

CORRUPTION AND TRANSPARENCY IN PUBLIC ADMINISTRATION

GABRIELA CORINA SLUSARIUC *

ABSTRACT: *Corruption is a complex social economic phenomenon commonly found in all governments of the world, threatening democracy and the market economy, the supremacy of justice and social equity. Applying policies of ethics, integrity and transparency in public policies and civil servants' behavior may be the solution to reduce this phenomenon. The most serious consequence of corruption is the illegal redistribution of resources in society, as some social groups win and others lose. The practice of corruption offers immediate benefits to the corrupt ones and endangers the welfare of the population in the long run, undermining the trust of the society in the public authorities and the efficiency of the functioning of the democratic institutions of a rule of law.*

KEY WORDS: *corruption, economy, transparency, public funds, competitiveness, bribes, favoritism, competitiveness.*

JEL CLASSIFICATIONS: *D73, H83, G28.*

1. INTRODUCTIONS

The analysis of the phenomenon of corruption through scientific research tools is an activity that is complementary to any national or local anti-corruption policy and helps to build a better understanding of the broad concept of integrity in the exercise of a public function.

Being considered a "metastasis" of public institutions, corruption denotes the tendency to change into evil, behavior that deviates from official norms in order to obtain material advantages or superior social status.

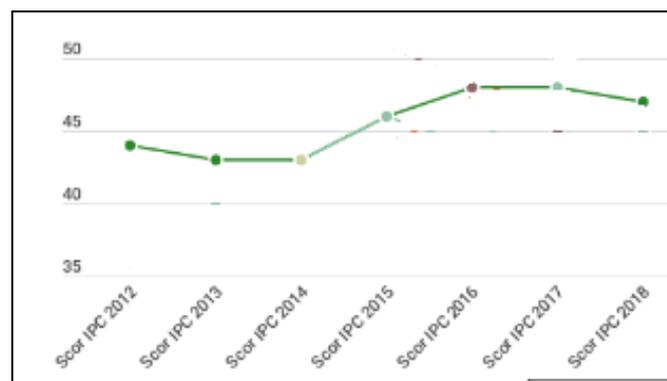
An unanimously accepted definition is that corruption is an active or passive abuse of appointed or elected civil servants to obtain financial advantages and personal or group interests.

* *Assoc. Prof., Ph.D., University of Petroșani, Romania*

Corruption is common today, but it is a very old phenomenon. That is why there is a great scientific concern for this phenomenon. American researcher A.J. Heidenheimer (1978) provides new insights into the essence of corruption, the causes and impact of politics on this phenomenon. Johnston (2007), deals with the essence and forms of corruption. R. Klitgaard 1991 considers corruption to be a problem of developing countries. Still, S. Huntington looks at corruption not as a feature of underdeveloped societies, but as a consequence of the rapid development of society, which introduces normative confusion at a time when new economic elites are looking for influence in the political sphere.

P.Tickner outlines the causes of corruption, which generates public fraud, noting the close link between procurement fraud and public service corruption. Virtually no country or political regime is immune to it. A pessimistic assertion about this aspect is that corruption is a permanent phenomenon (Rothstein, 2007). This is also supported by the fact that in recent years there have been only two successful cases in the eradication of corruption: Hong Kong and Singapore. However, the two countries are small states, and anti-corruption measures are not always consistent with democratic principles.

Rankings describing the situation in the field usually indicate a higher degree of corruption in poor countries and lower in the rich ones, northern European countries are considered to be the least corrupt. However, important cases of corruption have been reported over time in countries such as the US, France, the UK or Germany. Recently, unethical behaviors have also been reported in countries considered immune to this phenomenon, such as the Netherlands or Finland, and specialists in these countries are increasingly concerned about the possibility that they may experience a significant increase in acts in conflict with moral norms. All this reinforces theories that corruption affects all the states of the world and provides important arguments in favor of identifying effective means to keep the phenomenon within as little as possible.



Source: Transparency International

Figure 1. The evolution of Corruption Perceptions Index for Romania

Worldwide, an important institution measuring corruption and leading it against it is Transparency International. They have calculated the Corruption Perceptions Index in every year.

Romania scored 47 points out of 100 on the 2018 Corruption Perceptions Index reported by Transparency International. Corruption Index in Romania averaged 36.52 Points from 1997 until 2018, reaching an all time high of 48 Points in 2016 and a record low of 26 Points in 2002. Romania is 59th in the world and 26th in the European Union, according to this year's edition of the Corruption Perception Index compiled by Transparency International.

Of the EU countries, only Hungary and Bulgaria are behind Romania in this ranking. Romania has maintained the same score as last year, namely 48.

New Zealand tops the ranking, being perceived as the least corrupt country in the world, with a score of 89, followed by Denmark (88), and Finland, Norway and Switzerland (85). Somalia is last, with a score of 9, followed by South Sudan (12) and Syria (14).

The Corruption Perceptions Index ranks countries and territories based on how corrupt their public sector is perceived to be. A country or territory's score indicates the perceived level of public sector corruption on a scale of 0 (highly corrupt) to 100 (very clean).

Table 1. The top of Corruption Perceptions Index

2017 Rank	Country	2017 Score	2016 Score	2015 Score	2014 Score	2013 Score	2012 Score	Region
1	New Zealand	89	90	91	91	91	90	Asia Pacific
2	Denmark	88	90	91	92	91	90	Europe and Central Asia
3	Finland	85	89	90	89	89	90	Europe and Central Asia
3	Norway	85	85	88	86	86	85	Europe and Central Asia
3	Switzerland	85	86	86	86	85	86	Europe and Central Asia
6	Singapore	84	84	85	84	86	87	Asia Pacific
6	Sweden	84	88	89	87	89	88	Europe and Central Asia
8	Canada	82	82	83	81	81	84	Americas
8	Luxembourg	82	81	85	82	80	80	Europe and Central Asia
8	Netherlands	82	83	84	83	83	84	Europe and Central Asia

Source: Transparency International

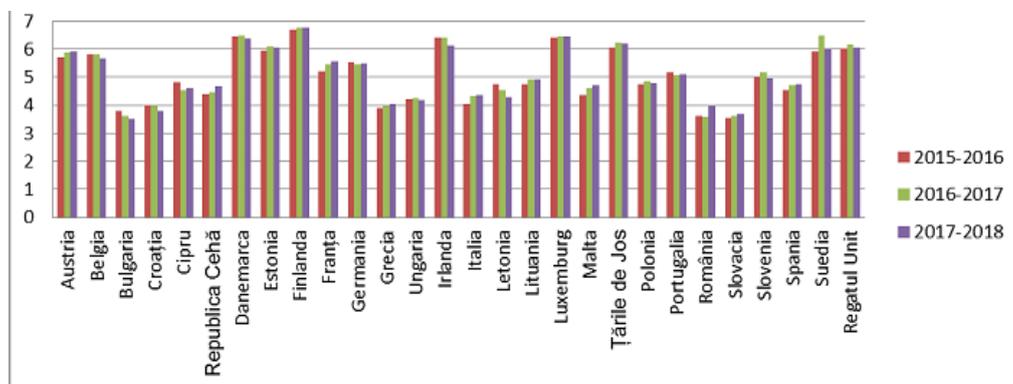
The least corrupt countries, such as New Zealand, Denmark, Switzerland, Norway, Finland, Sweden, Singapore, Great Britain, Holland, Luxembourg, Canada and Germany, are ranked first in the ranking.

The United States ranks 16th on the same spot as Belgium and Austria. France ranks 23rd, Poland ranked 36th, Serbia and China ranked 77th, and Turkey is 81st. Republic of Moldova is 122nd and Russia 135th. Among the most corrupt countries are Somalia, South Sudan, Syria, Afghanistan, Sudan, Yemen and North Korea.

Corruption generates annual losses to the European economy of about 120 billion euros, according to the statement of Ms Cecilia Malmstrom, European Commissioner for Internal Affairs. The total economic costs of corruption can not easily be calculated. This figure is based on estimates of specialized institutions and bodies such as the International Chamber of Commerce, Transparency International, the UN Global Compact, the World Economic Forum, or the 2009 Clean Business is Good Business publication. According to them corruption accounts for 5% of global GDP.

According to the Eurobarometer (470/2017) on corruption, conducted by DG Home/ European Commission, Romania has come down to the 14th place in corruption in Europe, with 80% of the respondents estimating that the phenomenon is widespread, 13% less than five years ago in 2013, compared to only 15% that I think is very rare.

The European average is from 68% to 25% and the countries where corruption is seen by the inhabitants as more general than in Romania are Greece, Spain, Cyprus, Croatia, Lithuania, Portugal, Italy, Slovenia, Hungary, Slovakia, Lithuania, the Republic Czech Republic and Bulgaria.



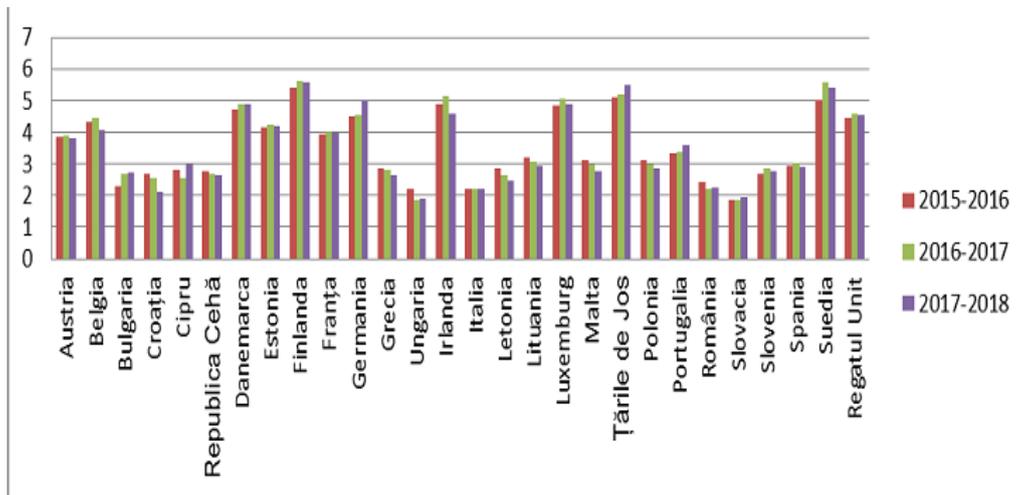
Source: World Economic Forum, Global Competitiveness Report

Figure 2. Undue payments and bribes, misappropriation of public funds and favoritism in the decisions of public administration officials, 1-7 the best situation

Romanians mainly claimed party and health corruption (58%), but also education or judicial system (32%). 82% think it's easiest to get a public service with bribes or connections (the European average 66%). However, Romanians are ranked 1st in Europe (68%) declare themselves personally affected by corruption and also rank

in first place in judging that there are enough successful judicial trials (55% at a European average of 33%). 54% believe that efforts to combat corruption remain ineffective (compared to 39% who believe the opposite), compared to a European average of 56% versus 30%, which places Romania among the top ten countries that believe that corruption control still works.

In analyzing the situation regarding undue payments and bribery, of public funds fraud and favoritism in the decisions of civil servants, Romania has weaknesses, along with Bulgaria, Slovenia, Croatia and Greece, and a negative evolution between 2015 and 2018.



Source: World Economic Forum, Global Competitiveness Report

Figure 3. Favoritism in public administration officials, 1-7 the best situation,

Analyzing data from the category of favoritism in the decisions of civil servants, Romania has a better situation than Hungary, Slovakia and even Italy, registering a positive evolution this time between 2015-2018.

Romania ranks 30th out of 109 countries and in terms of the public integrity index.

The Index of Public Integrity developed by the European Research Center for Anti-Corruption and State Building (ERCAS) and the Hertie School of Governance highlights that in 2012 Romania ranks last, in 2014 ranked 27th out of 28 in the EU, in 2015 Romania has reached the 24th place in the EU.

Romania continued to progress, with the highest improvement in its integrity score over the past year (0.63 points) due to administrative simplification and digitization of public services, ahead of Croatia, Bulgaria, Greece, Slovakia.

Romania ranks first in the EU in terms of the volume and quality of the information provided per contract published in Tenders Electronic Daily (TED) and in the middle of the ranking as regards the frequency of awarding the contracts to a single bidder (22% of the cases). Romania is ranked first in the EU as regards the cost of

corruption in public procurement, the average price per contract is higher by about 33% than in the rest of the European countries.

Components	Component Score	World Rank	Regional Rank	Income Group Rank
Judicial Independence	5.49	52/109	23/30	10/28
Administrative Burden	8.96	35/109	21/30	5/28
Trade Openness	10	1/109	1/30	1/28
Budget Transparency	8.71	20/109	10/30	6/28
E-Citizenship	6.05	48/109	30/30	10/28
Freedom of the Press	6.74	40/109	26/30	5/28

Source: www.integrity-index.org

Figure 4. Index of public Integrity for Romania

Transparency helps prevent the occurrence of conflicts of interest, minimises the possible negative consequences of their existence, fosters the integrity of public office and civil servants and prevents and discourages corruption, which is generally associated with informal agreements, outside of official and public decision-making channels (Arrowsmith, Linarelli, & Wallace, 2000, 38; Kaufmann & Bellver, 2005, 28, 42; Villoria Mendieta, 2012, 21).

One of the necessary requirements in the fight against corruption is the transparency that derives from the constitutional right, according to which the right of a person to have access to any information of public interest can not be restricted.

The unhindered access of citizens to information of public interest and their participation in decision-making are considered to be two of the most important premises of a democratic and responsible government. The information enables citizens, on the one hand, to appreciate knowingly the actions of the administration and, on the other hand, to take an informed part in the debates and decision-making that concern them.

Information is the oxygen of democracy, and democracy would be unthinkable without the public's free access to information. The lack of transparency in political life and governance is one of the most difficult obstacles to a democratic society in which citizens can trust politicians and governors. But information is not only a necessity for citizens, it is also an essential element of good leadership.

Transparency aims to ensure greater access of citizens to information and documents held by state institutions, citizen participation in decision-making and ensuring the legitimacy, effectiveness and accountability of the administration towards the citizen. The concept of transparency of the decision-making process in the institutions refers to ensuring that citizens have access to documents held by state institutions and to consulting citizens on the adoption of regulations. Transparency, broadly, refers to free access to information of any kind.

The public must be kept informed about the work of public authorities, both at the stage of evaluating their business plans and when adopting and implementing decisions, providing them at all times with complete, objective and consistent financial or related information regarding the mission and strategic planning of public entities.

Modern administrations put first in their objectives the development of services for citizens, providing quality, consistent and current information in forms as friendly as possible to any citizen, regardless of their level of training, and also creating the necessary tools for the active participation of any citizen to the administrative and political decisions that concern him. Achieving these goals is crucially based on ICT. The Internet provides the opportunity to get information easily and at the desired time, providing information of interest to users. The citizens' information service is absolutely necessary for creating a strengthened information environment.

The main effects of corruption based on this research are:

- Decreasing the quality of public services;
- Increase in immorality;
- Elimination of competence as a criterion of appreciation;
- Some people getting rich without work;
- Disadvantage of those with limited resources;
- Decreasing the pace of economic development;
- Increase of the underground economy;
- Decrease in the prestige of the authorities;
- Decrease in the prestige of law and justice;
- Demoralization of citizens.

3. CONCLUSIONS

We believe that a mechanism for preventing and stopping corruption must be implemented in Romania. To achieve this goal, it is necessary to implement effective policies to prevent and combat corruption, by strengthening institutional integrity at central and local level, as well as the use of anticorruption instruments, such as: measuring the perception of sectoral corruption, risk assessment, control of accumulation wealth, active monitoring by civil society and the media. It is also important to implement corruption prevention techniques, including: checking the integrity of civil servants, limiting the human factor by public service technology, monitoring the lifestyles of the officials, financial transparency of the authorities, making the law enforcement more efficient.

The most serious consequence of corruption is the illegal redistribution of resources in society, as some social groups win and others lose. The practice of corruption offers immediate benefits to the corrupt ones and endangers the welfare of the population in the long run, undermining the trust of the society in the public authorities and the efficiency of the functioning of the democratic institutions of a rule of law. Corruption is a threat to democracy and the market economy, to the supremacy of justice and social equity, eroding the principles of an efficient administration, and jeopardizing the stability of state institutions.

REFERENCES:

- [1]. **Danileț, C.** (2009) *Corupția și anticorupția în sistemul juridic*, București, Editura C.H. Beck, 242 p.
- [2]. **Dobrescu, E., Sima, E., Sima, M.** (2010) *Sensurile și existențele corupției*. În: *Analele Institutului de Istorie „G. Barițiu”*, tom. VIII. Cluj-Napoca: Series Humanistica, p.261-270
- [3]. **Heidenheimer, A.** (1978) *Political Corruption: Readings in Comparative Analysis*, Transaction Books
- [4]. **Henk van de Graaf, Bulai, A.** (2006) *Cine se teme de integritate? București, APD*
- [5]. **Huntington, S.P.** (1968) *Political Order in Changing Societies*. Yale University Press, New Haven
- [6]. **Johnston, M.** (2007) *Corupția și formele sale. Bogăție, putere și democrație* /Traducere de Silvia Chirilă. Iași: Polirom
- [7]. http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/organized-crime-and-human-trafficking/corruption/docs/official_corruption_statistics_2011_2013_jan16_en.pdf
- [8]. <http://info.worldbank.org/governance/wgi/pdf/WGi.pdf>
- [9]. <http://www.oecd.org/gov/ethics/48994520.pdf>
- [10]. https://ec.europa.eu/home-affairs/what-we-do/policies/organized-crime-and-human-trafficking/corruption/anti-corruption-report_en
- [11]. https://ec.europa.eu/info/sites/info/files/file_import/european-semester_thematic-factsheet_fight-against-corruption_ro.pdf
- [12]. <https://www.cotidianul.ro/cum-este-perceputa-coruptia-in-romania/>
- [13]. http://projects.iq.harvard.edu/gov2126/files/huntington_political_order_changing_soc.pdf
- [14]. https://www.researchgate.net/publication/49606820_Coruptia_in_Romania_o_problema_d_e_nerezolvat
- [15]. https://www.transparency.org.ro/politici_si_studii/indici/ipc/2016/index.htmlf