The Curse Of Corruption In Zimbabwe

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Abstract: Corruption is very harmful and unacceptable. It is one of the major obstacles to sustainable economic growth and development. Corruption has a negative effect on every sphere of any economy. This is what many people think. We used to think so too! But, guess what? There is sufficient empirical evidence supporting the fact that corruption is not always harmful to the economy. In fact, there are some instances where corruption can be indeed fruitful, though; not, generally acceptable. Debatable, as it sounds; and yet this is the reality. Although the study neither recommend nor encourage corruption so far, the study still maintains its hyperopic view that corruption is not always harmful to the economy. In fact the research strongly argues that corruption, especially in Zimbabwe; has been and continues to be a blessing in disguise!

Keywords: Bribery, Corruption, Embezzlement, Transparency, Zimbabwe

1. Introduction

“With the Zimbabwean economy in the doldrums corruption has become an accepted and almost expected way of doing business especially in the public sector. If a civil servant still goes to work today it is not because of salary but the opportunities to enhance his or her paltry income with corrupt acts using the organization’s resources”-[1].

Corrupt practices are not an issue that just begins today; but its history is as old as the world [2]. Corruption is everywhere. In developed countries there is corruption, in developing countries like Zimbabwe, corruption is there too. The probability of finding a country where there is no corruption is synonymous to the probability of experiencing a “cold day in Hell”. In Zimbabwe, no doubt, corruption is one of the many unresolved problems that have seriously hobbed and skewed economic growth and development. In the same line of argument, [3-6], assert that, in development discourse; corruption is observed as a major obstruction to the promotion of sustainable economic growth and sociopolitical development of Zimbabwe. Corruption, as noted by [7], has risen to unprecedented levels in Zimbabwe. In fact Zimbabwe is amongst the world’s top 25 most corrupt counties in the world! This is confirmed by [43] whose investigation indicates that Zimbabwe is ranked 154th nation out of 175 countries, in terms of the Corruption Perception Index. We, however, reject the idea that corruption is always harmful to the economy on the basis that it is a problem. There are some instances where corruption “greases the wheels” and improves inefficient and bureaucratic systems.

Corruption refers to the dishonest or preferential use of power or position which results in one individual or organisation being advantaged over another. Corruption refers to efforts to secure wealth or power through illegal means for private gain at public expense; or a misuse of public power for private benefit. Corruption refers to the violation of formed rules governing the allocation of public resources by officials in response to offers of financial gain or political support. Corruption is behavior by public officials that harms or undermines the interests of the public; or a misuse of public power for private benefit. Corruption is behavior that devastates from serving the common good, suggesting that it is an embodiment of a state’s original norms and
Corruption is the abuse of public office or private office for personal gain. 

Corruption is the behaviour which deviates from the normal duties of a public role because of private-regarding pecuniary or status gains; or violates rules against the exercise of certain types of private-regarding influence. 

Corruption is accepting money for doing something that one is under duty to do or that one is under the duty not to do. 

Corruption is an anti-social behaviour conferring improper benefits contrary to legal and moral norms and which undermines the authority’s ability to improve the living condition of the people. 

Corruption is the misuse of public office, power or authority for private benefits through various means such as extortion, bribery, nepotism, influence peddling, fraud, speed money or embezzlement. 

However, corruption can also be operationally defined as the destruction of anything from original form of purity by means of bribery or favor for one’s private gain. 

**3. TYPES OF CORRUPTION**

**Bribery**

Bribery is often described as the most common and frequently occurring corrupt practice [36-37]. Bribery is a payment, in money or in kind, that is given or taken in a corrupt relationship. A bribe is (or could be) a fixed sum, any favour in money or kind or certain percentage of a contact on behalf of the state or otherwise distribute benefits to individuals, businessmen or clients. These are payments, demanded and or needed to speed up matters, make it progress more swiftly and or favourable through the government bureaucratic machinery [38]. Bribery refers to consideration, giving an inducement to influence conduct in one’s favour, contrary to standing procedures and regulations [39]. Bribery is an act of offering somebody money or other goods for the purpose of persuading him or her to do something in return [40]. Air Zimbabwe Company bought unsuitable aircrafts which were meant to service domestic routes without proper evaluation, allegedly after senior officials had received bribes from a Dutch Aircraft Company to influence the decision to purchase such aircrafts. The engines of these aircrafts were not designed to operate on high temperatures that are normally experienced in Zimbabwe [41]. According to the Global Corruption Barometer (2013), about 60% of Zimbabweans who accessed public services paid bribes to access the services or speed up transactions.

**Fraud**

Fraud involves manipulation, distortion of information, facts and expertise by public officials who seek to draw private profit [38]. According to The Black’s Law Dictionary, there are basically three types of fraud and these are: actual fraud, criminal fraud and bank fraud. The Black’s Law Dictionary provides the following definitions for these types of fraud: actual fraud is a concealment or false misrepresentation through a statement or conduct that injures another who relies on it in acting. Criminal fraud is fraud that has been made illegal by statute and that subject the offender to criminal penalties such as fines and imprisonment. Bank fraud is the criminal offence of knowingly executing or attempt to execute, a scheme or artifice to defraud a financial institution or to obtain property owned by or under control of a financial institution by means of a false or fraudulent pretense, representation or promise. A typical example of fraud, is highlighted by [41], who states that in 2006, the Zimbabwe United Passenger Company (ZUPCO) board of directors was involved in fraudulent dealings with a foreign company that supplied the enterprise with small passenger buses. These small buses were earmarked for servicing urban routes. The chairperson of the board, amongst others, received bribes in order to favour the company that supplied buses although they were not suitable for the required operations.

**Embezzlement**

Embezzlement refers to cases in which property is taken by those to whom it was entrusted. Embezzlement involves the taking or conversion of money and other valuable items such as property by those who are not entitled to them but who have access to it by virtue of their position [42]. The National Oil Company of Zimbabwe (NOCZIM)’s resources were used to enrich ministers and public officials; one example, is the diverting of fuel products that include diesel, petrol and lubricants which were meant to benefit farmers and deserving public to the black market [41].

**Extortion**

Extortion is an act of utilizing one’s access to a position of power and knowledge, either directly or indirectly, to demand unmerited cooperation or compensation as a result of coercive threats [43]. Extortion relies on coercion to induce cooperation, such as threats of violence or the exposure to sensitive information [44].

**Abuse of power**

Abuse of power is the improper use of authority by someone who has that authority because he or she holds public office [45]. A classic example of this kind of corruption has been noted by [41]. In 2003, Zimbabwe School Examinations Council (ZIMSEC), senior management crafted a policy which saw seven senior managers acquiring a vehicle each every four years of their employment at zero book value [41].

**Nepotism / Favoritism**

Nepotism and favoritism are actually two different concepts. However, they are usually used interchangeably, because the meaning or implication of the other may concur or compliment the other in one way or the other. Nepotism, as noted by [40], is a special form of favoritism, which is defined by [40] as the granting of positions and or benefits to relatives and friends regardless of their abilities. According to the [44], nepotism takes place when officials favour relatives or friends for positions in which they (the officials) hold some (or sole) decision making authority. A good example of such corruption in Zimbabwe has been noted by [41], in which a Zimbabwe Schools Examination Council (ZIMSEC) official awarded business contracts to unqualified bidders.
and in most cases these unqualified bidders were companies or organisations of their friends and relatives. In the Zimbabwean scenario, the above types of corruption are summarized by [46] using simple statistics:

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage (%)</th>
</tr>
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<tbody>
<tr>
<td>Bribing</td>
<td>34%</td>
</tr>
<tr>
<td>Nepotism</td>
<td>14%</td>
</tr>
<tr>
<td>Embezzlement</td>
<td>22%</td>
</tr>
<tr>
<td>Fraud</td>
<td>16%</td>
</tr>
<tr>
<td>Extortion</td>
<td>10%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source of data: [46]

As shown in the pie chart above, bribing is the most prevalent type of corruption in Zimbabwe, followed by embezzlement, which is followed by fraud. Nepotism and extortion have 14% and 10% respectively; while only 4% is accounted for by other types of corruption besides these six most common ones. It is imperative to note that bribing takes the lion’s share. This could be attributed to bureaucracy, especially in the public sector.

4. CAUSES OF CORRUPTION

Regulations and authorisations
In most countries and especially in developing countries like Zimbabwe, the role and functions of the state are executed through the use of a myriad of rules and regulations. For almost every action or transaction, licenses, permits and authorisation of some sort are required and in some cases, different government offices are involved to ensure that the activity (ies) is lawful. Regulations and authorisations, according to [27], provide a monopoly to officials who have authorising and inspection power. Officials might be reluctant to issue authorisations and might even delay the decision process for months on end. Therefore, such officials can use their public power to exert bribes from those applying for permits or authorisation. Some individuals become middlemen or facilitators in the permit chain. In many cases some of the regulations are non-transparent, not even publicly available and authorisation is vested in a specific office or individual. The absence of competition in the granting of authorisations, bureaucrats are being given a great amount of power and ample opportunity to exert bribes.

Institutional controls
The existence and application of institutional controls normally reflects on the political attitude towards the phenomenon. Countries with weak mechanisms of control and accountability coupled with an underdeveloped civil society, have found it very difficult to have a proper check on corruption. The afore-mentioned aspect is particular relevant in times of transformation when management is new (relatively inexperienced), tensions are high and relationships of trust still has to be established [24]. Corruption can actually be regarded as an institutional phenomenon; it is characterised by weak rules, too much discretionary powers and lack of transparency.

Transparency of rules, laws and processes
Rules define the standards on how people interact with each other and it places constraints on the behaviour of individuals and that of the group and broader collective. Rules, however, do not in themselves preclude the possibility of corrupt activities and yet the absence of such rules creates the ideal conditions for corruption and conflict of interest. The lack of the rule of law and administrative predictability, as noted by [50], contributes to corruption in Africa. In trying to explain this phenomenon, [50] note that the predictability and the rule of law are characterised by policies, procedures and regulations which are developed and implemented according to a set process and it (or should) presents ample opportunities for review. Formal bureaucratic organisations (parastatals), just like in Zimbabwe, are captured by the ruling party which uses and/or interferes with the powers and functions of government for gain. Circumstances like these afford considerable discretion in decision-making and
produces irrational decision-making, which might be both unprocedural and illegal. Corruption thrives in an environment where there is selective application of law and where enforcement of the law is mainly used as a strategy for furthering private interest instead of the broader public interest. However, in Zimbabwe, causes of corruption also include but are not limited to low civil service salaries, poor working conditions and lack of transparency. [6], argues that the approach taken by the Zimbabwe government with regards to civil servants’ salaries influences the prevalence of corrupt activities. Civil servants, as noted by [51-52] and [6], get meagre salaries which drive them to seek extra income from services they provide. Similarly, [53], also notes that it is commonplace in Zimbabwean politics for civil servants to demand bribes in exchange for their services. In Zimbabwe, corruption is now a normal thing, most people accept it. In fact, most Zimbabwean leaders, especially political and religious leaders, have a history of setting bad examples of self-enrichment and extravagance at the expense of public ethics. Several authors such as [54-55], [7] and [56] agree that corruption is regarded as a normal thing in Zimbabwe. Hence corruption in Zimbabwe is now taken as a norm despite various anti-corruption initiatives that have always been put in place by the government. [3] and [57], points out that the problem of corruption in Zimbabwe is related to the climate of unethical leadership and bad governance which in turn has generated a situation in which corruption has flourished. [58], states that there are some MPs, Councillors and government bureaucrats who think that they should make the most out of the present political arrangement because there is no guarantee they will retain their positions when a new government is elected into office in the next elections. National leaders, as noted by [3] and [57], are unethical due to their roles and conduct in plundering resources meant to benefit the country as a whole. A classic example of this scenario, according to [59], [41] and [60], is the land repossession of the years 2000-2005.

5. EFFECTS OF CORRUPTION

Negative Effects of Corruption

High transaction cost
The most terrible effect of corruption in Zimbabwe, which has always been lamented by the business community; is the increased cost of transaction; which is mainly attributed to the fact that in a highly corrupt society, resources are required not only to measure the features of a good or service in economic exchange but also to define and measure the rights that are transferred and to protect these rights by policies and enforcing agreements. Developing countries such as Zimbabwe have low levels of information transparency; there are rather high levels of information asymmetry. Property right are weakly defined and protected in Zimbabwe. These are some of the reasons why it is difficult to set up a business and or invest in Zimbabwe; transaction cost is meaninglessly high. It is imperative to note that this situation gives much leeway to bureaucrats, to frequently use their arbitrary power to create delays and barriers in granting licenses and permits in order to collect more bribes.

Positive Effects of Corruption

Bureaucracies in developing countries such as Zimbabwe are sometimes indifferent to the desires of economic agents (investors and or entrepreneurs) wanting to carry on economic activities. This usually happens when the government has other priorities. Such a situation, as strongly argued by [8], is quite likely in the absence of effective popular pressure for economic development, or in absence of effective participation of business interests in the policy making process. In fact, when a government turns a blind eye on the economic growth and development agenda, it may be reluctant to move actively in the support of economic activity. Bureaucracies in developing countries such as Zimbabwe are usually oriented towards maintaining their political legitimacy. All economic activities are served for this purpose. The bureaucracy, as noted by [61], plays an extensive interventionist role in the economy, and its consent or support is a sine qua non for the conduct of most economic enterprise. [61], goes on to argue that when bureaucrats are indifferent to business and/or have other priorities, corruption works like piece-rate pay for bureaucrats, which induces a more efficient provision of government services, and it provides a leeway for entrepreneurs to bypass inefficient regulations. In this case, there is no doubt, corruption indeed has positive effects on productivity. Corruption, according to [61], also maintains efficiency by offering contracts to the lowest-cost firm, hence promotes economic growth. It is imperative to note that licenses and favors are actually scarce. Therefore, they are allocated by competitive bidding among entrepreneurs. Because payment of the highest bribes is one of the major criteria for allocation, the ability to collect revenue is prior. Corruption can be seen as part of a Coasean bargaining process on which a bureaucrat and the private agent may negotiate to an efficient outcome. The corrupt official awards the contract to the highest bidder in bribes, and then allocation efficiency is maintained, because only the lowest-cost firm can afford the largest bribe [61]. The situation would be more complex when incomplete information exists, in other words, the brier does not have full information about the costs and the bribing capacity of competitors. However, the situation can be considered as an n-person symmetric game with incomplete information [62-63]. Assuming suppliers know the bureaucrats’ policy of awarding the contract to the firm offering the largest bribe and suppliers are also assumed to know their own costs, but have incomplete information about competitors [62]. The lowest-cost firm is always the winner of the contract, and thus bribery regenerates the efficiency consequences of competitive bidding procedures under imperfect information [8]. Some degree of corruption may be part of the optimal allocation of resources in the presence of incomplete contracts or on account of market failure [18]. This point of view is partly acceptable on the grounds that illegal payments are required to expedite matters and favorably through the state bureaucracy [64]. By implication, corruption has the potential of producing efficient economic agents and in the long run it virtually enhances economic growth and development. Therefore, corruption, in such circumstances, improves efficiency of economic activities. A classic example of how corruption commences in Zimbabwe is given by [54] when she writes “In Zimbabwe people are often simply told ‘sit there while we try to sort out your problem’
and they are made to wait until business closes down, and then they are told to come back on the next day and the day after that”. This clearly tells you that there is something grossly missing in our country. Food for thought! And our argument is that in face of such adversity, economic agents will resort to corruption in order to speed up their business activities. According to [65], despite being restrictive, corruption can also be economically expansionary. For example, economic agents can bribe (public) officials to evade bad laws. Bad laws hamper investment and growth. In most instances, informal economies, such as is in Zimbabwe, are a result of effective evasions of bad laws. In Zimbabwe, as already highlighted by [66], the informal economy is fast growing as compared to the formal economy. This is precisely attributed to corruption. According to [67], business licensing procedures and restrictions on labour have led to the rise of an informal economic sector outside of the range of government vision. Economic agents favour the underground economy (informal economy) due to its efficiency in both resource allocation and production. Corruption acts like a tax or rate that different people pay to bureaucrats; it also makes government services more efficient and provides a leeway for entrepreneurs to avoid established (weak) rules. From the perspective, corruption acts as a lubricant that smoothens operations and so increases the efficiency of an economy [68]. Corruption is rampant in Zimbabwe, especially in the public sector. However, it is important to note that, as it has been shown, not all corruption is corrupt. Corruption in additional productive transactions is actually fruitful corruption; the so-called efficient corruption. Instead of harming growth, it virtually improves it. This usually happens when legal options for doing business are significantly limited. The formal sector in Zimbabwe is too bureaucratic and economically inefficient. Therefore, economic agents resort to corruption, especially in form of bribery, in order to “grease the sticky wheels”. This is one of the reasons why bribery is the most common form of corruption in Zimbabwe. There are lots of bureaucratic hold-ups, especially in the public sector. In a developing country like Zimbabwe, where there is excessive bureaucracy and a serious lack of property rights, corruption becomes the only way of doing business.

6. CONCLUSION & RECOMMENDATIONS

Given that tyranny and corruption are the primary causes of Zimbabwe’s poverty, and also that the government has firm control of the country, little can be done to immediately ease its situation [53]. It is imperative to highlight the fact that the president of the Republic of Zimbabwe, His Excellency, President Robert Gabriel Mugabe, has a zero-tolerance approach towards corruption and organisations such as the Zimbabwe Anti-Corruption Commission (ZACC) should continue investigating known and alleged corruption scandals amongst other nationalAssignments. While these solutions, according to [53], may seem common sense, though, actually implementing them is easier said than done. It is also important to remember that corruption is not always bad. Corruption that seeks to “grease the sticky wheels” is “efficient corruption”. Corruption in Zimbabwe, especially bribery, can be thought of as a blessing in disguise because it is indeed a replacement of weak rules and unnecessary bureaucracy! And as such relevant authorities may never come to a point where they meaningfully eliminate corruption unless they first address issues to do with governance. Our line of thinking is hinged on the fact that countries (e.g Canada, Netherlands, Switzerland, Norway and Sweden amongst others) that have a low Corruption Perception Index score exhibit better governance or at least there is meaningful existence of rule of law.

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