Briefing Paper 323

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Corruption and Accountability

1. Introduction

When it comes to state resources, corruption, in a nutshell, is the misuse of those resources for the purpose of private gain. Public funds and assets are meant to serve the needs of the public and should be used on programmes that benefit the citizenry at large. Corruption defeats this purpose and constitutes one of the greatest obstacles to progress in South Africa, as the misuse of funds affects the lives of all our people. Amongst the most affected are the poorest, as funds diverted by corruption are not spent on public housing, public health and public education - on all of which the poor rely exclusively, since they cannot afford private alternatives. Corruption also subverts political accountability, as the bribetaking civil servant becomes beholden to the bribe-giver, rather than to his or her ultimate employer, the taxpayer. This paper discusses the twin issues of corruption and accountability and their interconnectedness1.

2. Exposing the Problem

If a family member is able to secure a job in his company for another family member, would this be wrong? For some people, the use of personal influence or favours is always wrong; for others, it is a profound duty to look after their relatives, and if someone finds himself in a position of power, it is expected that he will use it to advantage his family. In effect, people tend to help one another out regardless of the rules that they are meant to adhere to. Nevertheless, this soon leads to serious problems. It is not only relatives that are helped, but also friends, political allies and then potential supporters. Soon, favours are being done not in order to help someone, but simply in order to build a supportbase and establish a credit-balance.

Another example: it is difficult to assess when a gift is really just a gift, a genuine token of appreciation, and when it is actually an attempt to sway a decision, an act of bribery. People in positions of authority should ideally not accept gifts, in order to show the citizenry that they cannot be swayed or influenced. On the other hand, though, gifts are sometimes offered very sincerely, without any ulterior motive; and refusing them could cause serious offence. Knowing where to draw the line can be difficult.

A further aspect of the problem is that the act of corruption is a process of give and take; just as we have public officials soliciting bribes, we also have businesses that form relationships with these officials in order to gain access to tenders and other opportunities. Both parties should be held accountable for their actions, but it tends to be the bribe-taker that is highlighted. Quite a number of traffic officers, home affairs clerks and other civil servants are prosecuted, and dismissed, every year for corruption, but one seldom hears of action being taken against the people who partnered them in the corrupt act. Surely the citizen is as criminally responsible for paying the bribe as the public official is who accepts it.

3. The Causes of Corruption

David Lewis, the director of *Corruption Watch*, points out that corruption is not simply a matter of individual greed; we need to understand some of the structural factors underlying it. For example, in apartheid times the state administration was far more centralised than it is now, and it served the interests of a much smaller population. Although public-sector corruption certainly existed, there were not as many opportunities as there are at present. Whereas

there used to be one central state tender board, there are now some 900 procurement points throughout the country, and this decentralised system – which no doubt has its advantages - has opened the way for widespread maladministration and corruption.

The fact that South Africa is one of the world's most unequal societies has caused the 'have-nots' to note their lack of material goods in relation to the 'haves'; and this has not happened without the latter thinking about how to satisfy their needs, even if it means bending the rules. For the growing new middle class, looking to emulate those who have long enjoyed a materially privileged lifestyle, it has been necessary to look to the state to support its living standards and allow it to compete with the former middle class. This has inevitably led some to indulge in corrupt dealings as a way of tapping into state assets. Similarly, some elements of the new elite in business have used - or misused - policies such as BEE and BBBEE in order to gain political connectivity, which has in turn spawned unhealthy relationships and promoted acts of corruption.

4. The normalisation of the game

South Africa was ranked 64th in Transparency International's 2012 Corruption Perception Index,2 which reflects our position out of 174 countries measured. In this regard, it would seem that South Africa is not fairing too badly in relative terms. However, much more could be done to improve the situation. South Africa is also one of the countries in the world with the largest wealth gap, according to the Gini co-efficient (which measures income inequality). The fact that the gap is so large means that a small part of society holds a lot of the wealth, while the poor continue to suffer; this is a recipe for corruption. Fortunately, there are signs that poor and marginalised communities are increasingly voicing their outrage at the corrupt practices of political figures and civil servants.

While public protest is a necessary action in order to ensure that this outrage is heard, a much more proactive approach is also needed. Politicians and officials must be held accountable before they slip into the routine of corruption. A culture of holding people in power to account must be nurtured; civil society institutions and the media must ensure that ordinary citizens are aware of the effects of corruption, and that they

understand the links between corrupt officials on the one hand, and poor service-delivery, lack of facilities, and under-performing local government, on the other.

5. Anti-Corruption Institutions

Numerous institutions have been put in place to curb corruption. The Public Protector, the Auditor-General, the National **Prosecuting** Authority, the Special Investigating Unit, among statutory organisations, and Corruption Watch in the non-government sector, are all institutions geared to defending the public and seeing that public officials involved in acts of corruption are held to account. Over and above these wellknown entities, many government departments, nationally and provincially. investigative units charged with keeping an eye on potential corruption. However, despite the plethora of such bodies, it is still sometimes argued that we need a dedicated and independent 'anti-corruption commission', with the same constitutional status as the Public Protector. This might be a worthwhile idea but, on the other hand, greater co-operation and coordination among the existing institutions could perhaps achieve the same end³.

Despite the fact that much of the work that these institutions do goes unnoticed, it is necessary to acknowledge that they do in fact investigate the reports sent to them. Many people within communities may think that these institutions only deal with national public officials, or prominent businesses and individuals involved in unethical activities; and that they overlook smallscale local corruption of the kind that affects them most directly. But there is in fact a great deal of effort put into investigating municipal officials, traffic officers, metro police and the like. However, there is an important proviso: while high-profile corruption such as that associated with the arms deal has a way of advertising itself, shady dealings at neighbourhood level can only be investigated by these institutions if they are reported. There is thus an important onus on individuals and civil society to draw attention to what is happening at local level.

A further difficulty is that ordinary citizens may not necessarily know how to use the available institutions to curb corruption. Much more education is required so that South Africans can understand what institutions have been put in place to investigate corruption, how to access them and how to monitor their investigations. In this regard there is an important role for businesses, trade unions and civil society organizations to play in raising awareness of the issue of corruption and what can be done about it.

6. The Cost of Corruption

Communities rely on the provision of public services and when the ordinary South African citizen who barely earns a living requires medical attention, he goes to the nearest public clinic, expecting assistance. However, if funds have been diverted away from public hospitals (or public or public libraries, etc.) schools organizations cannot supply services to the citizen. The ordinary man, woman or child is severely impacted, sometimes in ways that the parties involved in corruption may never realise. This is part of the hidden cost of corruption, and it gives the lie to the notion that it can be a 'victimless crime'.

Every act of corruption involves a perversion of accountability. A housing official, for example, is required to maintain a fair and orderly waiting list; but once she accepts a bribe in return for allowing someone to skip the queue, she is no longer accountable to the community as a whole: she has made herself accountable to the bribegiver alone. On a grander scale, such as with the arms deal, whole government departments can end up ignoring their true lines of accountability in favour of a well-resourced foreign government or company.

Another cost of corruption, flowing from the perversion of accountability, is the massive erosion of good quality leaders. The character of an individual who is willing to deprive someone of their needs in order to enjoy the fruits of a bribe reflects an attitude of greed and a moral and ethical deterioration. By definition, a leader should be working for the people who elected him or her. The moment he decides to bend the rules and enter into a corrupt relationship, he effectively gives up his claim to true leadership; he places his own needs ahead of those who he pretends to serve.

There are many examples of this in our recent history. Tony Yengeni, one-time chair of Parliament's Defence Portfolio Committee, was convicted of corruption in the arms deal, while Humphrey Mmemezi, a former Gauteng housing minister, had to resign after being accused of corrupt practice in the form of using public funds to purchase a painting, and of 'buying votes' for the position of ANC president.4 Sadly, in both cases these disgraced individuals were fêted by their supporters: Yengeni carried to prison as if he were a martyr, and Mmemezi rewarded with election to the NEC at the Mangaung Conference last year⁵. And of course, we also have a President who "should have been tried for corruption [and yet] the very institutions of government were corrupted in order to save him from standing trial."6

When corruption affects those at the top of the political ladder it becomes very difficult for ordinary citizens to stand up to it. If it is acceptable for the leadership it is surely acceptable for the masses.

7. Conclusion

South Africans must learn to monitor their leaders, and their leaders' lifestyles. Citizens are responsible for reporting when a public official is not fulfilling his or her civic duty, and is instead indulging in personal advancement through corruption. We must insist that our leaders serve nation. not themselves. We would instinctively hold our banks to account if money went missing from our accounts; in the same way, all South Africans should hold leaders to account when funds are diverted away from supplying public needs and into private pockets. If our leaders do not act with qualities that reflect their desire to honour the will of the people, and they choose instead to misuse public resources, we should not only see that they are investigated, tried and sentenced, but also re-assess our choices when we come to votes at election time.

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¹ The Catholic Parliamentary Liaison Office in conjunction with the the Hanns Seidel Foundation, and the Goedgedacht Forum, hosted a roundtable discussion on Corruption and Accountability on the 26th April 2013. Mondli Makhanya, Jeremy Routledge and David Lewis presented on these issues. This paper reflects much of the ideas presented by the speakers and the discussion that took place thereafter.

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² 2013: Corruption in the spotlight. Corruptionwatch.org.za/content/2013_corruption_spotlight.

³ As this paper was being completed, Public Administration Minister Lindiwe Sisulu announced the formation of an 'anti-corruption bureau' to be based in her department and which would deal with corruption at all three levels of government. It is difficult to comment on this proposal in detail at this early stage, but one key weakness is that the bureau will report directly to the Minister. It is thus not independent, and this reporting structure would still allow easy cover-ups of politically embarrassing instances of corruption.

⁴ SAPA (2012) Mail and Guardian. http://mg.co.za/article/2012-11-26-mmemezi-accused-of-buying-votes-for-zuma

⁵Makhanya, M. Accountability and Corruption roundtable, 26th April 2013

⁶ See ⁴