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Corruption Typology: A Review of Literature

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Corruption is increasingly becoming a global phenomenon virtually affecting every part of the world. The effects have been very devastating particularly in the developing nations, by which to a large extent public service functions thrive in an environment heavily characterized by corruption. This paper reviews the relevant and related literature on corruption and then proposes a classification of the type of corruption based on the review.

Keywords: corruption, typology, literature

Introduction

Corruption is said to be a global phenomenon which is not restricted to any particular race, creed, political system, or even geographical location. Neither is corruption a relatively contemporary phenomenon as traces of corruption have been found in ancient civilizations including those that provided the impetus for the modern democracy (Tanzi, 1998; Wells & Hymes, 2012). Corruption is being portrayed as the most discussed phenomenon in the world (Globescan, 2015). Transparency International (TI) (2015) reveals that at least six billion people worldwide live in countries considered as corruption ridden countries. Of the nations, worldwide 68% are seen to have been characterized by serious corruption problems (TI, 2015). In manner, almost half of the countries belonging to the G20 are classified in the list of countries mostly affected by corruption in the world. Therefore, no single country in the modern world can be said to be corruption free (TI, 2015). Thus, the effects of corruption have been felt and are still being witnessed across the globe from the most developed nations on earth to the less developed ones (Agbiboa, 2012; Colazingari & Rose-Ackerman, 1998; Nye, 1967).

This global nature vis-à-vis effects of corruption have made the phenomenon a very topical issue and a subject of multidisciplinary as well as interdisciplinary discourse which is readily opened up for discussion globally (Berlinski, 1997; Sadiq & Abdullahi, 2013). Equally, it has been a focus of interest by all nations due to its political and socio-economic effects (Berlinski, 1997; Egwemi, 2012). As a universal phenomenon which is often complex, subjective, and secretive, it has been viewed differently and has always enjoyed various classifications in the literature by the contributors to the discourse. It is therefore the focus of this paper to examine the various classifications of corruption otherwise referring to as corruption typology as reported in the literature. In order to achieve this aim, the paper is structured into four sections. The first section which is the current portion of the paper gives the introduction of the paper. The next section is the meaning of

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corruption as captured in the literature which is followed by the corruption typology as depicted in the various corruption literature. The final section of the paper is on conclusion which provides the summary and ultimately makes an inference on the paper.

Corruption: What Does It Stand for?

Taking a tour into the corruption literature one would discern an array of definitions and meanings on the concept of corruption. Just as there is a diversity in the human race and culture, so the meaning of the concept of corruption has been construed from divergent perspectives and orientations. As Egwemi (2012) posits corruption is a universal phenomenon having no regards for ethnic background, race creed, or even geographical location. Furthermore, corruption is not new to human history as early civilizations had records of corruption and corrupt practices reported (Wells & Hymes, 2012). Thus, societal interaction and the history of civilizations are inseparable with corruption ever since the dawn of civilizations. Wells and Hymes (2012) posit that even the civilization that provided the basis for the modern day democracy had on so many occasions been afflicted by the menace of corruption. It is therefore very obvious that the concept of corruption is universal with historical connections (Agbiboa, 2012), which becomes much more pronounced and devastating in our modern day societies (Sadiq & Abdullahi, 2013) due to the increase in the magnitude, frequency, and the extent to which it is being perpetuated. No wonder the concept is now a subject of a multi-disciplinary and inter-disciplinary discourse and a topical issue interested by academics, governments, private bodies as well as other non-governmental organizations.

The literature has documented an array of definitions on the concept of corruption emanating from the perspective that it is being considered and the orientation of the source of the definition (Agbiboa, 2012; Berkovich, 2015; Colazingari & Rose-Ackerman, 1998; DeGraaf & Huberts, 2008; Egwemi, 2012; Mauro, 1998; Mohammed, 2013; Ochulor, Metuonu, & Asuo, 2011; Yaru, 2009). These perspectives cover the dimensions of economic, political, bureaucratic, legal, social, and moral/ethical inclinations of the concept. Similarly, the orientation of the source of the definition is premised on the disciplinary background of the author or the scholar (Ochulor et al., 2011). Appreciably, the vast array of the definitions on the concept tend to converge on one central theme which is manipulation of some sort to obtain personal benefits at the expense of others (be it the state, organization, or the citizens). Thus, corruption indicates a commission or omission of an action, an abuse of trust, or vice which ultimately changes the legal as well as the ethical obligations of a public function to the pursuit of private objective of political, social, or economic benefits (Agatiello, 2010). Therefore, this intuitive notion of corruption presupposes that the public agent abuses his/her authority or the resources under their stewardship in order to gain some benefits from an external private agent or even another public agent (Agatiello, 2010). According to Nye (1967) corruption is:

a behavior which deviates from the formal duties of a public role because of private-regarding (personal, close family, private clique) pecuniary or status gains; or violates rules against the exercise of certain types of private-regarding influence. This includes such behaviors as bribery (use of reward to pervert the judgment of a person in a position of trust), nepotism (bestowal of patronage by reason of ascriptive relationship rather than merit), and misappropriation (illegal appropriation of public resources for private-regarding uses). (p. 419)

However, this notion of defining or relating corruption to the public arena is often considered too narrow and restrictive on one hand due to the omnipresence of the phenomenon (Agatiello, 2010). On the other hand, the evolving nature of the definition of corruption is expected to intensify due to the contextual sensitivity,

complexity, and the secrecy of the behavior (Roman & Miller, 2013).

Interestingly, the evolving nature of the definition of corruption has incorporated the private dimension. Thus, all the divergent definitions now reported in the literature on corruption tend to meet one central focus which sees corruption as the outright abuse of an entrusted authority for personal or private gain (Ariyabuddhiphongs & Hongladarom, 2014; Asongu, 2013; Ghatak & Iyengar, 2014; TI, 2014). The entrusted authority as against the restricted notion of being public engagement, can be both private or public (Dungan, Waytz, & Young, 2014; Torsello & Venard, 2015). Similarly, the personal or private gain can incorporate the non-monetary benefits as well (Roman & Miller, 2013). Most importantly, the conceptualization of corruption is the presence of a third party, otherwise the act would be qualified as fraud (DeGraaf & Huberts, 2008).

Corruption Typology: How Is It Described in the Literature?

Reviewing corruption literature provides the reader with vast array of classification of corruption types. It therefore follows that much as the definition of corruption is diverse due to the omnipresence, complexity, and the multifarious nature of the phenomenon (Roman & Miller, 2013; Yeboah-assiamah, Asamoah, & Osei-kojo, 2014) so is the classification. The perspective into which corruption is viewed as well as the disciplinary orientation of the contributors to the corruption discourse is other precursors to the divergent classifications of corruption. Essentially, speaking on corruption typology in the literature refers to the way and manner and the various types of corruption are considered alongside distinct categorization. Thus, some of the classifications prevalent in the literature as observed from the review conducted for the purpose of this study include classifications based on the status of the individuals involved in the act and the type of corrupt behavior involved. Another classification covers the perspective or angle in which the acts take place whereby corruption is classified along the line of political, social, economic, bureaucratic, moral, and educational aspects. Other classification sees corruption along the line of develop and developing nations which portray the developing countries as corrupt ridden in most instances.

Typology Depicting Corruption Based on Individual Players

In this typology, corruption classifications involve demarcating a line between what the literature considers as the two major classes of corruption. Accordingly these are represented in the form of high level or grand corruption and survival or petty corruption (Ibietan, 2013; Ogbeidi, 2012). The high level or grand corruption indicates corruption at the top involving the various levels of government or the political leadership. On the other hand, the survival or petty corruption covers corruption at the level of individual public officials. However, this distinction of classifying corruption along the line of petty and grand corruption is often met with stiff criticisms in the literature. For example, Shehu (2005) notes that the distinction at its best is artificial and therefore at worst it is misleading. Hence, both the petty and grand corruption can have effect on the individuals and of course on the state.

Recognition of Corrupt Behaviour as the Means for the Classification of Corruption

This is another corruption typology imminent in the literature which describes corruption as embedded in the perpetrators' corrupt behavior itself. The typology identifies practices that are deemed as depicting the phenomenon. In accordance with this typology, corruption can be construed to include such practices and behaviors such as bribery, electoral corruption, favouritism, nepotism, procurement scam, budget corruption, and misappropriation of public resources for personal gain (Agbiboa, 2012; Ijewereme, 2015; Nye, 1967;

Otusanya, 2011). For example, Otusanya (2011) in his review of corruption literature has identified 15 different behaviors as well as practices that constitute corruption. These include bribery, extortion, intimidation, abuse of office, fraud, embezzlement, favouratism, insider trading, conflict of interest, receiving an unlawful gratuity, illegal contributions, money laundering, identity theft, white collar crime, and nepotism.

Nepotism implies sharing of the state resources as well as appointments and promotions on the basis of ones' family members and relatives but not on merit (Atelhe & Agada, 2014; Ijewereme, 2015; Nye, 1967; Otusanya, 2011). Closely being related to nepotism is favouratism and in some instances often considered side by side (Nye, 1967). Thus, favouratism denotes bestowal of preferential treatment or favour by an entrusted office holder on the basis of prejudices such as family relationship, ethnic, party or religious affiliation, or even friendship (Atelhe & Agada, 2014; Ijewereme, 2015; Nye, 1967; Otusanya, 2011). In this aspect favouratism is considered as broader concept than nepotism (Otusanya, 2011). Another form of corrupt behaviour that is widely reported in the literature is bribery and often stands as a proxy for corruption (Ariyabuddhiphongs & Hongladarom, 2014; Lui, 1985). Bribery is described in the literature as the commonest type of corruption (Otusanya, 2011) and it refers to the act of offering and receiving using an extra legal means to influence the performance or otherwise of a constituted responsibility. Extortion implies the use of threat by a holder of an entrusted authority whether public or private to get other individual persons or organizations the permission of services or benefits in which they are legally entitled (Ghatak & Iyengar, 2014). Equally, it involves coercive means to extract financial benefits while discharging one's official engagement (Otusanya, 2011). Extortion is a major form of corruption particularly in the developing countries (Ghatak & Iyengar, 2014) and often neglected in the literature. As for the abuse of power, it refers to a situation whereby one's authority is unscrupulously applied to obtained preferential benefits (Agbiboa, 2015; Roman & Miller, 2013).

However, abuse of power will include corrupt behavior such as favouratism, nepotism, and extortion (Otusanya, 2011). Other variant corrupt behavior captured in the literature includes ghost worker syndrome (Ijewereme, 2015) and is very prevalent particularly in the developing nations (Méndez & Sepúlveda, 2006). Ghost worker issues emanate when the management of an entity (private, public, or even not for profit organization) deliberately decide to inflate the payroll through the inclusion of fake and fictitious names. Thus, the resulting surplus is often siphoned for selfish personal benefits (Ijewereme, 2015).

However, a large body of the literature sees these classifications as insufficient that is narrowly being premised on the bureaucratic or political corruptions within the major classification (Inokoba & Ibegu, 2011; Lawal & Victor, 2012; Obuah, 2010; Sadiq & Abdullahi, 2013; Yaru, 2009). Thus, insufficient for the classification requires more recognition within the major perspective whereby corruption is being classified based on the arena of political, economic, bureaucratic, judicial, and moral aspects in which it is occurring.

Corruption Typology Depicting the Major Classification

To allow for a wider coverage other scholars (such as Agbiboa, 2012; Berkovich, 2015; Berlinski, 1997; Egwemi, 2012; Mohammed, 2013; Osoba, 1996; Romyantseva, 2005; Sadiq & Abdullahi, 2013; Yaru, 2009) expand the frontiers of the classification to encompass the broad categories of political, economic, bureaucratic, judicial, moral/ethical, educational, and social corruption. According to Yaru (2009), political corruption involves generally fraud within the political set up of a nation covering weak electoral processes and the commission, poor law enforcement mechanisms, the judiciary and the legislature, and in most cases being dominated by one party state system. Primarily, it is aimed at capturing power to perpetuate the economic and

the political control (Sadiq & Abdullahi, 2013). Bureaucratic corruption denotes circumventing laid down rules and establishes procedures within the performance of public office responsibilities to obtain personal gain usually monetary (Mohammed, 2013).

Rumyantseva (2005), in her taxonomy of corruption in higher education distinguishes between education-specific and the general (administrative) corruption. Five themes have been developed within the education-specific corruption, while cases of educational corruption identified include among others: bribing for obtaining good grades, buying certificates such as degrees and diplomas, and paying money to secure admission. Economic corruption involves structures for a weak state, abject poverty among the citizenry, and wide income disparity between the rich and the poor (Yaru, 2009).

The Developed Versus Developing Nations Corruption Typology

Another corruption typology that gains wide coverage in the literature is to describe the classification of corruption in terms of the developing nations due the prevalence and perhaps more devastating consequence of the phenomenon (Atelhe & Agada, 2014; Méndez & Sepúlveda, 2006; Montinola & Jackman, 2002; Ogbeyidi, 2012; Osoba, 1996; Otusanya, 2011). Developing countries have been described in the literature as corruption ridden nations where to a large extent the political leadership epitomizes corruption in its entirety (Agbibo, 2015; Mbaku, 2008; Méndez & Sepúlveda, 2006; Montinola & Jackman, 2002; Nye, 1967). Even though scholars have identified corruption as a global menace as no country on earth can claim the monopoly of moralism, they believe that the less developed nations are, the more prominently involved in behaviours that signify corruption. For example, Nye (1967) identifies such traits that make the developing nations to be susceptible to corruption to be conditions inherent in their underdevelopment. These conditions include: gross inequality in wealth distribution, use of political office as a means for wealth creation, conflicting moral codes, the weakness in the enforcement mechanisms of the social and governmental affair, and the absence of the sense of national cohesion. Other precursor identified in the literature for corruption to thrive in the developing nations is the issue of the legitimacy of the institution of government often attributable to the prevalence of cash nexus as well as divergent moral values from the effects of colonialism (Nye, 1967).

Furthermore, the body of literature identifying corruption typology depicting the developing nations include studies by Agbibo (2015), Mbaku (2008), Montinola and Jackman (2002), Olowu (1999), Otusanya (2011), and Sadiq and Abdullahi (2013). The literature therefore has identified four major varieties of corruption particularly in the developing nations. The first is occasional or opportunistic corruption which is clouded in the form of bribery by abusing one's position or with the intention of gaining an undue advantage from the public servant. The second come to the widespread corruption whereby the society directly or impliedly endorses and recognizes it as socially acceptable endeavor. Illegal wealth is celebrated and in some instances revered as one having being achieved greatness in life. The third is what Bambale (2006) classifies as systemic corruption which engulfs almost everyone in an attempt to reap personal benefit at the expense of the state. Thus, looting by top government functionaries and secretly keeping the money abroad are seen very common among the ruling elites in developing nations (Sadiq & Abdullahi, 2013) and hence regarded as a type of corruption in this typology. Lastly and the fourth is the destructive corruption whereby the rich strives to acquire more wealth while exhibiting flamboyant life style capable of provoking chaotic situation in a country. Closely related to this is the misappropriation of public funds in the form of embezzlement of public treasury, looting and diversion of funds meant to execute public projects (Sadiq & Abdullahi, 2013). Equally, money

laundering is considered a class of corruption under this corruption typology, which covers illegal and extra-legal transfer of public funds stolen across international borders.

Conclusion

An attempt was made in this paper to identify and describe the corruption typology discernible in the corruption literature. Corruption is a universal phenomenon virtually affecting every segment of the globe. It is such a complex, contextually sensitive, and secretive phenomenon and as such defying single definition and classification. Therefore the literature is replete with multiple classifications (typology) of corruption. This paper has identified four of these typologies which cover corruption typologies based on individual players, corrupt practices, major classification, and developed and developing nations.

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