

PUBLIC INTEGRITY AND THE DIVERGENCE FROM IT

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Abstract:

Public Integrity is one of the public sector's essential objectives to attain. In contradiction, as a divergence from it, corruption is one of the persistent problems of the societies over years and it affects the credibility of public institutions and its ambassadors in front of the citizens and of the other related countries. All nations complain of corruption and, as it is observed in the Corruption Perception Index 2012, no country has a maximum score which shows that a country is totally clean. In this context, the study of the most important elements of the public integrity concept, the identification of what causes the divergence from it and the solutions detection become a relevant option for economic literature. In this context, the main objective of this paper is to emphasize the public integrity concept and its main aspects and to make a comparison between countries to achieve a large perspective of the world's public integrity juncture.

Key words: integrity, public integrity, corruption, perception of corruption, public institutions.

JEL classification: A 13, D 63, E 02.

1. INTRODUCTION

Integrity is one of the public sector's fundamental condition to become trustworthiness and to offer an efficient economic and social environment for its citizens. Also, the integrity promoting institutions and mechanisms are more and more considered as being basic good governance components. The integrity is a system of spiritual dispositions or character features and, till antiquity, is known as being called virtue (Nieuwenburg, 2007, 215). The manner of action in certain situation is made starting from the moral dispositions, forming the individual's integrity. The fundamental values from the integrity formation base are important. It assures the adequate and expected general behaviour understanding for both public servants and the other citizens. So, the values are essential elements in public administration and their importance is studied by the *good governance* recent literature (Graaf, van der Wal, 2010, 2). The economic and social environment is always changing. This context imposes to public servants new work conditions and tasks. They should be always in touch with their mission and to be aware of their objectives, roles and values. This translates into an essential step for the public sector modern culture refreshing and rooting.

The divergence from public integrity or corruption impact goes beyond the wrong behaviour of implicated actors. Its effects extend to all social and economical structure, meaning over all citizens. So, it is the time that this carelessness to stop. Every day in which the implied people do not take position translates into a lost possibility to create a better economic environment. Corruption is the main threat of good governance, its negative impact perpetuating also on the level of the standard of living, of the productivity, of the commercial equilibrium, of the national attractiveness, of the ability of objective implementation, of the good policies, of the capacity and the flexibility of sustaining growth. All these elements, if are put together, translates into a single expression: national competitiveness (Subarna and Rajib, 2010; Uрман, 2013).

The prevention of corruption and the advancement of public integrity are possible through the laws, institutions and management mechanisms combination. The conflict of interest is the main threat for public integrity. In this context, an environment which supports the public sector activity in a good way, helped by the central integrity standards' development and implementation, is a must through an adapted to the specific conditions of every economy and culture national integrity

system. It should also offer an analysis of national institutions' strictness and efficiency of the processes of preventing and fighting corruption.

2. THE IDENTIFICATION OF PUBLIC INTEGRITY'S MOST IMPORTANT ELEMENTS

The *integrity* term comes from latin, meaning, literally translating, *not to be touched*. This reffers to an object or a person which or who does not make contact with an external factor and wasn't, in this way, damaged.

The classical indirect analogy is that with a fruit which has a blot on it, indicating that it has a bad inside. It happens in the same way when we reffer to the ethical behaviour of an individual. The departure from the ethic rules puts seriously questions on that individual's ethic character and on the way that person can be trusted (Kolthoff, 2007, 40). So, integrity reffers to a sum of intrinsec values, being the virtuouse actions characteristic about it is believe to be valuable and correct, without any justification or another explanation be necessary (Nieuwenburg, 2007, 219). Another analogy is made by Anechiarico and Smith (2006), comparing the individual's integrity with that of a tunnel, of a pay or that of any other structure which are complete. In this context, being complete means that all the measurements prove that the design, the materials, the construction techniques are sufficiently well integrated to assure expected reliability, durability, efficiency for a perioud of time.

In this paper, we define integrity as being the implementation of that values and norms that are general accepted in day by day practice. In this context, the public integrity reffers to the implementation of that general accepted values and norms in the cotidian activity of the public sector actors, as it is defined in OECD reports (2009, 9).

The *public ethic* term summaries all the values, norms, standars and moral principles from the base of public integrity. In this context, the public integrity represents the public ethic's recognition and practice of the public sector organisations. So, the environment which can be characterised as having integrity is that environment which respects the accepted moral values, the standards and rules of that organisation and, in general, of entire society. The integrity institutionalization through a number of agencies, rules, norms, practices and ethic codes is generally recognised as being the best option for the limitation of the corruption phenomenon in many societies (Sampford et. al., 2004 apud. Nieuwenburg, 2007).

OECD report (2000) considers that ensuring integrity means that:

- Public servants' Behaviour is in line with public purposes of the organisation in which they work.
- Daily public service operations for business are reliable.
- Citizens receive impartial treatment on the basis of legality and justice.
- Public resources are effectively, efficiently and properly used.
- Decision-making procedures are transparent to the public, and measures are in place to permit public scrutiny and redress.

3. THE CONSEQUENCE OF THE DIVERGENCE FROM PUBLIC INTEGRITY – CORRUPTION

A lot of theories explaining the determinants of the ethic or un-ethic behaviours exist. The divergence from the ethic behaviours was for the first time explained by the human nature deficiencies. In this way, Platon considered that acquisitiveness is the source of the un-ethical behaviours concreted in the corruption phenomenon which erodes the collective moral values and its commune objectives (Radu and Gulyas, 2010), or, according with present vocabulary, erodes the national integrity system. In this context, corruption appears when bad character persons arrive in power positions. The solution is the developing of an appropriate legislative system and of an efficient implementation mechanism. This perception was abandoned when it was observed that the big differences between the levels of country corruption couldn't be the effects of the individual human nature variations.

The actual theories of public integrity emphasises the context which fosters the un-ethical behaviours. The lack of public institutions' efficiency, the stultification of its authority, the welfare level degradation, the moral values absence or the lack of institutional and legislative principles adaptation to the national context are one of some frequent causes which favour them (Dobrescu and Sima, 2010, 261).

Table no.1: Essential concepts definition

Concept	Definition
Ethics	All moral values, standards, principles and rules, together offering the frame for the daily activities evolution.
Moral	What is judged to be right, fair or good.
Values	Moral principles and standards' judgements/reasoning which should have a meaningful weight in the moment of choosing the way to act Examples of public values : Social Responsibility, Trustworthiness, Transparency, Integrity, Expertise, Detachment, Accountability, etc.
Norms	Reveals what is the right behaviour in certain situations.
Integrity	Acting according to relevant moral values, principles, standards and norms.
Public Integrity	The public organisational behaviour which respects the general accepted moral values, standards, rules and norms by all organisation's member and by its contact people.
Corruption	The public actors abuse for self interest; it represents the opposite of public integrity expression.

Emile Kolthoff (2007) reveals ten categories of divergence from public integrity:

1. Corruption, including bribing, kickbacks, nepotism, cronyism and patronage;
2. Fraud and theft of resources;
3. Conflict of interest through promises, gifts or discounts;
4. conflict of interest through jobs and activities outside the organization;
5. Improper use of violence towards citizens and suspects;
6. Improper methods of policing;
7. Abuse and manipulation of information;
8. Discrimination and (sexual) harassment;
9. Waste and abuse of organizational resources, including time;
10. Misconduct at leisure (such as domestic violence, drunken driving, use of drugs).

So, the organizational integrity imposes the corruption and fraud absence, the interdiction of priming self interest, which should not interfere with public duties and responsibilities and, also, the other elements enumerated above.

But another different approach exists. More and more, corruption started to be seen as a larger concept that includes all the divergences from the moral values and norms, becoming, automatically, the perfect opposite of the integrity expression (OECD, 2005; OECD, 2009). In this context, when public integrity is damaged, the public environment can be named as corrupt. This theory is sustained also by Anechiarico and Smith (2006), considering corruption as being the important elements disintegration of whom results, if are not verified and resolved, would provoke the all structure failure.

The economic literature identifies four categorises of factors which directly influence the corruption from a system, meaning that these factors produce the public integrity damage. This phenomenon contributes to the loosing of the citizens' trust in the public institutions. So, the

political factors are: the quality of the political system and of the democratic one, of the electoral system and of the specialised institutions fighting with corruption, etc. (Leite and Weidmann, 1999). The tradition and the cultural and social factors (Treisman, 2000), the economic factors and the level of country economic openness (Dreher et. al., 2007; Treisman, 2000; Wei, 2001) and the public sector dimension (Tanzi, 1998; Treisman, 2000, etc.) are also between corruption determinants.

The *national integrity system* concept was developed and promoted by International Transparency as part of corruption measurement holistic approach. Such a correct functioning system controls efficiently against the large corruption approach, meaning that corruption also includes power abuse, fraud and resource waste.

From the next graph it can be observed that it really does exist down levels of corruption: 18 in 2011 and 19 in 2012 for Haiti, which has the least score, but also other countries like Yemen, Nigeria, Uganda, Cameroon, Russian Federation are almost in the same down score situation. On the opposite side, the highest score of 90 in 2011 and 92 in 2012 for Finland, near other countries like Singapore, Island, Austria, which have the closest superior limit scores that means they have an almost perfect integrity. The observation on the corruption perception evolution reveals that this perception isn't perfectly constant from one year to another, but the significant changes are met as an exception only for Dominican Republic with an important difference summing 32 points. Except this country, the usual changes are in Bulgaria with 8 points, Austria with 9 points, Burkina Faso with 8 points, Senegal with 8 points, etc. It should be also specified that the index evolution are positive, marking a progress on the level of corruption. The positive results are the feedback of the society sustained endeavour for public integrity strengthening.

The data about corruption are taken from the Corruption Perception Index 2012, published by Transparency International, the global coalition against corruption. Its mission is to stop corruption and promote transparency, accountability and integrity at all levels and across all sectors of society. The core values promoted are: transparency, accountability, integrity, solidarity, courage, justice and democracy. 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 - 100, where 0 means that a country is perceived as highly corrupt and 100 means it is perceived as very clean. A country's rank indicates its position relative to the other countries and territories included in the index. This year's index includes 176 countries and territories (*Corruption Perceptions Index 2012*). The CPI is the most widely used indicator of corruption over the world. Corruption is deliberately hidden. So, comparing bribes reported, the number of prosecutions brought or studying court cases directly linked to corruption cannot be taken as definitive indicators of corruption levels. Rather they show how effective prosecutors, the courts or the media are in investigating and exposing corruption. In this case, capturing perceptions of corruption of those in a position to offer assessments of public sector corruption – business people and country experts - is more relevant and intercepts in a more realistic way the corruption from countries.

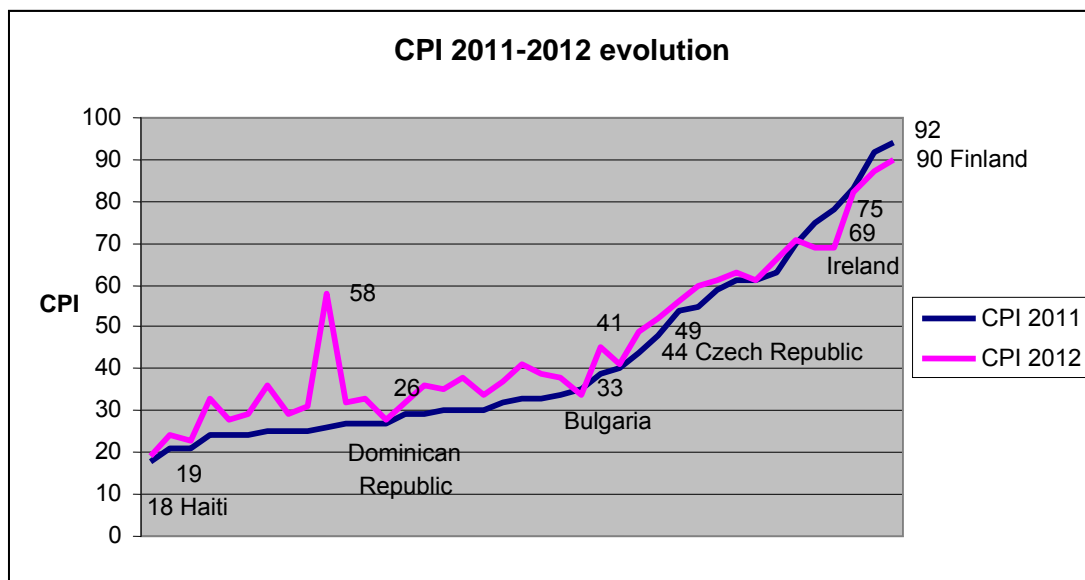


Figure no. 1 - The evolution of the CPI 2011-2012

The next graph reveals an orientative top of some countries used in the analyze. It is observed that Bulgaria, China, Italy have a quite small score, revealing that the corruption perception from these countries isn't too favourable. In Czech Republic, almost the same situation is met, the country marking a score with only 8 points bigger than Bulgaria and having missed a point to touch the middle score of 50 points. In the case of France, United States and Ireland or Austria, the reality is different because the index arrives on a score of 71, 73, and, respectively 69 points (for the latest specified countries). The countries which benefit by the most highest perception of integrity are Denmark, New Zealand and Finland, with a score of 90 points.

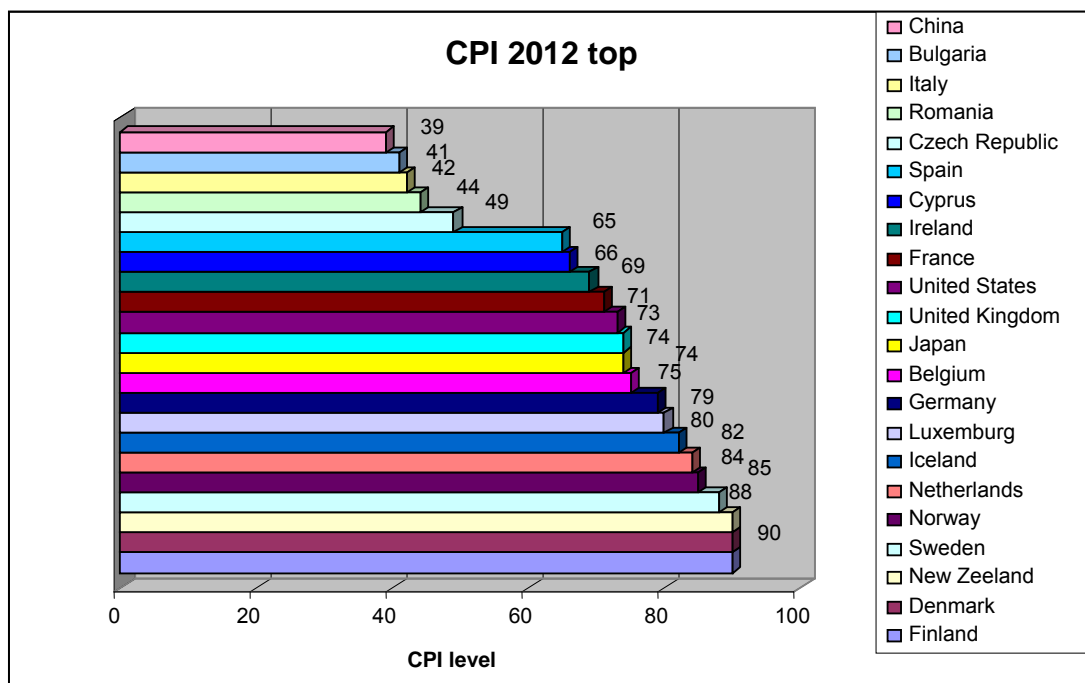


Figure no. 2 - The top of the CPI 2012

In the Global Competitiveness Report (2012-2013), in the first pillar of competitiveness, the institution are estimated. A part of score is given by the estimation of the public funds, being asked the following question: *In your country, how common is diversion of public funds to companies, individuals or groups due to corruption?* There are also studied the irregular payments

and bribes. The data from the table reveals that Czech Republic, near to Romania, have the least scores for corruption. The highest scores are marked by Finland, Denmark, New Zealand, results revealed almost the same by the CPI 2012 of the Transparency International organization.

Table no. 2: Corruption indices 2012

Country	CPI	Diversion of public funds	Irregular payments and bribes
Finland	90	62	66
Denmark	90	63	64
New Zealand	90	65	67
Sweden	88	60	62
Norway	85	59	63
Netherlands	84	59	62
Iceland	82	53	64
Luxemburg	80	60	64
Germany	79	55	59
<i>Belgium</i>	75	52	56
Japan	74	53	62
United Kingdom	74	57	59
United States	73	46	48
France	71	48	54
Ireland	69	56	61
Cyprus	66	44	48
Spain	65	37	48
Czech Republic	49	23	38
Romania	44	25	37
Italy	42	29	39
Bulgaria	41	29	38
China	39	37	40

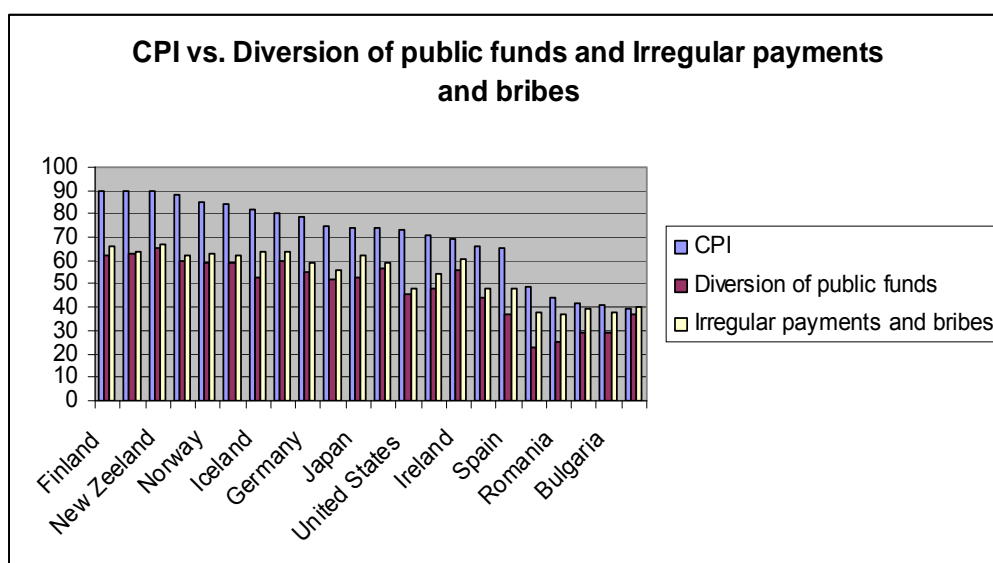


Figure no. 3 - CPI vs. Diversion of public funds and Irregular payments

The corruption estimation made by two different institutions, with the same results, confirms that the corruption given data can be reliable. An additional specification must be done: the maximum score of the CPI is 100, while the maximum value of the indices estimated by Web

Economic Forum in the Global Competitiveness report 2012-2013 is 7. For a more relevant representation, we multiply this value with 10, and, so, the maximum score for the *Diversion of public funds* and *Irregular payments of bribes* indices from GCI is 70. The data from the table show that Romania has the least score for irregular payments and bribes and the second latest score for the diversion of public funds. For CPI it marks the fourth place from the end of the CPI top.

A large amount of papers study the relation between corruption and growth, drawing an ambivalent picture: on the one hand, corruption promotes investments that would have been otherwise stalled by regulations and bureaucratic procedures and, on the other hand, it reduces the incentives to invest in productive activities (Fiorino et. al., 2012, 127). The most recent papers show that the general impact of the corruption on the economic growth is negative. In this way, Fiorino, Galli and Petrarca (2012) find strong evidence of a negative correlation between corruption and growth. Also, Ulman (2013) demonstrates that although the difference exists between the countries and their level of development as it was revealed from that analysis, all the nations should be very cautious at the corruption problem, which clearly affects the national competitiveness and, so, the standard of living, the rate of employment, the productivity, the commercial equilibrium, the national attractiveness, the ability of objective implementation, the healthy politics, the flexibility and ability of sustaining growth. Another researched relation is that between corruption and crime, which can be considered strategic complements, current crime being positively associated with past levels of corruption (Caruso and Baronchelli, 2013, 244). More precisely, this study shows that an increase of 1% in past corruption is followed by a rise of 0.05% in the level of crime (Caruso and Baronchelli, 2013, 262). These studies reveals the great importance of the corruption problem and the effects of public sphere not being integre. In conclusion, it is of great interest for all society members to be concerned by the public integrity domain and by its opposite, the corruption problem.

4. PUBLIC INTEGRITY MANAGEMENT

The public sector integrity management, frequently also called the ethics management (OECD, 2009), was on the agenda priorities list in almost all countries. This happens because the level of the integrity' importance understanding is higher and it is a must for a good governance. OECD (2012) shows that financial and human resources investment in integrity may also develop the government policies efficiency. This fundamental need is also emphasized by the society's evolutions and changes, especially in the level of citizen requirements development, but also on the level of the public sector.

OECD developed till 1996 a national integrity framework and the National Integrity System was created by Transparency International (Pope, 2000). Similar systems which can be applied also on the regional and local level does exist (eg. Local Integrity System (Huberts et. al., 2008). Every integrity system emphasizes on the politicians or on the public servants or on both depending on the proposed level as integrity management principal target. The integrity of both categorises of public actors is extremely important, the first being an important contextual determinant for the other (OECD, 2009).

In the Transparency International (2012) apprehencion, the National Integrity Systems (NIS) comprise the main institutions, the normative acts and the pillars which contribute to the extention of the society's integrity, transparency and responsibility. It offers an analysing frame of the institutions robustness and efficiency to prevent and to fight with corruption from a society – a large concept which includes in its meaning all the divergences from the moral values and norms and which becomes, in this context, the perfect opposite for the public integrity expression. NIS is formed by the following institutions: legislature, executive, judiciary, public sector, law enforcement agencies, supreme audit institution, electoral management body, ombudsman, anti-corruption agencies, political parties, media, civil society and business. Every institution and sector included in the National Integrity System is estimated using three dimensions which are essential for their ability to prevent corruption (International Transparency, 2012):

- Its overall capacity in terms of resources and legal status;

- Its internal governance regulations and practices, focusing on whether the institution is transparent, accountable and acts with integrity;
- The extent to which the institution fulfils its assigned role in the anti-corruption system.

The National Integrity Systems are very different from a country to another, but, taking in consideration the International Transparency's research (2012), any of them has maximum results on the national integrity level. Every nation has its own strengths and weaknesses and these are intercrossed in some commune areas. These areas play an important role for the policy development and for the regional and national actions, offering the opportunity to borrow from the countries with almost similar integrity situations and with better results. Generally speaking, the most prominent problems appears in politics with the accent on its ambassadors from the national and regional levels, in business and from the civil society level. It is taken into consideration also the correlations between corruption as the perfect opposite of the public integrity and the present financial and fiscal crisis. In this context, corruption is made through legal actions, but un-ethical. The lobby rules, the influence traffic and the interest changes between public and private sectors are the most speakfull examples of legal, but un-ethical practices. On the opposite, the public institutions safeguards as Supreme audit institution and Ombudsman are the main society's institutions which generate positive effects on national integrity level (Transparency, 2012).

Table no. 3: NIS strengths and weaknesses

Strengths	Weaknesses
Legal frameworks;	Inadequately regulated political party financing ;
Public expenditure oversight (exception being made by Greece, Portugal, Romania and Spain);	Veiled in secrecy lobbying;
Electoral processes (exception being made by Bulgaria and Romania).	Un-ethical practices used by parliaments ;
	Limited practical access to information ;
	High corruption risks in public procurement ;
	Severely lacking protection for Whistleblowers.

Source: *author's adaptation of the data from* http://issuu.com/transparencyinternational/docs/corruption_risks_in_europe?e=2496456/2335172.

To improve the integrity level, and, in this way, to prevent the corruption phenomenon, the context plays a very important role. The integrity context from an organization is formed by all the factors, other than the factors from the integrity management, which can have an impact on the members' integrity from the public sector organization. It is necessary a distinction between the internal context and external one. The internal context refers to the context from an organization: all these actors and factors with an impact on the organization's member integrity, but which, being separated by the external context, can not be considered as being part of the integrity management. The external context includes the actors and the determinants from the large public sector and from the governance environment which are outside from a specific organizational control, but which, separately, may have an important impact in the organizational integrity management and on its members' integrity.

5.CONCLUSIONS

Although the ethics isn't a prime interest domain when the policies are formulated and implemented as the secureness, public health or the environment protection are and although it does not produce concrete finalities, it can't and it must not be concluded that it is less important. A well-implemented integrity management grows up the chances for better decisions of the public servants and politicians. These public actors, in this context, are able to decide taking into

consideration the alternatives' advantages and disadvantages, not the self interests or the party interests to which belong. The integrity management also helps to improve the level of public trust in the governance and, generally speaking, in the public sector. It is recommended to pay sufficient attention to this aspect before the obligatory need to spend more for fighting against a high level corruption appears (OECD, 2009).

Another element that supports the importance of the attention given to the ethical aspect on the public institutions is the theory of Trevino and Weaver (2003), who consider that a better understanding of the fact that the organizational correctness perception is an elementary variable for the members' integrity from that organization is developing. This means that the organization's intern public have a more ethical behaviour when they perceive the organizational environment as being correct and fair. In this context, a greater attention must be given to the public integrity concept because only acting in this way the national progress may be possible.

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