

## **Social Anatomy of Graft and Corruption in the Philippines**

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### **ABSTRACT**

The research analysis of graft and corruption has been widely studied and described as the social cancer in the political structure and process of the Philippine society. It has been identified within the realm of political corruption that deterred the economic growth and development as the main cause of underdevelopment in developing countries in Asia and Africa. This study is a culture-based analysis to synthesize the substantive and temporal dimension of Public Administration on its social relationships in the bureaucratic perspectives of graft and corruption in the Philippines. The dialectic consideration of this study proves to be significantly relevant why until now graft and corruption remained to be the major concern even there are effective legal-institutional mechanisms such as anti-corrupt practice act to protect the government resources for the implementation of the pro-poor program in the Philippine society. The critical analysis also reflects on the essence of social acceptance and cultural reciprocity from in sociological point of view on the nature of political corruption. The culture-based approach is guided by the in-group analysis and the social perplexity of human action as to the ethical and social values reflecting inner reality of political corruption in the Philippines.

*Keywords* - culture-based analysis, political corruption, public administration

## A. BUREAUCRATIC CONCEPTS, POLICIES AND PROCESSES OF GRAFT AND CORRUPTION

Corruption defined by the United Nations Development Program as the abuse of public power for private benefit through bribery, extortion, influence peddling, nepotism, fraud or embezzlement- not only undermines investment and economic growth; it also aggravates poverty. (Quah, 2006) As the etymology of the term “corruption” implies, pervasive bribery and embezzlement by state officials is typically taken as a sign that the integrity of governing institutions has broken down. If the strength of state institutions lies in the implementation of laws and directives – so the conventional wisdom runs – then officials who cease to implement those laws and directives in exchange for bribes, or who siphon away resources from the state budget through embezzlement, undermine the very basis of governance. (Darden, 2002)

Corruption is neither a single form of behavior nor an obvious species of conduct. Corruption is the name we apply to some reciprocities by some people in some contexts at sometimes. The popular use of term does not require that the conduct labeled corrupt be illegal; it is enough that the labeler thinks it is immoral or unethical. Since people’s views about moral and ethical conduct differ in important respects, corruption is often a contested label. Indeed, these days public servants are admonished not only to adhere to the skein of laws prohibiting a wide variety of conduct, but to avoid “the appearance of corruption.” (Anechiarico,1996)

In the Oxford Advanced Learner’s Dictionary (2000,) corruption is described as: [1] dishonest or illegal behaviour, especially of people in authority, [2] the act or effect of making somebody change from moral to immoral standards of behaviour. Thus, corruption includes three important elements, namely morality, behaviour, and authority. (Seldadyo and De Haan, 2005)

Corruption is a universal problem. No nation is immune. According to Transparency International, the anti-corruption watchdog, crooked politicians, officials, and businessmen around the world steal billions of dollars of public money every year, depriving national and local governments of resources to provide health care, sanitation, education and other vital services. (Hsueh, 2007).

Graft and corruption is the most prominent and recurrent issue in all elections in the Philippines. There is no election in the country, be it local or national, in which graft and corruption is not the central and dominant issue in the campaign. Every candidate who desires to be elected will promise to remove the

grafters and corrupters in office if elected. Once elected, however, they become again the target of another round of accusation about graft and corruption. This cycle has gone on for generations and will probably go on for generations more unless something really drastic in terms of changes in values that spawn this phenomenon will take place. (Lacar,1995) While officials involved in graft, bribery, extortion, nepotism, or patronage typically like keeping their deeds private, the fact that corruption can have serious effects in democracies is no secret. Numerous scholars have brought to light the impact of corruption on a range of economic and political outcomes While officials involved in graft, bribery, extortion, nepotism, or patronage typically like keeping their deeds private, the fact that corruption can have serious effects in democracies is no secret. Numerous scholars have brought to light the impact of corruption on a range of economic and political outcomes. (Quah, 2006)

Corruption is defined as private individuals or enterprises who misuse public resources for private power and /or political gains. They do so through abusing public officials whose behavior derives from the formal government rules of conduct. Ethical behavior is defined as individuals or enterprise adhering to a non-corrupt work or business practice.(Lindgreen, 2004)

The roots of grafts corruption transfers resources from the mass public to the elites and generally from the poor to the rich (Onishi and Banehjee, 2001). It acts as an extra tax on citizens, leaving money for public expenditures (Mauro, 1997,and Tanzi, 1998). Corrupt governments have less money to spend in their own governments pushing down the salaries of public employees. In turn, these lower-level staffers will be more likely to extort funds from the public purse. Government employees in corrupt societies will thus spend more time lining their own pockets than serving the public. Corruption thus leads to ineffective government (Mauro 1997, and La Porta et al., 1998)

The study of Tavits (2005) “In the Causes of Corruption: Testing Competing Hypotheses” provided the list of potential causes of corruption is very long including the wealth of a country (Lambsdorff 1999, Mauro 1995, Montinola and Jackman 2002, Paldam 1999), democracy (Amudsen 1999, Lipset and Salman Lenz 2000, Montinola and Jackman 2002, Sung 2004, Treisman 2000), the size of unofficial economy (Lambsdorff 1999), political institutions (Chang and Golden forthcoming, Fisman and Gatti 2000, Gerring and Thacker 2004, Kunicova and Rose-Ackerman 2002, Persson, Tabellini and Trebbi 2003, Treisman 2000), ethno-linguistic diversity (Treisman 2000), political stability (Leite and Weidman 1999, Treisman 2000), trade openness (Wei 2000), public

sector recruitment and wages (La Porta et al. 1998, Rauch and Evans 1997, Tanzi 1998, Treisman 2000), and voting turnout (Adsera et al. 2003). Further, in their literature review, Gerring and Thacker (2004) list the following factors as additional causes of corruption: population density, geography, mineral wealth, state formations, colonial legacies, social heterogeneity, clientelism and inequality, religion, media and political culture.

While globalization affects developing nations negatively more than it impacts advanced countries, corruption is a serious cancer that has erupted in all nations due to globalization of assets and capital markets. The question is what can be done? We recommend that both governments and nongovernmental organizations should play a collective role in stopping corruption epidemic at all levels, national, regional, and international, to increase global productivity and reduce poverty rate in order to accomplish the United Nations' Millennium Development Goal. In terms of a palatable public policy prescription, each nation should try to enhance its institutional capacity to fight bureaucratic and political corruption of all kinds through prosecution, penalties, active anti-prevention measures and public awareness programs. While civic engagement is lacking within the private sector and among citizens in the South-Eastern nations, higher education institutions in the region should be empowered to not only teach an ethics course in their public administration or public policy related programs, but also to offer a training course on ethics to their respective civil servants in order for a lasting impact to be achieved. (Matei A. and Matei, 2013)

Many scholarly articles on corruption give the impression that the world is populated by two types of people: the 'sanders' and the 'greasers'. The 'sanders' believe that corruption is an obstacle to development, while the 'greasers' believe that corruption can (in some cases) foster development. This paper takes a critical look at these positions. It concludes that the evidence supporting the 'greasing the wheels hypothesis' is very weak and shows that there is no correlation between a new measure of managers' actual experience with corruption and GDP growth. Instead, the paper uncovers a strong negative correlation between growth in genuine wealth *per capita*—a direct measure of sustainable development—and corruption. While corruption may have little average effect on the growth rate of GDP *per capita*, it is a likely source of unsustainable development. (Aidt, 2009)

According to Akindele (1995) corruption is undeniably a socio-political economic and moral malaise that usually holistically permeate all the nerves of any polity. It is contagious and malignant to the physiology of any political system. Once it sets into any part; it automatically contaminates all the strata

of the system's socio-political structures in ways symmetrical to the spread of a bush fire.

In the political realm, corruption can seriously undermine democracy and good governance. Corruption in elections and in legislative bodies reduces accountability and representation in policymaking; corruption in the judiciary suspends the rule of law; and corruption in public administration results in the unequal provision of services. More generally, corruption weakens government institutions by encouraging disregard for official procedures, the siphoning off of resources needed for development, and the selection or promotion of officials without regard to performance. (Hsueh, 2007)

This means the more activities public officials controls or regulate, the more opportunities exist for corruption. Furthermore, the lower the probability of detection and punishment, the greater will be risk that corruption will take place. This institutional perspective suggests fighting corruption will take place. (Hsueh,2007) This institutional perspective suggests fighting corruption through the following: (Dininio and Shahr, 1999) : (1) reducing the role of government in economic activities ( to limit authority); (2) strengthening transparency, oversight, and sanctions ( to improve accountability); and redesigning terms of employment in public service ( to improve incentives)

The evidence shows that socio-political and economic development, politics, power, history and globalization have continued to reproduce and transform the institutional structures and actors which have facilitated corrupt practices in developing countries. The review shows that large sums of government revenue have been undermined by the corrupt practices of the political and economic elite (both local and international), which have enriched a few, but impoverished most. ( Olatunde and Otusanya, 2011)

In public administration, the Path-driven Taxonomy of Corruption Indicators groups as identified by Blind (2011) the corruption metrics under scrutiny are presented along three broad temporal stages and four substantive categories, none of them mutually exclusive of each other or exhaustive altogether.

There are three Temporal Stages of Corruption as identified by Blind (2011) as defined by the perceived activities and inputs to the eventual examination of the actual outcome of corruption relevant to public administration. The anti-corruption activities contain the control mechanism as to the enforcement on the concepts of good governance.

- (i) Prevention Stage where vulnerabilities to corruption are assessed. The first pre-corruption stage focuses on the general actual or perceived conditions

that make corruption more or less likely: it includes corruption indicators and metrics that can be likened to process variables with focus on activities and inputs.

- (ii) Detection Stage where the actual eruptions of corruption are examined. The second actual corruption stage focuses on whether corruption is happening or is perceived to be happening: it consists of result variables with focus on outputs and outcomes.
- (iii) Elimination Stage where control of corruption, including anticorruption activities are probed. The third post-corruption stage concentrates on the actual or perceived actions to prosecute and control corruption once it occurs: it contains control variables with focus on enforcement of anticorruption and monitoring of corruption.

The substantive dimensions of corruption indicators identified by Blind (2011) provide the bureaucratic systems as to the framework of state, market and media; the public administration dimensions including citizens engagements and cultural dimensions:

- (i) Political, Economic, Social Dimensions (PES). The PES category of corruption indicators focuses on the general assessments of corruption within the frameworks of state, markets and the media.
- (ii) Public Administration (PA) with three sub-categories of legal-institutional; administrative-organizational including Resource Management (RM); and business-related all subsumed under PA as far as they interact with the public sector. The PA category of corruption indicators assesses corruption in the public sector in terms of (a) laws, rules and regulations (legal-institutional PA), (b) administrative and organizational mechanisms including in the more specific areas of taxes, budget, procurement and customs (administrative-organizational PA, including RM—Resource Management), and (c) the linkages with the private sector (business-related PA).

- (iii) Citizen Engagement Dimension (CE). CE category of corruption indicators specifically targets the participation of citizens in (anti) corruption-related activities and processes.
- (iv) Cultural Dimension (CU). Finally, the CU category of corruption indicators gauges the culture-based corollaries of corruption. (Blind, 2011)

The last indicator of the substantive dimension of corruption on cultural dimension has not been well studied as to its significant substance in dealing with the social system that affected by the PA leadership, values and processes in the Philippine society. There are many research studies conducted as to the temporal and substantive dimensions of graft and corruption but the root caused has not been properly identified as it remained the social cancer that not fully understood by the technocrat and academicians. This study synthesizes the culture-based approach that transcends the social phenomena in the social anatomy of graft and corruption in the Philippines.

## **B. THE BUREACRATIC PERSPECTIVES AND SOCIAL ANALYSIS FRAMEWORK OF THE GRAFT AND CORRUPTION**

The anatomy of the graft and corruption has been viewed in the Public Administration (PA) within the realm of organizational perspectives of the bureaucracy. As presented by Blind (2011), the substantive dimension has been the point of bureaucratic analysis as to the anatomy of graft and corruption. The transitional research design provides the organizational analysis of the PA dimensions with that of the culture-based approach to the study the bureaucratic system in the Philippine society.

Table 1. Anatomy of the causes of corruption in the legal and institutional, administrative organization and business related in the public administration

PA Categories	Description	Causes of Corruption
1. Legal and Institutional	Laws, rules and regulations	Lack of political will; low salaries, “speed money”; low risk of detection; Ineffective anti-corruption strategies ; and relationship management
2. Administrative Organizational- Resource management	Taxes, budget, procurement and customs	Ineffective anti-corruption strategies; lack of political will; influence peddling; low salaries; extortion; and bribery and relationship management.
3. Business relate PA	Linkages with private sector	Bribery ; extortion; economic influence

The ideal legal and institutional mandates (such as bureaucratic policies) have been providing perfect mechanism to prevent and eliminate graft and corruption in the Philippines. However, the behavioral and social responses induce certain administrative deviations that resulted to the emergence of graft and corruption in the bureaucratic system. As shown in Table 1, the low salaries of government officials employees remained to be the major cause of graft and corruption in the Philippines. The low salaries and compensation received by the government personnel that have been affected by the physiological needs would create illicit behavior to satisfy it. Quah (2006) explained that the most widely cited factor of the major cause of corruption is the low salaries of civil servants. Inadequate wages force public employees to accept “speed money”-to expedite citizens’ requests for services or licenses or licenses-or bribes to bend the rules for those who are not eligible for permits or benefits.

However, the critical analysis may not reflect the meager corruption of graft and red tape cases as to the bribery and extortion cases of lowly employees that affected the whole gamut of the bureaucratic system when the causes of corruption paid government employees. The vast fiscal resources of government are wasted for social and economic services when government officials work on personal gain and influence including bribery and extortion in doing business to the stakeholders such as the contractors, bidders, and suppliers.

In the case of public works, the extreme case .for corruption in the first stage is a collusion between government officials and the contractor to design and award ghost projects (although this can also occur in the second stage involving field



officials and personnel). Another extreme case is the search for dummy contractors by government officials. (Batalla,2000). In the determinants of corruption, it accentuated from the ability of government officials to increase wealth through embezzlement, transfer of government property and manipulation of legal rulings. Glaeser and Goldin, 2007)

The study of economic influence and personal gains and prestige is presented in the “ Economic Analysis of Corruption: As Survey” by Aidt (2003) that identifies four approaches to corruption in the economic literature : (1) efficient corruption: corruption facilitates beneficial trade and promotes allocative efficiency by correcting preexisting government failures; (2) corruption with a benevolent principal: the major result of this approach is that if the government wants both to implement socially beneficial policies and optimize the working of its institutions, it will have to design institutions that allow some positive (optimal) level of corruption; (3) corruption with a non-benevolent principal: government officials abuse their power to extract rents from the private sector; this approach starts from the assumption that all agents can be corrupted; and (4) self-enforcing corruption theories assume that history plays a crucial role; the returns to being corrupted, it is argued, depend on how much corruption is inherited from the past.

In the book of Corruption and Reform : Lessons of America’s Economic History ( Glaeser and Goldin, 2007) the determinants of corruption accentuated from the ability of government officials to increase wealth through embezzlement ,transfer of government property and manipulation of legal rulings.

There is a fine line in business negotiations between being perceived as corrupt and having proper engagement with the natural tension and excitement of the business bargaining process. Combining literature review and experiential observation we provide a framework that will assist global business managers to more successfully negotiate cross-cultural business transactions. We identify some archetypal underpinnings of bargaining in a business context and question the established perceptions of corruption in intercultural business dealings. We conclude that different cultural systems produce variations of negotiating behaviour that need to be judged with a deeper local knowledge to avoid simply transferring inappropriate labels. (Zutshi, Creed, Heiko E.R., 2010)

Table 2. Anatomy of the Anti-Corrupt Practices Act and Culture-Based Analysis in the Legal and Institutional, Administrative Organization and Business Related in the Pubic Administration

PA Categories	Anti-Corrupt Practices Act	Social Analysis
1. Legal and Institutional	Influence; inducement; personal gain; receiving any gifts; evident of bad faith; gross negligence; and nepotism	Personal gain/prestige; debt of gratitude; social Influence ; social acceptance; cultural reciprocity; and ethno-linguistic diversity
2. Administrative Organizational- Resource management	Influence; inducement; personal gain receiving any gifts; evident of bad faith; and gross negligence	Debt of gratitude; influence inducement ;personal gain/ prestige
3. Business relate PA	Bribery; extortion; favoring business interest ; receiving any material benefits ;illicit contract and transaction Financial or pecuniary Interest	Debt of gratitude; personal gain and favor relationship management; ethno-linguistic diversity

The prevention and control mechanism of graft and corruption has been clearly spelled out and in Republic Act No. 3019 otherwise known as the “Anti-Graft Corrupt Practices Act” that within the scope of the PA substantive category. This is the policy of the Philippine Government, in line with the principle that a public office is a public trust, to repress certain acts of public officers and private persons alike which constitute graft or corrupt practices.

*Republic Act No. 3019, Section 3. Corrupt practices of public officers. - In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:*

- (a) Persuading, inducing or influencing another public officer to perform an act constituting a violation of rules and regulations duly promulgated by competent authority or an offense in connection with the official duties of the latter, or allowing himself to be persuaded, induced, or influenced to commit such violation or offense. In-group analysis*
- (b) Directly or indirectly requesting or receiving any gift, present, share, percentage,*

*or benefit, for himself or for any other person, in connection with any contract or transaction between the Government and any other part, wherein the public officer in his official capacity has to intervene under the law. Culture of reciprocity*

- (c) *Directly or indirectly requesting or receiving any gift, present or other pecuniary or material benefit, for himself or for another, from any person for whom the public officer, in any manner or capacity, has secured or obtained, or will secure or obtain, any Government permit or license, in consideration for the help given or to be given, without prejudice to Section thirteen of this Act. - culture of reciprocity*
- (d) *Accepting or having any member of his family accept employment in a private enterprise which has pending official business with him during the pendency thereof or within one year after its termination. chan robes virtual law library*
- (e) *Causing any undue injury to any party, including the Government, or giving any private party any unwarranted benefits, advantage or preference in the discharge of his official administrative or judicial functions through manifest partiality, evident bad faith or gross inexcusable negligence. This provision shall apply to officers and employees of offices or government corporations charged with the grant of licenses or permits or other concessions.*
- (f) *Neglecting or refusing, after due demand or request, without sufficient justification, to act within a reasonable time on any matter pending before him for the purpose of obtaining, directly or indirectly, from any person interested in the matter some pecuniary or material benefit or advantage, or for the purpose of favoring his own interest or giving undue advantage in favor of or discriminating against any other interested party.*
- (g) *Entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby.*
- (h) *Directly or indirectly having financial or pecuniary interest in any business, contract or transaction in connection with which he intervenes or takes part in his official capacity, or in which he is prohibited by the Constitution or by any law from having any interest.*
- (i) *Directly or indirectly becoming interested, for personal gain, or having a material interest in any transaction or act requiring the approval of a board, panel or group of which he is a member, and which exercises discretion in such approval, even if he votes against the same or does not participate in the action of the board, committee, panel or group. Interest for personal gain*

*shall be presumed against those public officers responsible for the approval of manifestly unlawful, inequitable, or irregular transaction or acts by the board, panel or group to which they belong. chan robes virtual law library*

- (j) *Knowingly approving or granting any license, permit, privilege or benefit in favor of any person not qualified for or not legally entitled to such license, permit, privilege or advantage, or of a mere representative or dummy of one who is not so qualified or entitled.*
- (k) *Divulging valuable information of a confidential character, acquired by his office or by him on account of his official position to unauthorized persons, or releasing such information in advance of its authorized release date.*

Ideally, the implementation of Republic Act No. 3019 provides the viable measure of the PA temporal dimension to curb graft and corruption such as research findings of major causes of graft and corruption Quah (2006), Glaeser and Goldin, (2007), Hsueh (2007) , Dininio and Shahr, (1999), and Aidt (2003).

It must be noted that in the Asian countries, Quah (2006) identified five major causes of graft and corruption: (1) The most widely cited factor is the low salaries of civil servants. Inadequate wages force public employees to accept “speed money”-to expedite citizens’ requests for services or licenses or licenses-or bribes to bend the rules for those who are not eligible for permits or benefits; (2) The expansive role of governments in national development throughout Asia increases opportunities for administrative discretion and corruption, especially among poorly paid civil servants; (3)Corruption in many Asian countries is the low risk of detection and punishment. Civil services suffer from weak disciplinary control. In part because both the state employees and citizenry regard graft as a low risk, high reward activity; (4) The primacy of the family and Asian traditions of gift giving. In the Philippines, familial ties and the cultural value of *utang na loob* ( debt of gratitude) have made Filipinos more tolerant of corruption; and (5) The extensive reason afflicting many Asian countries is a lack of political will combined ineffective anti-corruption strategies.

While in the book on the Lessons of America’s Economic History by Glaeser and Goldin (2007) identified the determinants of corruption accentuated from the ability of government officials to increase wealth through embezzlement ,transfer of government property and manipulation of legal rulings.The determinants of corruption are : (1) The economic approach to corruption starts with the costs and benefits facing potentially corrupt public officials. Since economics predicts that we should expect to see corruption when the benefits are high and costs

are low, it is worth analyzing what factors should impact the benefits and costs of corrupt behavior by a government official; (2) Public officials have to create wealth is to transfer of government property to private individuals for their own profit ; and (3) Government have to create private wealth is the manipulation of legal rulings or the enforcement of rules, such as regulation. Rules banning gambling and prostitution, for example, create the opportunity to extract bribes from potential providers. These bribes can be extracted by any and all members in the chain of enforcement.

The research findings indicate economic freedom, socio-political stability, tradition of law abidance and national cultures are the major variables that dictate the degree of corruption. This study expands the existing knowledge about the determinants of corruption and provides incremental information to help the policy makers fight against this cancerous social disease. (Park, 2003) Corruption's determinants include political systems' permeability to economic influence, state economic intervention, weak political competition and officials' discretionary power to allocate resources. Corruption's outcomes are slowed economic development, misallocation of government resources, income inequalities and, less frequently, disasters. (Soliman and Cable, 2011)

The issue of corruption has come to centre stage. The economic consequences of pervasive corruption, and the recent trends towards democratization, have increased the pressure for accountability and transparency from those in office. Acknowledges that there are no easy solutions or models that can be applied in the fight against corruption. Argues that, while each country is unique in its own history and culture, its political and administrative systems, and its stage of development, similarities do exist, and experience and lessons are often transferable. Building on the notion of a national integrity system as a comprehensive approach to fighting corruption, examines two of the eight pillars of such a system, namely public sector anti-corruption strategies and watchdog agencies. he issue of corruption has come to centre stage. The economic consequences of pervasive corruption, and the recent trends towards democratization, have increased the pressure for accountability and transparency from those in office. Acknowledges that there are no easy solutions or models that can be applied in the fight against corruption. Argues that, while each country is unique in its own history and culture, its political and administrative systems, and its stage of development, similarities do exist, and experience and lessons are often transferable. Building on the notion of a national integrity system as a comprehensive approach to fighting corruption, examines two of the eight pillars

of such a system, namely public sector anti-corruption strategies and watchdog agencies. (Stapenhurst and Langseth, 1997)

A broad consensus exists that corruption needs to be fought, but anticorruption efforts have so far not been able to significantly reduce corruption (or whatever is understood as corruption) (Shah 2007: 234). Those theoretical approaches which question the consensus on the negative effects of corruption on societies and which conceptually criticize the anti-In the study conducted by Pellegrini L. and Gerlagh (2008), the results support cultural theories on the causes of corruption, and suggest that a medium-long exposure to uninterrupted democracy is associated with lower corruption levels, while political instability tends to raise corruption. Our results also suggest that the diffusion of newspapers helps to lower corruption levels. corruption movement are confronted with a difficult rhetorical condition: they come under suspicion of advocating corruption.

In the study of Soot (2012) on the role of management in establishing anti-corruption organisational culture in law enforcement agencies, it was found out that the organisational perspectives on corruption and on the views of managers regarding the tackling of corruption. The findings of the study show that managers' beliefs may reinforce an organisational culture that systematically downplays the importance of anti-corruption work. The study outlines major impediments likely to counteract successful implementation of anti-corruption policies in law enforcement agencies: corruption is seen as a problem of the street level staff, individual staff members' ability to resist corruption is considered to be determined by their knowledge of the relevant legal definitions and sanctions, control methods are considered to be the most effective means of curbing corruption.

In the effect of fiscal decentralization in a country on the level of corruption, using a tax competition framework with rent-seeking behavior, it is shown theoretically that fiscal decentralization, modeled as an increase in the number of competing jurisdictions, leads to a lower level of corruption. This result is then tested using a small, cross-country data set. The empirical results are not very strong, but they suggest that the hypothesized relationship between decentralization and corruption may indeed exist. (Arikan, 2004) Azfar and Gurgur (2007) found out as to the effect of corruption on health outcomes in the Philippines that corruption reduces the immunization rate, delays the vaccination of newborns, discourages the use of public health clinics, reduces satisfaction of households with public health services, and increases waiting time at health clinics. They also found that corruption affects public services in rural

areas in different ways than urban areas, and that corruption harms the poor more than the wealthy.

Quite a number of laws have been passed to curb and eliminate graft and corruption in the government of the Philippines, but the level of corruption goes on unabated despite the laws and public denunciation by the public and by political aspirants against corruption (Lacar,1995) In the study conducted by Pellegrini and Gerlagh (2008) ,the results support cultural theories on the causes of corruption, and suggest that a medium-long exposure to uninterrupted democracy is associated with lower corruption levels, while political instability tends to raise corruption. Our results also suggest that the diffusion of newspapers helps to lower corruption levels.

### **C. CULTURE-BASED ANALYSIS WITHIN THE BUREAUCRATIC PERSPECTIVES OF THE GRAFT AND CORRUPTION**

The innovative approach of the multidisciplinary research must find ways to understand that for centuries graft and corruption cannot be decoded by the many PA researchers why remained to be the social cancer of society even the time of Confucius. It has been within the wisdom of the axiological view of the oriental and western philosophy and within the realm of the phenomenological approach in the context of psychology, sociology and anthropology. In the study of Seleim and Bontis (2009) , it expounded the investigation of the originality and value of this research to investigate the issue of corruption from the perspective of national cultural values and practice. The results of the study provide empirical support for the influence of uncertainty avoidance values, human orientation practices, and individual collectivism practices on the level of corruption after controlling for economic and human development, which, in turn, adds to the efforts to build a general theory of the culture perspective of corruption.

A possible alternative explanation of individual motivation to engage in corrupt behavior is offered by the social learning theory (Akers 1998) developed within sociology to explain deviant behavior. The theory is based on four interrelated concepts that operate to promote or undermine conformity: differential association, definitions, differential reinforcement and imitation. These concepts are overlapping and also mutually reinforcing. The basic mechanism of the social learning theory works as follows: behavior is acquired and sustained (1) through adopting definitions favorable to illegal behavior via differential association with one's peers, (2) through imitating such behavior by peers, and (3) through the

positive reinforcement provided by rewards for such a behavior (Akers, 1998).

Ake (1991) asserted that man cannot live without bread and this natural need for bread influences man's behavior in virtually all spheres of his life. Severe material shortages in a polity prove much more authoritative and a determinant of man's behavior in politics. If man's behavior is to be controlled and become predictable – the socio-economic foundations of the polity must be one that ensures a fair standard of living. Corruption cannot be eradicated in polity where the material foundations for it does not exist. Poverty is a principal, perhaps the principal obstacle to the eradication of corruption.

The dialectic analysis in the graft and corruption represents the conceptual view as to the PA substantive content from its relationship with the culture-based analysis within the context of social acceptance and cultural reciprocity. The sociological context of social acceptance the Filipino concepts of *pakikisama*, *pakikiramdam*, *pakikipagkapwa-tao*, *palakasan*, *pakiusap* and *sakop*. While the cultural reciprocity includes *mapagmalasakit*, *kagandahang loob*, *mabuting loob* and *pakikiramay*.

This expounds the social interaction on the research variables of graft and corruption as to gray areas on the PA legal and institutional dimensions:

*Corruption has been viewed as a "cultural and psychological phenomena in a country m marked by incompatible legal and cultural norms" (Tapales, 1995). The former emphasizes "rationality and universal principles of action" as against and in conflict with "reliance and obligation toward kinship, friendship and primary groups (Bautista,1982). This conflict is giving culture to justify bribery and extortion, or the Filipino regard for the other (pakikipagkapwa-tao) to justify giving benefit to unqualified but personally known recipients. (Moratalla,,1999). The primacy of the family and Asian traditions of gift giving. In the Philippines, familial ties and the cultural value of utang na loob (debt of gratitude) have made Filipinos more tolerant of corruption. (Quah,2006). Society's cultural norms and practices (such as kinship loyalty), which form an integral part of the informal organizations, shape the public's perception of government and its bureaucratic apparatus, and influence to a greater or lesser degree the behavior of administrators.( Gould and Reyes (1983)*

*In exploring the relationship between democratization and corruption in the Philippines, the research finds that several factors were involved: an entrenched political culture of patronage politics; weakness in the judicial system; decentralization of corruption networks; and deficiencies in civil servants' wages. (Fernandez,2010) In addition, corruption is a behavior which deviates from the formal duties of a public role, because of private [gains] - regarding (personal, close family, private clique,*



*pecuniary or status gains. It is a behavior which violates rules against the exercise of certain types of [duties] for private [gains] - regarding influence (Nye, 1967)*

This is a good example of corruption in public works in the concepts of social acceptance and cultural reciprocity through “relationship management” explained by Batalla (2000) “Corruption in public road works is committed in two related major stages of a road construction project. The first stage of corruption occurs during the prequalification, bidding, and awarding phase of contracts and the second stage during project implementation.” In the first stage, corruption is based on “relationship management,” the object of which is that the contract goes to favored contractors. Characteristic of the clientelistic and patrimonial society, the awarding of contracts is often treated as a privilege, a favor, and payment of utang ng loob (debt of gratitude). Relationship management culminates in the bribe (cash or kind) in exchange for the actual award of contract or favorable consideration in the evaluation of bids. The extreme case for corruption in the first stage is a collusion between government officials and the contractor to design and award ghost projects (although this can also occur in the second stage involving field officials and personnel). Another extreme case is the search for dummy contractors by government officials. (Batalla, 2000)

The research findings showed that religious beliefs have been related to the perception of corruption. According to Talisayon that the core or central clusters of the Filipino value system revolve around seven values: (1) family/kinship orientation; (2) *makatao/kapwa tao* personalism); (3) “*loob* complex” (religious/psychic orientation); (4) *social acceptance*; (5) *pakikiramdam*; (6) *pakikisama* (group centeredness); and (7) economic security. The “*loob, buot and nakem*” identified by Mercado has been connected to *kagandahang loob, mabuting loob* and other relevant concept of “loob” that dealt so much about the ethical and behavioural actions of individual. Yet, how come that the Filipino value system of “loob” provides the problematic dimensions that connected the idea of corruption. Bueno (2011) found out in the series of researches in the Nakem Conferences International that loob, buot and nakem became the standard ethical value of the Filipino tradition. During election the situation of vote buying as part of electoral fraud has been the weakness of the ethical value of the Filipino society. When they received the certain amount to the politicians the ethical value represents the honoured action to the Filipino voters. The partisan politics in the locality remained to be politically formidable to the ideas of social acceptance and cultural reciprocity regardless of the political agenda and past experiences in the conviction of graft and corruption. (Bueno, 2011)

In addition to the political purview of social acceptance and cultural reciprocity of *pakikisama*, *utang na loob*, *kagandahang loob* and *mabuting loob*, the Filipino society has been sociologically related to the in-group analysis of *sakop* in the sphere of political influence in the locality. Mercado (1994) pointed out that the value ranking relevant to *sakop* provides a cluster of values which are related to the in-group (*sakop*) and its equivalent like the extended family. *Sakop* have a family spirit. The family extends both from the living spirit. The family extends both from the Filipino is not individualistic, *sakop* fulfillment is also personal fulfillment. Based from in-group analysis on the parents or superior there are values of authority, power, honor and benevolence, such as love of children. On the part of children are the values of obedience, dependence, respect, love of parents, of gratitude and related values. Bueno (2013) found out that these are the value system on the idea of *sakop* expounds the cultural analysis of in-group that responds to the idea of family ties among the Ilocanos. The respondents agreed with the conception of *sakop* on the in-group as reflected by the family ties. It also overrides the social deviation of respondents notion as to the “duty prevails over right” when the extended family ties are reciprocated on its social influence and processes.

What is interesting about the philosophical analysis of Mercado (1994) is on the relevant notion of the complex interpretation of *sakop* encompasses the societal philosophy that life is the foremost value. Survival counts first. In the expression, *kapit sa patalim* (literally, holding sharp instrument), a drowning man will even embrace a knife or bolo in order to be saved. In its applied sense, he may sacrifice other values just to save his life. Regardless of ethnic groups, it can be asserted with some degree of confidence and certainty that the notion of *damayan*, *tinabangay*, *awidan* (sharing, helping, and supporting kin) are social forces that help galvanize the centrality of familism and the concomitant privilege-obligation syndrome attached to this value among all Philippine ethnic groups. (Lacar, 1995)

It is also related to the Mercado(1994) value ranking on relationships that these are small group values such as economic security, family honor (face), prestige (social standard, influence, solidarity and so forth. These small group values such as hospitality, generosity, and similar values related to *pakikipagkapwa*, if clustered further, these values support *asal* (character) which has three basic elements *kapwa*, *damdamin* and *dangal*.

In countries where religion plays a central role in people’s lives, it is expected that many people, including public servants, will derive their moral and ethical

values from their religion. Religion provides many with a language of ethics and, often, an actual 'list' of rules by which to live, some of which may be relevant to fighting corruption. Problematically, however, many of the world's most corrupt countries also rank highly in terms of levels of religiosity, suggesting that the relationships between widespread religious adherence and levels of corruption are not straightforward. Attempts to reduce corruption have had limited success, leading to a renewed interest in the role that religious values might play in future initiatives. This study assembles a picture of people's religious beliefs, values, perceptions of corruption, and notions of tradition and modernity, based on extensive semi-structured interviews in several locations across India (Pavarala, & Malik, 2010)

The expansion of international trade and global business competition in recent years has been accompanied by growth in corruption. While many factors may contribute to a person's willingness to participate in a corrupt transaction, the influence of religion may be significant, and leaders of religious organizations have become increasingly vocal in their condemnation of corruption. As honesty and fairness to third parties is universal to many religions, leaders of many faiths are united in their opposition to corruption. To better comprehend the relationship between religion and corruption, a study was conducted employing information related to religion and Transparency International's Corruption Perceptions Index (CPI), which ranks nations according to the perceived degree of corruption among public officials and politicians. The 133 countries that were included in the 2003 CPI were compared across a range of factors related to 1) the dominant religion practiced in each country, 2) perceived corruption, 3) the importance of religion to the citizens of each country, 4) religious freedom, and 5) the gross domestic product (GDP) per capita. Study results indicate that, when countries are grouped by dominant religion, the groups differ significantly with regard to perceived corruption, value of religion, religious freedom, and GDP per capita. Significant differences in the same factors also occurred when countries were grouped by corruption levels. (Beets, 2007).

This study has taken the individual level approach and tackled the question of why public officials and citizens engage in corrupt exchange. I have argued and shown that willingness to engage in corrupt behavior is more likely when one does not define corruption as morally or situationally wrong, but rather considers it as an acceptable mode for exchange. Furthermore, a willingness to engage in corruption is also enhanced by the perception that such a behavior is widespread and, thus, approved. At the same time, the analyses provide no support for a

more common hypothesis for engaging in corrupt behavior – that people who are less trusting of their fellow-citizens and of government institutions, are more likely to engage in corruption. (Tavits, 2005)

These findings have several important implications, related to both policy and theory. First, the results suggest that there are significant interpersonal differences in willingness to engage in corrupt exchange. Thus, the level of corruption is not exclusively a structural phenomenon: within similar structural circumstances some people are more prone to corruption than others. The results also suggest that intervention strategies designed to reduce the street-level corruption should target the social processes through which public officials and citizens learn that corrupt behavior is acceptable. The focus of such effort should be on raising awareness of acceptable and unacceptable (or illegal) behavior, because, as the strong influence of definitions indicated, it is not necessarily that people purposely break the law, but they may just not be aware that what they are doing is corrupt. This is especially important in the case of public officials, who are in the position to either promote or stop a corrupt exchange. Furthermore, the analysis uncovered important linkages between the attitudes and behaviors of public officials; these attitudes may translate directly into “on-the-street” behaviors. In sum, individual level reasons for corruption could more easily be combated by developing a supportive subculture among public officials and by educating the general public than the much more daunting task of instilling trust or through an easier, but perhaps too far removed task of changing institutional structures, as suggested by previous studies. (Tavits, 2005)

## CONCLUSION

This study defined the bureaucratic context within the realm of the PA perspective along the culture-based analysis to synthesize about the current situation of the graft and corruption in the Philippines. These are the following specific conclusion to study the social anatomy of graft and corruption:

1. Bureaucratic concepts, policies and processes of graft and corruption. Based on the cross-country studies, there are tangible proof of the existence of graft and corruption in the Philippines including other countries Asia, Africa, Europe and America that became the social cancer of the society. There are graft and corruption mechanism established by the Philippine government , however, the data seemed to continually confronted by

the illicit behavior and unethical action on the part of the officials and employees in the bureaucracy. Generally, graft and corruption existed as a result of the low salaries, personal profit, gain and influence from the vast resource of the national and local government.

2. Bureaucratic perspectives and social analysis framework of the graft and corruption. The study provides the transitional analysis as to the bureaucratic concepts of graft and corruption aligning the social analysis in the PA category of the temporal and substantive dimension. It seems that the social analysis has distinct mechanism to interpret its inter-woven action in line to the continuing concern of graft and corruption in the Philippines. There seems to be the relationship of the cultured-based analysis why there is still the continuity of graft and corruption even there have been effective legal-institutional mechanisms as the anti-corrupt practices of the Philippine government. However, there are identified causes as to the bureaucratic interrelationships particularly in the social acceptance and cultural reciprocity when operated under the organizational and resource management dimensions in Public Administration.
3. **Culture-based analysis within the bureaucratic perspectives of the graft and corruption.** In the multidisciplinary research, the generation of knowledge of graft and corruption seemed to show important social findings in the dialectical consideration of this study. It represents the conceptual view as to the PA substantive content from its relationship with the culture-based analysis within the context of social acceptance and cultural reciprocity that is now relevant from its sociological and behavioral meanings on the context of of *pakikisama*, *pakikiramdam*, *pakikipagkapwa-tao*, *palakasan*, *pakiusap* and *sakop* for social acceptance. While the cultural reciprocity includes *mapagmalasakit*, *kagandahang loob*, *mabuting loob* and *pakikiramay*.

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