

POLICY AND GOVERNANCE

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Administrative theory,
interpersonal relations
and anti corruption
practice in Papua New
Guinea

Peter Larmour

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Peter Larmour <Peter.Larmour@anu.edu.au> is a Reader in the Crawford School of Economics and Government at ANU.

Abstract

'Corruption' may be the dark side of the relationship between personal relationships and the work of organisations. The paper considers how studies of Public Administration, and related ideas such as bureaucracy, management and governance, have viewed personal relationships. It then links these views to corresponding approaches to preventing corruption. The third part of the paper looks at anti corruption activity in PNG in light of the relationship between personal relationships, the work of organisations and broader ideas of the public interest.

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Administrative Theory, Interpersonal Relations and Anti Corruption Practice in Papua
New Guinea

Peter Larmour
Crawford School, ANU

Abstract

‘Corruption’ may be the dark side of the relationship between personal relationships and the work of organisations. The paper considers how studies of Public Administration, and related ideas such as bureaucracy, management and governance, have viewed personal relationships. It then links these views to corresponding approaches to preventing corruption. The third part of the paper looks at anti corruption activity in PNG in light of the relationship between personal relationships, the work of organisations and broader ideas of the public interest.

Influential definitions of corruption suggest that personal aims may sometimes undermine the work of organisations. Transparency International, the anti corruption NGO, originally defined corruption as ‘the use of public office for private gain’. Hong Kong’s anti bribery law criminalises ‘unauthorised receipts of benefits’.

Maintaining ‘collaborative relations’ - the first term in the title - may cause trouble too. In Hong Kong in the 1970s new recruits to the police were told they could ‘get on the bus’ of corruption, or step aside, but they shouldn’t try to stop it. To stand in front of the bus would disrupt working relationships, or worse. So corruption looks like the dark side of the relationship between personal aims, collaborative relations, and the work of organizations. Or perhaps it describes situations when these are at cross-purposes.

Corruption is notoriously difficult to conceptualise and define. In an influential article, Mark Philp points out that most definitions imply a conception of the ‘naturally sound condition’ from which corruption is seen as a deviation, or falling away (2002:51). Thus anti corruption is paired with good governance on the World Bank’s website. But there is little agreement on what that ‘naturally sound condition’ is or should be. In PNG, for example, there are likely to be several competing visions of ‘good’ governance: traditional (different in different parts of the country), late colonial (when services were delivered), national (dating back to the 1970s) and the new liberal version promoted by the World Bank. There are well-known difficulties applying current standards to other historical periods and other societies (ibid: 46-49). It is also practically difficult to do research on. It is hard know how much bribery or nepotism is going on, if much takes place in secret. Opinion and rumour may overestimate or underestimate the amount.

Given these difficulties I want to focus instead on anti corruption as a practical, administrative activity. It has a life of its own, not simply as reflection of the amount of corruption, however defined, that might be going on. There has been a sharp increase in international interest in anti corruption since the mid 1990s. Anti corruption has been a concern of the PNG government since independence, when the constitution provided for a leadership code, which is administered by the Ombudsman Commission. The PNG police have had a long-standing interest in criminalised forms of corruption (and the potential for corruption among their own members). Recently there have been proposals for an ICAC, modelled on similar commissions in NSW and Hong Kong and for legislation to protect whistleblowers.

I want to approach the relationship between collaborative relations, personal aims and the work of organisations (the title of the workshop) in several steps. First I want to look at how the study of public administration has dealt with the relationship between individual aims, interpersonal relations and the work of organizations. Shifts in the theory and practice of public administration, as it affects universities have been one of the drivers of the sponsors' interest in audit cultures (Strathern 2000). Then I want to ask how each approach addresses problems of corruption (see Table 1).

In the second half of the paper I want to see how these arguments help understand PNG's anti corruption institutions: bureaucracy itself, and the leadership code. The last part of the paper looks at the proposed ICAC model (and the figure of the whistleblower) in terms of the relationship between collaborative relations, personal aims and the work of organizations.

Administration

Administration is an old word that has accumulated a number of meanings (23 according to Andrew Dunsire, 1970). One theme that runs through them is the carrying out of the purposes of others. X administers something for Y. The administration implements laws passed by parliament. The trustees are not administering the estate according to the terms of the will. And so on.

In the terms of the workshop, the task of administration is to bring personal aims into alignment with the work (or aims?) of organizations. Hong Kong's anti bribery act, mentioned above, and Samoa's secret commissions act, are in this spirit of 'good administration'. In Hong Kong the receipt of benefits is fine but the problem arises if it is unauthorised, and in Samoa the problem is that it is 'secret' and therefore unaccountable.

The concept of 'public' administration adds a tricky fourth term to the three in the title of our workshop: some idea of a general, public or national interest, towards which the work of some organisations (and perhaps some professions) is meant to be oriented.

Bureaucracy

The standard pathology of administration is 'bureaucracy', a word that emerged in the late eighteenth century reflecting the suspicion that officials serving the king had

developed interests, and a power of their own (Albrow 1970). The high point of suspicion of bureaucratic power in the UK might be the 1970s, captured in the *Yes Minister* TV series – though the minister tends to triumph at the end of each episode. This series resonated with students at the University of PNG in the 1980s, when I used it in teaching public administration there. Since then the autonomy of public officials in countries like the UK and Australia has tended to be reduced, as politicians have asserted control in one direction, and the market from others.

Public choice theory – later subsumed within a package of reforms called the New Public Management – provided the rationale for this counterattack against bureaucratic power. It claimed to unmask the self-interest of officials at the same time as it celebrated the efficiency of market alternatives. For example, Dunleavy (1991) used public choice theory to explain privatisation: his theory of ‘bureau shaping’ explained how it was in the self interest of senior officials to devolve the boring and difficult jobs of service delivery to the private sector, while they retained the cushy and interesting jobs making policy in the capital city.

Professionalism

Apart from bureaucracy, a second persistent source of disruption to simple top down models of administration has been professional expertise – experts like doctors, teachers or engineers have often found accountability to senior administrators onerous. Professionals typically complain about red tape, petty regulations and so on that prevent them getting on with their (self defined) jobs. Some of these professions trade on the personal character and reputation of their members, and on the personal relationships with clients to perform successfully (think of psychiatrists, teachers or masseurs). Their work is co-produced with clients. Now professions such as auditors play an increasing role in anti corruption activity, typically (as Power 1997 points out) in ensuring compliance with processes.

The attractive political image of the profession is one of self-management. Professionals are distinctively vulnerable to particular forms of corruption, but are supposed to resist temptation through force of their own character, or their middle class status, or from fear of being embarrassed in front of respected colleagues. Their characteristic technique of corruption prevention is the code of conduct (perhaps backstopped by the law). PNG has a code of conduct that is supposed to govern the personal and official behaviour of leaders, in some ways as if leadership was a profession.

Management

Management studies differ from early theories of administration and bureaucracy by explicitly adopting the point of view of the people at the top of the organization. They emerged with the growth of large corporations and big government. Human Resource Management addresses interpersonal relations as an important link between individual aims and organisational purposes. These interpersonal links are as seen to be as amenable to management as other factors of production

Governance Networks

More recently theorists of networks have noticed how government activity does not only involve the vertical activity of administration, the inner workings of bureaucracies, or the tasks of managers. Instead they are interested in the horizontal relationships of interaction between government officials, and various private and non government actors who together amount to 'policy communities' or 'advocacy coalitions', oriented towards particular issues (Rhodes 1990, Sabatier and Weible 2007). These networks are bound together by similar beliefs and personal or professional ties.

Governments in capitalist economies have always relied on and deferred to the private sector as the engine of growth and jobs, and networks like those the Institute of National Affairs have been promoting in PNG are meant to establish and maintain close interpersonal relations between officials and businessmen.

Some theory of governance networks draws on anthropology, including Melanesian anthropology. Michael Taylor (1982) identified the conditions under which community (or network) forms of governance might persist: face-to-face interactions, reciprocity, the right to violent retaliation, gossip and shaming, and supernatural sanctions. Similarly Elinor Ostrom (1990) investigated the conditions under which people might be able to self manage common pool resources.

Corruption involves its own 'dark networks' (Raab and Milward 2003). Warburton (2001) argues that the establishment of face to face contact plays a key role in developing networks of corrupt officials. Interpersonal relationships established over lunch, or on the golf course, become conduits for flows of illicit information, tip-offs and cash.

The role of interpersonal relations

To summarise the argument so far, the study of administration has had little to say about the role of interpersonal relations in aligning personal aims with the work of organizations (while the study of public administration has introduced a tricky fourth term into the argument, the public interest)

However each of the other approaches we have looked has something to say about the role of collaborative relations in making (and by implication) breaking the links between personal aims and the work of organizations.

Weber was concerned about the production and maintenance of a professional ethos within the bureaucracy, whose members must deal impersonally with clients outside. Bureaucracy suppresses interpersonal relations between officials and clients, but intensifies them among officials bound together in a spiral of lifelong careers. Hecló and Wildavsky (1974) looked at how the intertwined careers of civil servants in Whitehall created opportunities for generalised reciprocity. Any official knew that his

counterpart in another department might be a colleague in future, and this expectation muted conflict and built trust in what they characterised as a ‘village’.

The combination of outward looking impersonality and inward looking personalism may be unstable, like priestly celibacy, or comradeship of a platoon in battle. And it fades towards the periphery: Michael Lipsky (1976) wrote about the work of what he called ‘street level’ bureaucrats, fronting up welfare offices or crisis centres. The work of their organizations was shaped by the pressure of their caseloads, and their relationships with their clients and each other. They interpreted and reinterpreted rules to solve practical problems. Administering ‘policy’ came a distant second to other front-line pressures on them. Similar day to day pressures from clients confront fieldworkers in more rural countries like PNG.

Management treats interpersonal relations as a resource for managers, to be shaped and manipulated by specialists.

Collaborative relations are much more fundamental - even constitutive - of network forms of governance.

Corruption and Anti Corruption

Each concept or theoretical approach tells a different story about corruption. In the case of administration, corruption is just another form of disobedience – unauthorised or secret. In Hong Kong the anti bribery ordinance prohibits ‘unauthorised receipt of benefits’ while Samoa’s legislation prohibits secret commissions. Each applies to both the public and private sectors. Administration’s remedies are authorisation and reporting.

Bureaucracy is more paradoxical. In some ways it is a machine against corruption. Its impersonal and rule bound treatment of clients prevents favouritism. Its merit-based promotion prevents nepotism. The prospect of a career reduces opportunities for conflicts of interest. Its decent salaries reduce the need for the petty corruption of fees for service. Yet from the point of view of the minister or senior managers, bureaucracy can look a machine for preserving official privileges and resisting outside direction. Bureaucracy can have a corruptive effect on administration, including democratic administration.

Management brings an array of interpersonal techniques to keep personal aims subordinate to organisational goals (tenure is not usually one)

Professionalism relies on intensely interpersonal respectability and embarrassment, and sometimes (usually after a crisis) turns to formal codes of practice, with sanctions such as disaccreditation or ostracism. Again, as with bureaucracy, professions can look from the outside as corrupt associations for preserving unwarranted privileges, and resisting democratic scrutiny.

In theories of network governance, corruption is hardly an issue, though some writers have recognised the presence of dark networks. Here ‘corruption’ seems a steady risk, rather than an isolated event, as interested stakeholders shape policy that affects them,

and as governments rely on private or non-government actors to advise on policy or deliver on services.

These different approaches are set out in Table 1

Table 1

Interpersonal Relations and Anti Corruption Practices

Concept	View of Interpersonal Relations	Typical Anti Corruption practice
Administration	none	Reporting, authorisation, accountability
Bureaucracy	Impersonal to outsiders Loyalty and trust among insiders	Career Salaries Merit based appointments
- street level bureaucracy	Overwhelms directives from HQ	Attenuated by distance from HQ
Professionalism	Inseparable from professional practice	Respectability, embarrassment, codes of practice
Management	A resource to be used by managers	Selection, training, team building, participation, counselling, warnings, dismissal
Network Governance	Constitutive element	None so far

Applications to Anti Corruption Activity in PNG

There are several aspects of anti corruption activity that seem to illuminate the relationship between interpersonal relations and anti corruption practices, and may point to special circumstances in PNG.

Administration versus Bureaucracy

Distinctions between administration and bureaucracy help explain some aspects of PNG's colonial government. The administrative character of Australian rule is often commented on, compared to more indirect models of rule through locally powerful chiefs. However professionals such as doctors, or agriculture officers often proved resistant to administration. Government became more bureaucratic in the 1950s and 1960s, as specialist departments based in Canberra moved in to the territory, and the size, scope and capacity of government increased substantially.

The key institution that has preserved the bureaucratic style (and pathologies) of government in PNG was the Public Service Commission, an instrument of control over appointments, promotions, and promoter of a common ethos

Bureaucratic rule was undermined after independence from two directions. From one direction, elected politicians asserted control over appointments (at least at senior levels) and chunks of the budget (in the famous slush funds). From the other, officials from donor countries and the World Bank became more involved in policymaking and delivery. Yet recent international concern with good governance has reinforced the idea of an impartial civil service.

Many of the defining features of bureaucracy, as we have seen, have an anti corruption purposes. PNG also has a leadership code, and there have been proposals for an ICAC and whistleblower protection. Each of these has implications for the relationship between collaborative work, personal aims and the work of organisations, particularly in PNG.

Leadership Code

PNG's leadership code dates back to the 1970s, and concerns then about conflicts of interest that might faced by a rising class of politician businessmen, personified by Sir Julius Chan (an opponent of strong code). An organic law sets out 'responsibilities of office' as they apply to about 600 senior officials an – through them – their families. These responsibilities – to avoid conflicts of interest, to refuse gifts, and to regularly disclose their income and assets – are more onerous than those applying to junior officials, and ordinary members of the public. They are additional to prohibitions against, for example, bribery in the penal code that apply to everyone, including leaders. The tribunal that investigates breaches of the code has loose rules of evidence than a court, but also a somewhat narrower range of penalties, ranging from fines through dismissal to imprisonment.

The language of codes, tribunals, and misconduct (rather than laws, courts and crimes) points its disciplinary character. The code deals with the personal as well as official life of a leader. In this ways it is like a professional code of conduct, though one imposed from outside the profession rather than engendered from within (The NSW ICAC had great difficulty in persuading the NSW Parliament to adopt a much milder code).

Leadership Codes offer a particular take on the relationship between personal aims, collaborative relations and the work of organizations. As with professionals, they break down the barriers between personal matters and work matters. A leaders family may be involved. And as with professionalism they trade on respectability: leader must not 'demean the office' they are occupying, or allow their integrity to be called into question. What counts as 'family' and what kinds of behaviour are appropriate or demeaning for 'leaders' are likely to be contentious questions in PNG, and differ across the country.

The ICAC model

The limited scope of the leadership code has led to proposals for a more wide ranging ICAC, modelled on NSW and Hong Kong. ICACs are institutional hybrids. The model was Hong Kong's, and its defining characteristic has been the three-pronged model of:

Investigation and reporting;
Prevention; and
Education.

The 'Independence' was originally independence from the police, who were deemed to be incapable of rooting out corruption in their own ranks, but now it often refers to independence from the executive government, and ICACs have wider responsibilities

towards the public sector as a whole (indeed now another independent commission deals with the police in NSW).

NSW's ICAC is often compared to a standing royal commission, that can choose what it investigates (rather than waiting for the government to refer things to it and circumscribe its terms of reference). Its special powers to investigate, and ability to compel officials to attend public hearings gives it the power of exposure (though they are not compelled to speak they may be prosecuted for lying). Heads of agencies are compelled to report suspicions they might have of corruption in their own agencies. However prosecution or disciplining of officials remain the responsibility of other agencies than the ICAC.

In administrative terms this independence is a strength and a weakness. It puts the ICAC outside a top down chain of command, and the authority it might have had as (for example) a unit in the Premier's office. Hong Kong's ICAC began with strong support from the Governor in a colonial administrative system. It is also outside the powerful well-established bureaucracies it must somehow supervise (though the NSW ICAC has used these powers to summon agency heads to hearings). So in spite of its strong formal powers, it is compelled to act in collaborative, horizontal ways, building trust, negotiating with competitors.

The prevention branch of the ICAC have developed concepts of organizational culture and organizational integrity that seek to harness interpersonal relations not simply to the work of the organization, but higher order values of public service. The NSW ICAC was created at a time of concern with police corruption. As in Hong Kong, young police officers were inducted into corruption through the examples set by their more established colleagues in what the ICAC called a 'culture of corruption'.

The ICAC act defines corruption in terms of the absence of 'honesty and impartiality' in the performance of the duties of a public officer. It has recently turned its attention to NSW universities, which come under its responsibilities for the public sector (though not ones organised in a bureaucratic way, or wholly funded from the NSW government budget)). In a recent case it criticised officials at Newcastle University for covering up evidence of plagiarism at an offshore branch of the university (ICAC 2005) It found university officials had been concerned that a reputation for severity against students would make the university less attractive in the competitive market for offshore fee paying students.

University deans and other officials were not accused of corruption in the personal sense of taking bribes, or other personal benefits. Rather their sidestepping of the university's own policies, and pursuit of the organisational goal of profitability amounted to a dishonest and partial exercise of their responsibilities.

In this subtly argued case the personal aims of the university's leaders were not opposed to those of the university. Rather they were too narrowly and zealously focussed of the sub-goal of profitability, and market share.

So the ICAC – at least in its NSW form – forces attention beyond the 'work of organisations' to the (public) goals these organisations are meant to serve. That is controversial territory.

Whistleblower Protection

There have also been calls for legislation to support 'whistleblower's in the fight against corruption. Whistleblowers are those within an organization who provide evidence about internal wrongdoing to outside agencies, including the media. Without protection they may be subject to sanctions from corrupt senior officials, or ostracism from colleagues.

The figure of the whistleblower reverses the earlier relationship between collaborative relationships, personal aims and the work of organizations. Whistleblowers see themselves as the guardians of true values of the organization, which are being perverted by those in power. And they must suffer ostracism, and the disruption of collaborative relations, if this truth is to get out. They are also often vilified by superiors and colleagues as acting from 'personal' motivations. By legislating to protect whistleblowers government are asserting a wider 'public' interest in the organisationally disruptive activities of individual members.

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