seeking behaviour in captive markets reduced efficiency and accessibility to clients. But if corruption was operating as a mode of allocating resources, and since it may have been the only realistic system available, it was inappropriate for observers to be too judgmental. Schaffer argued that although corruption had negative implications for both distribution and equity, there were no easy escape routes.

Behaviour that we might term "systemic corruption" can be surprisingly stable. Wade's (1982) work in South India showed how local government canal irrigation systems regularly involved personal accumulation by managers, who were then transferred to another area just before the resulting complaints and conflicts became disruptive.

This way the system remained largely immune to remedial interventions. Corruption therefore existed despite formal attempts to separate officials from the local community. This attempted separation by formal transfer actually contributed to corruption instead of stopping it.

This leads us more fully towards the issue of institutional culture. The role of personal relationships in formal organizations has been explored in anthropological studies of patron-client and dyadic relationships in the literature of transactions (e.g. Boissevain, 1973). According to Schmidt et al. (1977: xviii) this was based upon the observation that in many developing societies

... personal relationships play a more important part in the organisation of political activity than do organised groups based on shared class identification, occupation or ideological affinity.

The transactional approaches have noted the importance of direct relationships involving some form of interaction between two individuals - known as dyadic relationships - in social networks. Dyadic relationships imply personal relationships in contrast to non-dyadic ones (such as the relations among formal, impersonal bureaucrats). Such relationships may involve an exchange of favours (i.e. something received on terms that are more advantageous than those in the market place, or not available at all) or mutual assistance.

They may be horizontal or vertical; long-term or short-term; and reliable or unreliable.⁴ Vertical dyadic relationships are known as patron-client relationships, i.e. between two persons of unequal status, power or resources each of whom finds it useful to have an inferior/superior ally.⁵

However, as Schaffer points out, the use of dyads to analyse corruption may be a more useful descriptive and conceptual framework than notions of dysfunctionality, but it cannot really explain corruption.⁶ Schaffer therefore prefers to view corruption as being engendered by "access encounters", i.e. the ways in which outsiders (clients or "applicants") succeed or fail to gain eligibility for goods and services (Schaffer, 1986: 371).

Corruption also came to be seen as having an anti-democratic influence. A report by the World Bank in 1983 on the impact of corruption on administrative performance suggested that corruption retarded development by undermining the legitimacy of political institutions, thus forcing governments to resort to more coercive ways of maintaining order.

By the 1980s, the response to many of the above problems was the neo-liberal privatization agenda. In the 1990s, a more judgmental view of corruption is again in ascendancy, with the current debates on good governance and aid conditionality.

One of the benefits of this progression through various approaches to the subject is that we have now reached a position where we can make more informed choices. We can decide whether to be judgmental about corruption, by discussing corruption in the context of a number of subjective and objective criteria.

WIDER ISSUES AROUND CORRUPTION

Individual vs. structure: The issue of the relative importance of individuals and structure is an important one, particularly in the context of institutional culture. This ties into current fashions in the social sciences for "actor-oriented" accounts of social realities, although these need to be linked with external factors, local histories and issues of diversity (Drinkwater, 1992). This is not simply a theoretical or abstract point. Corruption is often addressed by restricting the actions of particular individuals rather than by addressing the wider structural conditions in which corruption operates. For example, one study of local government issues in the UK describes how, in Wales, a corrupt Labour-controlled local government administration was successfully removed from office and replaced by a Conservative one, which then proceeded to engage in exactly the same corrupt activities (Fennell, 1983). The same author points out that sometimes there has been a tendency to see corruption in the West as based upon a "rotten apple" in the basket, while viewing developing societies as a "blighted orchard". In other words, Western

corruption is often individualized as deviant, pathological behaviour, while Third World corruption is seen as structurally generated and generic. This is obviously an ethnocentric view and emphasises the need to view corruption in relative terms. Finally, it is worth pointing out that individuals in any context can seek to justify corrupt behaviour by appealing to notions of an impersonal system (Werner, 1983).

Labelling: The subjectivity of the term corruption leads us to consider the literature on "labelling" (Wood, 1985). This takes us back to our key dichotomies of judgement/understanding and absolute/relative. The labelling of behaviour as corrupt may contrast with actors' own descriptions. There may be no generalised morality against which action is judged equally by all the actors involved. This is one of the frequent characteristics of corruption, where one actor's set of priorities or perceptions differs from another's (e.g. family responsibilities or the need to supplement meagre incomes). There is therefore a strong need for actor-oriented accounts in the attempt to understand corruption i.e. understanding the perceptions of those involved.

New ideas about public administration: There have been significant changes in our ideas about public administration in the past decade. The neo-liberal restructuring of Western states (Thatcherism being a dramatic example) and the end of the Cold War era has led to new attitudes in both North and South. The post-war view of the state as being located at the centre of ideas of public welfare was displaced

by "public choice theory", which suggested that states had their own individual interests which they pursued at the expense of the tax payer and, ultimately, public interest. This led to the introduction of market mechanisms to make sure that while public servants pursued their private interests they also produced the public good (Murray, 1992). In Bangladesh these changes were felt during the 1980s under the guidance of the World Bank and USAID.

Wood (1992) traced the evolution of thinking in public administration in the development context - through interactional analysis, access, rent-seeking, room for manoeuvre and labelling, towards the issue of participation and the role of NGOs. By focusing on the structural issues which produce corruption in service provision, the wider issue of the relationship between state and market is discussed. There is therefore a need to focus on the opportunities of citizens - particularly poorer citizens - to demand and access the resources they need, rather than on unrealistically-conceived notions of transparent, efficient administration through which people are provided with the resources and services they need.

Another important issue is the way in which corruption is both part of general administrative inefficiency and weakness and is also sustained by it. This again raises issues of institutional culture. Robert Chambers has coined the term "the self-deceiving state" and illustrates how bureaucrats and development professionals tend to work towards a mass delivery of standard goods and services which are not responsive to peoples' particular needs. Officials are protected (within

their bureaucratic systems) from the poor results of their programmes by diseconomies of knowledge and methods of avoiding the unwelcome news of failure. These diseconomies include selective perceptions, misleading questionnaires, diplomatic prudence by those carrying bad news and plain mis-reporting (Chambers, 1993). To this list we could add the systems of poor incentives, scarce resources, lack of reward for innovation and the rigid hierarchies found among many Bangladeshi public sector agencies.

There may also be a gender dimension to corruption. It may be the case that, for example, certain types of corruption are related to exchanges in kinship networks which are essentially male-oriented. To what extent should issues such as sexual harassment at work and the "gendering" of bureaucracy form part of a discussion of corruption? If there were more women admitted to official posts, would this undermine corrupt institutional culture or would women simply reproduce similar patterns? In a recent paper on gender and public administration, drawn mostly from the Bangladesh case, Goetz (1993) highlights a number of relevant issues. For example, public administration tends to exclude women systematically from agricultural and industrial sector services.

Many studies have pointed to the incompatibility of formal Western models of bureaucracy with non-Western societies. Wade (1992) compares local irrigation systems in Korea, where public servants are networked into their local communities, with those in India, where care is taken to ensure they are not, and notes that this may be a factor

contributing to the far greater efficiency of irrigation systems in the Korean case. The Korean officials take more responsibility for carrying out their duties properly within the wider community, while their Indian counterparts are presented with a low risk strategy for personal gain.

One of the potential weaknesses of the rational Weberian tradition of the abstracted administrator may therefore lie paradoxically in its tendency to insulate bureaucrats from their surrounding wider community. It may actually reduce the likelihood of participation and accountability.

It is interesting that neo-liberal ideologies (which are individualistic and stress market-based transactions) may lead ultimately to similar problems, though from a different ideological route (Murray, 1992). By reducing the social involvement of officials to a purely contractual, commercial relationship with no personal responsibilities, institutional culture becomes similarly impersonal.

The "good governance" debate: The present debate on good governance is relevant to any discussion of corruption. In a speech in 1992, the UK Development Minister drew attention to the need for "... fighting the cancers of graft and nepotism". Some of the major themes are summarised in a collection edited by Moore (1993), who suggests two main sources of ideas on good governance (and a third possibility):

- (a) A liberal democratic agenda articulated by Western politicians in the post-communist era stressing the market economy, human rights, multi-party democracy and economic growth.
- (b) A debate on "the process of government" constructed mainly by the World Bank, which is seeking to explain why its structural adjustment programmes in sub-Saharan Africa have not worked.
- (c) The attempt, in some quarters at least, to justify reductions in Western aid spending in the Third World (Eastern Europe, recession, end of the Cold War) by somehow arguing that such resources are often wasted in any case by governments which are incapable of handling aid properly.

The extent to which action to reduce corruption can be linked to these ideas of good governance requires a move away from rhetoric towards practical ideas, and a more detailed uncovering of the precise motives behind such demands.

CORRUPTION IN THE BANGLADESH CONTEXT

The considerable inflows of foreign aid into Bangladesh is a crucial factor which determines the nature of much of the corruption taking place. This of course creates a responsibility for donors as well as recipients to ensure that resources are utilized effectively and fairly.

However it would be wrong to see Bangladesh as a special case because of this aid. Corruption is primarily linked with general issues of state and markets. Considerable corruption existed in the period up to 1975, within Bangladesh's first post-Independence government, before the inflows of foreign aid began to intensify to their present day levels (Wood, personal communication).

But the influx of foreign aid does serve to intensify the potential for corruption. It also brings other actors into the arena, both internationally (e.g. foreign companies, donors, NGOs) and locally (contractors, brokers and intermediaries). Thirdly, aid may alter who wins and who loses from corruption. While corruption without much aid leads to a situation in which members of an administration effectively defraud the people through more or less direct plunder, under conditions of aid inflows such officials simply divert outside resources. Although these resources may be destined for the people, they are prospective goods (to which people are entitled) rather than actual goods.

Despite the extensive anecdotal discussion of recent corruption (e.g. unsubstantiated newspaper reporting and public and private debate), very little has been written formally about corruption in Bangladesh. Although there is some public discussion about corruption, this is frequently conducted more at the general than the specific level and the discourse is frequently conducted in a spirit of general powerlessness. While the previous Bangladesh administration was

known to be highly corrupt, it is of little use to individualize the problem in terms of reference to specific (past) regimes. General Ershad, the former military leader of the country, has to some extent been made a scapegoat for corruption in the press and in public debate, while some opponents of the present system have begun to invoke his period of rule as being less corrupt than the present one.

Since democracy, it has become important to generate a more open atmosphere in which corruption is regarded as a legitimate subject for public discussion. However, it is very difficult to quantify the scale of corruption and the direction of the flow of resources. It is even more difficult to assess how far the situation has changed under the present government, since much of its administration - in terms of both individuals and systems - remains the same as that of the previous government.

The lack of hard information and informed debate about corruption in Bangladesh may strike an observer as surprising until one considers two points: (a) The difficulty of establishing quantitative information on what are usually highly sensitive and hidden activities; (b) The interests of many of those involved in development activities (donors, governments, administrators) which mitigate against establishing precise details of potentially damaging information.⁷

Both Schaffer (1986) and Wood (1985 and 1988) discuss corruption in the context of resource allocation in projects in Bangladesh. Another exception is a recent article by Eirik Jansen (1993). Jansen's paper

outlines some difficult issues, based on his experience of working for NORAD in Bangladesh and draws on some locally-available material. Jansen discusses how various "interest groups" (the military, foreign suppliers, etc) help to determine the requests made by the Bangladesh government to donors for aid and provides some alarming case studies of the provision of demonstrably "inappropriate" technology and unnecessary military hardware. Jansen also suggests that the operation of these interest groups tends, in practice, to reduce resource flows to sectors such as health and education.

The Flood Action Plan in Bangladesh might be cited as a high profile case study in which local and international actors (including donors, academics and contractors) collaborate to create considerable sets of interests with the potential for corruption (see Adnan et al, 1993).

We need to consider corruption not as an isolated or distinctive phenomenon in itself, but in the context of a number of wider issues within Bangladesh. We can begin by identifying the various arenas in which corruption takes place. The following sections do not attempt a comprehensive discussion of all these issues, but simply pose questions for further discussion.

The state: Riley's (1983) study of Sierra Leone points out that corruption can be associated with a fragile, weak and "permeable" state, which may well parallel the Bangladesh case. In many countries, the question of "loyalty" to a recently-formed or still-contested state competes with primordial loyalties to family and kin. As Szeflu (1983)

points out, we have to examine peoples' expectations in relation to the state's behaviour towards them, and the goods they may be entitled to receive, in order to understand their attitudes to corruption. In Bangladesh, one sometimes hears people in conversation devaluing government goods as worthless ("throw them into the sea").⁸ An alternative view is one I recall from fieldwork in which villagers laid indiscriminate claim to public goods as part of the common entitlement of every Bangladeshi citizen who had struggled for Independence.

Civil society and the power structure: It is important to distinguish the relative significance of different levels of corruption. Power, both in wider society and in the arena of policy making and implementation, is a crucial dimension to any discussion of corruption. Corruption among the relatively poorly-off at the bottom of the hierarchy cannot be equated with that of powerful individuals and groups at the top, or approached the same way in policy making. Corruption often involves the incorporation of low level officials into systemic corruption by those higher up, and the former may end up taking the bulk of the blame if discovered. This may also occur outside the formal arenas of administration: Schaffer (1986) provides a useful case study of the operation of a KSS farmers' co-operative as a source of cheap credit for richer farmers rather than as a co-operative serving the general community. A discussion of corruption in Bangladesh must also address the role of the army in political and economic life and discuss the continuing militarisation of civil society (particularly in the Chittagong Hill Tracts).

Markets: Wood (1992) explores the relationship between corruption, the state and poorly-formed or imperfect markets. Corruption is an outcome of attempts to target low income people in societies with imperfect or interlocked markets which tend to work against the interests of the poor. This policy in Bangladesh generated a situation in which the poor became enmeshed in (or shut out of) unresponsive state-controlled resource delivery monopolies. How far does the liberalization of markets actually address this problem, or does it leave poorly-developed markets to continue operating? How far can people "exit" and find another source of service or are they locked into transactions without realistic choices?

With an understanding of these arenas, it is useful to move on to list the range of corruption existing in the country. Everyone who has worked in Bangladesh has from time to time come across transactions which they decide to label as "corrupt". This is my personal list based on nearly ten years of periodic research and consultancy contact with Bangladesh:

- The restriction of people's access to services to which they are entitled or raising the "price" prohibitively high;
- The use of aid for purposes other than those agreed with a donor;
- Favourable "evaluations" of projects (by outsiders or locally) in order to ensure their continued assistance;

- Awarding licenses and subsidies to non-productive companies;
- Administrative delays centring on payments of gush (bribes) e.g. reports of manufactured garments being delayed by customs;
- Use of KSS farmers' co-operatives by the rural elites to channel government resources intended for all farmers towards themselves;
- Diversion of wheat food aid by the Union Chairmen in order to consolidate their local political power base;
- Securing project vehicles for private use and status purposes;
- Awarding study opportunities and university grades on criteria other than merit;
- Exaggeration of the costs of project components;
- Pretending to advertise jobs when a networked candidate is already assured of the post;
- "Back-hander" payments in tendering procedures.

No doubt more categories can be added by the reader, but this personal list forms a starting point from which it may be possible to construct a general set of arenas of corruption relevant to the Bangladesh experience.

TACKLING CORRUPTION AS "A PROBLEM"

One of the earliest approaches to corruption reduction has been to try and reduce the benefits and increase the costs of corrupt behaviour. Palmier (1983:209) recounts the story of Clive's condemnation of corruption in the East India Company in 1771. After the Battle of

Plassey, the Company's employees in Bengal had started to enrich themselves for individual gain at the expense of their employers. By improving salaries and introducing policing with drastic punishments for offenders, the scale of corruption was significantly reduced within a few years.

Early commentators on corruption in the development literature suggested palliative measures to alleviate the negative results of corruption, while asserting that economic progress, combined with education and greater accountability will gradually shift the allegiances of citizens from family, clans and tribes to nation-states and therefore reduce corruption's role in society. According to Montiero (1966:98), the prime need is for "a common standard of morality" to be applied to governmental activities, such that a person's allegiance shifts from kin to wider society and nation state. Decisions in government need to be made without reference to personal interest or group pressure, and these new rules have to be widely understood.

Montiero therefore suggested a number of strategies in the Indian context, and his list represents a fairly typical set of recommendations found in much of the literature, to which I have added some comments:

- (a) *Public education.* The aim would be to convey and reinforce ethical norms within the community and promote a clear understanding of the workings of government. This could include campaigns to raise awareness of legal and other rights.

NGOs in Bangladesh are working towards making low income people aware of their rights as citizens.

- (b) *Strengthening equality.* It is necessary to establish the equality of the individual and the state before the law. This includes the need to raise awareness of legal rights (particularly among the poor), to create and implement laws, as well as being able to demonstrate to people that justice can be expected from the state.
- (c) *Improving efficiency.* Improving the effectiveness of decision-making and administration might involve improving salaries, working conditions and addressing the incentives and motivation of employees. Also, seeking constructive and sustainable roles for NGOs in certain areas of policy making and implementation may lead to improved resource utilisation and targeting (Farrington and Lewis, 1993).
- (d) *Investigative agencies.* The creation of anti-corruption agencies was favoured in India, reacting quickly to complaints. However, as Riley (1983) points out, this can lead to more complex evasion tactics, increased corruption and the "individualisation" of the problem. It also begs the question "who guards the guardians".

- (e) *Peoples' participation.* Greater participation in policy making and implementation has often been seen as a key to reducing corruption. More specifically, independent citizens' tribunals have been suggested for redressing complaints, such as those established by the Schweppes company in the UK for preventing factory theft where workers and management take action together based on peer group pressure as a regulating force (Clark, 1983).

- (f) *Increased public vigilance.* Ideas about deteriorating morality led to what has been termed the "whistle blowing" approach to controlling corruption, i.e. playing off loyalty to conscience against loyalty to team. But this can also be socially destructive. Werner (1983) favours the reintroduction of ideas about "community justice" as a key to freeing society from its hypocritical attitudes towards crime i.e. by understanding the perspectives of all parties to a corrupt act. Werner suggests that if formal legal systems cannot control corruption, perhaps a return to older, personalised forms of justice can form a useful supplement. The corrupt often legitimize their actions by blaming an impersonal system, thereby neutralising their effects on real individuals.

However, a check-list such as this one, while providing plenty of areas for discussion, nevertheless highlights the many problems associated with a set of prescribed solutions to the general problem of corruption.

Klitgaard (1984) on the other hand adopts a more systemic approach and shows how anti-corruption measures must take account of the complex causes of corruption; the relative severity of its different manifestations; the susceptibility of these different activities to feasible changes in policies and procedures and the strategic importance of politics both within and outside the bureaucracy. He provides a fascinating case study of a real set of events around a public food distribution system (disguised within a fictional country context) which highlights such complexities.

The good governance debate has led to some new ideas about practical steps towards administrative reform. For example, Osborne (1993) proposes a scheme to strengthen the skills and commitment of top-level African civil servants by developing regional professional cadres, to which national civil servants could "retreat" from time to time from their own countries. This would broaden their experience and produce a wider interaction with fellow administrators from abroad. Such a scheme would be run by and for Africans with donor funding.

CONCLUSIONS

There are large gaps in our knowledge of corruption and before moving on to some concrete suggestions for the Bangladesh context, it is worth mentioning a few areas for discussion. The growing literatures on participation (particularly in the context of NGOs) and accountability form an important component of the issues surrounding corruption.

We should also take care to distinguish between corruption and inefficient administration. Some bureaucracies are popularly believed to be corrupt but still "get things done" (such as Indonesia) while others are said to be corrupt and very inefficient (perhaps Bangladesh could be so described). Are such distinctions accurate? Other bureaucracies may be relatively free of corruption but inefficient.

Werner (1983) argues that more research is required on the scope, nature and dynamics of systemic corruption; the causes and values of corruption; and the nature of patriotic corruption or what he terms the "new casuistry" (in which powerful people bend rules or practise corruption for the "good" of an organisation or the country). We need to go further into the bases of the legitimacy of action vis-a-vis the different elements of Bangladeshi society: community, institutions, organisations and individuals and the way these are related through prevailing institutional cultures. What are the popular attitudes to

government-controlled resources and are these used to justify their abuse?

It is clear from our discussion that there are a number of areas of corruption which can be formally identified. However, it is necessary to approach the issue from a number of directions simultaneously. This paper therefore concludes with some preliminary ideas about how this could be undertaken. These should be considered in the light of the points made earlier about the relationship between judgement and understanding.

Firstly, we have to distinguish between individual corruption and systemic corruption, bearing in mind the means through which these two areas are related e.g. the observed tendency for the "individualisation" of corruption to be employed within the system in order to hide wider systemic issues; and the tendency of corrupt individuals to "blame the system".

Secondly, it is necessary to distinguish between corruption by those in positions of relative power and those activities undertaken by people in positions of relative weakness. How far can corruption be seen as the abuse of power, and can corruption ever be the strategy of the powerless, a form of "everyday resistance"? (cf Scott, 1985).

Thirdly, and following from Murray (1992), we can also distinguish a number of important sites of corruption in terms of the key administrative relationships which need to be addressed:

- (a) Between administrators and the class/status structures within which they work;
- (b) Between public servants and their clients;
- (c) Within the bureaucracy itself;
- (d) Between funding agencies and government and NGO recipients.

Fourthly, the different types of illicit activities that we describe collectively as "corrupt" need to be unpacked into a ranked typology. A useful starting point for such an exercise in the Bangladesh context is Klitgaard's (1984) case study where he summarises stages and types of corruption in a National Food Organisation (in an unnamed country) as

- (a) Procurement at District level, with the problem of kickbacks;
- (b) Storage of the food, which involves theft and mislabelling;
- (c) Delivery, with collusion between contractors, officials etc;
- (d) Ration cards, where fraud is common.

Klitgaard then establishes the relative magnitudes of each one and discusses who is helped and who is hurt by each activity, followed by a discussion of the causes and the cures. For example, ration card fraud

helps some consumers and corrupt NFO officials, but harms the central government budget and other consumers. The causes are differentials between the subsidised and market prices, poor record keeping, low probability of discovery and lack of real penalties if caught. The potential remedies might include re-issuing the cards, improving record keeping and introducing control systems.

The final point is to outline briefly a research strategy for taking these issues further. One way to approach corruption on a practical level is to try and plot its extent, identify the types of actors involved, analyse its relationships and transactions and its implications for others. This can be done using a form of social network analysis. Such an approach could:

- (a) Uncover the quantities and direction of resources which are flowing and the key actors involved, locally, nationally and internationally;
- (b) Identify the "shadow" of corruption i.e. the implications of these resource flows and transactions for other actors, both within networks and beyond (including non-material, spillover effects of setting a poor example, loss of confidence etc);
- (c) Explore the effectiveness of ideas about "good governance" currently in vogue in promoting transparency, participation and accountability in public administration.

Although methodologically difficult, research of this kind would provide a clearer understanding of the anatomy of corruption in Bangladesh. It would then allow the discussion and eventual formulation of a long-term strategy and specific measures for reducing corruption. However, the process will require the participation of government agencies (and in particular influential individuals and sympathetic allies), donors, NGOs and community groups.

NOTES

1. Such practices are known to have been widespread in the UK and the USA in the nineteenth century.
2. Weber argued that modern Western capitalism required impersonal bureaucracies for efficient decision-making, using formal legal rationality. Functionaries are therefore required to reach decisions based upon criteria which are universally agreed and publicly identified. The advantage is efficiency, but this cannot be achieved without adequate pay, training and supervision.
3. I am grateful to Eric Worby (personal communication) for linking corruption with the idea of "transnational moralities".
4. Auto-corruption, in which an employee removes resources without reference to other individuals, can however take place outside these dyadic relationships.
5. The anthropologist Mauss's influential work on the gift and the concept of reciprocity (as the obligation which oils social transactions) is also relevant here (Mauss, 1990). The boundary between a gift and bribe can be a very narrow one, especially in societies in which gift-giving is an important element of public life.
6. We return in the Conclusions to the idea of social networks as a valuable methodological tool for investigating corruption.
7. One of the richest sources of data on corruption in Bangladesh is probably located within the hundreds of mainly unpublished

(and largely inaccessible) consultancy reports generated each year.

8. J. Allister McGregor, personal communication.

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