

Work of Fighting Corruption in China in a Concise Form: A Comprehensive Review

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ABSTRACT: *The amount of corruption in China has increased throughout the transition era relative to the previous time. Meanwhile, the forms and characteristics of corruption in China are distinct from those of corruption in other nations and from those of corruption in China's history. This is true in many significant ways. This study investigates the origins and effects of corruption, as well as the anti-corruption efforts carried out by the Chinese authorities. Corruption on a large scale may result in the development of a strata of people who have an interest in preserving the existing political system and status quo, from which they get financial gain. Any democratic political and economic change that would endanger their authority and interests would be met with fierce opposition by such a stratum. An opposition of this kind may very well prevent a smooth transition to democracy from taking place. The main conclusion of this study is that future anti-corruption measures should be directed on greater political change in the direction of democratic governance.*

KEYWORDS: *Anti-Corruption, Corruption, Economic, Political, Reform.*

1. INTRODUCTION

Corruption has been an important social and political problem in China since the Chinese government started implementing "reform and openness" policies in 1978. Public anger at the increasing corruption within party organizations and government institutions is a major reason why so many individuals joined or supported the 1989 student protest pro-democracy. Following the 1989 incident at Tiananmen Square, the new Chinese authorities prioritized work against corruption and stepped up their efforts against corruption. But the issue of corruption is still alive to date and is now regarded as the second biggest societal concern (behind unemployment). The capacity or incapacity of the political leaders of the "third generation" to effectively control corruption will play a significant role in their political survival. The emphasis of this article is on analyzing the scope, the forms and characteristics of corruption in China today, its origins and consequences and Chinese Communist Party and Government anti-corruption initiatives[1].

The concept of corruption changes from time to location. The fundamental aspect of the concept of corruption in China today, as defined in Chinese official language, is the idea of the use of state power and public resources for private purposes. This is a fairly wide term that may encompass and change with time, various events and behaviors. It may thus be modified to include new kinds of corrupt behaviour. Corruption in China nowadays is frequently connected to bad occurrences and unhealthy trends in party and government. As a consequence, anti-corruption efforts also include combating all these occurrences and behaviors[2]. There are three aspects to this definition. Firstly, corruption is not "abuse" or "misuse" of public authority, in view of legal norms or social standards for the advantage of individuals, but it is the very "use" of public power for the benefit of individuals. On the one hand, this is a fairly stringent criterion for deciding what kinds of conduct may be classified as corrupt since it can encompass any behaviour which uses public authority for private purposes. However, given that legal norms and moral standards may change over time, the definition might overstate the degree of corruption, or arbitrarily identify some practices as corrupt.

The vagueness of the word "private interest" in contrast to "public interest", that is, the interest of the country and the party as a whole, is another characteristic of this definition. Private benefits include not just personal profits, but also the interests of working groups, departments and regions when precedence is given over the public interest. Thirdly, the term leaves the issue of corruption open. It refers not just to individual public servants, but also to the family members of public servants and retired public servants and to some governmental organizations and their leaders.

1.1 The Root Causes of Corruption in China's Modernizing Economy:

Why has China shifted from a moderately corrupt nation in the last two decades to one of the most corrupt emerging countries? Why has China's reform suffered three waves of economic crimes in the last 20 years? Will

China in the near future face a fourth wave of economic crimes? Does the development of reform measures and different types of corruption exist throughout the transition period? In the debate on the reasons of corruption below, I will attempt to address these important issues. Investigation of the reasons of reform corruption China is a very tough and complex job since many variables contribute to the creation and spread of corruption, and the change continues. However, certain common variables are still important for the development of corruption[3].

1.1.1 The Decrease in The Moral Costs of Corruption:

Several factors have led to the decrease in moral costs of corruption. The first is the shift of ideology. Since 1978, the official ideology and political focus has changed from emphasis on class struggle to economic growth. The latter has become the party and government's "strategic goal." The official philosophy and policy encourages certain individuals first of all to become wealthy, rewarding these entrepreneurs and promoting local government officials who are effectively promoting economic growth in their areas. At the same time, many local government officials are tolerant of individuals who contribute to or make economic growth lucrative, ignore their corruption and personal gain and at times even shield them from prosecution. The overemphasis on economic growth coupled with the failure to respect legal norms or moral standards, are an ideological weakness that has numerous harmful effects. According to this philosophy, such contractors are given good models and are portrayed in the media extremely favorably. Some local authorities try to explain their economic results for such unlawful operations. They insist on the justification and toleration of any activities that are helpful to economic growth. All choices taken collectively by party committees to promote economic growth or improve the welfare of their employees rather than for personal profits are allowed and legitimate even if they are in violation of the applicable laws or regulations. Such opinions are very common at the local level, thus lowering the moral costs of corruption[4].

The second issue is the inability of public and government leaders to provide ethical education. Many people lost the confidence in Marxism after the Cultural Revolution, Leninism and Mao Zedong Thought. They also gave up their allegiance to the country and instead turned into excessive selfishness. Although political leaders constantly emphasized the need of moral education, it had little impact on the officials of government. The main cause for this failure is the considerable gap between moral education and reality. Political morality requires public leaders to labor hard and selflessly and live comfortably. In fact, however, increasing numbers of individuals have initially become wealthy and fast via other, sometimes unscrupulous methods, with the affluent receiving broad admiration and great social standing. Thus, public officials find it becoming more and more difficult to deal with increasing everyday costs within this framework, and to resist the temptation to profit themselves by utilizing their official powers while facing so many chances and so little risk. In addition, the imbalance in income distribution puts pressure on the leaders of the work unit to raise income and enhance the welfare of their workers. Faced with this essential fact, education in political morality is irrelevant to the everyday lives of many public officers and therefore has at most a very limited impact on the conduct of these public officers[5].

The last element is the absence of economic morality. The old economic ethics became more and more obsolete throughout the transition era, while new business ethics related to the market had yet to be developed. This "vacuum" of corporate ethics enables business people to interact with government officials in unethical deals. This exacerbates the economic instability of the transition phase by rewarding profits rather than profit-making activities.

1.1.2 Conventional and International Causes Contributing in Corruption:

Some traditional causes have also helped to increase corruption. One is the cultural legacy of absolute authority, which lasted 2000 years and only terminated at the turn of the century. Under such regime, government officials regarded the state as own private property and bureaucrats treated their authority as their own, while the concept of public confidence and empowerment was not existing. These views continue to be extremely prevalent among public leaders. Personal control prevailed over rule of law during the absolutist regime. Such methods continue to persist in China today, as shown by how top officials' personal will and/or teaching at different levels may influence or overturn judgments of the law enforcement authorities. Under absolute rule, the bureaucratic stratum was a dominating class, which had a vast privilege, as well as the greatest social position, and controlled both the political authority and the most economic riches. They relied on them and need their protection from

all other social groups, including merchants and landlords. With current officials in an increasingly rich economy facing reduced economic status, many officials of the government try to maintain their superior position by exercising their power for personal enrichment, while the newly-born business class' demands for political protection have given senior officials significant opportunities to engage in corruption[6].

Another reason is that many of the social traditions and behaviors of agrarian culture in China today continue to be extremely popular. China is mainly an agricultural nation with 900 million inhabitants, predominantly rural. A significant percentage of government officials come from farming backgrounds. As a result, they introduce into public life many ancient behaviors related to corruption. Particular practices, i.e. those with whom they have close relationships, are still quite prevalent. Those who violate this concept are frequently socially criticized and/or alienated from family and friends. The creation and maintenance of personal connections networks is thus an essential tool for seeking support in public life. Furthermore, the tradition of reciprocity, which requires those who have aided them not to suffer from social ostracism, has quickly spread from social life to public life. Nor have ordinary people or government officials established a clear distinction as to reciprocity between public life and social life. This makes it reasonable to give and receive bribes.

Since 1978, China's openness to the outside world has brought about new elements leading to the development of corruption. One is the "rise of expectations." The high-consumption lifestyle in many western nations has had a significant "show impact" both on regular people and on government leaders. In order to match the high quality of life in western nations, earning money and becoming wealthy has become an important objective of many public officials while trading authority for money is the simplest method of achieving this objective. Secondly, China's increasing integration into the global economy has given public officials additional chances to engage in corruption. There are numerous possibilities such as licensing, negotiations on external trade and investment projects, the purchase of foreign goods, the collection of customs and taxes, etc. Finally, globalization has made it more difficult to identify and prosecute corruption when corrupt officials engage in forms of cross-border corruption, move illegal earnings to offshore banks and leave, before they are discovered and punished[7].

1.2 Balance Between Costs and Advantages of Various Types of Corruption:

During the transition phase, some types of corruption have both positive and negative consequences, as well as expenses connected with them. Exploring the cost–benefit ratio of various types is important to understanding both the processes by which corruption originates and spreads, as well as the consequences of corruption on a broader scale.

1.2.1 Corruption and The Advancement of Economic Development:

Some kinds of corruption may help advance political growth in some ways. First, public office sales may contribute to breaking the government monopolies maintained in recruiting and promotion by the entrenched bureaucrats and their family and friends. This approach may weaken the bureaucratic nature of inherited property and encourage a transition from a patriarchal bureaucracy to a contemporary bureaucracy. Secondly, the intimate connections created by corrupt transactions between top officials and businessmen at different levels offer avenues for involvement in political life. It's not a big step from purchasing political protection to purchasing political influence. In effect, as a result of corrupt transactions or contributions to local public welfare agencies, several businesses have been elected to the local People's Congress and local Political Consultative Conference. Finally, the purchase of votes may help to undermine electoral political manipulation. By buying votes from voters and village and city representatives, the probability of getting elected is increased for candidates who would otherwise have little chance in the face of local political organizations.

These kinds of corruption, however, also pay hefty price for political progress. First, the sales of public positions simply substitute one kind of uneven public access based on nepotism and favoritism with one based on personal wealth. This approach may thus cost many educated and talented (but not rich) individuals the chance to occupy government jobs, therefore limiting the pool of competent people accessing such positions to damage the public interest. Furthermore, sales of the public service only benefit those officers who buy and sell them and who frequently take part in a range of corrupt activities to increase their incomes, thus increasing the financial burden of the public further in order to recover their investment in the purchase of their posts. Such human management methods thus have the potential to undermine the foundations of any government. Second, a strong connection

and combined use of corruption by businesspeople and high politicians will bring public outrage to both groups. Business persons closely connected with corrupt high officials may also be the focus of public demonstrations against corrupt high officials, as was recently the case in Indonesia, when ethnic Chinese entrepreneurs were attacked in public rallies against Suharto's reign. Third, electoral bribery discredits electoral politics and offers a justification and probably the greatest political weapon to conservatives who oppose free and competitive elections. The concept of punishing political activity as "money politics," confirmed by the bribing of certain candidates at the rural, experimental village and city level elections, had considerable impact within the government[8].

1.2.2 Corruption and Social Modernization Are Two Issues That Need to Be Addressed:

The commercialization of personal link networks and connections between employers and clients may contribute to making Chinese specific practices more general. Prior to 1978, the networks of personal connections and relationships between employers have been generally closed and exclusive, but also largely free of money. Market-oriented reform has brought this traditional practice into the cash factor. Such connections and networks have grown more open, but also costlier. Persons willing to participate in "friendship investment" will find it simpler to get into client relationships and to establish personal links with people in power, thereby possibly helping break the almost monopoly of government officials' families. Simultaneously, if favors can be purchased, regular people have greater chances to buy bribes. Such an increase in good treatment foreshadows a shift away from favoritism towards the other side, that is, equal treatment before money.

But the marketing of these ancient methods is also costly. First, it requires individuals to spend a great deal of time, money and energy on building and maintaining such personal networks, putting a tremendous strain on people and squandering substantial societal resources. Secondly, conformity with rules and regulations is undermined. Favorable treatment typically involves authorities, such as rules to bend or circumvent, and generally breaches regular processes. If personal networks in this area are successful, the motivation to comply will decrease. Finally, such methods are unjust to those who have no personal links with authorities and who do not want to spend in the establishment and maintenance of these links. In summary, while some types of corruption may have certain advantages, the explanation above demonstrates clearly that the costs greatly exceed whatever gains they generate[9].

1.3 The Ramifications of Corruption On a Larger Scale:

1.3.1 Political Instability and A Crisis of Legitimacy:

Political legitimacy comes from public support while popular support is dependent on the capacity of the government to deliver public goods and enhance the lives of its people. Public leaders' authority and legitimacy rely on their appropriate use of power for the public benefit. If authorities instead exploit their influence for personal purposes, their authority and legitimacy decreases at the cost of the public good. If corruption spreads throughout all government institutions and levels, the image of the government will be tarnished by the public, which will result in the loss of public support for authorities. In China, increasing corruption has led to considerable public anger and has served as a major factor in the 1986 student demonstrations and in better-known protests in 1989. Should China enter a time of recession while corrupt officials retain a much higher (and more self-centered) living style, corruption will become a more sensitive and more combustible problem that may undermine the political stability.

1.3.2 Peaceful Transition from Authoritarianism to Democracy:

Corruption on a large scale may result in the development of a strata of people who have an interest in preserving the existing political system and status quo, from which they get financial gain. Any democratic political and economic change that would endanger their authority and interests would be met with fierce opposition by such a stratum. A resistance of this kind may very easily sabotage the prospects of a smooth transition to democracy.

1.3.3 Corruption On a Large Scale Is a Hindrance to Economic Growth:

The certain types of corruption may help economic development; corruption generally hinders economic growth in the following ways. First, corruption stifles capital accumulation and investment. Widespread corruption targets state assets. Corrupt officials steal public assets and use them for their personal gain. Officials' luxury and/or wastefulness cost other assets. Corruption reaps "kickbacks" and fees from public contracts. Widespread

corruption leads to massive public asset loss. For example, in 1993, China's procurators seized 4.38 billion yuan in corruption and bribes. However, large sums of money spent on rent seeking activities rather than productive activities constituted a waste of societal resources since they could not generate economic value. Unlawful earnings of corrupt officials went into foreign banks or were utilized to maintain their lavish lifestyles, seldom being reinvested in constructive enterprises.

Second, corruption distorts the market and causes economic instability. Market competition rewards excellent quality products and services at cheap cost and pushes businesses to enhance service and create new technology. Rent-seeking competition instead rewards successful bribers and encourages businesses to fight for government favors. Corruption lowers resource allocation efficiency because corrupt authorities distribute resources based on bribery rather than business efficiency. For financial reasons, many businesses try to bribe authorities in order to relax or avoid implementing regulatory rules. So economic crimes like speculating, profiteering, smuggling, tax evasion, and commercial fraud exploded in the 1980s, severely disrupting the economic system.

Third, corruption thwarts economic planning and development strategies. As a growing nation, different levels of the Chinese government play a significant role in promoting economic growth. By diverting officials from such effort, widespread corruption undermines the government's capacity to support economic growth. There is no structural motivation for corrupt officials to work hard to execute development plans and programmes, while there is a structural incentive for them to selectively implement them [10].

Fourth, corruption affects people's economic decisions. Since 1978, the problem of how to become wealthy quickly has been a popular worry as the policies of "Get rich first" and "making money fever" proliferated. Power corrupted authorities and con artists first became wealthy. They set poor precedents for personal gain, which more public leaders and people have followed. Corruption enables individuals to thrive, reducing the motivation for honest effort. Corruption lowers national revenue and alters the wealth distribution in favor of the corrupt, thus weakening the intended incentive systems.

2. DISCUSSION

Political corruption and maladministration are able to feed off of one another in a variety of ways. First and foremost, systemic corruption in the areas of personnel recruitment and promotion weakens the incentives for public officials to work hard and honestly, lowering the overall quality of the civil service as a whole. Favoritism and bribery will be used to recruit and promote public employees, which will not only weaken their motivation, but will also allow business-oriented individuals to progressively join and control the government system. This would certainly reduce the efficiency of public administration since such "business bureaucrats" will devote their time and energy only to personal gain rather than to the benefit of the general public, as previously stated. Second, poor management of public administration creates possibilities for corruption, and corrupt officials have a vested interest in ensuring that poor management of public administration continues. Inadequate funding for government institutions and overlap in government functions, unnecessarily lengthy and complex procedures and red tape, loosening of regulations and countless loopholes in such regulations, as well as a lack of public scrutiny and public accountability, are all signs that China's public administration is being mismanaged. This kind of mismanagement also offers an opportunity for authorities to collect bribes from customers, who they may threaten with service delays and/or selective implementation of rules if they do not pay up in full. Ordinary people and businesses must pay bribes in order to expedite the procedures. As previously shown, corrupt officials often benefit from strong structural incentives and have a financial interest in perpetuating maladministration, which makes it more difficult to implement administrative reform.

3. CONCLUSION

The corruption issue has worsened since China started its market economy transition in 1978. During this time of change, corruption showed its own unique shapes and patterns. To date, the three waves of corruption have had a major effect on political, economic and social life and have presented a major danger to the regime's existence. The Chinese authorities have recognized clearly the severity and consequences of corruption and have thus intensified their efforts to combat corruption. Even though this effort has been successful, it has become obvious that the current anti-corruption campaign is very insufficient in the fight against corruption, mostly because of the nature of the existing political system. Further political reform and progress towards democracy are needed if China is to effectively manage corruption.

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