Administrative corruption: Ways of tackling the problem

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Abstract

Administrative corruption is a problem with which all world countries have been grappling to a larger or lesser extent. However, its type, depth and scale differ from one country to another just as its effects are different depending on the type of political and economic structure and the level of a nation’s development. Anyway, corrupt leads to decadence, pits the policies of a government against a nation, squanders national resources and reduces the efficiency of governments in running the country’s affairs. This erodes people’s trust in government and non-government organizations and increases indifference and inefficiency in society. Corruption undermines beliefs and moral values in the society, increases costs of implementing projects and hampers the growth of competitiveness. Nowadays, administrative and financial corruption poses a challenge to the international community. Governments around the world are well aware that the corruption is highly detrimental and knows no limits. The problem could cripple a nation’s economy, hamper development, undermine the rule of law and lead to other threats to national security such as extra-national crimes (Afzali, 2011). The present study aims to shed light on the factors breeding administrative corruption as well as their root-causes and also to explore ways of countering the problem in order to reduce its impact. Carefully studying the root-causes of corruption helps identify the factors conducive to the problem. This helps minimize the side-effects of corruption through appropriate management approaches.

Introduction

The term “administrative corruption” versus “administrative integrity” has long drawn the attention of scientists and organization experts. The scientists and experts have been trying to tackle administrative corruption by offering definitions compatible with organizational principles. Bribery and abusing one’s position for private gain can be considered as the common aspect of the definitions. The consequences of administrative corruption appear in the form of such problems as abusing one’s position, bribery and embezzlement, fraud, nepotism (favoritism), injustice, blackmail, leaving the client (beneficiaries) dissatisfied, stealing the property and assets of the organization, selling secret information of the organization, etc. These crimes could take place individually or on a group basis or in an organized way. There are a broad range of factors leading to administrative corruption and cause the problem to spread potentially or actually. Based on those factors, we can devise methods that would play more effective a role in eliminating or at least minimizing administrative corruption in any organization. If we consider the organization as a system, it consists of different subsystems. A key subsystem is human resources. While fighting administrative corruption, focusing on factors directly related to human resources can play a pivotal role in eradicating the problem. Hence, one can refer to the key role that sound management of human resources play for that matter (Mahmoodi, 2011).

Review of Literature

Administrative corruption

Corruption derives from the Latin word “rum-pere” meaning breaking. Hence, corruption hap-
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pens when something is broken or breached. That something may be ethical rules or laws or administrative regulations. World Bank and Transparency International have defined corruption as “the abuse of entrusted power for private gain”. There is a global consensus over the definition and it has been presumed that a set of rules and regulations exist that set a framework for permitted administrative activities. Any administrative act in breach of the rules and regulations that designed for private gain would be deemed as an example of administrative corruption. It is obvious that this definition will be comprehensive if its borders are clear and inclusive. Corruption in any society is relative and is defined according to the value system of that society. World Bank and Transparency International define administrative corruption as follows: “the abuse of entrusted power for private gain or for family relations and interests” (Jalilkhani, 2010; Nosrati, 2011).

Administrative corruption in countries with different political systems

Corruption has existed ever since the emergence of human civilizations and governments have been grappling with abuse cases by state authorities. Such crimes as embezzlement, bribery and forgery are not new and are as ancient as governments. Over the past centuries, there has been a reverse relationship between the appropriate use of power and the expansion corruption. This means that whenever power is used appropriately, corruption is reduced. (Jalilkhani, 2011; Nosrati, 2011) In one-party or authoritarian regimes, lack of freedom of speech and freedom of the press as well as non-existence of rival political parties lead to deeper damage by administrative corruption and provide many opportunities to commit acts of graft in contrast to multi-party and democratic systems. Political parties, as pillars of democratic societies, can help control the bureaucratic machines of those societies, thus limiting the scope of corruption. Parties in democratic systems have a range of tasks including: institutionalizing political life, selecting politicians, organizing demands of citizens, adapting special interests with public interests, and helping shape the government policy. If performed properly, these tasks will help reduce corruption in a society. (Farhadi Nejad, 2011) The political systems, which claim they are legitimate and consider themselves guardians of ethical and moral values, tend to strictly censor the news about corruption within the regimes and their dealing with different issues is not such as to leak to the media. They publish offenders in such a way that they would not attract the attention of the public and the press. Instances are geographical relocations, change of posts, etc. This is while the governments which are not interested in such slogans certainly tackle corruption more effectively. The economies which are state-run are more vulnerable to corruption. In other words, the government’s interference in economic activities is a factor that makes the level of corruption different from one society to another. Vitotnzi is one of the experts who believe optimal free market must certainly reduce corruption at the end of the day (Farhadi Nejad, 2011).

Gap between the classes, distribution of wealth, income resources, tax rates, inflation rate, the government’s financial power to meet the needs of its workers, etc. all lead to the formation of different layers of corruption in a society. (Farhadi Nejad, 2011). The development of communications technology, advanced financial systems, an upgraded educational and welfare system and enhanced management and accounting skills are all reasons why the scale and type of corruption differ in developed and developing nations as they move towards their development goals (Farhadi Nejad, 2011).

The cultural fabric of a society also directly affects the type and severity of administrative corruption. In developed nations, formal relations and the rule of law over relations between people or organizations and the role and place of government as well as the developed concepts of social life makes it difficult for corruption to be rampant (Farhadi Nejad, 2011). The political system and methods of rent-seeking in each system are worthy of attention and have been shown briefly in the following table (Farhadi Nejad, 2011).

<table>
<thead>
<tr>
<th>Types of political regime</th>
<th>Rent-seeking pattern</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak despotic regime</td>
<td>Competitive corruption</td>
</tr>
<tr>
<td>Strong despotic regime</td>
<td>Monopolized corruption</td>
</tr>
<tr>
<td>Altruistic monarchy (patriarchal)</td>
<td>Legitimate corruption</td>
</tr>
<tr>
<td>Weak democracy</td>
<td>Political corruption</td>
</tr>
<tr>
<td>Pragmatic democracy</td>
<td>Rent-seeking by beneficiary groups</td>
</tr>
</tbody>
</table>
Administrative corruption rankings for world countries have been shown in the following table. The healthiest countries are given a score of 10 and the most corruption ones are given 1. The following table shows five healthiest and five most corrupt countries (Farhadi Nejad, 2011).

Table 2. Administrative corruption rankings for some countries.

<table>
<thead>
<tr>
<th>Country</th>
<th>Ranking</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>1</td>
<td>9.94</td>
</tr>
<tr>
<td>Finland</td>
<td>2</td>
<td>9.48</td>
</tr>
<tr>
<td>Sweden</td>
<td>3</td>
<td>9.25</td>
</tr>
<tr>
<td>New Zealand</td>
<td>4</td>
<td>9.23</td>
</tr>
<tr>
<td>Canada</td>
<td>5</td>
<td>9.10</td>
</tr>
<tr>
<td>Pakistan</td>
<td>48</td>
<td>2.53</td>
</tr>
<tr>
<td>Russia</td>
<td>49</td>
<td>2.27</td>
</tr>
<tr>
<td>Colombia</td>
<td>50</td>
<td>2.23</td>
</tr>
<tr>
<td>Bolivia</td>
<td>51</td>
<td>2.05</td>
</tr>
<tr>
<td>Nigeria</td>
<td>52</td>
<td>1.78</td>
</tr>
</tbody>
</table>

**Transparency International Report**

Transparency International reported in 2005 that among 159 world nations Iran ranked 93rd in terms of avoiding corruption by its government and political officials, which was five grades down compared to the previous year when it ranked 88th. Each year, Transparency International announces the rankings of world countries in terms of financial corruption. The report was based on 16 researches by 10 international bodies. Transparency International ranks nations from 1 to 10 with regard to their fight against corruption. 10 show the lowest level of corruption and 1 the highest level. Iran scored 2.9 out of 10 in 2005, which showed no changed compared to the previous year. The changing range of financial corruption ranking was between 2.3 and 3.3. Transparency International says the ranking of corruption index among 70 countries (almost half of world nations under study) was less than 3. This shows that the countries are grappling with acute corruption (Jalilkhani, 2011; Nosrati, 2011).
corruption, experts have offered different and sometimes similar definitions of the phenomenon. For instance, James Scott believes that administrative corruption refers to a behavior by which an individual acts outside the framework of a government post’s functions for private gain and in order to achieve better welfare and a better position (Farhadi Nejad, 2011). Samuel Huntington’s definition of administrative corruption is more comprehensive than other ones. According to Huntington, administrative corruption refers to a set of behaviors by a group of public servants who ignore the rules and regulations to achieve non-organizational goals. In other words, administrative corruption is an illegitimate tool to satisfy illegal needs (Farhadi Nejad, 2011).

I. **Macro dimensions**
   A. Social factors:
      1. Deep gap between the classes (rich/poor)
      2. Increasing unemployment
      3. Lack of social order
      4. Gap between social classes
      5. Values and norms dominating individuals and society as well as beliefs of people like materialism, individualism, consumerism, offenses becoming routine in organization and society and above all lack of religious faith and working conscience
   B. Economic factors
      1. High discrepancy between income of government and private sectors
      2. Unequal distribution of wealth and monopoly
      3. Concentrated economy/government bureaucracy
      4. Low economic growth
      5. Lack of proper foreign investment
      6. Problems caused by subsidies/making subsidies targeted
      7. Inequality in salaries and benefits of employees who are at the same level across different organizations
      8. Lack of congruity between living standards of employees and their social status
      9. Economic problems of employees and incongruity between their incomes and expenses
   C. Political factors
      1. Inappropriate power-sharing
      2. Level of political freedoms and freedom to criticize the ruling class
      3. Level of political stability
      4. No political will to fight corruption
      5. Non-existence of independent political parties and organizations which would monitor the activities and performance of the government and lack of a healthy political atmosphere in which political groups can compete
   D. Government
      1. Government’s inability in organizations to deal with corrupt founders
      2. Lack of genuine participation on part of people in running the country’s affairs
      3. Non-existence of any monitoring of the government’s performance
      4. Expediency and failure to seriously deal with corrupt seniors managers
      5. Chaotic situation and lack of cohesion in watchdog bodies
      6. No strict rules for watchdog bodies
      7. Lack of an organic relationship between country’s bodies and organizations

II. **Micro dimensions**
   A. Human resources
      1. Client’s dissatisfaction
      2. Lack of coordination between personnel and clients
      3. Lack of information about the job of employees due to the complicated nature of the work
      4. Vagueness of job description of employees from the viewpoint of clients
      5. Passing clients from one room to another (complex bureaucracy) and complexity of the organization and confusion of employees
   B. Clients
      1. Clients’ dissatisfaction
      2. Lack of coordination between personnel and clients
      3. Lack of information about the job of employees due to the complicated nature of the work
      4. Vagueness of job description of employees from the viewpoint of clients
      5. Passing clients from one room to another (complex bureaucracy) and complexity of the organization and confusion of employees
   C. Management
      1. Lack of proper management of human resources (inappropriate attraction and keeping)
      2. No separation between political and executive posts
3. Poor expert knowledge among managers
4. Lack of management stability (no job security for managers)
5. Expediency and failure to deal with corrupt senior managers
6. Ineffective management at organizations
7. Financial corruption
8. Managers having multiple jobs
9. Abuse of information for private gain
10. Lack of obligation for human resources to properly use resources and abide by the rules and regulations

D. Structure/organization/jobs
1. Non-existence of meritocracy/no expert personnel occupying related posts
2. Lack of proper payment system based on performance
3. Non-existence of incentive system to motivate personnel
4. Inefficient administrative system
5. Complicated administrative bureaucracy
6. Unfair use of resources (unfair distribution of resources)
7. Favoritism/discrimination in appointments and employment
8. Vagueness of tasks
9. Vagueness of rules and bylaws
10. Complexity of administrative organization
11. Lack of productivity in organizational structure

12. No reasonable attention to the life of some organizations
13. Lack of ethical policies
14. Employment for life
15. Personnel having no knowledge about their tasks and responsibilities
16. Lack of coordination among different administrative units and departments
17. Lack of an efficient educational system
18. Low quality working life
19. Non-existence of proper accountability and transparency within the organization
20. No rules for respecting the clients in an effective and operational manner
21. Poor working culture
22. Lack of an accurate monitoring system
23. Too many complicated guidelines
24. Lack of remote control system
25. Existence of a rampant culture of administrative corruption so that appointments are all based on nepotism
26. Unnecessary competition among employees
27. No proper behavioral criteria for the performance of human resources

Root-causes of administrative corruption

The most common root-causes of administrative corruption are:

Gross discrepancy between income of employees and their living expenses: One of the most common root-causes administrative offenses is that their income cannot adequately cover their expenses. A research conducted in 1992 in three ministries assessed the discrepancy between income and living expenses of the employees. The results showed that the income was on average 50.3% less than the amount needed to cover the expenses. This means that the income of the employees could only cover half of their expenses (Farhadi Nejad, 2011).

Family relationship (favoritism): In oriental countries including Iran and many other developing nations where traditional values rule the relations between people, family relationship is one cause behind administrative corruption. If a person is appointed to a post in Iran, his relatives expect him to prefer family relationship to rules and regulations. If that person fails to meet this expectation, he will not be viewed positively in the society. Under such circumstances, one cannot expect the public sector workers to easily act in accordance with rules and regulations. Moreover, it’s near impossible to establish a healthy bureaucratic system in such societies (Farhadi Nejad, 2011).

Government’s interference in running the country’s affairs: Studies show that the more a government interferes in running the affairs, the more vulnerable a country to corruption will be. It is said that corruption is as widespread as the complexity of a government system which has assumed new management and supervisory tasks. (Macaroni, 1996, p. 31) For instance, one can refer to the government’s authority regarding authorization of imports or production of lucrative goods and services. Under such circumstances, the employees whom have been authorized to issue permits will have an opportunity to choose people who have promised to compensate their services. Hence, administrative corruption takes place (Farhadi Nejad, 2011).

Imposing too strict rules and regulations and putting restrictions on the private sector: When there are more rules and regulations than needed, citizens are tempted to skirt them. On the other hand, corrupt employees behave in such a way as to convince the clients that rules and regulations
are obstacles hamper his legal work. Thus, administrative corruption comes about as a result of implicit and explicit agreement between the employees and the clients. The quality and quantity of rules and regulations play such an effective role in the expansion of administrative corruption that an expert says: “I do not think that corruption can exist without government rules and regulations.” (Farhadi Nejad, 2011)

Lack of sensitivity to ethics in society: The degree to which a society is sensitive to ethics is a decisive factor in the scale of administrative corruption. Firstly, the psychological and moral costs of administrative offenses are too high in a society where ethical standards are high. Secondly, chances are high that in such a society administrative offenses would be detected and the price would be too heavy.

Rising trend of urban living: An increasing number of people tend to live in cities because demand is so high for government services and the private sector is developing. As a result people want their legal work to be expedited. On the other hand, bureaucracy and public activities are rife. All these have helped increase the number of opportunities for administrative corruption.

The supervision and punishment activities of the government: Effective supervision is a key factor in preventing wrong-doing. However, ironically enough, supervision per se fuels corruption. One reason behind people’s desire for corruption is the strict supervision over the public sector’s activities by watchdog bodies. This includes: monitoring the issuance of permits, imposing fines for offenses, supervising government purchases, investments, finances, etc (Farhadi Nejad, 2011).

Security in a corrupt climate: “Corruption breeds corruption” is one of the most to-the-point sentences in the graft literature. This is because the scale of corruption and the areas infested with the problem are very conducive to expansion of corruption. In an atmosphere polluted with corruption opportunities abound for graft and there is a high risk that people get involved. This means that indecent activities become rampant among corrupt employees and clients.

Results and Discussion

Administrative offenses

Administrative corruption means that the employees of an organization with different jobs and responsibilities would fail to abide by rules and regulations, by laws, workings, norms and procedures generally or individually and intentionally or inadvertently. Administrative corruption hampers service providing by an organization and stains its credibility and reputation. Administrative offenses are in some respects different from administrative-financial corruption. Administrative-financial corruption is a phenomenon that is caused by frequent offenses by employees and prevents an administrative system from functioning in an effective and efficient manner as expected. In fact, administrative offenses pave the way for financial-administrative corruption. Not all offenses lead to financial-administrative corruption, though. Such offenses must have a set of features including frequency, persistence, being institutionalized and having a deep impact across the organization. According to Article 8 of Administrative Offenses Law, 38 offenses are considered as administrative offenses. Given the definitions of financial-administrative corruption and the legal meaning of graft, some offenses are examples of financial-administrative corruption (Mahdavi, 2012).

Types of administrative corruption

Administrative corruption refers to a condition within administrative system which is caused by frequent offenses by the employees and is far-reaching. This finally prevents the system from functioning effectively and efficiently. These offenses which lead to administrative corruption are of different types. The most common offenses are:

- Financial corruption which itself is of several types like bribery, embezzlement, graft in government purchases form the private sector, and graft in government contracts with contractors E-tax fraud
  - Using government property for personal use
  - Skip the job, fake mission reports, spending time at workplace for things unrelated to one’s job
  - Stealing public property by employees
  - Consuming more than needed
  - Preferring relationships to rules and regulations
  - Corruption in terms of identifying and in fighting offenses (tolerance of corruption)
  - Corruption in terms of offering government goods and services
  - Corruption in terms of issuing permits for economic and social activities
  - Employment corruption (failure to observe rules and criteria of meritocracy while selecting people or promoting them in the organization.) (Farhadi Nejad, 2011)
A political researcher Hayden Hymer divides administrative corruption into three types: black, gray and white. Black administrative corruption is something that is abhorrent to the masses and political elite and the perpetrator must be punished. One instance is accepting bribes in exchange of skipping safety standards for housing. Gray administrative corruption is something that is abhorrent to the majority of the elite but the masses are indifferent to it. An example is negligence on part of employees regarding the implementation of rules that are unpopular with people but the elite believe they are necessary. White administrative corruption is something that on the face of it goes against the law but most members of the society (the elite and most ordinary citizens) do not deem it as detrimental and significant as to demand punishment for the perpetrator. An instance is turning a blind eye to violations of rules that have been rendered unnecessary by social and cultural changes (Jalilkhani, 2011; Nosrati, 2011).

Examples of administrative corruption

There are 10 instances of administrative corruption which are very important for organizations:

• Giving an unreal report about the performance of the organization
• Discriminatory behavior towards the clients
• Influencing the employment of human workforce in companies with which the organization has entered into a contract
• Influencing the giving of discounts or waiving fees that must be paid according to rules and regulations
• Influencing the issuance of permits without observing the rules and regulations
• Nepotism and preferring relationships over rules
• Unlawful use of state property such as vehicles, government houses, etc.
• Using influence in employment and promotion of employees while they do not have the necessary qualifications
• Using one’s influence to speed up the legal procedures
• Pushing for providing illegal services

One of the most important problems faced by the administrative system, which is also a gross example of administrative corruption, is nepotism or favoritism. This means influential people use their influence without which administrative procedures sometimes do not proceed smoothly. The illegal tradition is used as a routine method to prevent the implementation of some administrative rules and bylaws for some privileged members of society (Mahdavi, 2012).

Implications of administrative corruption

Administrative corruption throws the composition of government budget into confusion and pushes it towards complicated, unjustified projects and huge investments that cannot be monitored accurately. Administrative corruption erodes the efficiency of the administrative system in the long run through employment corruption and the employment of human workforce which lack merit. Corruption slows down economic growth because it discourages national and foreign investors. Studies show that investment in a relatively corrupt country incurs 20% extra tax on investment compared to a non-corrupt country (Farhadi Nejad, 2011). Corruption undermines the legitimacy and effectiveness of governments, jeopardizes the stability and security of countries and tarnishes the values of democracy and ethics. Thus, it prevents the society from achieving political and social growth (Farhadi Nejad, 2011).

• Squandering resources through damaging the policies of the government at the expense of the interests of the majority
• Foiling the government’s efforts to reduce poverty and discrimination and prevent growth of competition
• Social losses and the undermining of existing bodies; political losses and unfair allocation of resources; and political losses and unfair allocation of resources and economic losses
• Reducing the effectiveness and legitimacy of governments and undermining the democratic values and ethics
• Obstructing sustainable development due to an increase in costs of dealings and a decrease in the possibility of economic forecasts
• Undermining people’s belief in their ability and the government’s political will

Ways of tackling administrative corruption

Employees and citizens who get involved in an act of corruption assess the costs and benefits of the act. Therefore, administrative corruption can be effectively controlled through methods which would somehow reduce its benefits and increase its costs. This method is referred to as fighting corruption within the framework of the supply and demand
model. Hence, effective methods used to tackle corruption must have at least one of the following results:

- They would reduce demand for administrative corruption.
- They would increase corruptive services for corrupt employees.
- They would increase chances of corrupt people getting arrested.

Before devising a model to tackle administrative corruption, we need to have knowledge about the different factors affecting the level of graft in a country including:

- The role of the government and the levers used for this purpose
- Social and cultural features of the country
- Nature of the country’s political structure
- Ways of dealing with administrative corruption by the judicial system (Farhadi Nejad, 2011)

There are some measures which can reduce demand for services tainted with administrative corruption like the following:

De-regulating: One reason why people or the private sector resort to illicit actions is unnecessarily complicated rules and regulations. Thus, de-regulating, that is, the elimination or reduction or change of administrative rules and procedures for the purpose of facilitating the work in different social and economic fields, can help reduce demand for corrupt activities.

Promoting public awareness: Poverty and lack of knowledge and education are key factors in breeding administrative corruption (lack of knowledge and education seems to be more dangerous); therefore, promoting public awareness about the harmful effects if administrative corruption on social, economic, political and cultural aspects of life and promoting public understanding of the need to fight corruption are, among others, optimal ways of checking demand for administrative corruption.

In addition, there are some measures which can reduce the supply of corruption by employees:

Modifying the administrative system: Implementing reforms in government organizations including the reform and enhancement of the structure of organizations, improvement of budgeting system, effective financial management, efficient tax system and the likes can help reduce supply of administrative corruption. These reforms should modify the monopolized power of employees for decision-making, minimize a direct contact between the clients and the staff, speed up the legal procedures and prevent long-term relationships between the employees and the clients.

Preventing employment corruption: Employment corruption means discrimination and inattention to meritocracy criteria in choosing, appointing and promoting the employees, which prepares the ground for the growth of corruption. This leads to the creation of informal networks with the organization and increases the supply of corruption by reducing the costs of administrative graft. Using a concentrated selection and transparency system for choosing employees and also installing logical mechanisms for appointments and promotions within the organization can limit employment corruption and its implications (Farhadi Nejad, 2011).

Increasing salaries and benefits of government employees: Studies show that the majority of administrative offenses stem from economic hardships. Thus, improving the economic conditions of employees will automatically help control part of the administrative corruption.

De-politicizing the administrative system: Given the fact that each type of administrative corruption stem from special circumstances, de-politicizing the administrative system can help reduce some types of graft caused by political interferences and considerations.

Public monitoring of government bodies: In order to realize accountability, all organs of civil society including parties, populations, and labor and staff unions and, in particular, mass media should be able to monitor the conduct of the public organizations. Generally, sustainable development requires formal and informal deterrent mechanisms which hold the government and government officials accountable for their actions (Farhadi Nejad, 2011).

Establishing independent bodies to fight corruption: Although studies and opinion polls across the world show that people are not optimistic about the long-term efficiency of such organizations, the bodies can be used as a powerful tool. This highlights the long-term and proper commitment of the government to fighting corruption. However, some mechanisms are also needed to counter possible political abuse of the tools (Farhadi Nejad, 2011).

Further, there are some measures which would simultaneously reduce the supply and demand of corruption:

Encouraging employees and citizens to tip off and whistle-blow on wrongdoings: If decent citizens and employees have the necessary motivation to re-
veal offenses, the costs of administrative corruption will increase for both sides and this helps reduce the supply and demand of administrative corruption.

Freedom of the press: If we accept that information dissemination is the number one enemy of corruption and that a powerful mechanism for giving information about corruption are the media, then freedom of the press will have significant effects on minimizing the expansion of administrative corruption (Farhadi Nejad, 2011).

Conclusion

Administrative corruption is a phenomenon that in the modern world acts as a major obstacle in the way of social development. Administrative corruption can irreparably damage the development process of a nation. The role of different factors in breeding corruption has given the phenomenon a complicated nature. As a result, many of the government programs to fight corruption have failed. Therefore, administrative corruption has not been eradicated to date despite numerous reform programs and rules which have been implemented to combat the problem. Now the question is: Why efforts to solve the problem have failed? Undoubtedly, the reason behind the failure is not a shortage of rules and regulations. As we know, the rules and regulations aimed to prevent the squandering of government financial resources are so detailed that they mostly end up slowing down the implementation of organizational programs and achieving its goals. Despite this, administrative corruption and abuse of public financial resources are still a challenge facing our administrative organizations. Therefore, we should look for the main root-cause of administrative corruption somewhere else. Socio-cultural, economic, political and administrative factors are main root-causes of the problem (Mahdavi, 2012).

Iran is a country where traditional and religious beliefs are dominant. Most Iranians consider corruption as abhorrent and stress the need for fighting the phenomenon. However, we have been witnessing that rampant corruption has obstructed the way of social and national development and has imposed heavy costs on the country and finally the people. One of the most important costs at the macro-level is deepening the gap between the poor and the rich. This has fostered the belief among the masses that there is no justice in society. Accordingly, people have come to have less and less trust in the social system (as Durkheim puts it “collective conscience”). In other words, people’s psychological control over their behavior weakens. This plays a key role in their vulnerability to corruption. (Jalilkhani, 2011; Mahdavi, 2012) Many programs have been implemented in Iran so far to fight corruption. However, the programs have not been successful. Some of the reasons behind this failure are: 1-Culprits escape justice. 2-Employees are prone to bribery at organizations and those parts of the political and administrative system where fighting corruption is needed. 3-Corruption plays a positive role for the administrative elite and influential groups for whom the administrative system works as a system for the re-distribution of incomes in their favor. 4-Anti-corruption programs and government watchdogs are not systematic and consistent. 5-Emphasis is put on the punishment of offenders instead of implementing preventive measures to keep relevant authorities from susceptibility to corruption.

To eliminate or reduce administrative corruption, we need all-out programs. By affecting the public culture of society and its aspects like organizational culture and management (as a phenomenon that directly affects social culture), these programs should set prevention of corruption as its objective instead of drawing up punitive measures. Therefore, if the organization’s members are decent and cultivated, purging the organizational environment will be faster and will turn into a constant process. Meanwhile, if the dominant organizational and management rules are not in line with a group’s interests and do not treat special people in a special way, people will avoid discrimination. Finally, fighting corruptions calls for a careful planning for all-out knowledge. For this purpose, we suggest that a research group with expertise in economy, management, sociology, law and finance be formed and study the root-causes of financial and administrative corruption and explore ways of fighting it scientifically (Mahdavi, 2012).

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