HOW TO CONTAIN ETHICAL MISDEEDS AND CORRUPTION

By
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ABSTRACT
In this fast changing world, people are becoming power-centric. Their insatiable lust for power of all sorts and unending desires make them focus on short-run to acquire power by whatever means. Such people with limited rationality often forget to do what would be best for them and for others in the long-run. This article elaborates on factors, such as individual, organizational and environmental factors collectively responsible for the growing phenomenon of ethical misdeeds and corruption which is detrimental to peace, equity, freedom and justice. It is firmly believed that there is need to launch frontal attack on corruption by initiating measures as suggested in this article to contain corruption thus enabling formation of an ethical society which is necessary for sustainability.

India is a multi-cultural, multi-lingual and multi-religious society. Each such group believe in certain value system e.g. “Glory to God Service to All”, ‘Musallam Iman’, ‘Nishkam Karma, “Ahimsa”, universal love and equity’ etc. These values are instilled in the young minds since early childhood and at later stage these are also imbibed by the young and the elders which impact their emotion, knowledge, thoughts, perception and have great influence on their behaviour pattern, choice of responses and the process of choice making. People are exhorted to practice these values assiduously and in some cases their belief in rebirth often motivates them to practice these values as it would enable them to improve not only their this ‘Lok’ but also ‘Parlok’ by attaining salvation. These values are infect the basis for human morality, mores and ethical standards. Many socio-cultural, religious groups have provided certain code of conducts for practicing these values either voluntarily or aided by certain guidance such as Ten Commandments, four fold task and eight fold path etc. and are disseminated through sermons, religious discourse and various religious practices and in certain cases sanctions are imposed on those who fail to follow ethical standards and laws dictate. Thus these values by and large are considered by the people, as good for themselves and also for the entire mankind and constitute the basis for peaceful co-existence, freedom, equity, justice, mutual respect and act as deterrent to dishonesty, impropriety, subjugation, violence, human suffering and tendencies to encroach upon the rights and properties of others.

In India, various religious groups or sects broadly agree to the said ethical aspects and they differ from each other only in ceremonial aspects. Hence, the said values are considered as core values to all in Indian Society and there is general belief that since the Indian value system have emerged through ages there is hardly any scope for change in the value system.

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The emergence of technological society or changing pattern of life often tries to put these core values into melting pot and seek to create new values which is far from being values at all and has only aided to the growing inanity of the world.

However, even after providing due emphasis at home, school, socio-religious gatherings etc. on importance of cultivating moral and ethical standard, there are innumerable examples of its violation and India is no exception even after having a very strong cultural heritage. Patricia Werhane (2005) in her article, “Why do good people do bad things” has put forwarded certain important reasons for good and ethical people doing wrong things:-

- No one is perfect and tend to make moral mistakes and even some people will repeat their mistakes if not checked for at least some of the time.
- It is believed that very often people are primarily motivated by self-interest. People often exercise moral judgments mostly by focusing on their own personal gain as the object of their self interest. Some people with weak morality because of fear, greed and for other interest willy-nilly become capable to corrupt designs of others.
- Some people primarily in total disregard to social, moral and legal networks of relationship are least bothered about the untoward consequences either to themselves or their organization. They often perceive that their misdeeds could be covered up, suppressed or forgotten in due course.”
- People tend to deal with moral issues differently- some more naively than others, some primarily out of self interest, some depending on loop holes in laws and conventions, others seeking ideal or universal principles on which to ground and evaluate moral decisions.
- There are several instances of misdeeds occurring in a firm within a complex network of professional, managerial and legal relationship. It is sometimes said that conflict of interest between professional and institutional commitments, conflict of roles and responsibilities or the identification of moral responsibility with role responsibility may lead to the subsequence abdication of individual moral responsibility to client’s demand.
- Many organization and their managers are either unaware of the moral dimensions of their activities or lack skill in moral reasoning.
- Human relationship play central role in morality, moral decision making and moral evaluation. People are affected by human relationship of a variety
of kind and these relationships are part of what is defined as moral or immoral.

- Lack of moral theory, mechanism to locate moral culprits and absence of system of moral education for improvement in stage of moral development.

There are some other reasons for moral mistakes and misdeeds such as-

(I) Some times people adopt contradictory roles without perceiving conflict of interest. (II) Mafia mentality is popularly explained as ability of some people to function in contradictory roles/immoral activities simultaneously. (III) Confusion over means and ends. Gandhian theory of right means to achieve right ends is often ignored. (IV) Individual perception that social responsibility of their work place is different from moral responsibility thus trying to dilate the sustainability issue for short-term gains.

From above discussions it appears that there are two principal factors (1) Individual factors and (II) organizational factors which generally influence ethical decision making.

(a) Individual Factors in Ethical Decisions:

O.C. Ferrell (2005) has observed that although organization ethics involves the role of individual and their values because primary responsibility of decisions rest with individuals and in a work place integrity of an individual’s personal moral philosophy and stages of moral development is obviously important but equally important is the primacy of organizational factors in determining ethics at workplace.

Further, (Ferell and Greshan 1985)- described elaborately, the moral philosophy- the principles, rules, code of conduct etc. learnt through socialization at home, school, social groups, religious group etc. that individual use these to decide “what is right” and “What is wrong” and accordingly justify their decision and explain behaviour. However, researchers suggest that individual may apply different moral philosophies in different situations (Fracdrich and Farell 1992) and depending on the situation people even change their value structure or moral philosophy.

Stages in Development of Moral Reasoning:

One more reason that people may change their moral philosophy has been explained by Lawrance Koliberg (1969). He contended that different people make different decisions when confronted with similar ethical situation. The question arises as why? when ethical codes or codes of morality is common for all, Why do all the people do not conform in the same way to these codes of conduct? The
answer lays in the fact that all people are at different stages of cognitive development and all people gradually pass through these broad stages of cognitive development.

<table>
<thead>
<tr>
<th>Principle stage</th>
<th>Focus on upholding basic rights, values and social rules</th>
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<tbody>
<tr>
<td>Conventional stage</td>
<td>Focus on group-entered values and conforming to expectations</td>
</tr>
<tr>
<td>Pre-conventional</td>
<td>individual focus on their own needs and desire</td>
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**Stages of cognitive Moral development**

However the complexity of human nature and unpredictable responses make the above shapes of moral development complex. According to Koliberg (1969) moral development should probably be viewed as a continuum rather than a series of discrete stages. It is generally believed that the moral beliefs and behaviour of people change as they gain education and experience; however, there is no credible evidences in this regard.

(b) **Organizational Factors**

Organizational factors at workplace involve principally three factors such as-(I) organizational culture (II) co-workers and superiors and (III) opportunity which collectively influence whether a person will make an unethical decision at work (Ferral and Gresham 1985, Farrel, Grasham and Fraedrich 1989, Hunt and Vitell 1986, Jones 1991, Trevino 1986). Organization draw people from across section of Society with multi-cultural background having a set of values, beliefs, norms and behavioural pattern. It is said that a strong organizational culture enables it to successfully face uncertainties and contribute in its sustainability. The ethical climate of an organization is significant for organizational culture which helps to guide a wide range of individual behaviour specially on issues of right and wrong, code of conduct, ethical policies of top management and action on ethical issues.

**Co-workers & Superior:**

The variety of interaction of co-workers among them-selves or with supervisor create informal culture within an organization. Studies conducted by (Ferral and Gresham 1985) confirm that co-workers and supervisors have more impact on an employee’s daily decisions than any other factor. Co-worker peers can even change a person’s original value system. It has further been noticed that value change if temporary or permanent is likely to be greater when co-worker is a supervisor. Employee may resolve workplace issued following a supervisor’s instructions even when such instructions are in conflict with the employees personal value.

**Opportunity:**
As said above the organizational culture, influence of co-worker and to extent individual factors create condition to limit the practice of misdeeds. However, when the conditions provide rewards/opportunities of financial gains a keenly contended position to be given to favorites in a variety of workplace, recognition, promotion position of authority etc., the chances of misconduct is rather high which has to be curbed by policy at workplace for punishment of employees who violate a rule such as acceptance of gifts/cash/valuable from the client. At organization level the following kind of misconduct/unethical behavior is generally noticeable which must be prevented by organization for building up ethical climate.

**Organizational opportunities for unethical behavior:**

- A conflict of interest exists when individual must choose whether to advance their own interest, the interest of an organization or interest of some other group or individual, collusion of self-interest for personal gains which leads to systematically subversion of all norms of morality and ethical standards.

- While employees are prevented in developed countries from accepting bribes gift, special favors etc. but these companies generally offer bribes and other personal favors to clients in developing world, where bribery is an accepted way of doing business, to influence their decision in favors of their firm.

- In workplace, when individual deceptive practices to advance their own interest over that of their organization or some select group by committing fraud.

- Organization ethical issues sometimes seriously undermine equity and restricts opportunity and such discriminatory focus based on caste, creed, place of origin, color, gender, nationality etc. should be done away with for the sake of building up healthy ethical climate within the organization.

- Some firms engaged in business sometimes argue that there is nothing like business ethics. Exploitation, selfishness and greed is justified to survive in an environment of cut-throat competition.

- Lack of understanding that inducing ethical behaviour is necessary for sustainability.

**(III) Environmental Factors:**

From above discussion, it is amply clear that ethics is connected with human conduct with an emphasis on determining right and wrong. However, high ethical standard calls for a strong positive response and commitment from both individual

and organization to moral principles and ethical codes. However, there are several factors which adversely affect the intensity of ethical issues such as increasing value of money, urges to grow rich soon at whatever cost, personal greed, luxurious life style etc. and these often cause havoc with individuals morality and ethical standards specially in an environment where morality enforcing institutions, are dwindling and are gradually being rendered useless because of growing hypocrisy. Ethical misdeeds is no more confined to an individual or an organization but has sectoral dimensions because of collusion among various sets of functionaries and decisions makers. Similarly in market economy organization practices and policies often create pressure which may sway employees to mark unethical decision. In public life the daily sermons of leaders on probity and zero-tolerance for corruption etc. and their brazen attempt to cover up corruption has seriously undermined the intensity of ethical issues among masses and gradually they are forgetting the names of role models like Gandhi, Nehru, Lal Bahadur shastri, Gulzari lal Nanda etc. who are being replaced by a new set of role models famous for all wrong reasons. Politicians have come to realize that corruption is a non-issue as generally it does not affect election results(It is said that charges of corruption in 2G scam led to the defeat of DMK Govt.in 2011 assembly election in Tamilnadu). It has been proved beyond doubt that it is money that plays a significant role for success in the election. The result is that corruption and non-ethical behaviour has entered and has established a firm grip over all walks of life. There is growing feeling among people that corruption has come to stay in Indian Society and Public life because the Governments of the day not only try to play it down but also support and worse even connive with the perpetrators.

It is beyond the scope of this article to apportion the extent and magnitude of corruption in the Indian polity. However, there is an indicator i.e. Corruption Perception Index (with certain limitations) compiled by Transparency International in 2010 based on public perception of corruption has ranked India at 87th position among 178 selected countries (In 2006, India occupied 70 place). Every day expose on new scam clearly indicate that there is no abetment of corruption and things are going from bad to worse.

It now seems that in Indian Society, corruption has become a low risk and high-paying activities and we learn every day as to how a government of the day increases allocation over poverty alleviation programmes and how it is being siphoned off with impunity. The late Sri Jay Prakash Narain often referred to new
Delhi as “Gangotri” of corruption. Obviously, the government of the day and parties in power and opposition have to take concrete steps to minimize corruption.

Under this situation, corruption is gradually becoming a way of life being contributed by all the factors such as individual factors, organizational factors and patronage to corruption by environmental (political, social and Economic) factors. To contain corruption which is a threat to development, a holistic approach would be needed covering all the causative factors of corruption as discussed below:

**Institution of Lok Pal as effective system:**

- Shri Arvind Kejriwal, a RTI activist, in his article, “How to root out corruption” (published in TOI dated 2nd Nov, 2010) has maintained as under:

  There is plethora of anti-corruption agencies. The government has deliberately left some critical loop holes so as to make it ineffective”. He cites the example of CVC which is an independent body but does not have power to take action and has no jurisdiction over politician. The CBI has power but does not seem independent. The proposed institution of Lok Pal an advisory body has jurisdiction over politicians but not over bureaucrats. He suggested that a strong anti-corruption system in needed by merging all the institutions in single agency of Lok Pal having comprehensive power to investigate and prosecute the guilty either bureaucrats or politicians and both without needing any permission from the authority. Lok pal members should be appointed though transparent participatory process, lest it becomes a tool in the hands of some political party.

**Institution of Lok Ayukt:**

- The institution of Lok Ayukt should be implemented across the states on the line of Lok pal. This three member body consisting of a retired Supreme Court judge/High Court- Chief Justice, State vigilance Commissioner and a Jurist or an eminent administrator should be further enlarged as per the need by men of known integrity and abilities. Lok Pal should have supervisory jurisdiction and appellate jurisdiction over Lok Ayukta lest the government of the day is allowed to weaken such body as we recently saw in Karnataka. Lok Pal and Lok Ayukt should have power to prescribe a time limit for any Investigation and they may constitute investigation team of their choice. The massive popular response received by the movement of Anna Hazare against corruption and the Central Govt. agreeing for joint drafting committee and
placing the Lok Pal in the Lok Sabha in the winter session of the Parliament is a significant development in fight against corruption.

RTI ACT:

- There is further need to strengthen RTI by curtailing the list where information could be refused. Punitive actions should also include suspension from service for deliberating distorting, suppressing the information or delaying the information beyond the prescribed period. Again necessary arrangement has to be made that RTI commission and its members are appointed through transparent participatory process. It would be good idea that Lok Ayukta is given some supervisory power over RTI Commission at the state level by making suitable amendment in the Act.

Whistle Blowers:

They could play a significant role in the war against corruption. There is need for framing a law to provide necessary protection and support to Whistle Blowers. The government of India may create anti-corruption police and courts at all levels to investigate and prosecute corruption under the overall authority of Lok Pal and Lok Ayukt.

Manifesto of Political Parties:

In the manifesto of political parties there should be mention of their resolve to fight corruption and what steps the individual political party proposes to reduce corruption when it would come to power and percentage reduction in corruption if it comes to power. Election Commission should insist that political parties in power should give details of corruption/scam happening during its period of governance and tangible actions taken against the corrupts.

- The TV Channels/News magazines should annually publish the integrating ratings of ministers and other personalities holding high position for information to the general public.

Use of Technology:

- For reducing chances of corruption at lower level, the other states in India should follow Karnataka’s computerization programme like “Bhoomi” software mechanism to check changes in lands registry through corrupt practices, smart card for vehicle registration and licenses to Drivers and enforcement automation of traffic violation by Bangalore Traffic Police.
- I.T. professionals should develop a website like Men of Integrity.com in all prominent Indian/Regional languages based on parameter, supporting their record of unquestionable integrity and proprietary. It should remain in public.
domain and all people would be entitled to put the names of rich men of integrity at local level, district level, state level and national level from all walks of life. The said data would remain in public domain so that it could be questioned in case of doubt by any body. Moreover people should be encouraged to provide specific and relevant information of misdeeds/corruption/impropriety on any name entered in the said website. Necessary measure would have to be taken to ensure the reliability and sanctity of the said website. This data must be used by the cabinet or the government of the day while recommending names/persons for high places in public life without any deviation.

- Unique Identity Card which is being prepared should also contain information about the sources of income and present status of their assets based on which a projection for next 10 years be made on average growth rate of income/assets in the century. In case of any transaction above 05 lacs by an individual use of said UID may be made mandatory and details of transaction be recorded in UID. I.T. professionals could work on the details and feasibility of the said concept. It would be a master stroke against corruption.

- Channels like “Times Now” having a clear record of waging relentless war against scams, scandals and corruption should be encouraged to open channels in regional languages all over the country. When men and women in the lanes of villages would come to know about the misdeeds of their leaders in public life, surely, it would gradually start affecting the outcome of elections.

**Private Sector Initiative:**

Private sector initiative as given in Wikipedia is worth quoting. It mention about new initiatives that have come from private sector to raise awareness about corruption related issues and build anti-corruption platforms. http:5thpillar.org is one such organization that is promoting the use of zero Rupee notes to fight corruption by shaming the officials who ask for bribe. Another popular initiative “Jaggo Re! One Billion Votes” from Tata Tea which has changed its focus from voter registration to fighting corruption. “no bribe.org” is another platform for corruption free India.

**Corporate Governance:**

- Corporate governance should be strictly applied to prevent corporate level corruption.
Corporate governance is a formal system of accountability and control for ethical and socially responsible organizational decisions and use of resources. Accountability relates to how well the content of workplace decision is aligned with a firm’s stated strategic decision. Control involves the process of auditing and improving organizational decisions and action. Werharne, H. Patricia, 1999, maintained “The corporate must understand that adherence to the provisions of corporate governance would facilitate their long term survival and sustainability.

Corporate sector will do well to promote ethical leaders who could frame actions in ethical terms, articulates and embodies the purpose and value of the organization and could connect the basic value preposition to stakeholders support and societal legitimacy (Frecmen, R. Edward 1984)

Due emphasis should be given on ethical training of the employees for cultivating values such as honesty, trustworthiness, equity and human dignity and an yearly system of corporate ethical audit should be introduced by the Company Law Board.

Professional Ethics and Education value:

- The curriculum of education must include lessons in ethical and moral subjects and should try to instill in the young minds the importance of integrity dedication, magnanimity, openness, creativity etc. Such values if practiced in the days to come would surely improve the quality of life and would contribute towards freedom, peace and prosperity. Management students in addition to focusing on best practices should also focus on ethical decision making skills.

The major challenge today is to develop an ethical society and all institutions irrespective of its role should frame rules for ethical behaviour so that it functions with integrity and probity which is the best way to serve itself and the community as well.
References


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