Corruption and accountability in municipal public administration

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Introduction

Corruption has been analyzed by philosophers, economists, jurists, political scientists, administrators, sociologists and other specialists; the consensus is that it is a willful misconduct carried out by a social subject so as to achieve personal interest over public one; every human action permeated by a negative intention is corrupt. Corruption in the government is the misuse of institutions by politicians and public administrators; the corrupt politician subsumes the raison d’être of the institution. Corruption in government areas is a problem regarding principles, the professional politician or corrupt bureaucrat undermines the state governed by the rule of law, institutional legitimacy and the “essence” of democracy.¹ Thus, the pathology of corruption has blurred the principles (democracy, legitimacy and what is formal) on which government institutions are based.

Corruption in public functions has a multifaceted character, not a single disloyal and illegitimate practice. Corruption includes: influence peddling, monetary gifts, asset stripping, diversion of funds, shady deals, collusion, to name a few. These practices are common in administrative tasks, especially in countries undergoing modernization processes or those who have weak institutions (Latin America, Africa and some Asian countries); there is a correlation between “poverty” and “corruption”, corruption exists in the political-administrative structure of a poor country. Furthermore, “corruption in all of its forms

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corrodes, undermines and contradicts every democratic element. The manifestation of the ethos of anti-democracy and particularism, it expresses egoism, selfishness, unjust privileges, exploiting weaknesses and failures, unscrupulous use of the weak, the exploited and the defenseless.\(^2\)

It is undeniable that corruption is a ghost that treads all over the world, it does not respect developed countries (although it is less frequent) or those with modernization processes. The existence of corruption in different areas (financial transactions\(^3\), educational and sport areas) is irrefutable; however, it is most common in government spheres.\(^4\) Government is divided into three areas\(^5\): federal, state and municipal. In this sense, this essay will analyze the municipal sphere, because it is closest to society, and study its corruption. Municipal public administration is scattered in the administrative process. There are multiple reasons, the absence of effective internal control, lack of political will to be accountable, absence of civil service, little transparency in administrative tasks and citizens’ apathy towards public affairs.

In Mexico, municipalities have to adapt themselves to the democratizing wave in political processes, as well as inserting themselves in the context of administrative innovations (public management, public policies, government relationships, policy networks, governance, result budgets or transparency) to face the new challenges imposed by globalization. This means municipal public administration has to end corruption (political patronage system, corporatism, etc.) to enter modernization. Municipalities which do not have modern public administration are mainly poor states (Chiapas, Oaxaca, Guerrero, etc.) which present corporatism and corruption. On the other hand, states which are close to having a modern municipal public administration are the ones with the most stable economy (México, Nuevo León, Guadalajara, the Federal District -and its boroughs-) which does not mean that policies from the ancien régime have disappeared in administrative tasks; old policies are still in practice. Modern public administrations


\(^5\) It is worth mentioning that is not correct to use the term “levels of government” because government is not a “ladder”; government is a totality. Thus, only its functions are divided –never the government- into three areas: federal, state and municipal.
are exemplified in New Zealand, Australia, England and Sweden. This is the prototype of administration needed in Mexico and its municipalities, sign of progress, improvement in public services, better tax collection and citizen satisfaction. Nonetheless, the first step to achieve municipal administrative modernization is to tear down corruption. If corruption is controlled (under the cost-benefit criteria, it is better to prevent corrupt conducts than persecutions) the government’s public image will substantially improve and practices such as public management or governance will be established more easily.

**What is corruption?**

Corruption has a polymorphic character; this makes it difficult to have an accepted definition by all scholars. Sometimes a definition proposed by some researcher may be considered wrong or incoherent by some of his colleagues. To study this topic, the context of study must be defined and analyze the variables that are to be used to back up certain premises. To polarize the study of corruption in specific areas, time and actors will allow us to edify the concept and handle it throughout the study. Corruption permeates everything, we need to analyze thoroughly each part and understand its multiple sides and the functions carried out by each one of them.

Corruption includes various practices which are considered as dishonest or normal, depending on each society. The most common practices are nepotism, influence peddling, bribery, kickbacks, lies, theft, and sale of public service positions, among others. If we take into account the abovementioned elements, the definition of corruption becomes complex—if we try to include all of them—and confusing. On the other hand, corruption is studied by various scholars such as political scientists, economists, administrators, jurists, philosophers and sociologists; each of them considering various hypothesis and reaching different conclusions. In this sense, adopting a definition of corruption and sing its praises could be wrong because it could leave behind some elements and pose a weak and compromising definition.

Despite the inexistence of a definition accepted by politicians, academics, the media, citizens, entrepreneurs and other areas of society, all of them think it is a negative practice which puts particular interests over collective ones. It cab said that corruption is as old as mankind. Corrupt acts evolve as man evolves; a lot of these acts are closely linked to human relationships. Corruption emerges, evolves
and ends thanks to the communication of two actors which both benefit from it. Corruption can be found in all areas of society, among individuals and between the government and its citizens. Nonetheless, the cancer of corruption in modern society hides in citizen-public employee relationships, as well as in government’s bureaucracy.

To understand corruption which takes place among public employees and citizens, it is important to understand some ideas regarding this administrative pathology. It is often classified as public employees’ disturbed behavior which ignores regulations to obey private interests.6 It is also seen as use of power or office to seek personal gain.7 Undoubtedly, corruption is an activity carried out in the dark so as not to harm those involved; especially public employees’ public image. It is an informal activity where those who participate (briber and extorted) clearly establish the rules. This is why we understand corruption as the illegal transaction of private profits between briber and extorter, and third parties are left at a disadvantage. From public service’s point of view, corruption is exchanging favors in return for underserved profits, both for citizens and public employees. Disadvantages caused by these illegal profits include inflicted damages.

There are two areas of corruption, in politics and public administration; each one has its own characteristics but both of them include public service’s activities. “Public service is exercised by political institutions (which create regulations) and bureaucratic structures (which exercise said regulations). In other words, public authority is exercised by elected officials (politicians) and appointed ones (bureaucrats), which carry out tasks of creation and execution of public policies. The misuse of services and public authority in the creation of policies –i.e. laws– could be seen as political corruption and the execution of said laws as administrative corruption.”8 The violation of rules undermines the state governed by the rule of law, affects the state and its administrative structures.

Corruption scenarios

Administrative corruption is the main ingredient of some many “bureaupathologies” that exist in public service. It is exercised by pu-

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public employees as they disengage themselves from their institutional functions to engage in shady and individual businesses. A decisive factor that generates poor public functions is the monopolization of strategic decisions. Staff which is trained to decide over public policies has more opportunity of planning and exercising corrupt acts; discretionary faculties are advantageous to carry out shady businesses. Corruption in public administration is usually found among politicians, administrators, citizens and entrepreneurs so as to achieve personal interests and undermine collective ones.

A corrupt act obviously requires the participation of two or more actors. Administrative corruption uses different ruses such as bribery, influence peddling, diversion of funds, nepotism and other dishonest acts; nonetheless, the most common one is the use of kickbacks. A public employee who alters its institutional functions to carry out a corrupt act has already reached an agreement with another actor to carry out certain act; that is, said employee has already been bribed by its counterpart—politician or public administrator—or citizen who becomes the briber. Briberies always include a cost-benefit analysis for the bribe-giver and bribe-taker; bribes will depend on the risks and benefits of both parties participating in the corrupt act.

Bribery in public administration has two purposes: speed up decisions or processes by bending the rules or changing decisions also by bending the rules.\(^9\) Bribes yield profits; however, it greatly depends on the environment the public employee is immersed in. If the public employees’ organization is not organized and its control is weak, it is a perfect scenario for corrupt practices. If its organization processes are slow and citizens or other groups want to speed decisions or procedures, they will offer public employees money, gifts or other goods to achieve their purpose. This is how corruption works in public service.

Public employees’ decision to commit a corrupt act depends on how the organization works, although there are some other ingredients such as values, benefits, rules and wages earned. If public employees do not have values, do not respect rules and receive low wages the possibilities of carrying out a corrupt act when the opportunity presents itself grow; this employee will know the risks, but he will solve this with another corrupt act; therefore, corruption is a never-ending chain of events.

Nonetheless, if a public employee has strong values and knows about the public damages caused by bribes, he will immediately reject them. On the other hand, the actor—citizen, entrepreneur or another public employee—that bribes or carries out a corrupt act has more than enough reason to do it due to the benefits; although before conducting a bribe, he analyzes the advantages and disadvantages. The advantages will be obtained benefits. The disadvantages may be fines, administrative sanctions, jail time, denigration of personal image, etc. Actors carrying out corrupt acts are masters of disguise and exposing them is complicated because they move in the shadows.

Government organizations throughout time have been an easy target for corrupt practices. Bribery is the bureaupathology carried out thanks to the collaboration between two agents through the undermining of rules, ethic codes and work processes. However, corrupt acts can persist in the administrative structure; thus, it is very difficult to erase it. The phantom of corruption lives in these organizations and is sponsored by its members: public employees. According to Arturo del Castillo, a public organization can be riddled with corruption thanks to three types of bribes carried out by public function. The first one is simple and possible bribery; just some public employees participate: the second one is a more organized possible bribery where a single part of the organization is ill and the third one which is systemic bribery—most common in public administrations—where all of the organization operates under mafia networks and patron-client relationships.10 Under this logic, government organizations are fertile soil for corruption which provides benefits for public employees immersed in this bureaucratic pathology.

Municipal corruption

Municipal government is “reinvented every three years”; this is an obstacle for having trained staff; chief administrators (heads of different departments) are appointed by the mayor based on affective relationships and political commitments. Municipal corruption starts from the political campaign, members of the candidate’s team are citizens lacking of professionalism, especially in poor municipalities.

When candidates get legally and rightfully elected, they form their cabinet with the people that helped them in their campaign, even if they do not know the first thing about public administration. Howe-

10 Ibid., p. 289.
ver, some urban municipalities (in the metropolitan area of the Mexico City) have professional citizens as members of campaign teams; they work as professional work teams, although they are also prone to corruption.

If a government has highly trained human resources, it carries out its tasks in an efficient, effective manner, with integrity and ethics; but they especially seek results as institutional imperative. Nonetheless, there are many municipal governments which do not have qualified personnel. In fact, Mexican municipalities hoard unprofessional public employees; this means there are no results to help solve the community’s problems. The reality is municipalities have a plunder policy. Candidates who attain power under the flag of a certain political party tend to make up their work teams—operational or trusted employees—with people from their own party. Consequently, the endogenous part of municipal administration suffers from corruption in the resource management area; thus, accountability does not exist.

If corruption is seen as a recruitment problem, it is also a management problem. Due to the lack of trained personnel—not everywhere—there are management and improvisation problems to “pull through” and this is how corruption practices arise (diversion of resources, influence peddling, and nepotism). When public employees do not realize they handle delicate jobs, the “public” spirit fades; administrative processes are improvised and the borders of legality are easily crossed when formal principles that rule municipal government are not respected. Administering public matters in an improvised manner deteriorates the crucial role of government; no wonder society has a bad image regarding public administration and government.

Monitoring and control of administrative tasks, in most municipalities, is weak and inefficient due to the extent of corruption (bribery, illicit enrichment, etc.). Sometimes public employees’ institutional “commitment” does not exist (they only work for three years); this means corrupt administrators can elude the Internal Government Accounting Office, using tricks to outsmart it. It is well known that many public employees, including politicians and administrators, see the government as an economic opportunity they cannot miss; they strike deals and break the law causing inefficiencies in public administrations.

Corruption in public management is systematically reproduced; one corrupt act triggers another one, and so on. Corruption slowly infects public employees who have principles and honest ways. And
even though some public employees do not engage in disloyal or illicit acts, they know about some “bad practices” carried out by their buddies and in the end they become part of the circle of misusing power to achieve personal or group interests, not paying attention to the public’s interests. Municipal administration has common “secret” practices; if any public employee finds out about his colleagues’ acts of corruption; he avoids legal and institutional problems and does not report him to the proper authorities. This “secret culture” in municipal public function works when the state governed by the rule of law is replaced by disloyal practices; municipal authorities almost never exercise the law.

Municipalities are controlled by the state’s Chamber of Deputies; however, this control is vague and allows the existence of corruption due to the deputies’ inappropriate work, they do not force municipal public employees to be accountable or explain the municipalities’ public spending. The evaluation of public spending, if it even takes place, in Mexico is very peculiar, deputies constantly justify spending when it is verifiable, but do not study the feasibility of said spending. The way money is spent is very important, some spending cannot be justified, especially when money has been spent on banalities (buying expensive cars for the staff, buying imported desks, luxury products for government offices) and the people do not receive any benefit. This is a disloyal act carried out by public employees; thus, it is possible to alter the costs between supplier and buyer. To summarize, it is not enough to justify public spending to eliminate the possibility of corruption; it is important to evaluate and “justify” the treasury in tangible benefits for citizens.

Some City Halls have problems monitoring their resources because:

1. Some agencies grow disproportionately; they use unnecessary personnel and carry out tasks which are not consistent with the agency’s goals, corrupt acts spring everywhere.
2. There is freelance staff which does not receive social assistance and benefits established in current legislations, even though they have been working for a long time for the public sector. This is a clear example of bad public spending.
3. There is no communication (coordination) between municipal departments to achieve government actions included in its plans. This causes contradictions in public policies and said contradictions may spur financial anomalies.
4. There is no exhaustive control over resources; the comptroller belongs to the same party as the mayor, some council members and representatives. This is clearly a cover up and the comptroller is cahoots with his coworkers.

5. The regulations on “government control” are a “legal jungle”, their exercise entail many contradictions.

Municipal corruption not only includes diversion of resources and illicit enrichment of some public employees, it also entails other behaviors like nepotism –common in rural municipalities--; influence peddling to carry out certain bureaucratic procedure or to obtain some benefit which can be just and illegitimate at the same time; usurpation of some official’s functions, thus violating the government’s regulations; shady businesses in tenders for public works or services, that is, giving priority to some individual who does not meet the requirements established in the Public Works Las or other Law; misuse of municipal patrimony to benefit groups or individuals and other disloyal practices.

To eliminate corruption in municipal public administration

It is necessary to amend the Municipal Organic Law of the State of Mexico (in the case of municipalities of the State of Mexico) so that the mayor does not appoint the municipal comptroller; City Hall should be in charge of this and it also should be approved by the council. It would be ideal to have a comptroller who is not a member of the mayor’s political party or a civil society citizen so as to have counterweight in municipal public management. It is important that the comptroller have Law or Public Accounting undergraduate studies to develop a substantial role in the enforcement of regulations. This means there will be zero tolerance for those involved in embezzlement of public funds.

Apply law to fight corruption in an impartial manner. For example, the Penal Code of the State of Mexico, especially its Second Subtitle “Crimes against Public Administration”; the first chapter (articles 117-137) includes crimes such as disobedience, resistance, coercion, opposition to the execution of public works, breaking of seals, detraction, bribery, neglect and abandonment of public functions, influence peddling, extortion, embezzlement and illicit enrichment.
The loss of ethics in public functions, especially in municipal spheres, makes it necessary to revert to the former situation. An ethic code regulating public employees must be created. This means public employees must be aware of their moral contract with public administration.

Control and evaluation entails evaluating the use of public resources. Thus, it is important to have a system that measures the results of government units in every administrative structure. This is where the comptroller’s role gains importance, as well as his public function performance agency.

Public employees need to be accountable to their superiors and the latter to the community. Accountability is the way society evaluates its government. When these results are presented to society, the municipal accountability office should endorse these results with accounting documents and quality evaluations of services provided to the population.

It is important that the public have information regarding the origin, use and destiny of public resources; this information must be truthful and monitored by the accountability office.

Municipalities usually have three or five windows to process administrative procedures; thus, it is fairly common to have public employees extorting citizens to speed up their procedures. This is why we need a single-window system to modernize administration and diminish bribes through institutional control. On the other hand, it is possible to create a window for complaints, suggestions and denunciations regarding the behavior of public employees who provide some service or directly deal with citizens. This window would be dependent on the internal accountability office.

Constant training and motivation of public employees is essential to transform their work into a more professional one and keep them away from corruption or some scheme that affects the spirit of public service. This means constant training and motivation through salary incentives. Quality training of municipal personnel would be feasible in budget terms if provided by the National Institute of Public Administration (INAP), the Institute of Public Administration of the State of Mexico (for municipalities in the State of Mexico) and universities and higher education institutions (National Autonomous University of Mexico, Autonomous Metropolitan University, Autonomous Univer-
sity of the State of Mexico, the Colegio de Mexico and the Center for Economic Research and Teaching, etc.).

The implementation of an administrative career in municipal management is essential to gather the best people for proper jobs. This will yield positive results in administration and personnel will be less likely to commit corrupt acts because they will be monitored by human resource agency.

One way of diminishing municipal corruption is transparency in administrative processes. Transparency regarding resource management, recruitment of staff, tendering of works and services, wages of high officials (trusted officials) and operational personnel, etc., will be feasible if the information requested by citizens is given to them; the challenge is that the information is reliable and endorsed by appropriate agencies. In other words, transparency is based on the free flow of government information among citizens, as well as constant and fluid communication between public function and society regarding municipal challenges and results. Transparency is also functional to the extent that civil society (understood as social self-organization) demands information resulting from government management and at the same time evaluates the results and asks for accountability.

We could suggest it is essential to make an institutional agreement which takes into account the following recommendations on municipal transparency so as to destroy administrative corruption; some of them are:

1. Make activities in critical areas transparent.
2. Act transparently in the hiring, firing and promotion of staff.
3. Inform of municipal providers.
4. Inform of municipal income and public debt:
   a) Provide information on municipal income
   b) Payment of taxes, fines and fees.
   c) Inform of the late payment of taxes, fines and fees.
   d) Inform of the amount of public debt.
5. Inform of infrastructure works and social programs.
6. Publish social communication and representation expenses.
7. Inform of the mayor’s, aldermen’s and officials’ total income.
8. Provide information on municipal procedures and services.
9. Inform of municipal regulations, publish a manual for citizens on co-responsibility and provide quality service to the citizenry.


11. Constitute Councils:
   a) Make a public announcement to select its members.
   b) Create internal regulations.
   c) Citizenize councils.
   d) Ensure the Council’s continuity.
   e) Carry out periodic meetings.
   f) Carry out meetings open to citizens.

12. Make the council work with transparency criteria:
   a) Carry out public meetings.
   b) Include minority councilors in Finance and Shopping Commissions.
   c) Carry out open meetings in all of the Council’s committees.
   d) Avoid closed meetings among councilors before Council Meetings.

13. Regulate citizen participation mechanisms.

Final note

Fighting corruption and preventing it is not a simple task because individual egoism of municipal public employees might exist. If we also take into account the complexity of institutional controls which are also weak and not very modern, it is an ideal context to reproduce the pathology of corruption. Modernizing municipal public administration –where it has not been done- is very important to create an institutional bloc to fight corrupt conducts. A panacea to stop corruption is transparency and accountability, both of which require public employees’ political will and civil society’s participation.

Public administrations which work for public good are the ones that forget administrative tricks (corruption and its derivatives) and uses cutting-edge mechanisms (public management, public policies, government relationships, accountability, etc.) to use government’s force to achieve the people’s wellbeing (depository of sovereignty) the primary target of public institutions. That is, an administration can only adopt public management’s benefits if it first controls corruption; if not, these practices would destroy the intentions of this
approach. Countries like New Zealand, England, Australia, Sweden and Finland have implemented public management; the results are focused on the population’s wellbeing and the benefits of public administration. These countries are considered as the least corrupt in the world according to Transparency International and the Organization for Economic Co-operation and Development (OECD). Thus, the more developed a country is, the better public administration it has and government corruption is less frequent and it also has an open society (transparent and democratic).

Fighting and preventing public administration corruption means improving management problems to address citizens’ demands: honest and responsible government. This needs to be implemented in the municipal sphere because it is the government closest to society and the one citizens see in action. Civil society’s monitoring of municipal governments entails working in coordination; a possible panacea to vanquish corrupt practices.

The present (postmodernity and an interconnected world) is full of contradictions, such as government affairs. In other words, in a context of technological progress and scientifically development, poverty is still a problem that has not been solved in Latin American, African and some Asian countries due to the government’s inability to implement public policies to solve it. It is fair to say that corruption exhibited by some public employees (in government spheres of each State) is a major factor for the increase of poverty; resources are diverted to solve problems caused by capitalism. Although corruption is part of the dynamics of capitalism, it is necessary to destroy this cancer which sickens countries in the process of modernization; it prevents them from achieving “modernization” (development). Speaking of municipalities, especially the poorest ones, it is urgent to control and vanquish corruption in order to alleviate poverty and economic, political, cultural and administrative backwardness. Avoiding and incurring in corruption practices cannot only be dealt with by institutions, but also by people who can be controlled.

Bibliography