



CORRUPTION AND UNETHICAL PRACTICES: THE BANE TO NATIONAL DEVELOPMENT

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Abstract

This paper examined “corruption and the non observance of business ethics as the bane to national development”. The following concepts were considered in this paper: national development, corruption, ethics and business ethics. National development can be seen as a process of expanding the real freedom that people enjoy, focusing on human freedoms and individual incomes which are very important as means to demand the freedom enjoyed by the members of the society. It was concluded that the non observance of business ethics, moral decadence and corruption are the key setbacks to any meaningful national developmental stride. Like a cancer worms, these two negative traits wear down the national efforts to develop the society and to give the citizenry a minimum standard of living. Based on the conclusion the following recommendations were made: that corruption in whatever form must be fought head on and totally eliminated; business ethics must be inculcated in the citizenry especially in the students and the pupils who are the future leaders; the teaching of Civic Education must be stepped up; whistle blowing should continually be encouraged and that moral instruction, which is the key to character moulding, should never be over looked in nursery, primary secondary and even tertiary institutions.

Key words: National development, corruption, ethics and business ethics.

Introduction

Development as a concept has aptly been described as a victim of definitional pluralism (Lawal and Oluwatoyin, 2011). According to Gboyaga (2003), development implies improvement in material well being of all citizens, (not only for the most powerful and the rich) in a sustainable way, such that today’s consumption does not imperil the future. It also demands that poverty and inequality of access to the good things of life be removed or drastically reduced. It seeks to improve personal physical security and livelihood and expansion of life opportunities for economic advancements.

National development can therefore be seen as the ability of a country or countries to improve the social welfare of the people through the provision of social amenities like quality education, potable water, transportation infrastructure, medical care, etc with the aim of achieving increase in real per capital income.

The attainment of national development in any society is dependent on a number of factors ranging from good planning, execution of developmental policies with strict observation of ethical imperatives and the total absence of corruption in all its ramifications. Corruption and unethical behaviours in public and private circles are and will continue to be the bane and anti thesis of national development. Whenever corruption and unethical behaviours swells in any given society, national development sneezes and shrinks by the day.



Ethics involves doing things in the most transparent ways, upholding integrity at all times and doing everything humanly possible to tackle and pull down corruption. It is a topical issue in many societies today.

Societies in the developed and developing world have in the recent times witnessed the collapse of many organizations due to the questionable characters of some people at the helm of affairs of these organizations. This collapse is possible because men and women in our society today have become self-centred; they seek selfish gains rather than upholding the public trust in them.

For instance, the collapse of Enron Corporation, World Com, Arthur Anderson, Global Crossing and others were as a result of illegal and unethical behaviours by their corporate leaders. The Nigerian business environment is not left out. There have been cases of reported unethical behaviours in Nigeria by companies like Cadbury Nigeria PLC, African Petroleum PLC, African Continental Bank (ACB) and Lever Brothers PLC. The collapse of many banks and other financial institutions has been linked with various ethical violations (Ajibolade, 2008; Okafor, 2011). Some of the professionals involved in these incidents actively participated in cover-ups, shredding documentary evidence of their corporate misconducts and creating an elaborate web of intentionally misleading corporate structures. These professionals merely looked the other way as such deceptions occurred in the workplace (Smyth, Davis & Kroncke, 2009)

Definition of Concepts

National Development

National development is a concept which explains the encompassing nature of living standard of a country. It is a state of maturity of a nation that resulted from the interplay of modern political, economic and social forces as well as processes which transform diverse people sharing a common geographical area from acceptance and creation of, and participation in a modern nation state (King, 1988).

Orhewere (2012) opined that a prominent feature of national development is governmental machinery capable of commanding loyalty, keeping order, eliciting legitimacy, fostering integration, permitting mass participation and satisfying popular wants and expectations. It is based on this assertion that English Language was adopted as the lingua franca or official language to unite people from diverse socio-economic, political, cultural and linguistic backgrounds for developing the common goals for collective development. According to Hywell (2011), national development can be seen as a process of expanding the real freedom that people enjoy, focusing on human freedoms and individual incomes which are very important as means to demand the freedom enjoyed by the members of the society. He asserted that freedom depends also on other determinants such as social and economic arrangement, facilities for education and health as well as political and civil rights, the liberty to participate in public discussions and scrutiny. Furthermore, Amartya in Hywell (2011), argued that national development must focus on the entitlements which society grants to its members and the “capabilities” which are derived from these entitlements. To Onyukwu (2004), no matter whether reference is made to the societies, regions or individuals, there is an underlying association of development with positive change.



National development therefore refers to a nationwide development in a country. It implies the well being of the covert majority of the citizen in material time, it implies decreases in inequality levels. Above all, national development implies the guarantee of security of lives and property in the nation state. It is further posited that national development implies the elimination of inter-ethnic bitterness and antagonisms inter-group and inter personal relationships in a nation-state.

National development is not synonymous with economic development in a country, even where the two terminologies may inter- relate. There is obviously the absence of national development in a nation-state of various ethnic nationalities where ethnic harmony is invariably absent. National development cannot be equated to the prosperity of the individual members of the components nationalities while citizens of the given state who hail from the other ethnic backgrounds are evidently disadvantaged, with regard to access to national opportunities. National development, therefore, entails inter-ethnic harmony in such polities. But national development does not also imply dearth of socio-political conflicts in plural societies. It conceptually and empirically denotes on the other hand, the availability of some institutional mechanisms for the resolution of such inter-ethnic and other conflicts as they are bound to arise.

In addition, national development has an infrastructure trajectory. It is interpretable as the availability of critical infrastructure for the engendering of further positive changes in a given nation state. National development is, therefore, not a static condition. The availability that it indicates necessarily leads to some other ends, in a continuing dimension. National development is accordingly “work in progress”. Whenever a nation state reaches the conclusion that it has attained a condition of national self-sufficiency, it increasingly becomes confronted by the possibilities of national atrophy. Its positions begin to weaken and her potentials become progressively questionable.

Ethics

In our increasingly globalized business world, promotion of good ethical behaviours and goals is good business and helps in the healthy building of a nation. The word ethics is the principle of morality, including both the science of the good and the nature of the right. It involves doing the right thing in the right manner. It is a system of moral principles or rules of behaviours. The consequences of the many cases of unethical behaviours have underscored the importance of ethics in organizations (Ajibolade, 2008). There is need to tackle corruption headlong and make significant inroad into the issue of transparency and good ethical behaviour, otherwise sound economic growth and development will elude us. To be possible or feasible, real business, whether domestic or foreign, must be predicated on transparency (Ajibolade, 2008). It is very important to awaken the interest of our people towards building an ethical framework for brighter future and better management of public trust. There is need to re-orientate our people on the need to embrace integrity and ethics. Ethical re-orientation of students who are future leaders is very essential and is believed that it will change their value system to a great extent. High ethical behaviour of students is an indicator of high educational quality, and



which will make a way to high national development. Evan and Marcal (2005) hold the view that one of the possible contributors to the current ethical crisis is the role of business schools. They insist that if students are not exposed to ethically challenging situations in school, they will be unprepared for and more likely to fail in providing needed ethical leadership when they enter business. The suggestion of the above statement is that ethical orientation starts in school.

The word ethics is the principle of morality, including both the science of the good and the nature of the right. It involves doing the right thing in the right manner. It is a system of moral principles or rules of behaviours. Ethics is the discipline dealing with what is good and bad and right and wrong or with moral duty and obligation. In the words of Hurn (2008), ethics is considered as the study of “human duty in its wider sense”, emphasizing the common thread of the recognition of obligation and acceptance of responsibility for how ones actions would impact on other people.

Business Ethics

Business ethics refers to contemporary organizational standards, principles, sets of values and norms that govern the actions and behaviour of an individual in the business organization. Business ethics has normative and descriptive dimension. As a corporate practice and a career specialization, the field is primarily normative. Academics attempting to understand business behaviour employ descriptive methods. The range and quantity of business ethical issues reflect the interaction of profit-maximizing behaviour with non economic concerns.

Why Does Ethics Matter in Business?

“Doing the right thing” matters to firms, taxpayers, employees, and other stakeholders as well as to the society. To companies and employers, acting legally and ethically means saving billions of dollars each year in lawsuits, settlements, and theft. One study found that the annual business costs of internal fraud ranges between the annual gross domestic profit (GDP) of Bulgaria (\$50 billion) and that of Taiwan (\$400 billion). It has also been estimated that theft costs companies up to \$600 billion annually and that 79% of workers admit to or think about stealing from their employers. Other studies have shown that corporations have paid significant financial penalties for acting unethically (Andriof, 2002). The U.S. Department of Commerce noted that “as many as one- third of all business failures annually can be attributed to employee theft.” Experts have estimated that approximately 40% of fraud and theft losses to American businesses are internal.

From the above analysis, it is crystal clear that the non observance of business ethics and corporate practice has the propensity of lynching the efforts directed at achieving national development. No nation can therefore thrive without the checking the loop holes in the public and private circles of the national economy. Business ethics require a high degree of adherence to business norms; first to instil confidence in the consumer and secondly, to create standards – the end result of which is a boost to the national development. It is therefore safe to conclude that the strict observance



of business ethics and the total eradication of corruption are the antidotes for the stunted growth in our national development efforts.

Forms of Corruption

Corruption has been broadly classified under the following forms:

1. **Political Corruption:** This takes place when policy formulation and legislations are tailored to benefit politicians and legislators. It occurs when the politicians and political decision-makers who are entitled to formulate, establish and implement the laws in the interest of the people are themselves corrupt. It is an act of greed as it affects the manner in which decisions are made, as it manipulates political institution rules and procedures, distorts the institutions of government (Warren, 2010).
2. **Bureaucratic Corruption:** This occurs in the public administration domain or at the implementation end of politics. It is the common corrupt practices encountered daily at public institutions when one obtains a business from the public sector through inappropriate procedure (Warren, 2010). It is usually characterized by the go today come tomorrow; “Oga” is not on seat; use your head tactics, etc.
3. **Electoral Corruption:** This involves the purchase of votes with money, promises of office or special favours, coercion, intimidation and interference with freedom of election. Apart from the above, other forms of Corruption include:
 - i. **Bribery:** Offer of money or material things by an outside party to secure desired action from government officials or others.
 - ii. **Fraud:** This involves some kind of trick, swindle and deceit, counterfeiting, racketeering, smuggling and forgery.
 - iii. **Embezzlement:** This is theft of public resources by public officials. It occurs when a state official steals from the institution in which he/she is employed.
 - iv. **Extortion:** This is the abuse or threat of power in such a way as to secure response in payment of money or other valuable things using force or coercion.
 - v. **Favouritism:** This involves biasness in distribution of state resources.
 - vi. **Nepotism:** This is a special form of favouritism in which an office holder prefers his/her kinsfolk, family members and close friends.
 - vii. **Payment of Salaries to non-existent (ghost) workers.**
 - viii. **Over-Invoicing:** This involves hiking or increasing the cost of a project more than the actual cost so as to gather for the selfish interest of a person or an insignificant few.

Instances of Academic Cheating Examined

The following examples of academic cheating which are considered unethical according to Smyth, Davis and Kroncke (2009) include:

1. Increasing the margins or font size to make a term paper appear longer
2. Giving the lecturer a false reason for missing a class or an examination



3. Doing less work than your share in a group project
4. Looking at another student's paper during an examination
5. Allowing another student to look at your paper during an examination
6. Writing an assignment for another student
7. Writing an examination for someone or asking another student to take an examination using your name
8. Using unauthorized sheets during an examination
9. Using sources for a paper which were not included in the bibliography
10. Using direct quotations from other sources, without giving the proper reference
11. Purchasing a paper to turn in as your own
12. Completing another student's examination paper in the examination hall
13. Selling a paper to another student
14. Signing attendance for someone not in class
15. Unauthorized use of school properties

Conclusion

It has been seen that the non observance of business ethics, moral decadence and corruption are the key setbacks to any meaningful national developmental stride. Like a cancer worm, these two negative traits wear down the national efforts to develop the society and to give the citizenry a minimum standard of living. Even developed societies run the risk of being messed up and reduced to rubbles if the citizenry throw business ethics to the winds and watch helplessly as corruption takes the centre stage in public and private circles.

Recommendations

The following recommendations were made:

1. To allow national development to strive, corruption in whatever form must be fought head on and totally eliminated.
2. Business ethics must be inculcated in the citizenry especially in the students and pupils who are the future leaders.
3. Civic Education must be stepped up.
4. The whistle blower must be encouraged.
5. The criminal law enforcement procedures and the associated institutions must be strengthened for a quick dispensation of cases bothering on corruption, breaches of the due process law and business ethics.
6. There should be an increased public awareness through the national orientation agencies on the negative effects of failing to observe business ethics and corruption.
7. There should be a total overhaul of our psychic. The public should be made to know that a system which celebrates worships and adore those who steal from the national coffers will eventually collapse as national development usually flees on the heels of corruption.
8. The family as a unit of society must be strengthened through basic education to prospective parents. A citizen's first contact with the society is with his



immediate family. The type of informal education and orientation he receives at the earliest opportunity in life sinks and remain embedded in the person. It moulds his character and influences what he or she will be in future.

9. Moral instruction is key to character moulding and should never be overlooked in the nursery, primary, secondary and even tertiary institutions.

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