## Fighting corruption | Political Economy | thenews.com.pk

Saddam Hussein



Corruption is a form of dishonesty or a criminal offence undertaken by a person or an organisation entrusted with a position of authority in order to acquire illicit benefits or abuse power for selfish gain. Corruption may be nearly as old as human history. As global economy expanded substantially during the 21st Century, the proceeds of corruption increased in absolute terms. Given its very nature, it is hard to estimate the global magnitude of corruption with any certainty. The World Bank estimates that the annual corruption proceeds exceed \$1.5 trillion, or 2 percent of global GDP and are nearly ten t imes the total global aid funds. Other estimates vary between 2 and 5 percent of global GDP.

Corruption permeates all levels of society, from low-level public servants accepting petty bribes to national leaders stealing millions of dollars. Corruption trials involving national leaders are no longer rare. Transparency International estimated that Indonesia's former president Suharto siphoned off between \$15 billion and \$35 billion. Ferdinand Marcos of the Philippines, Mobutu Sese Seko of Zaire and Sani Abacha of Nigeria may have embezzled up to \$5 billion each. In 2015, President Otto Pérez Molina of Guatemala was compelled to step down after Congress stripped him of immunity because of his alleged role in a corruption scam. In South Africa, President Jacob Zuma was removed last year over corruption charges.

Under President Xi Jinping's ambitious anti-corruption drive, more than a thousand Chinese absconders who had earlier escaped the clutches of law have been returned to the country. More than \$519 million has been recovered from them. The anti-corruption watchdog of the Chinese Communist Party has said that among the 1,335 people who returned, there were 307 party members and government employees.

Rooting out corruption altogether seems very hard as institutionalised corruption has become part of the economic ecology. Developed countries keep coming up with new ways to tackle this menace. Many developing nations are also catching up by devising new mechanisms to curb corruption.

When accused of corruption, many politicians deny it and try to portray their ordeal as political victimisation. It is no different in the subcontinent. Sometimes this gets quite confusing. It is hard to find a national leader accused of corruption who does not retain some supporters who continue to believe that he is as honest as they come.

Alan García, a former president of Peru, died recently after shooting himself as police officers were sent to take him into custody over allegations of corruption. Garcia was accused of receiving bribes from Odebrecht, a Brazilian construction company. He had denied the claims. Odebrecht has admitted to paying nearly \$30 million in bribes since 2004.

In Brazil, Jair Bolsonaro, a low-ranking right-wing congressman, has been elected on a platform promising to curb corruption. In the city of Curitiba, 155 people have been convicted and sentenced to prison terms adding up to more than 2,000 years in the Lavo Jato money laundering case. Luiz Inácio Lula da Silva, a former president, is serving jail sentences of around 25 years in the same city. There have been scores of convictions and the fines imposed run into billions of dollars. Deltan Dallagnol, one of the prosecutors, has said, "[W]ithout society's insistence, we wouldn't have Lava Jato". In 2016, Brazilians' anger had paved the way for the impeachment of President Dilma Rousseff, accused of budget accounting violations.

It is hard to find a national leader accused of corruption who does not retain some supporters who continue to believe that he is as honest as they come.

Gordon Dennis Fox's is another interesting case. The Democratic Party member has served as speaker of the Rhode Island House of Representatives. He was first elected in 1992 and remained a member for 22 years. On March 21, 2014, his home and office were raided by officials. Fox later pleaded guilty to fraud, bribery and filing a false tax return. He was sentenced to three years in federal prison. He resigned from speakership as soon as the case opened and did not get any support from his party. Citing moral grounds, Rhodes College revoked his honorary doctorate.

In South Korea, the Protection of Public Interest Whistle-Blowers law protects whistleblowers who report corruption or foreign bribes. Many public services are now available online to reduce opportunities for corruption. In 2015, Lee Wan-Koo, a former prime minister, resigned after being embroiled in a corruption scandal. Former president Lee Myung-Bak was sentenced to 15 years in prison and fined \$11.5 million. Following a string of prosecutions of former national leaders, the country's corruption indices are seen improving.

Pakistan, too, has had a corruption problem. The Pakistan Tehreek-i-Insaf, which ran on a zero-tolerance-for-corruption platform, is now in government. Corruption allegations have been brought against several serving and former legislators, ministers, chief ministers, prime ministers and at least one president. Tangible outcomes could take time and are subject to the government standing its ground. However, the government seems all talk and no walk at the moment.

One lesson Pakistan can learn from the success stories in the fight against corruption is that a reluctant accountability regime can never deliver results. The accountability process should not be slowed or halted. As the saying goes by, in the book *The Demon-Haunted World: Science as a Candle in the Dark*, by the authors Ann Druyan and Carl Sagan, that "[O]ne of the saddest lessons of history is this: If we've been bamboozled long enough, we tend to reject any evidence of the bamboozle. We're no longer interested in finding out the truth. The bamboozle has captured us. It's simply too painful to acknowledge, even to ourselves, that we've been taken". Pakistanis must think. Are we bamboozled enough, or do we still need to be bamboozled enough to think that we are not being bamboozled at all?

I would like to fuse the approaches of Islam and the West. The Islamic and the Western social scientific perspectives on corruption are very different in nature, but not without a common objective. The Western approach focuses on governance and designing appropriate systems and institutions that gear information and incentives toward minimising opportunities and enticement for corruption. In short, it emphasises constraints external to the individual. By comparison, Islam seeks to instil in believers a clear 'second-order' preference for non-corrupt behaviour. It recommends developing a firm belief in transcendent accountability and stresses character building through practising moral virtues and shunning vices. In essence, much of the restraint comes from within through a moral renovation.

Both emphases are important and should go hand in hand towards eliminating corruption.

The writer is a research economist at the Pakistan Institute of Development Economics (PIDE), Islamabad