

ISCTE  **Business School**
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Leadership and Corruption

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Abstract:

The world of leadership is very complicated and of enormous dimensions. Its studies contain various definitions, theories, schools of thoughts, models and different forms and styles. Furthermore, each situation requires a different type of leadership, although some styles are preferred over others by leaders and followers alike; It is hard to say which style works best. The science of leadership has to be well studied and understood in order to fight corruption.

Corruption like leadership is a science by itself, it consists of different types and forms. According to studies, it is more prevalent in developing countries and some forms of corruption are already embedded to specific cultures. Corruption has left scholars wondering what causes this epidemic situation that seems to be present in every industry and country across history. There are many solutions to end corruption, however, as we intend to prove without ethics all of these solutions are worthless.

Ethical Leadership and values are new concepts that scholars are still investigating. However, it is argued that it can reduce corruption immensely if implemented right. Certain guidelines have to be followed and other means of financial support have to be provided in order to make a significant and meaningful change.

To end the interesting subject, practical research is conducted as followers and leaders provide their opinions on the subject of leadership, corruption, ethical leadership and ethics. The practical part consists of a survey answered by 100 participants and 5 interviews conducted with successful leaders. After extensive research, the main question is “Can the world of leadership and ethics help in the fight against corruption?”

Keywords: Leadership, Corruption, Ethical leadership, Values, Government, Economic development, Legal institutions, Law

Resumo:

O mundo da liderança é de uma tremenda complexidade e enorme dimensão. Os estudos deste contêm diferentes definições, teorias, escolas de pensamento, modelos e diferentes formas e estilos. Cada situação requer um tipo específico de liderança, embora alguns tipos sejam mais aceites pelos líderes e seguidores. É difícil saber que estilo resulta melhor. A ciência da liderança tem que ser bem estudado de forma a perceber e poder combater a corrupção.

A corrupção, tal como a liderança, é uma ciência por si própria, contendo diferentes tipos e formas. De acordo com diversos estudos, é mais prevalente em países em desenvolvimento e algumas formas de corrupção encontram-se inerentes a culturas específicas. A corrupção tem, ao longo dos séculos, deixado os estudiosos a interrogarem-se sobre a causa desta epidemia que parece estar presente em todas as indústrias e países do mundo ao longo da história. Existem diversas soluções para acabar com a corrupção, mas, sem o uso de Ética, nenhuma surtirá efeito.

Liderança Ética e valores trata-se de um novo conceito que os estudiosos ainda se encontram a investigar. No entanto, é argumentado que poderá reduzir a corrupção, se for corretamente implementado. Certas indicações devem ser seguidas e meios financeiros devem ser dispensados para suportar uma mudança significativa

Para acabar com o assunto interessante, a pesquisa prática é conduzida como seguidores e os líderes fornecem suas opiniões sobre o tema liderança, corrupção, liderança ética e ética. A parte prática consiste em uma pesquisa respondida por 100 participantes e 5 entrevistas realizadas com líderes bem-sucedidos. Após uma extensa pesquisa, a principal questão é: "O mundo da liderança e da ética pode ajudar na luta contra a corrupção?"

Palavras-chave: Liderança, Corrupção, liderança ética, valores, governo, desenvolvimento econômico, instituições jurídicas, direito

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List of Abbreviations

Pp= Pages

SLT= Situational Leadership Theory

LPC= Least Preferred co-worker

LMX= Leader-Member Exchange

VBL=Value Based Leadership

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Leadership and corruption

Chapter-1 Introduction

Leadership & Corruption is the topic of this paper, while writing this thesis a few difficulties were encountered like finding an agreed upon definition for Leadership as well as an absolute definition for corruption. However, after extensive research, there wasn't a definite answer, it appears as though scholars and leaders alike have different opinions about the meanings and definitions of leadership and corruption. Corruption was particularly harder to define as it comes in different ways and forms and it is not always measurable. (Johnston 1995)

This thesis will consist of five parts (Introduction, Leadership, Corruption, Leadership & Corruption, the practical part including a survey and several interviews and lastly Conclusion).

Chapter (II) will be divided as follows, Firstly, different theories of leadership (Trait, Behavioral, and Contingency Theories) will be discussed in detail. Secondly, the idea of Charismatic leadership, and why organizations are paying large sums of money to persuade charismatic leaders to become their CEOs will be explained. Moreover, Is Charisma all that it takes to lead an organization or are there other traits? Moreover, Leadership traits will be discussed in detail. Also questions like; can an organization be led by one person will be answered. Furthermore, different theories of leadership will be examined.

Thirdly, Transactional leaders and Transformational leaders will be compared; highlighting and examining what distinguishes them from each other. Fourthly, the meaning of Self-Leadership, and whether or not normal group members could govern themselves without a leader will be discussed. Fifthly, the meaning of Political leadership, the selection process of leadership, and the different leadership styles a leader could use will be examined. Seventh, after all the research, a simplified definition of Leadership shall be given.

Chapter III, is about Corruption, since ever; scholars and schools of thought have agreed that this issue should never be underestimated by any means. Examples like the overthrowing of the monarchy in France by the guillotine, because of the king's inability to control corruption is given. Tanzi (1998) suggests that corruption until this day, continues to put an end to the

careers of many political leaders, sometimes leading to the collapse of governments and whole political systems. (Tanzi 1998, 559)

Johnston (1995) argues that no writer has ever given corruption a clear and easy definition (Johnston 1995: 1). Therefore, Firstly, different theories and explanations of corruption will be given; through explaining the different forms of corruption, Political VS Bureaucratic corruption, and Private VS Collective Corruption. Secondly, the causes of Corruption (Direct, Indirect, and Political causes) will be examined. Moreover, A research of the different schools of thought (The Modernizations school, The Dependency School, and The Neo-patrimonial school) and their opinion and explanation of corruption will be looked at.

Thirdly, while going through the Effects of Corruption; the Quantitative, and Qualitative effects on corruption will be discussed in detail, as well as the effects of corruption on politics. Fourthly, Different Control Strategies of Corruption and their types will be revealed in detail.

In Chapter (IV), The topic of Leadership & Corruption will be discussed by exploring the idea of Ethical Leadership and also discussing how ethics can have a hand in slowing down corruption or ending it once and for all.

Chapter(V) will consist of some primary research done through several interviews with successful leaders and also through a survey completed by 100 respondents. The practical part helps support the main point of the thesis.

At the end, in the Conclusion Chapter (VI), some interesting theories, such as the possible solutions to Corruption and how to combat corruption as a whole. Presenting some solutions other than ethical leadership or solutions that complement the idea of ethics.

Chapter 2-Leadership:

As an Author by the name of Jago explained; Leadership is an evolving, Dynamic process and sometimes Leaders become followers and other times followers become leaders (Jago 1982, pp 316)

Definition:

Leadership has a lot of theories and types. Going from the trait theory till the contingent theory and from the charismatic leader to the transactional leader. They all differ from each other and till now scholars haven't agreed on the best type or theory because in each situation it is different, different circumstances require different styles of leadership.

Trait Theories:

Trait theories are concerned with personality, social, physical or intellectual traits that tend to put a part a leader from a non-leader. There are some key traits that differ leader from normal people such as; Ambition, energy, the desire to lead, honesty, integrity, self-confidence, intelligence, high self-monitoring and job relevant knowledge; this I just to name a few of the traits that define a leader according to the theory. These traits are put into a high standard that the media always highlight them and show them in leaders. According to this theory; these are the traits that make such powerful leaders like Nelson Mandela and Margaret Thatcher, just to name a few. (Locke 1991, pp. 308-315; Robbins 2005, pp 333-334)

Robbins (2005) argues that according to the most recent research, it is possible to come to the following points: First of all, leadership can be predicted by traits. Secondly, it is assumed that trait theories can be a good predictor of the what leadership looks like, At least better than other methods that attempt to differentiate between effective and ineffective leaders.

Jago (1982), however presented us with an interesting graph (Table 2). The graph describes the traits in the way it was viewed a few decades back (Robbins 2005, pp 333-334)

TABLE 2
Leadership Traits

Physical and Constitutional Factors	Personality Characteristics	Social Characteristics
Activity, energy	Achievement drive, ambition	Cooperativeness
Appearance, grooming	Adaptability	Interpersonal skills, sensitivity
Height	Adjustment, normality	Popularity, prestige
Weight	Aggressiveness	Sociability
	Alertness	Socioeconomic position
	Antiauthoritarianism	Talkativeness
	Dominance	Tact
	Emotional balance, control	
	Enthusiasm	
	Extraversion	
	Independence, nonconformity	
	Initiative	
	Insightfulness	
	Integrity	
	Objectivity	
	Originality	
	Persistence	
	Responsibility	
	Self-confidence	
	Sense of humor	
	Tolerance of stress	
Skill and Ability		
Administrative ability		
Intelligence		
Judgment		
Knowledge		
Technical competence		
Verbal fluency		

Table (1) leadership trait by (Jago G. 1982, pp 317)

Behavioral Theories:

According to this theory, there are certain behaviors that a leader possesses. Specific behaviors that can tell a leader from a non-leader. There are different types of behavioral theories though like (the Ohio state studies, University of Michigan Studies, and the Scandinavian Studies). (Schriesheim 1995, pp. 111-145), which will be examined in the next part.

The Ohio State Studies

According to Robbins (2005), the Ohio state studies are the most famous, and most talked about among the behavioral theories. Scholars and researcher's alike have attempted to list the principles of behavioral leadership, and after extensive research they came up with two very basic characteristics: (Initiating structure, and Consideration). (Robbins 2005, pp 335-336)

According to the Ohio state studies, the first component; Initiating structure is "the extent to which a leader is more likely to try to structure his or her role and those of subordinates looking to achieve their goals and that of the organization." (Robbins 2005, pp 335-336), while *Consideration* is "The extent to which a leader is likely to have job relationships

characterized by mutual trust, respect for subordinate's ideas, and regard for their feelings.” (Robbins 2005, pp 335-336), In other words this component defines how the leader interacts with his team and how he helps them with their problems and not just having a work relationship with them. A highly rated CEOs in these studies is AOL Time Warner's Richard Parsons, this is due to his people skills and due to the fact that he is very people oriented and is a believer of having more than just a work relationship with his subordinates. (Robbins 2005, pp 335-336)

University of Michigan Studies

The Michigan studies were done at almost the same time the Ohio state studies. In these studies, researchers came out with two important parts of behavioral leadership and they are the following (Employee-oriented, and production-oriented) (Robbins 2005, pp 336).

The employee oriented leader and the production oriented leader are two different approaches for a leader. The employee oriented leader is concerned with interpersonal relations; he/she takes an interest in the problems and needs of their fellow employees and they tend to accept the differences between the members of their organization. While on the other hand the Production-oriented leader cares only about achieving the goal of the organization and takes care of the technical side of the role he is given. (Robbins 2005, pp 336. The scholars and researchers found out that employees favored a leader that is employee oriented since that kind of leader responds to their problems and basic needs which in turn leads them to perform better for the organization thus achieving better results. (Robbins P. 2005, pp 336)

Scandinavian Studies

The Scandinavian studies are more recent ones; they have totally different ideas from the previous two discussed above and are more modern. The previous two studies were developed between the late 1940s and the early 1960s. While this theory was developed by Finish and Swedish researchers later on. These researchers came up with a new and different dimension, which goes by the following name *Development-Oriented Leader*. (Robbins 2005, pp 337-338)

A leader is an individual “who does experimentations, looks for new ideas, generates and makes changes.” (Robbins 2005, pp 337-338), The Scandinavian researchers criticized the Michigan studies and argued that there were more than the two dimensions mentioned

(Production-orientated and employee-oriented) that capture the essence of leadership behavior. (Lindell 1992, pp. 355-377)

Contingency Theories:

Contingency theories emerged due to the constant failure of researchers of the 20th century to find absolute results, which in turn drove contingency theorists to focus on situational influences. The researchers of this theory are concerned with situational impacts and their correlation with leadership effectiveness. In the sake of that correlation, the Fiedler model, the Situational Leadership theory (SLT), the leader-member exchange theory, the path-goal theory and the leader-participation model will be examined later on in this chapter (Shiflett 1981, pp. 765-769; Robbins 2005, pp 338-347)

Fiedler's Contingency Model

The Fiedler model is a very structured contingency model for leadership, the model explains and argues that effective groups rely on a proper relation between the style of the leader when he interacts with the subordinates and the extent to which the situation the leader is in gives control and power to him/her. (Robbins 2005, pp 339-342)

Three factors constitute this model, (the model off course was developed by Fred-Fiedler), the factors are: *Identifying leadership style, Defining the Situation, and Matching leaders and situations.* (Robbins 2005, pp 339-342)

Identifying Leadership Style

The first components are considered as key ingredients in the model, Fiedler created the least preferred coworker (LPC) questionnaire in order to identify different leadership styles; it contained 16 adjectives and its main objective was to examine the coworker, and figure out whether he/she is Task-oriented, or Relationship-Oriented. (Robbins 2005, pp 339)

Defining the Situation

Furthermore, after figuring out what the leadership style of the leader is, then a situation must be defined. For that purpose, Fiedler suggested three dimensions that can help determine the effectiveness of leadership. They are the following:

Leader-Member Relations

The author argues that Leader-Member relation depend on the degree of confidence, trust, and respect subordinates have in their leader and vice versa.” (Shiflett 1981)

Task Structure

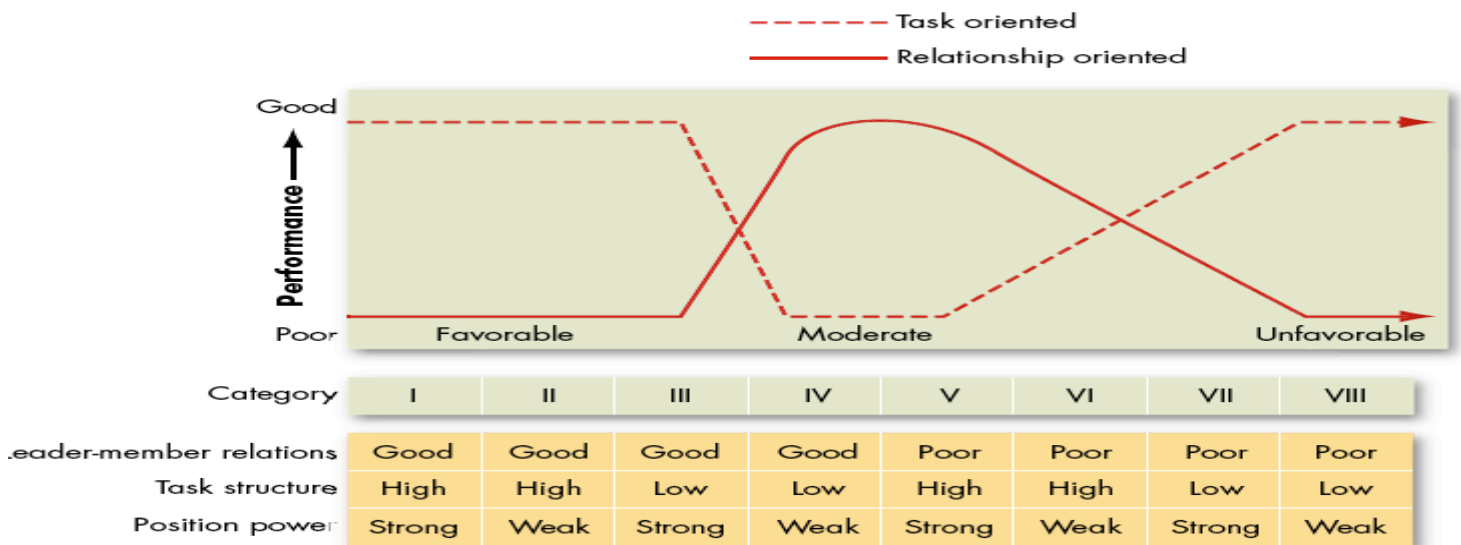
Task structure is the extent of which tasks go through procedures and regulations (Shiflett 1981)

Position Power

Position power is the strength and power given by one’s position in the hierarchical system. This gives the power to hire, fire, discipline or promote an employee (Shiflett 1981).

Matching Leaders and situations

Moreover, the last step is matching the leaders with different situations. In respect to the model, task-oriented leaders have scored better in efficiency than relationship-oriented leaders. This is shown in the following graph (Graph 2). (Robbins 2005, pp 340)



(Graph 1) (Robbins 2005, pp 341)

(Graph 1) shows the interesting results and findings of Fiedler, the author discovered that Mainly Task-oriented Leaders do a much better job when they encounter a I, II, III, VII, or VIII situation level. On the other hand, the results show that Relationship oriented leaders perform better in the levels from IV through VI. (Robbins 2005, pp 34)1

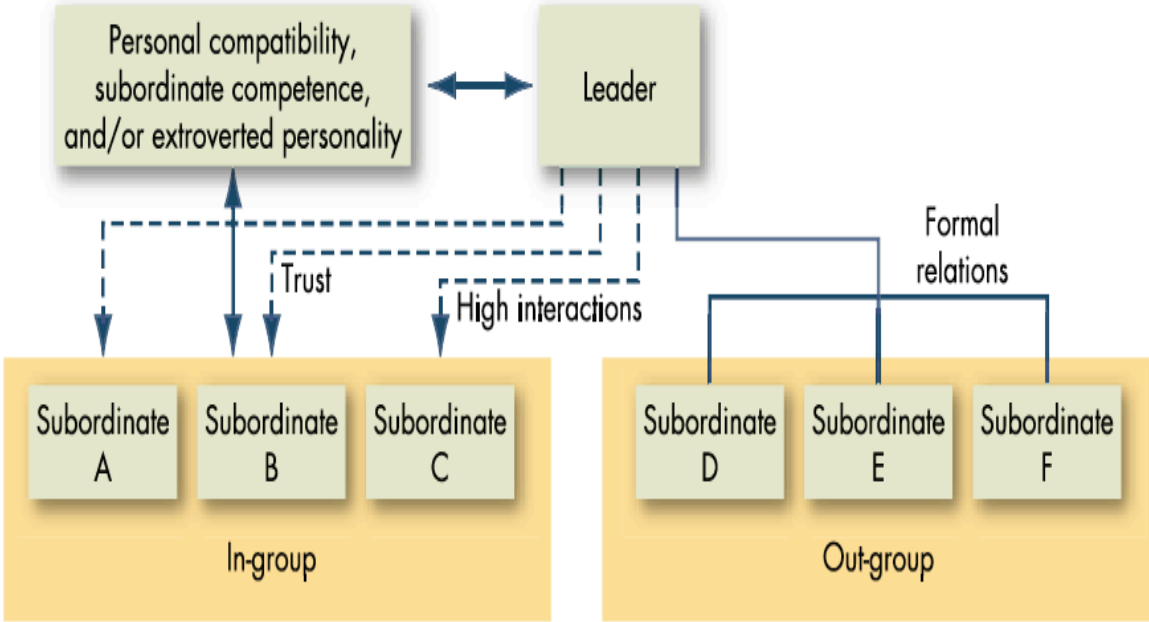
Researchers and scholars rated Fiedler’s Model highly and gave it positive reviews. But as all things in life, not many theories or models are perfect and there ought to be some criticism. Regarding the model, scholars highlighted some problems of the LPC questionnaire and the three dimensions (especially the part defining situation). Researchers and scholars’ a like believe that the results of the LPC questionnaire are all variable and not exactly the most stable. They also added that the 3 dimensions are complex and hard to assess. (Robbins 2005, pp 341)

Situational Leadership Theory (SLT)

Robbins (2005) believes that Hersey and Blanchard’s situational Leadership theory “is a contingency model that puts focus on the follower’s readiness” (Robbins 2005, pp 342-343). This theory argues that followers are an integral part of why Leaders become what they are in the first place (Robbins 2005, pp 342-343)

Leader-Member Exchange (LMX) Theory

This theory suggests that “if Leaders create two kinds of groups; an in and an out group, the in-groups will have a higher performance ratings, less turnover and greater job satisfaction” (Robbins 2005, pp 343-344), the theory argues that a leader with in groups are more trusted and preferred by leaders) and the out-group are basically the group which the leader only interacts with formally (Robbins 2005, pp 343-344)

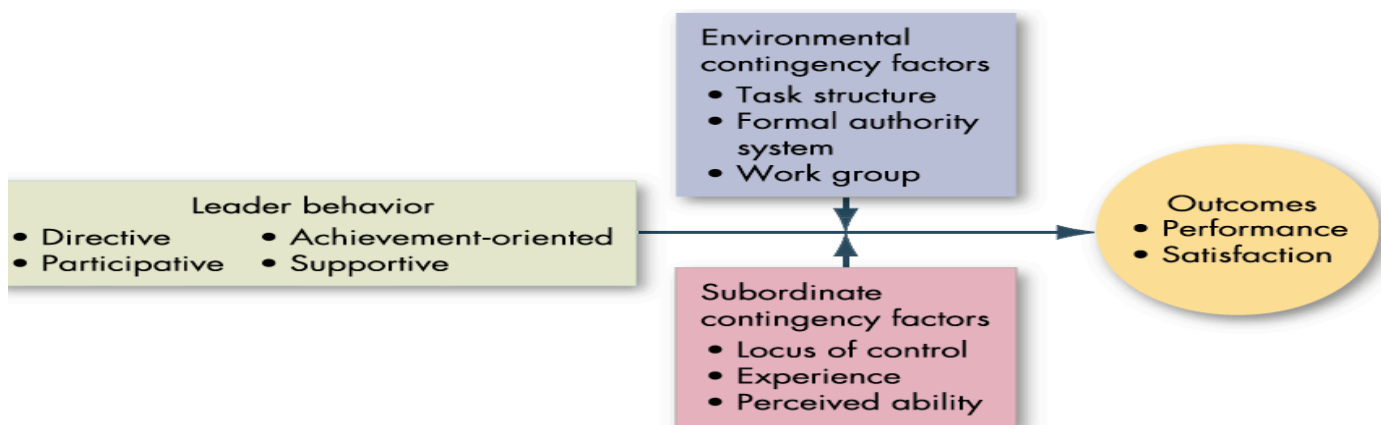


(Graph 2) (Robbins 2005, pp 344)

As shown in (Graph 2), Researchers believe that the In-group employees are picked out because they are preferred by the leader, he/she trusts them and somehow it is argued that the leader have the same values, morals and ideas. On the other side, the out-group doesn't have the same characteristics and they only interact on a formal basis with their Leader. (Robbins 2005, pp 344)

The “Path-Goal” Theory

The “Path-Goal” theory was created by Robert House, the theory argues that the leader has to assist his/her followers in order to achieve the organization’s goal, Furthermore the Leader has to give them the needed direction and set them on the right path. All of this ensures that the overall goals and the organization targets go hand in hand (House 1996, pp. 323-352: Robbins 2005, pp 344-346)



(Graph 3) (Robbins P. 2005, pp 345)

As noted in (Graph 3), House highlighted 4 leader behaviors, which are *Directive*, *Participate*, *Achievement-Oriented*, and *Supportive*. Also, he mentioned 2 Contingency groups (situations). The First one involved the Environmental Contingency Factors, which included task structure, formal authority system and work group. The Second Contingency group involved the Subordinate Contingency factors, which had Locus of control, Experience, and Perceived ability. Lastly, as shown in the graph, all factors point to the desired goal, which is Performance, and satisfaction. (House 1996, pp. 323-352)

Leader Participation model

This model was developed by Victor Vroom, and Phillip Yetton (Robbins 2005), it demonstrates “a leadership theory that includes a set of rules to show the form and number of participative decision making in different situations.” (Robbins 2005,), the Contingency Variables are presented in the exhibit below. (House 1996, pp. 428)

Contingency Variables in the Revised Leader-Participation Model

- Importance of the decision
- Importance of obtaining follower commitment to the decision
- Whether the leader has sufficient information to make a good decision
- How well structured the problem is
- Whether an autocratic decision would receive follower commitment
- Whether followers “buy into” the organization’s goals
- Whether there is likely to be conflict among followers over solution alternatives
- Whether followers have the necessary information to make a good decision
- Time constraints on the leader that may limit follower involvement
- Whether costs to bring geographically dispersed members together is justified
- Importance to the leader of minimizing the time it takes to make the decision
- Importance of using participation as a tool for developing follower decision skills

(Exhibit 1) (Robbins 2005, pp 347)

Exhibit 1 demonstrates Contingency Variables that were developed by Vroom and Yetton. Scholars were excited about this model, however there were some doubts about it as it is very complex, Furthermore, some essential values and ideas are missing from the model (such as, Stress, Intelligence, and Experience), which according to research have already been proved to be essential factors. Lastly, this model was found to be too complicated for a simple manager to understand. (House 1996, pp. 428: Robbins 2005, pp 346-347)

"I have a dream that my four little children will one day live in a nation where they will not be judged by the color of their skin, but by the content of their character." *Martin Luther King, Jr* (Edmondson)

Charismatic leadership

Martin Luther King, Jr., Bill Clinton, John F. Kennedy, Malcolm X, all of these individuals were characterized with having Charisma, and the ability to reach their followers, and transmit their vision to them. (Conger 1988)

According to Robbins (2005), Charismatic leadership theory states that, "Followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviors" (Robbins 2005, pp 363). Moreover, there are also certain characteristics that distinguish charismatic leaders from non-charismatic ones, some of these characteristics are shown below in Exhibit (2)

Key Characteristics of Charismatic Leaders

- ***Vision and articulation.*** Has a vision—expressed as an idealized goal—that proposes a future better than the status quo; and is able to clarify the importance of the vision in terms that are understandable to others.
- ***Personal risk.*** Willing to take on high personal risk, incur high costs and engage in self-sacrifice to achieve the vision.
- ***Environmental sensitivity.*** Able to make realistic assessments of the environmental constraints and resources needed to bring about change.
- ***Sensitivity to follower needs.*** Perceptive of others' abilities and responsive to their needs and feelings.
- ***Unconventional behavior.*** Engages in behaviors that are perceived as novel and counter to norms.

Exhibit (2) (Robbins 2005, pp 363)

As you can see in Exhibit (2), the stated Characteristics are what charismatic leaders usually have and this is how they influence their followers. How these leaders make their followers follow them is all down to creating a goal and delivering a plan and vision to achieve that goal.

In order to succeed these leaders, set high expectations, create strong values and teach their followers to make sacrifices when necessary. (Conger 1988)

Are Charismatic Leaders born or made?

The author shares the same opinion with other scholars, which is that leaders can be created; he argues that people can be trained to become Charismatic leaders. (Robbins 2005, pp 364). According to him, charisma can be developed in 3 steps, first step is to create a sense of optimism and enthusiasm among the followers. The Second step would be to interact and create a relationship with the followers in order to guarantee loyalty and inspiration. The final step is to create a bond that is more than just a work relation, which would allow the leaders to reach out to the followers and group members personally. (Frese M. 2003)

The Case against Charismatic leadership

Recently, there is a growing number of scholars who argue against charismatic leadership, and that the effectiveness of Charismatic leadership depends mainly on the situation on hand. Furthermore, due to the incidents that occurred in major corporations like Enron, and Tyco, many started to believe that charismatic leaders may be a sword with two ends and that it may hide a darker side (Robbins 2005, pp 365). According to research, Charisma is needed the most when there is an increasing amount of stress or uncertainty of the future (Robbins 2005, pp 365). This type of leadership is highly probable to appear and emerge in fields such as politics and religion. Moreover, being a charismatic leader is helpful and highly likely to help when an organization is on the edge of bankruptcy. On the other hand, there is the issue of charismatic leaders abusing their power, using corporations for their own personal benefits. An example of a charismatic leader abusing his power is that of Dennis Kozlowski who was a leader in Tyco and one of the most influential characters at that time. The powerful leader was caught manipulating stock and was later charged with grand theft larceny and violating state business laws. (Raelin 2003)

Transactional Leadership

The Behavioral Theories and the Contingency Theories, which were discussed in the paper above, (like the different types Behavioral theories of leadership, such as the Ohio state studies, University of Michigan Studies, and the Scandinavian Studies, and Contingency theories such as, The Fiedler model, the Situational leadership theory (SLT), the Leader-

Member exchange theory, the Path-Goal theory, and the leader-participation model) are all relevant to Transactional leaders. This type of leaders are known to motivate and direct their followers in the direction of an established goal by easing the path ahead through clarifying their roles and task requirements (Robbins 2005, pp 366-367).

Exhibit (3) (Robbins 2005, pp 367)

As you can see in Exhibit (3), these are the key characteristics to Transactional leaders. They include (1) Contingent Reward, which is basically rewarding employees with incentives in order to praise their good performance, (2) Management by Exception (active) and (3) Management by Exception (passive). There are two different types of managers by exception in the category of transactional leaders, on one hand there are leaders that are not scared to correct any deviations of rules or regulations. On the other hand, there are Transactional leaders that only intervene if the rules and regulations are not met by the employees, Lastly, there is the Laissez-Faire style, in which leaders wash away their hands and let employees decide what to do; distributing the responsibilities among them (Robbins 2005).

Characteristics of Transactional Leaders

Contingent Reward: Contracts exchange of rewards for effort, promises rewards for good performance, recognizes accomplishments.

Management by Exception (active): Watches and searches for deviations from rules and standards, takes corrective action.

Management by Exception (passive): Intervenes only if standards are not met.

Laissez-Faire: Abdicates responsibilities, avoids making decisions.

Characteristics of Transformational Leaders

Charisma: Provides vision and sense of mission, instills pride, gains respect and trust.

Inspiration: Communicates high expectations, uses symbols to focus efforts, expresses important purposes in simple ways.

Intellectual Stimulation: Promotes intelligence, rationality, and careful problem solving.

Individualized Consideration: Gives personal attention, treats each employee individually, coaches, advises.

Exhibit (4) (Robbins 2005, pp 367)

Transformational leader

Transformational leaders are all about Charisma, Examples of transformational leaders are, Virgin's Group Richard Branson, and Andrea Jung at Avon. These types of leaders have a lot of charisma, they display high intellect and they provide individualized considerations. (Robbins 2005). As you can see in Exhibit (4) Transformational leaders have four essential characteristics, (1) Charisma, the most important characteristic that highlights Transformational leaders, they have a clear plan and vision, and they try to pass their goal and plan to the organization's members, leaders here are respected and trusted by their followers, (2) Inspiration, Transformational leaders are known to inspire their subordinates, and they have great expectations of them and they let them know it, (3) Intellectual Stimulation, Leaders in this category use their intelligence to deal with problems and employees, they teach their employees to be rational and how to deal with their problems intelligently. (4) Individualized Consideration, they tend to have a deeper connection with their employees professionally and personally. (Robbins 2005, pp 366-367)

Self-Leadership

The real question here is; Can the people lead themselves? A growing number of scholars have come to believe that it is possible, the theory here is to introduce “A number of processes which enables individuals to have control on their own behavior (Robbins 2005, pp 372-373); The process is not complex and easy to follow; it argues that self-leadership includes six factors, (1) Model self-leadership, Involves setting yourself goals that are challenging, this can be done through self-reinforcement and self-direction, (2) Encourage employees to create self-set goals, it is essential to set goals for your employees. The most important factor of Self leadership is having defined quantitative goals that are clearly highlighted and easy to follow (3) Encourage the use of self-rewards, keep encouraging and motivating yourself, don’t punish yourself all the time, however apply punishments to those who are considered to be destructive or dishonest to the corporation., (4) Creating positive vibes and good energy patterns and self-motivation are the key factors of success. Employees should motivate themselves to achieve their goals and targets in the organization, (5) Create a climate of self-leadership, the aim of this certain climate is to increase the general motivation of the employees which can be done by increasing the natural rewards of the job. (6) Encourage self-criticism, try to be self-critical of your work, there is no harm in criticizing yourself every now and then but not to the point of punishment as the aim of this is to increase motivation (Dolbier 2001)

Self-leadership is a double-edged sword, it has its benefits and its disadvantages. on the one hand, it is considered to be a great process that leads to a feeling of self-motivation. Furthermore, it is also considered to be a great tool for choosing employees and making them the leaders of today. On the other hand, there is rarely a theory without disadvantages; the whole system relies on employees being responsible, loyal, and obedient to the organization’s rules and goals. However, the ugly truth is that for an employee to be a powerful leader, he/she must first be a super employee (Dolbier 2001). Moreover, Employees could be taught to show responsibility and to be self-conscious, and then it could be a matter of time and experience until they become the leaders of today. (Dolbier 2001) “Concern about leadership extends far back into the history of social thought, and conceptions of it have fluctuated from hero concept to that of the leadership of the Common Man.” (Dion 1968, pp 2)

Political leadership

There are a lot of kinds of leadership; But political leadership stands out the most. According to research, leadership is considered as a group function, “that leadership happens every time interactions among a big number of people take the form of a structured pattern of orders and obedience” (Dion 1968, pp 4). It is clear that the author clearly believes that leadership should never be viewed in a pattern. That way the factors related to leadership can be unveiled. (Dion 1968, pp 4). In Regard to Political leadership; Three different dimensions will be discussed, first comes the Selection of Leaders, second comes Group Controls, and finally, the Styles of leadership. (Dion 1968, pp 10-17)

The Selection of Leaders

“Leadership rests either on power like dictators or by consent like democratic leaders” (Dion 1968, pp 10). The issue with the process is that not everyone has access to leadership, only certain and few people become leaders, whereas the rest of the population follows and that is the normal way of life (Dion 1968, pp 10-12)

According to scholars, leadership selection falls into 3 variables, (1) The Biological principle, the birth right to lead, for example like (Kings and Queens) (2) The Fuhrer principle; This concept is used as this study was conducted in the 60’s with the world war still in mind, in other words this concept can also described as a dictatorship (3) The Voting principle, leadership through elections and voting. This process in modern day like a democracy, in which the people get to choose by themselves. (Dion 1968, pp 10-12). According to Dion (1968), The Voting principle is the ideal choice, since it guarantees no one leader stays in power for a long period of time. Furthermore, this principle made rapid social evolution a possibility (Dion 1968, pp 12).

Groups Controls (The Power in the Hands of Leaders and Group Members)

“If the political leader doesn’t necessarily need to be loved, he/she must however be acclaimed” (Dion 1968, pp 12-14). In this part, Dion examines how leaders can control their followers and how in turn the group members have themselves some control over leadership (Dion 1968, pp 12-14). According to the author, it begins with group behavior and values, they form how leadership ought to be; the layers of authority are created through it and it shapes the levels of hierarchy inside the corporation (Dion 1968, pp 12-14). However, all of that

established system changes when the leader gains control and assumes power. When the leader gains control through this power; he/she is free to reorganize and change the organization to his/her liking asserting control over the organization (Dion 1968, pp 12-14).

There are a lot of types of Control techniques, However, this paper will focus on only two of them (Control over Operating Values, and Control over the means of Coercion), due to their importance to this thesis (Dion 1968, pp 12-14)

Firstly, Control over Operating Values is all about controlling the followers through the group norms. Through changing the group norms and values, the leader is able to force his plans and agenda through the regular channels, thus proving to his critics that he/she is maintaining the values and norms of the organization after all (Dion 1968, pp 12-14). Furthermore, Control over the means of Coercion is concerned with the freedom to invoke rules, regulations and punishments whenever it is necessary. The Control over the means of Coercion is a great and influential tool in the hands of any leader, however, it can also be used in the wrong way; if it would find itself in the hands of a reckless leader. It is also a tool of fear; that could be used to intimidate group members and stop them from opposing the leader (Dion 1968, pp 12-14)

In another point of view, the author argues that the leaders aren't the only ones who have their hands-on power, group members also have some control over leadership. Leadership doesn't exist without an organization. On the other hand, an organization can exist without leadership. Leadership relies on what the writer describes as the "administrative bureau" (Dion 1968, pp 12-14), who are group members within the organization, without this group the leader can't run the company; they have access to information and along with it, have the experience needed. Although it may not show, but in the end, it is the followers and the group members who form the corporation, and most of the times have had the upper hand over the leaders and have proved to be stronger than the leaders. Full manipulation of the group norms is highly unlikely, and even if the exception happens it does not come cheap. (Dion 1968, pp 12-14)

According to the scholars, there are two fears in group controls, the first fear is when the leader acquires complete control and power over followers through different and special situations). The other fear, is the opposite and that is what the author described as the rule of

the masses and that concept supports the idea that people can't govern themselves and that a corporation is need of a strong leader for it to succeed (Dion 1968, pp 12-14)

The Styles of leadership

There are at least four styles of leadership, (1) Laissez-faire leadership, which is about achieving the goals of the organization through the members, by their guidance and their abilities.(2) Autocratic leadership, is basically giving the leader absolute power and control over the organization in order to achieve and attain goals, (3) Authoritarian leadership, is all about rules and regulations, strict reinforcement of the system; direct following of the rules will result in achieving the goals (4) Democratic leadership, is all about the group members working together and coordinating to attain the organization's goal (Dion 1968, pp 14-17). However, these four styles usually come down to two styles: Authoritarian leadership, and Democratic leadership. (Dion 1968, pp 14-17)

Democratic leadership has two objectives; firstly, to achieve the group goals and secondly, to make sure there is a limit of outside control over the followers (Dion 1968, pp 14-17). Moreover, Democratic leadership is illustrated by the active contribution of its group members. If there is an active collaboration from the group members; they will eventually be happy over how goals are being achieved in the organization. Furthermore, the freedom allows the group members to choose how to do their task which in turn allows them to be more efficient (Dion 1968, pp 14-17)

Like Democratic Leadership, authoritarian leadership also has two objectives, the first is to get the maximum number of goals set by the organization and the Second would be to use a lot of strict rules and regulations on the group members, these rules help maintain tight control (Dion 1968, pp 14-17). Authoritarian leaders are usually brutal; they have absolutely no problem in enforcing the rules and regulations through punishment and strict behavior all in the sake of achieving the organization's goals. In authoritarian organizations, group members are usually paranoid of getting fired and overly suspicious of other co-workers. Moreover, there is a low level of loyalty to the Corporation (Dion 1968, pp 14-17). The author adds that, in this type of companies, the leaders clearly have absolute power and authority in the organization. The authoritarian leaders tend to make their own policies and rules by which the followers should strictly follow, no questions asked. The climate in the company is a bit like everyman for himself with everyone keeping his/her ideas to themselves, since there is a lack of

participation and all the decision are made by the leader. Moreover, authoritarian leaders don't have any personal relationship with their employees, their conversations are all about work (Dion 1968, pp 14-17)

Authoritarian leaders are kind of like dictators; drunk on power and very hard to remove. This type of organizations rarely changes their leaders as they have grown accustomed to the set of rules and principles that already exist and are afraid of the sanctions and punishments that follow (Dion 1968, pp 14-17)

Like many things in life nothing goes without disadvantages, here both leadership styles have their own functions, advantages, and disadvantages. However, if it is very difficult to say which of the two is more functional, deciding between the two will rely on the organization and its culture. In some societies, it is usual to have an authoritarian leader. On the other hand, in other cultures a democratic leader is more common as in this type of society; there is greater respect and appreciation to the group's values. Moreover, some of these problems include appearing weak, not being able to enforce their own rules and regulations. The main disadvantage here is the lack of control that the democratic leader usually has on his followers. (Dion 1968, pp 14-17)

Substitutes and Neutralizers to Leadership

Many argue that the answer is not always leadership despite the claims of many that it is one of the most powerful tools in the organization. The author argues that there are specific employees, other organizational variables, and offices (senior managers, or line managers) that can also be considered as important factors of any organization and can in fact replace or neutralize leadership. (Robbins P. 2005). The author touches more on the subject and explains that neutralizers "turn off the leader's influence. When neutralizers are in the picture, leader's behavior hardly makes any difference. On the other hand, when Substitutes of leadership appear; they make the leader hardly unable to make any influence. Furthermore, sometimes it is even unnecessary as substitutes can handle the situation perfectly. Check out the Exhibit below

Substitutes and Neutralizers for Leadership

Defining Characteristics	Relationship-Oriented Leadership	Task-Oriented Leadership
Individual		
Experience/training Professionalism Indifference to rewards	No effect on Substitutes for Neutralizes	Substitutes for Substitutes for Neutralizes
Job		
Highly structured task Provides its own feedback Intrinsically satisfying	No effect on No effect on Substitutes for	Substitutes for Substitutes for No effect on
Organization		
Explicit formalized goals Rigid rules and procedures Cohesive work groups	No effect on No effect on Substitutes for	Substitutes for Substitutes for Substitutes for

Exhibit (5)

As shown in Exhibit (5), There are two classes of leaders, one of them is the task-oriented type, and the other is the Relationship-oriented style. Moreover, there are three different top roles where a leader could be substituted or neutralized. Furthermore, the exhibit also shows some features under each of the functions. The functions are the following: Firstly, the individual concept, as an example professionalism might be a substitute to relationship-oriented leadership, while an employee who doesn't care much about incentives and rewards could neutralize a task-oriented leader. (2) The job; in this case, if an intrinsically satisfying job is in place it might as well act as a substitute for a relationship-oriented leader. On the other hand, if it is a highly structured task; it can be a replacement to a task-oriented leader. Lastly (3) the organization. In this function; Cohesive work groups can be a suitable substitute for a relationship-oriented leader. On the other hand, rigid rules, regulations and a strict environment are suitable substitutes for task oriented leadership (Robbins P. 2005)

Concluding Remarks on Leadership

After extensive research and examining of the different Theories, types and concepts of leadership, it's time to try and define leadership. What is Leadership? A lot of scholars might argue and say that leadership is very similar to management, however Robbins (2005) argues that they are two completely different concepts, For the author, management is learning how to deal with difficulties, it is a system where you first design a plan, build a strong structure and

try to be consistent and organized to achieve the organization's goals. In the end management is all about orders, regulations and consistency. On the other hand, leadership is concerned with change and adjusting to different situations. It is about having a vision or a long-term plan for the business in order to grow to prosperity. Furthermore, leadership is also related to motivating and inspiring people to follow the plan or vision put ahead (Snavely 2001). Moreover, another definition for Leadership is "the ability to influence a group toward the achievement of goals", influence could be a formal one, in a sense that it can come through managerial rank, but not all leaders are managers and vice versa not all managers leaders. Thus, a corporation can grant its managers absolute power and authority, however, it will still rely on the managers ability and personality to lead and achieve the organization's goals (Robbins 2005, pp 332-333).

Several other studies also have stated that leadership has two components: (Process, and Property), Process is basically punishment free and being passive in order to assign tasks and achieve goals. On the other hand, the second component "Property", Emphasizes the personality and the characteristics of the leader. (Jago G. 1982, pp 315-316). Moreover, according to these studies, Leadership isn't simply just a single quality or characteristic that one can possess or believe to have, however it is something that one does (Jago G. 1982, pp 315-316). The author argues that Leadership is neither about strength or force, nor is it concerned with titles. As stated before, not all leaders are managers, Leadership is more about encouraging and motivating others, but in order to achieve that, the leader has to be influenced himself (Jago G. 1982, pp 315-316).

Chapter 3-Corruption

As mentioned previously in the beginning of the paper, there isn't one single and easy definition for corruption; However, Writers and scholars have agreed upon one simple definition which is the following "Corruption is the abuse of public office for private benefit" (Gray W. 1998, 7). Others agreed with the previous definition but argued that corruption is better defined when it is correlated with behavior.

Heidenheimer's categories were used to examine a theoretical approach, his concept divided corruption into three different groups (public-office-centered, market-centered and public-interest-centered) (Johnston 1995). First of all, the Public-office-centered approach is best explained as a behavior which diverts the public employee from his tasks, distractions such

as personal interests, private gains; or the violation of certain rules for unlawful action. Secondly, in concern to the market-centered approach, he believed it was best described as the following; a corrupt public officer thinking the public office is his own business which can be used for his personal gain, so the officer would do anything to increase his winnings. That being said the public employee no longer considers himself as a servant to the public but rather a businessman whose only target is to use the public office to maximize his profits. Finally, the public-interest-centered approach which according to Heidenheimer is the not the best approach or definition; is explained as a pattern that can exist whenever a public officer with power and authority is not paid well, thus taking actions into his own hands to provide himself with rewards he deems necessary; therefore, causing damage to the public and its interests (Johnston 1995, 6-9). These definitions help the readers get a theoretical perspective towards corruption, primarily through explaining and highlighting certain behaviors, thus enabling people to identify with certain patterns and clues of corruption. (Johnston 1995, 6)

Definition

In order to come up with a definition, firstly it is necessary to understand the following (a) Forms of Corruption, (b) Political VS Bureaucratic Corruption, and (c) Private VS Collective Corruption. (Andvig 2001, pp.5-6)

Forms of Corruption

Corruption comes in many forms, shapes and characteristics. For now, the forms of corruption will be discussed, (Bribery, Embezzlement, Fraud extortion and favoritism. (Andvig 2001, pp.8-10)

First of all, "*Bribery*" is described as the act of receiving or giving money in an illegal and corrupt way. A bribe comes in many forms; it could be in the form of the usual; money, or as part of a contract for example or it can even be as an exchange of favors. Most of the time Bribes are given to the state officials with the power and ability to influence other people. These state officials have the power to incur changes, make state contracts, distribute benefits among the employees, clients' companies and powerful businessmen. There are a lot of slang terms to "Bribery", including gratuities, kickbacks, pay-offs. In some parts of the world, Bribes aren't seen as something abnormal but are seen as a way to speedup things up and makes them easier.

Bribes or baksheesh as it is called in some Arab states can happen anywhere from a government to a private office. (Andvig 2001, pp.8)

Secondly, “*Embezzlement*” happens when disloyal group members or fellow employees steal from their leader or employer” (Andvig 2001, pp.8). People are divided on what to consider embezzlement, some argue it is a form of theft and others prefer to describe it as a form of corruption. Regardless of the many forms of embezzlement, in some cases, it most certainly can transform into a case of misuse of power. In some countries, the top of the hierarchical pyramid better described as the ruling elite use it for their own benefits in order to get resources. Moreover, this kind of action known as ‘Straddling’ can also be considered as a form of Embezzlement. (Andvig 2001, pp.8-9)

Thirdly, “*Fraud*” also known as trickery, deceit or swindle, is usually described as an economic crime. This crime is often committed by officials who work in the public office who have under their control important information which can be used for the purpose of seeking private gains. Fraud doesn’t stop there, it is also a case of fraud when politicians or men with power tend to turn the blind eye to a case of corruption. Furthermore, it is even worse when they are involved in the fraud case. (Eskeland and Thiele 1999)

Fourthly, “*Extortion*” is the extraction of money or other resources by the use of power, blackmail, coercion and violence (Andvig 2001, pp.9). Blackmailing for example is one of the many forms of extortion, as it results in taking money through violence by the use of power. Furthermore, security or protection money, are also considered as forms of extortion methods mainly used by mafias. This kind of extortions have been used by the organized crime for years to put fear into citizens, businessmen and public servants (Andvig 2001, pp.9-10) Moreover, extortion is a method of corruption that is not limited to men with power, but can also be used by states, “sometimes the state itself is the biggest mafia of all” (Andvig 2001, pp.10). Moreover, this is exactly the case when the power of the state and its forces are used in order to extort money from citizens, businessmen and companies alike. (Andvig 2001, pp.9-10)

Lastly, “*Favoritism*” is when the allocation of wealth or state resources is unequal and highly biased. Moreover, Favoritism, is an example of this type of corruption. A situation when this happens is when for example an individual is conducting an interview and instead of picking the most qualified person for the job, they choose a relative or a friend. Like many

forms of corruption, it is usually politicians and officials with power that practice this kind of illegal activity otherwise known as 'Clientelist Favoritism' (Andvig 2001, pp.10). Furthermore, in many countries, the President or the head of state have the power to appoint all the head officials, and the assigning of them is accepted and approved by the law. This law is considered by many people as a means to legalize the concept of favoritism. Moreover, favoritism can take another form which is referred as Nepotism. This form of favoritism involves a state or public official preferring relatives or family members to serve alongside them in office, this is one way to preserve power. As a result of nepotism, family members of public officials take control over political offices and several high positions (Andvig 2001, pp.10)

Political vs. Bureaucratic Corruption

Moving along with the subject of corruption, the most interesting form of corruption is Political Corruption also known as Grand Corruption, as it usually includes top state leaders, such as ministers, cabinet members, and goes as far as heads of state. Thus, this type of corruption is concerned with those who have the ability to inflict change to the known laws in the country. If that isn't enough, they pretend to do it in the name of the people and for their interests. (Doig and Theobald 2000:3; Moody-Stuart 1997; Andvig 2001, pp 10-12). On the other hand, Bureaucratic Corruption is related to corruption inside the public administration, this form of corruption is also known as low or street level as it is what people encounter day to day. People encounter this form corruption while dealing with the police, licensing authorities, taxing authorities, customs, hospitals, and schools. Furthermore, it is also referred to as 'Petty' Corruption, basically because it is related to public services that tend to serve people. (Andvig 2001, pp 10-12)

Going back to the topic of Political Corruption, it is notable that it can occur in the absence of the public, People may not always notice this form of corruption, it doesn't necessarily happen on a daily basis and is often hidden from the public eye, even though may occur on a daily basis. This attribute is what makes bureaucratic corruption different to political corruption as the first one is usually done without any regret afterwards and almost always in the noses of the public. As a matter of fact, many consider it as an obligation and as an earned fee to an "Obligated Free Service" to the people. (Andvig 2001, pp 10-12)

Both bureaucratic and political corruption are related to each other; as political corruption thrives on bureaucratic corruption and in most times, can't exist without it. Moreover, this is referred to as the "pyramid of upward extraction" (Andvig Chr. 2001, pp 10-12), political corruption is best described as a disease that is easily transmitted, especially if public servants notice powerful public officials using their power for illegal matters (Andvig 2001, pp 10-12)

If political corruption spreads around, it can cause a political epidemic that might eventually damage the system itself, resulting in the failure of the process. This type of corruption swears to protect and serve everyone who has helped or has had a hand in its existence, until eventually the system itself becomes so corrupt, it evolves into a parasite, and the public becomes the food in which the officials feed on. Andvig (2001) says and we quote "Endemic corruption calls for radical political reforms, a system of checks and balances, and deep democratization" (Andvig 2001, pp 10-12).

Private vs. Collective Corruption

The list of corruption types doesn't stop there. Private and Collective Corruption are other forms of corruption that are also worth mentioning. (Amundsen1999)

Private corruption is mainly concerned with the behavior of individuals and how they are involved in conducting illegal transactions. Furthermore, private collection is also related to people who seek and collect personal benefits. On the other hand, collective corruption is more concerned with the accumulated side of corruption. In other words, it is what an economist believes to be corruption. Moreover, it is related to the extraction of several resources for the personal gain of a larger group. (Amundsen 1999, pp. 4-5)

Collective corruption for sure is more popular than private corruption, after all it can't be done alone and it involves a serious team work and effort. As they say there is no "I" in "TEAMWORK". Collective corruption is more large-scaled, it usually involves superiors, patrons, assistants, partners, and colleagues. This type of large scale corruption might even begin in the form of 'petty' corruption, however it doesn't stay so small for so long, as after that it turns to medium-sized brotherhoods, and in its last stage, it evolves into large-scale institutionalized corruption. (Amundsen 1999, pp. 4-5). Unfortunately, the growth of corruption doesn't stop there, as it continues to grow day after day, to the point that people just don't mind

it anymore as they believe it is something that has to happen and is already expected. In other words, “As corruption spreads, the social acceptance of it also increases” (Amundsen 1999, pp. 4-5)

In the End, there seems to be a mutual agreement between the two respected authors Andvig (2001) and Johnston (1995) on the definition of corruption as both have used the following definition “Corruption is the abuse of public office for private benefit”.

Causes of corruption:

Several scholars tried to conduct studies to show the causes of corruption, these studies provided the readers with great examples for what could be the “Causes” of corruption and also reflected on the link of corruption and government practices, focusing on the special groups with absolute power. Finally, the causes of corruption were put into two categories (Direct, and Indirect), each with different characteristics (Tanzi 1998, 565-576)

Direct Causes

First of all, the direct causes which are also known as “The Factors Contributing Directly to Corruption”, are divided into 4 different categories (Regulations and Authorization, Taxation, Spending Decisions, and Provision for goods and services below market prices) The reason for this division is to go deeper into the causes of corruption. (Tanzi 1998, 565-570)

Regulations and Authorization

The great amount of regulations and authorizations are one of the main reasons corruption occurs in the first place. In some countries, it is very hard to get a permit or license done and you have to go to a lot of institutions and do unnecessary paperwork for something that can take 3 or 4 days to get. Moreover, after finishing with these endless regulations people usually find something wrong with their permits and that is due to the lack of organization. Moreover, it can be argued that these rules and regulations give some kind of power to the public servants and that basically opens the door for bribes and other illegal matters. In some countries, corruption reached another level; making it a habit for people to hire facilitators to get something that in more developed countries should be easy like for example a driving license. This great amount of regulations permits a far greater time spent with the government officials and that is something the public isn’t particularly fond of. (Tanzi 1998, 566-567)

Taxation

Another cause would be the taxation system, especially, if the procedures require several appointments with tax employees; who have a lot of power in several procedures (such as audits and litigations). The salaries of the tax employees are also very low in relation to other respected fields; It is not very easy to detect corruption and briberies in the tax section and usually they aren't discovered (Tanzi 1998, 567-568)

Spending Decisions

Public and investment projects managed by public employees are a definite reason of corruption. There is a theory that argues that some projects and investments are initiated so that people who execute it can get commissions out of it from normal citizens. Moreover, if that theory is assumed to be true; then the whole political system which is supposedly based on fairness and equality is in question. In a fair world, people shouldn't worry about public officials when they are investing in projects. However, in some countries, it's all part of the business and people have become accustomed to it. (Tanzi 1998, 568-569)

Provision for goods and services at below market prices

In other words, this concept means buying goods at a low price and then going on to sell them at market value thus realizing a profit. In the majority of countries, governments control the provision of goods and resources at a level below fair prices (market prices). Furthermore, the government has some benefits like; foreign exchange, credit, electricity, water, public housing, access to educational and health facilities, access to public land and so on" (Tanzi 1998, 569-570)

Furthermore, handing out huge foreign investments to certain individuals might give them monopoly over certain product or assets like (Oil, iron and other natural resources) as an example of that in Egypt, one man monopolized the whole iron industry just because he was friends with the Mubarak family. Moreover, the privatization of government enterprises is also one of the causes of deep corruption. (Tanzi 1998, 569-570)

Indirect Causes:

Moving on, now indirect causes shall be examined. First of all, they will be divided into 6 different categories (Quality of the bureaucracy, level of public sector wages, penalty systems, institutional controls, transparency of rules, laws, and processes, and examples by leadership), later explaining each one of them. (Tanzi 1998, 571-576)

Quality of the Bureaucracy

The low quality of bureaucracy is one of the many causes of corruption. A bad quality of bureaucracy is one that has 100 unspecified rules in processes like hiring and promotion. In this kind of bureaucracy people are hired based on bribes and illegal corrupt activities. There is a correlation between bureaucracy and corruption as explained by this saying “The incentive structure plus tradition go a long way toward explaining why some bureaucracies are much less corrupt than other” (Tanzi 1998, 571-572)

Level of Public Sector Wages

The salaries of the employees of the government are definitely correlated to corruption, as the lower they are the more likely these employees will engage in corrupt activities. This kind of behavior mostly isn't done out of greed but out of need, although there have been cases of corrupt officials who receive high wages; In that case greed wins over need (Tanzi 1998). In Singapore, a new strategy was implemented, that strategy included increasing the wages of officials in a bid to reduce corruption, it is a known fact that “the wages of the ministers and salaries of officials in Singapore are among the highest in the modern world” (Tanzi 1998, 572-573)

Penalty Systems

Another alert of corruption is the insignificant penalties and punishments given to corrupt individuals. Corrupt individuals have to be afraid of the law, otherwise they will continue to engage in illegal activities as they know they will have a way out if they are caught. A solution for this is implementing more severe punishments and drafting new laws against corruption. Unfortunately, in the world we live in, a lot of people get away with their acts of corruption and only a minority actually have to pay for what they did. Furthermore, the procedures of corruption cases take forever and are very slow. Furthermore, to make things worse applying the penalties is even a lengthier procedure. These procedures cost a lot of money and are

extremely slow, which in turn makes people hesitate before accusing someone of corruption (Tanzi 1998, 574)

Institutional Controls

The fact that there is little to no control on corruption and that there is a lack of commissions and institutions to tackle this issue is the exact reason why corruption exists in the first place. A possible solution is creating more commissions and institutions alike to combat this problem. These commissions have to be independent from the government in order to avoid any interfering. Furthermore, it could be made up of parliament members or other people with high ethics. Moreover, these committees have to be given some power in order to have an upper hand on corrupt officials. (Tanzi 1998, 575)

Transparency of Rules, laws, and processes

In the developing world, the laws and regulations that are concerned with corruption are very weak and unclear. Moreover, a lot of times even the documentation of the cases isn't made public and a lot of people don't have access to it. It is not enough that these laws are more than often weak and vague but also, they are so confusing and quite hard to get a grasp on. Often only lawyers are the ones who understand these rules and regulations as they are written by them. (Tanzi 1998, 575-576)

Examples by the Leadership

Any kind of leader has to be able to lead by example, be it a political leader or a simple leader of a small organization. If a bad example is given by these leaders either by engaging themselves in illegal activities or just by giving orders to do corrupt actions. When a bad example is set, the leaders of these organizations can't expect the administration or the employees to take corruption seriously and might themselves be also engaged in it later on, if that is what they learned and saw (Tanzi 1998, 576)

Moving on, after examining the direct and indirect causes that might cause corruption, comes the time to study the political consequences that happen after corruption takes place. Later, the different schools of thoughts will be examined, so that readers can have a better grasp on the tough concept of corruption.

Political Causes

Many scholars argue that corruption is the cause of “democratic deficiency”. (Doig and Theobald 2000)

It is not uncommon to find democratic institutions in authoritarian countries. These institutions aren't limited to countries with a democratic system. However, in authoritarian countries; these so called democratic institutions are just a charade or a disguise that is still under authoritarian control. These institutions are just there to give people a sense that there is democracy. However, it almost never fools anyone. Moreover, democratic committees become a disaster, because of their inability to become independent from the state or government. “The relationship between democracy and corruption is understood as grossly negative: the less democracy, the more corruption” (Hope 2000)

On the other hand, some scholars believe that an authoritarian regime is actually useful and could come in handy. That is of course if it has strong control over every aspect of the politics and economics of the country, which then would allow the regime to also have control over the resources and distribution channels. There are a lot of different ruling systems and democracy is just one of them. What is important here is to note the difference between a controlled and an uncontrolled system, predictable & unpredictable function, and functional & dysfunctional regime. Moreover, it is known that a system that isn't controlled well would be defined as a decentralized function where unpredictability takes place and ruins economic investments and entrepreneurship. (Girling 1997). Generally, inside an authoritarian system, there is two different categories; firstly, the “Development Oriented” political elites, and secondly the “Kleptocrats”, the First class is more worried about the welfare of the public. Furthermore, they are described as the best possible autocrats, more like perfect rulers. Moreover, they look for the best interest of their people and are always looking to develop the society and increase its wealth. The Second family is known to be hypocrite, they only care about their own benefit and they only think of how to maximize their own profit. Although they may appear to be development oriented, it is just for their own good and interests. (Coolidge and Rose-Ackerman 2000)

Schools of Thought

There are a lot of schools of thoughts that have voiced their opinion on the subject, however in this paper only 3 of them will be discussed, (the modernization school, the dependency school, and the “Neo-patrimonial” school or approach) (Andvig 2001). Afterwards, the different interpretations of the schools of thoughts on corruption will be studied.

The Modernization School

Firstly, the modernization theory will be examined, This theory studies the internal regions and factors of the country, it is an old traditional theory that suggests that with help any country can be become developed like current first world countries (Reyes 2001). Furthermore, it is stated that corruption is seen as the cause of an unfinished or incomplete course of modernization, in other words the theory isn't applied in the correct way. If it was done correctly, corruption would have slowly disappeared. At first corruption is hard to get rid of, on the other hand many argue it could act as fuel to the fire of modernization. (Andvig 2001, pp.39-41). Furthermore, as the market and the state become gradually stronger, modern and more efficient; corruption begins to fade away (Andvig 2001, pp.39-41)

The Dependency School

Secondly, the main idea behind the dependency theory is that poor countries are impoverished and on the other hand rich countries are further enriched by the state of their fellow poor states and by the way they are integrated in the system of the world. This school is based mostly on the learning of Marxism and its analysis of inequalities in the world (Ferraro 2008). Moreover, dependency theory is kind of the contradiction to the previous theory of modernization. The school of dependency argues that the cause of corruption is because of the neo colonial third world countries. Nowadays, the system has changed, before states used to be controlled by governments. However, these days multinational corporations have absolute power and it is assumed that the governments are just mere puppets of these huge companies. For every problem there is a solution, here the theory proposed a solution for the issue mentioned above and that is to separate the capitalist world from the government or at least provide some sort of protection from the cycle of importing and industrialization policies (Andvig 2001, pp. 39-41)

Neo-patrimonial school

Lastly, comes the Neo-patrimonial theory which is mainly concerned about African states. This theory explains why they haven't succeeded in affecting neo-liberal market reforms. Some scholars regard this theory as controversial arguing that the definition is weak, while highlighting the fact that the politics of non-African states haven't been taken into account (Beckman 1993). Furthermore, this theory is thought to be less radical than the dependency theory. It mainly focuses on Africa and its politics. The politics in Africa are often seen as extreme and outdated. Some policies and terms such as Clientelism, Favoritism and nepotism which were mentioned earlier are the main aspects of politics in the continent. Neo-patrimonialism is defined as "Prebendalism", "The Politics of the Belly", and "Kleptocracy" (Andvig 2001, pp. 39-41)

Classical theories argue that an end to patrimonialism is on the brink of happening, It will happen when a separation of the public and private sectors occur. "A notion of citizenship binding individuals directly to the state" is essential to the procedure to be completed. (Andvig 2001, pp. 39-41). Others have made their radical interpretation of the theory and explained that in this school of thought formal institutions are regarded as obsolete and are just masks created to hide the reality. Scholars argue that African leaders use institutionalization and cause political disorder as a way to maximize gains. Sadly, this appears to be legal and is even thought to be a normal part of everyday life, in other words an expected element of every social transaction (Chabal and Daloz 1999)

This Type of regime goes hand to hand with corruption, the existence of corruption is very powerful within governments that use kleptocratic or neo-patrimonial mode of rule. In most African countries; Ethical Leadership, legitimacy, and public accountability are considered as a luxury that is not easily attained in these countries due to the close tightness of the affairs of the public and private sectors and the inability to secularize them (Hope 2000: 19)

According to some, the term Rent seeking which is defined as the exploitation of the resources of an entity seeking economic gain without giving back to the society through wealth creating. This is a primary characteristic of the neo-patrimonial regimes, mostly used by the top authority levels, who constantly get involved in the national economy. Unfortunately, they interfere not for the purpose of helping out the people, but for the purpose of taking what they consider rightfully theirs. Huge institutions, unproductive rent seeking policies, and

privatizations that exist for the sole purpose of serving the elite are all key features of a neo-patrimonial regime. As a reminder this all comes from an extreme point of view and is just a theory of many. However, all the theories must be introduced no matter how extreme they are, for the readers to give their own judgement on the matter (Andvig 2001, pp 40-41)

While some might like to believe that western government officials are immune to corruption, that is not the truth as they are also involved in cases of corruptions that become news worldwide. Some Scandals are shown to the public, while other cases are hidden (Andvig Chr. 2001, pp 40-41). In 2008, increases in oil prices led to an insurgence in food prices which caused what is known today as the 2008 global economic crisis. This ordeal triggered high inflation and a significant credit crisis. All of these factors caused the bankruptcy of well-known investment banks as well as commercial banks in many nations around the globe. Furthermore, increased unemployment and a global recession were two of the many effects of the world wide crisis.” (Andvig 2001) . Although corruption is everywhere in the world, it is more visible in developing countries especially due to petty corruption (Andvig 2001, pp 40-41)

Effects of corruption:

If Corruption continues to get bigger and bigger, it can cause very bad effects on the economy and political institutions. In this paper, the effects will be divided into two categories (Qualitative Effects, and Quantitative Effects). (Tanzi 1998, 582-586)

Effects of corruption on Economic growth and reform

According to research, there is a clear negative effect between corruption and economic growth. Corruption takes away resources from the less privileged and gives it to the more powerful, it increases the expense of starting and running a business, messes with public expenditures and lowers foreign investment(OBAYELU). Corruption also has an effect on tax collections which hampers the country’s economy, since some Big companies pay off government personnel in order to not pay taxes or to avoid them(OBAYELU). Corruption has a big effect on the public infrastructure being put ahead, it deprives citizens from basic needs like health and education. In a sense, this problem leads to problems in economic and human development(OBAYELU). As an example of this in Nigeria, the oil sector income is affected by bad management and high corruption which affects 40 percent of the income

annually(OBAYELU). Moreover, it also has an effect on international trade between outside countries, since the world trade organisation imposes more impediments on trade for highly corrupted countries(OBAYELU). Lastly, other consequences include loss of revenue, lower foreign investment, a bad reputation for the country which leads to less countries wanting to do business with the corrupted country and more importantly; it leads to a brain drain in which many young, talented people leave the country in search for better opportunities and freedom(OBAYELU).

Qualitative effects on the economy

Corruption is the one of the causes of inequality, as it allows the elite to take advantage of their power and their positions by extracting wealth and resources from the citizens. It doesn't allow the government to perform its duty of protecting the property rights of the people. This eventually leads to a violation of legal contracts, it also means that the government won't be able to enforce the law.

Corruption has a big effect on how a government operates, as a result of this big problem governments in developing countries fail to impose the required regulatory controls to address market failures(Tanzi). If the government doesn't perform well due to corruption, its regulations on banks, hospitals, transpirations and financial markets falls short and are less efficient(Tanzi). Furthermore, it reduces and messes with incentives, since individuals rely more on bribes than their own salary(Tanzi). Also, it belittles the role of the government, if an individual can literally buy his way out every time he or she breaks the law, so what good is the government law for, if you can always find a way out(Tanzi). Lastly, it is more likely to increase poverty because it causes the poor to have less potential income(Tanzi).

To sum up, Corruption affects both the human and economic development of the country, it increases poverty and has serious effects on equality. in other words, corruption is a disease that hampers development, in order for developing countries to grow they need to focus a lot on combating corruption before anything else, as with less corruption there will be more revenue and less inequality. Thus, leading to economic and human development. Less corruption means better government spending and a more efficient budget and a better tax system.

Effects of Corruption on Politics

Political Corruption comes as a consequence of the neglect of the laws and principles of the modern government and the abandonment of the legal values of the state. These consequences eventually lead to what is called an institutional decay. The number one issue of political corruption is the absence of people with will and faith to counter corruption, as the elite and the people with power don't want to change a system that serves them quite well (Andvig 2001, pp. 43-45).

The first visible effect of political corruption is the low-level of belief in political institutions. Though it may seem a relatively unimportant effect when seen side by side with poverty for example, this is where democracy starts to fail and opens doors to more autocratic and corrupt systems, since it lowers the involvement of the people in the decision-making.

The perception of political corruption to external entities also reduces foreign investment, the efficacy of aid to those in need leads to a loss of talent, since people with skills will most likely not be doing jobs they are skilled for, but rather engaging in corrupt activities to support themselves and their families. Corruption is most visible on the low-income class of the society, this class pays the price and must undergo the burden of the cost of corruption (Andvig 2001, pp. 43-45). Corruption has a lot of effects on politics, the clearest effect is that under it, the state appears to be weak and defenseless. It gradually loses the power to influence and change the society as a result it can't equally distribute resources among the people which leads to the failure to impose any developing policies. (Andvig 2001, pp. 43-45)

On the one hand, the political system under widespread corruption becomes completely void and illegal. On the other hand, Systematic corruption might have an effect on society itself thus making people lose any hope they had on their respective political system. As a result of all that, people become politically indifferent thus casting a doubt on the political system highlighting it as dishonest and inefficient (Andvig 2001, pp. 43-45)

Corruption Control Strategies

Certain patterns like inequality, immorality and low ethics are the effects of a corrupt political system. (Dobel 1978, 966). The first lead, is the absence of an efficient public law and

the non-existence of a just judiciary system. This pattern allows certain elite people to buy their way out of trouble and in a certain way these groups of people become invisible and gain immunity from punishments. As a result, people begin to distrust the law and the judges who they deem as corrupt. (Dobel 1978, 996)

What happens next is the beginning of the end, as the political speeches and debates become unimportant and people don't watch it as they believe it is a waste of time and that it is all an act that lacks credibility. Afterwards, the law transforms from a symbol of what is right to a symbol of oppression. At this stage people begin to worry and lose hope (Dobel 1978, 966). What follows is a significant increase of violence by police offices. Furthermore, Violence leads to more arrests and to the imprisonment of many political opposition. This whole ordeal leads to what is described as a state of oppression, where police officers are feared and aren't considered the good guys anymore (Dobel 1978, 967)

Next, class war and co-optation occur which in other words is when the rich become richer, and the poor become poorer. Thus, when this happens, the societal gap increases significantly and in the end instead of having one normal society, it usually results into the division of society into two different abnormal ones. (Dobel 1978, 968)

Lastly, the possibility of a revolution or any kind of reform is really low as when society is infected with corruption; any attempt to revolt becomes impossible. It becomes hard to revolt or to force a reform for the better, as people become more selfish and tend to look more for their self-interest. In other words, every man cares only about himself and only does something for his/her self-benefit without showing loyalty to anyone. Furthermore, if a revolution was to occur, it is most likely to cause more harm than good, especially when the people don't show any faith or enthusiasm to cause change. "Aristotle argued that without education and morals; equal distribution of wealth will still be deemed as useless (Dober 1978, 969)

General Control Strategies

Some scholars argued that although a small corrupt act between two people is morally wrong and should be avoided; it is not as threatening as a corrupt act between two influential groups. This type of exchange is considered dangerous as these group have the power to cause change and influence other people in the society. This type of corruption usually turns into a political issue and an epidemic. Therefore, scholars and analysts alike have focused on this

matter looking for ways to control corruption. As a result, they came up with the following strategies (Societal, Legal, Market, and Political). (Gillespie 1991, 80)

Firstly, Societal Strategy will be examined. This strategy is concerned with education, ethics, morals and public awareness. Moreover, Scholars argue that without ethics, morality and education, no efficient “Cleanup” can happen. The analysts even go as far as stating that a possible solution to end corruption is to raise public awareness. The public has to know what they are dealing with, the media will have to have freedom which is of course very hard in repressive countries where corruption usually exists. (Gillespie 1991, 80)

Secondly, comes the Legal Strategy, which states that with more legal action and laws that inflict punishment; corruption can be controlled. The proposed solution here is imposing new laws and harsher penalties. Sadly, sometimes these laws might be ineffective; if there is no inquiries and investigations done by a randomly selected group to keep tabs on the new laws (Gillespie 1991, 80-81)

Thirdly, Market Strategies and how they can control corruption will be discussed. It is argued that corruption in the market is caused by the involvement of the government in the economy and the market. The possible solution here is to impose laws that would forbid the government of intervening in the market, in other words a laissez faire approach (Gillespie 1991, 81)

The Political Strategy is the last theory that will be studied. This strategy is closely related to the legal strategy discussed before in regard to giving power to committees instead of individuals. The possible way here to combat corruption is to give people more power and give them access to the decision-making process. Furthermore, there are theories that have argued that by increasing the wages and incentives of the public officers’; corruption can be controlled (Gillespie 1991, 81-82)

Political Control Strategies

Amundsen (1999) states that Political Corruption can be managed from four sources: (a) From the outside (External Control), (b) From above (Executive Control), (c) Control from within (Internal or Institutional control), and (d) Control from below (Democratic control). (Amundsen 1999, pp 22-26)

External Control

External control can come in many forms such as aids and grants. However, these aids are handed out only if specific conditions are met (Amundsen 1999, pp 22-23). These political conditions include; the respect for human rights, freedom of the press, an honest government, and lastly democratization. (Amundsen 1999, pp 22-23). As an example, back in 1994, Sweden and Norway stopped sending financial support to Tanzania, because of the huge cases of corruption of the Tanzanian government. Furthermore, in 1996, Norway also threatened to cut off the financial Aid to Namibia, because of what they described as “economic mismanagement” or in other words misuse of the financial Aid given. (Amundsen 1999, pp 22-23)

Political Conditions come in many shapes. On one hand, it might be solicited in the indirect form of demanding good governance, which demands more efficiency, accountability, and trustworthiness from the governmental divisions. On the other hand, it can also come in a direct form; like the demand of the respect of human rights, civil society enforcement and democratic elections (Amundsen 1999, pp 22-23)

As many would argue, nothing is for free. Western countries give out Aid and in return sometimes they impose their influence on those countries. These grants and aids aren't given for free, as everyone learned when they were young everything has a price. These political conditions form an impressive project of external influence (Amundsen 1999, pp 22-23). While it might be a fact that those countries receiving grants and financial Aid aren't exactly strong in the democratic sense and do not possess strong democratic institutions, that doesn't give the right to other countries to meddle in their affairs. In the end change only occurs from the inside as a result of domestic not external influence (Amundsen 1999, pp 22-23)

Whether or not the foreign aid given comes with the right of intrusion and the givers own political agenda or it doesn't as in the case of Israel who receives around 3 billion in military and economic aid with no conditions whatsoever. Furthermore, it can also be the other way around like the case of France, who have voiced their support for Idris Déby of Chad even though he is a clear oppressive dictator. France's Support was offered because of the benefits and interests that they can receive in return. Although they have always maintained that democratic and humanitarian concerns are more important” (Amundsen 1999, pp 22-23)

Executive Control

Controlling Corruption was never going to be a walk in the park. Reducing or trying to put corruption on a leash is even harder if it comes from the top. A lot of effective tools can be used to limit corruption like institutional reforms, executive Reporting Systems, administrative discretion of different offices, departments, and Ministries, and lastly keeping the power and right to fire or replace corrupt officials or at least maintaining the ability to threaten them. Moreover, other mechanisms that can be useful in restricting corruption and raising public awareness are: organizing different campaigns and awareness speeches that raise morality and mentally prepare people to fight corruption (Amundsen 1991, pp. 24). Lastly, the legal right to elect and to impeach is considered to be of the highest importance. (Amundsen 1991, pp. 24). However, if the rulers don't change their ways and are still corrupt; these mechanisms will have no effect what so ever. In order to combat corruption from above; one important factor must be present and that is the will to change things; the political will from the governors and top leaders (Amundsen 1991, pp. 24)

The top leaders and the ruling elite not only allow corruption to occur but also feed on it; they use it to extend their time in the chair of power. Moreover, they use corruption as a method to expand the life span of their own existence. In other words, they make use of corruption as a resource extraction. More, they rely on corrupt officials as the source of political support. In regimes like the Neo-patrimonial regime; leaders and the followers build a dependence like relationship, in which they basically depend on the ruling elite. This relationship includes making the followers richer with the help of corruption and in the same time having the power to remove any follower who becomes disloyal, ironically on the penalty of being corrupt. Removing a powerful follower reminds everyone who is boss and keeps the top elite in power; since people are afraid of being disloyal and ending up in jail (Amundsen 1991, pp. 24). However, for every problem; there is a solution. The solution to this issue would be to introduce penalties, new laws and to rely on mechanisms such as (Speeches, Campaigns...etc) to raise awareness, punish and embarrass corrupt people. (Amundsen 1991, pp. 24)

Institutional Control

This type of control is also known as; Le Esprit de Corps. This concept is all about defending the public interests over the private ones. As many argue the spirit of the state relies and coexists with its bureaucratic system. Moreover, it exists in the way it defends the public

interests over the private ones. The defense happens with the help of the internal and institutional controls of the administrative and executive system” (Amundsen 1991, pp. 25)

The administrative controls consist of different auditing and controlling entities inside the state, as an example; Public Account Committees, the Auditor-General’s Office and Anti-Corruption Commissions. The administrative controls also rely on different kinds of audits like performance wise, organization wise and human resources audits. Moreover, for these audits to work and be efficient, they have to be submitted not only to different parts of the government but also to the whole public through the media and that is to raise public awareness (Amundsen 1991, pp. 25)

The solution doesn’t only rely on the audits that are made but also on the professionalism of the system itself. The bureaucratic system must deal professionally with the public. To be professional and efficient; the creation of Competitive Entries, and the responsible use of public resources like audited accounts is a must. Furthermore, the system must also offer a competitive compensation and a merit system based on performance (i.e. Meritocracy) (Amundsen 1991, pp. 25)

Even solutions sometimes come with their own problems. The issue here with Institutional and internal controls is that nothing comes easy. The steps to reduce corruption are harder than they look, since most of the top elite and the state bureaucrats are in the corruption business themselves. Furthermore, these ruling elite as mentioned before; rely on corruption in order to prosper more (Amundsen 1991, pp. 25). As argued by Gunnar Myrdal (a famous Swedish economist) who argued that “Limiting, complicated and confusing bureaucratic regulations and interferences were presented, supported and established by the government and the bureaucrats themselves to further ease the process of corruption and extraction of resources (Amundsen 1991, pp. 25)

Democratic Control

This type of control is also known as control from below. In other words, it is the parting of the world of civil service and the realm of biased politics. Firstly, it is necessary to separate the judicial entities from the rule of the law. As many would argue, the judicial system is the base of the democratic institutions of the government. These institutions are a requirement to make sure there is a positive political response from the civil servants and politicians”

(Amundsen 1991, pp.26). Moreover, another requirement to slow down corruption is having a strong governance. In this case, this type of governance should put the people's interest first, it has to defend the people against monopoly and other corrupt acts that normally occur in the private sector. However, let's not forget that in order for this to be efficient, the state has to be controlled from below. From below signifies that the suggestions and recommendations for change should come from the democratic institutions and in the meantime the government should follow them. (Amundsen 1991, pp.26)

If everything goes to plan, democratic institutions should be able to do the trick and slowly reduce the acts of corruption. As an example of a democratic institution is the Parliament. The Parliament has the power to significantly reduce corruption through their access to legislation and ability to allocate resources. The Parliament and the opposition member should be able to control and monitor the government, that way corruption will be easier to spot. The members should be allowed to criticize and review the acts of the government and if deemed necessary notify the public of any wrongdoing. Furthermore, the parliament should have the right to inquire, ask questions, set up committees and make their own analyses if needed. (Amundsen 1991, pp.26)

In the war against corruption, it is essential that political parties have a defined role which enables them to take a more significant part in the mechanisms of control. The freedom of the press is a must as well to insure the public knows everything that is going on, some of examples of that are: (monitoring associations and non-governmental watch dog organizations). In the perfect world, the best control mechanism would be impartial and uncontrolled elections. (Amundsen 1991, pp.26). The issue that raises here is that these political parties are as corrupt as the government and aren't more democratic than their state counterparts. Furthermore, they are even called the government watch dogs, as they oversee the government's corruption. In other words, it is like the following quote "I want to be Caliph instead of the Caliph". Sadly, this political agenda is the usual in a lot countries". (Amundsen 1991, pp.26)

Chapter 4-Leadership & Corruption

Ethical Leadership:

What is Ethical Leadership?

The concept of ethical leadership is concerned with the right behavior going through procedures and personal relationships (Kacmar et al 2016, pp.3). Furthermore, it is also concerned with the behavior of the followers and the leaders (Kacmar et al 2016, pp.3). The convenient behavior for ethical leadership appears through honesty and justice in the decisions of the ruling class. Ethical leadership tries to eliminate all bad corruptive behaviors. This type of leadership is done publicly and is enforced through punishments and rewards. The key to this leadership is doing the right thing at the right time. The characteristics of this leadership style are trust, respect, honesty and the refusal of any corrupt activity (Lawton & Paez 2015, pp.642) Furthermore, for a long time ethical leadership was considered to be a fairly new concept, in other words, scholars looked at it in a descriptive manner. They focused on how the ethical leader is the moral person, the moral part refers to the positive characteristics that influence the followers (Lawton & Paez 2015, pp.642) An ethical person has attributes like power, honesty and is trust worthy. Ethical leadership directs the leader to the right tools to enforce ethical behavior in the work place and in the same time refuses all illicit activity. An ethical boss gets his power from his/her followers that he/she supervises and that in turn consider him/her as their role model (Brown&Mitchell 2010, pp.584). Ethical leadership tries to spread justice, display respect and expose other good characteristics of individuals. In addition to a mix of other traits like enforcing democratic rule, encourage participation, mercy and negating bad behavior (Brown&Mitchell 2010, pp.584). Moreover, it tries to design the best way possible to apply all of these traits in the work environment. It doesn't only influence ethical behavior but also works on a respectful relation with the subordinates forcing a mutual respect relationship between leader and follower (Brown&Mitchell 2010, pp.584).

Scholars had different opinions in how they see ethical leadership and specifically in how they define it. They argue that this type of leadership is like a compass that enables management to enforce the general environment of ethical education and teach good from bad. The compass that forms ethical leadership is formed of 4 steps (Brown&Mitchell 2010, pp.584):

- 1- Setting good morals is a priority and it includes talking about morals and proving that ethics is one of the pillars of the success
- 2- Giving examples of good ethics, morals and enforcing transparency
- 3- Implementing ethical decisions through discussing the issues that may arise and how to deal with them ethically
- 4- Encouraging followers to participate in seminars about work ethics

According to different scholars, ethical leadership has different dimensions. Some argue that it has 2 dimensions, including task performance which focuses on finishing tasks and the second dimension which focuses on the behavior of the employees (Kacmar et al 2016, pp. 5) Others argue that it consists of the ability, meaning the ability to implement ethical behavior, the resilience in standing up for what you believe is right and lastly consequences, to know that everything that is done has its retributions (Ekaningtias 2016, pp.4). Finally, according to different research, it has 3 dimensions made up of a purpose, a practice and finally virtues (Lawton & Paez 2015, pp.645). All of these dimensions are only implemented in true leadership where the leaders act with integrity through their relations with others to achieve ethical results. Implementing ethics and being a role model to others requires experience and wisdom as well as the ability to inspire others to do good. Furthermore, it may require transparency, courage, setting a guide for ethical behavior and honesty.

Many scholars and authors have turned their attention to ethical leadership and since it has been receiving a lot of credit and interest. The concept gained a lot of attention in these times as there are a lot of unethical leaders nowadays as an example, G.W. Bush was considered an unethical leader due to his involvement in wars in Iraq and Afghanistan (Robbins P. 2005, pp. 373). Moreover, away from the world of politics; in the business sector, corrupt leaders also exist. Talking about corrupt leaders' CEO Dennis Kozlowski, who was Tyco's top leader was found guilty of stealing and manipulating the stock price. As noticed, ethics plays a huge deal when it comes to leadership and it can be a lethal weapon against corruption. A lot of scholars go as far as marking it as more important than charisma. (Robbins P. 2005, pp. 373)

Scholars even argue that Transformational leaders (a concept discussed before in the paper) are themselves considered unethical. They are considered unethical as they have a saying and influence on how others behave and think. Transformational leaders have been described as leaders who foster moral virtue. On the other hand, charismatic leaders aren't free of criticism

as they themselves can fall into the world of unethical leaders. The reason why some of the charismatic leaders are considered to be unethical is because they use their charisma to influence people and that is considered extremely dangerous especially in the political world. (Robbins P. 2005, pp. 373). It is not all bad news, as some scholars argue that there are still some ethical leaders left; who can use their charisma to help others other leaders, and assist in building a strong organization. The efficiency and the corruption levels would drastically go down or even disappear, if the leader of the organization is considered to be ethical. As we have argued before, it is a known fact that leaders set the attitude of the entire corporation (Robbins P. 2005, pp. 373). As mentioned before, this world can still produce some very ethical leaders like James Burke of Johnson & Johnson (J&J), Sir Adrian Cadbury of Cadbury-Schweppes, and J.Irwin Miller of Cummins Engine. (Murphy E. 1995, pp. 117-128)

According to research done, the best leaders set very high ethical values for themselves and every one of their followers. Good ethical leaders set an example for their followers and it is widely followed since the leaders are known to organize the moral tone of the business. In many business, the most important target is profit, since without it business would fall obviously. However, good leaders make sure that alongside creating profit, the employees should be firstly ethical even if it compromises the amount of profit they make at the end of the day. Creating profit through unethical activities should never be allowed as that is how corruption is created in the first place. An ethical leader should always work hard to make an impact and positively change the values and attitudes of the followers. Good leaders don't stop there, but they also make an effort to create socially constructive behaviors which helps their followers perform better. Of course, all of these efforts have to come without the abuse of power by the leaders (Robbins P. 2005, pp. 373).

Things in the old days were different, back then Citizens and even scholars argued that there was no need for leaders. Leaders back then were described as a virus that can infect a democratic environment made up of free citizens. (Enderle 1987, pp. 657). Moreover, others gave the example of the Fuhrer as to why they don't want to have any more leaders. On the other hand, others have argued that leaders can also inspire, lead and make this world a better place and to sustain their claim, they gave the example of the great leader of India Mahatma Gandhi who helped restore the dignity of millions of Indians (Enderle 1987, pp. 657).

Firstly, to begin, we start off with the example of James Burke who was born in 1925. James is a Harvard graduate and was one of the best students of his class. As for his professional career, Burke began in J&J back in 1953, however, he quit after a short as he wasn't able to achieve the target of creating a new division (Murphy E. 1995, pp. 119-121). After he resigned, he got a call from an executive from the same company, who offered him a job as the head of division of another department with a salary increase of 50%. Burke accepted the offer and there he would gain fame later on (Murphy E. 1995, pp. 119-121)

After working very hard and achieving a lot of targets, he became CEO of the company in 1975. All of this is not why he is mentioned in this paper, the reason why his name appears here all goes down to his crisis management in 1982. The way he managed the crisis labeled him as one of the best ethical managers there is. The crisis began in 1982, when the famous Tylenol pills were the cause of death of 2 people as the capsules contained cyanide poison. (Murphy E. 1995, pp. 119-121). This caused a very big scandal against J&J and as the CEO of the company, Burke had to act fast. After several investigations, the company was quite sure that the pills were contaminated in the process of distribution and not in the manufacturing cycle and that signifies that the situation can be controlled to a certain extent. Burke decided to order the pulling of 31 million bottles of Extra Strength Tylenol from the shelves, and put in movement a proposal for reproduction" (Murphy E. 1995, pp. 119-121). The plan didn't go as planned, as in the early 1986's, several new cases of poisoning came to light. The next action determines an ethical leader from a non-ethical leader. What James burke did is immediately remove Tylenol products off the shelves as he was unsure if the product was safe or not. Keep in mind, that there was no direct correlation with the cause of death and the pills and secondly, Tylenol was a huge success in the market. Other leaders would be too afraid to take the pill of the market although it is the ethical thing to do, it goes against the other principle of creating profit. (Murphy E. 1995, pp. 119-121),

An ethical leader such as James Burke would never put profit ahead of the lives of the customers, nor he would smear the good name of J&J for more profit. The losses that resulted from the process were unknown. No matter the losses that were endured, J&J for sure gained one of the best CEO's in the planet. Burke went on to be the CEO of J&J for a lot of years and helped them grow exponentially. (Murphy E. 1995, pp. 119-121)

Another example of an ethical leader is Adrian Cadbury who was born in 1929, Cadbury is a Cambridge graduate. As his family name would suggest, Adrian's family are of Cadbury Schweppes industry, the prominent beverage and chocolate merchandise manufacturers. Adrian Cadbury became the CEO of his family business 1969. His first acts were to internationalize and expand. His management style was known as decentralized (Murphy E. 1995, pp. 121-122). The decision-making process under Adrian came from all the workers in a decentralized manner. He also encouraged his employees to learn and adapt to other cultures as he wanted to expand. In regards, to his expansion strategy, he ordered that all the executives travel to different locations to strengthen the relations between them and the employees all around the world. Values of Cadbury while Adrian was CEO and later on included openness, fairness and a strong close relationship based on trust with the employees. (Murphy E. 1995, pp. 121-122)

Lastly, as a final example, J.Irwin Miller is worth mentioning, born 1909, he was a graduate of both Yale and oxford, two of the most prominent universities in the US. Later on, he was named the CEO of Cummins Engines in 1951, he was the CEO for about 26 years. Miller was known to be a man of God and a firm believer of civil rights. As a matter of fact, Miller was involved in the civil rights act of 1964. He was a firm believer in being ethical in b the business world. He highlighted the importance of group work rather than individual work. He emphasized hard work before rank and focused on trust worthy relations with the employees of his establishment (Murphy E. 1995, pp. 123-124)

Moving on from the perfect examples of ethical leaders in the world of business, we look forward to the three principle features of ethical leadership, which are (relational structure, asymmetry, and responsibility) (Enderle 1987, pp. 659). Moreover, scholars think that leadership is seen as the means of any connection between followers and leaders. As mentioned before, followers and leaders can't exist without the other. Leadership doesn't only require a strong charismatic intelligent leader but also it needs communication and relationships (Enderle 1987, pp. 659)

Enderle (1987) also stresses the fact that leadership can be seen as asymmetric, leadership can be characterized as the leader having all the power and influence over the firm. Moreover, if that is true, then it would be also seen as a "one-way relationship between the leader and the followers" which is sadly more common, however an authoritarian ethical leader could exist, it very much depends on the nature of the firm. (Enderle 1987, pp. 659). Enderle (1987) gives us

the last main characteristic that could be found in ethical leadership, Responsibility. There cannot be freedom without responsibility, in fact it is Responsibility that preserves and maintains freedom. Leadership and Responsibility are “two sides of the same coin” (Enderle 1987, pp. 659-660)

Values:

Another branch of ethical leadership is values and from there comes a new dimension which is Values-based leadership. In order to understand more the world of ethical leadership, we have to research this dimension as it also relies on ethics and morals. Moreover, values are a part of ethics and without ethical leadership will most definitely fail.

Value-Based Leadership(VBL):

Value based leadership suddenly emerged as scholars began to pay attention to it due to the lack of ethical leaders around (Copeland 2015). Like a lot of the concepts in the world of Leadership, VBL also counts with many definitions. However, leadership authors agreed to define Value based leaders as those who have the following characteristics: Spirituality, authenticity and ethicality (Copeland 2015). Furthermore, Value based leader identify with deep ethical and moral foundations (Copeland 2015). Other scholars identify VBL as a philosophy that brings values to customers, stakeholders and suppliers of an organization. It brings values without any hidden interests and without focusing on personal benefits (Taylor 2007). It is mainly concerned with creating value for the establishment and its mission (Taylor 2007). Based on this definition, true leadership and success can only be achieved through selfless value creating. Through VBL, leaders can achieve fulfilment and achieve legacy status (Taylor 2007).

Theorists argued that leaders have to embrace VBL to achieve success and legacy. They believe that VBL is the right thing to do as behavior is determined by values and values comes hand to hand with ethics (Taylor 2007). Furthermore, they argue that VBL is a proven concept and it has been known to deliver perfect results over short and long periods of time (Taylor 2007). Lastly, they believe leaders need VBL because it can be implemented in a practical manner and it delivers expected and stable results (Taylor 2007).

Although VBL began to get a lot of attention from theorists and scholars alike, it still lacks a lot of research and what we have now is undeveloped (Copeland 2015). Leadership authors argue that in order to begin to know more about VBL, the following measures should be taken into account: Firstly, research is needed to know if it is possible to develop morals and ethics in leaders (Copeland 2015). Secondly, methodologies for developing VBL in individuals have to be studied (Copeland 2015). Thirdly, comparing leaders with VBL behaviors in different positions and industries, to know how effective these leaders are (Copeland 2015). Fourthly, encouraging and increasing ethical behavior through laws and regulations is a must, while in the same time promoting the benefits of VBL (Copeland 2015).

Why the need for Ethical Leadership and values?

The importance of leadership in implementing positive ethics and values is huge. The leaders must achieve the organization goals using ethical behavior, as moral standards and ethics have gained importance recently in the work environment. Implementing ethics helps balance between financial concerns and good morals or in other words high ethical standards (Brown & Mitchell 2010,584) Furthermore, it keeps away bad behavior and illicit activity. Organizations that have no ethics or values are a sanctuary for corrupt people as there is nothing to stop them and no one to confront them (Brown & Mitchell 2010,584).The reason why organizations need ethics more and more every day is because it has proven to: 1- build trust with partners in overcoming obstacles, 2- it gives the organization a good image, 3- it stops the culture of fear, 4- It builds a culture of values and good standards 5- it makes leaders make the correct decisions at the right time,6-it spreads transparency (Knights 2016,6)) Ethical leadership and values are two of the main factors as to why an organization goes far and becomes a worldwide success(Knights 2016,6).

How can Ethical leadership and values help with the fight against corruption?

Generally, it is a known fact that corruption occurs in unethical environments or from unethical leaders as to say. In an Ethical environment and with the help of ethics, ethical leaders are created. The kind of leaders that are born due to the positive values and high standards of organizations and countries with high ethics, come to their see their time in power as a total ethical mission (Agbude & Etete 2013). This makes them take in account the rights of other employees, they understand that they are seen as role models by their followers, so they consider well the effects of their actions (Agbude & Etete 2013). They understand that they set

an example to others while forming their characters. The way leaders do things directly affects the behavior of their followers. Ethical leadership looks forward to achieving the goals of a moral society that in turn is a stepping stone to development (Agbude & Etete 2013). By spreading the values of ethical leadership which are concerned more with humility rather than righteousness an ethical leader is born. Moreover, a person who learns through his community or his country to stand up for what is right and is taught the right behavior can rarely turn out to be corrupt (Agbude & Etete 2013).

When there is an ethical culture filled with positive values, integrity is born. Ethical leadership makes values explicit, sets guidelines with clear rules and expectations, it makes speaking up for what is right ok, it trains and communicates with others and it creates a general respect for moral judgement. Furthermore, it rewards right conduct and encourages it, the rules stay the same in the good and the bad; ethics are ethics and finally there are consequences and punishments if followers don't comply with the general rules.

Scholars have argued that each society is different from the other, they explain that in some countries bribing an official to get permits done for example is normal, while in others it is seen as very bad (Garofalo, Geuras, Lynch, & Lynch 2001). However, as others argue that yes in fact society is different and each have their own characteristics, there is something that is called universal ethics and yes while bribing officials might not be seen as a crime, the person who does it knows it is wrong and it is yet to be seen someone who is proud of doing it (Garofalo, Geuras, Lynch, & Lynch 2001). As many would argue, corruption is the same everywhere in the world, known to slow down human development and prevent the fulfilment of human potential(Garofalo, Geuras, Lynch, & Lynch 2001).Furthermore, Noam Chomsky the linguist and highly decorated scholar tells us that despite the many differences between cultures; like different languages and behavior, there is a deep structure that highlights a universal respect for the mutual moral virtues, in other words a common understanding of ethical standards(Garofalo, Geuras, Lynch, & Lynch 2001).. These common ethical values can help guide countries and organizations against corruption (Garofalo, Geuras, Lynch, & Lynch 2001). Unified ethics is the answer to the problem that is corruption and one of the key elements along with of course the financial support needed to create ethical offices (Gruffalo, Geuras, Lynch, & Lynch 2001).

An ethical framework is needed to be able to fight corruption. This framework consists of 5 parts. The first part is Ethical leadership which is formed by the right behavior and ethical decision making, meaning doing the right thing and going with the right decision (Dubinsky). The second is a widely used code of conducts which is made up of regulations, rules and standards (Dubinsky). The third part is creating a culture for ethical action and that includes values and a solid reputation (Dubinsky). The fourth part is all about awareness or in other words transparency, communication, training to know what is right from wrong and confidential advice (Dubinsky). Lastly, the process of the framework consists of whistle blowing systems, protection from retaliation and financial disclosure (Dubinsky). All these factors contribute to a better world (Dubinsky). Ethical leadership can practically end corruption if there was complete transparency like in the Nordic countries, protection for people who see something wrong and whistle blow. Moreover, confidentiality and ethical development promote ethical leadership, ethical action, ethical decisions and ethical awareness (Dubinsky). Scholars have come up with some rules and guidelines that can help in the fight against corruption using ethics and ethical leadership. The following if done correctly can help reduce corruption: 1-Creating Corrective and preventative guidelines that have a clear code of ethics 2-Put into act strong self-regulations, 3-Regular communication with unions, employees and any stakeholders, 4-Putting together anti-corruption principles using the ethical code 5-Create awareness through ethical training and seminars, 6-Relate performance management to ethical behavior and leadership, 7-Idealize ethical behavior (Stachowicz-Stanusch 2010). It is worth giving ethical leadership a try. Although it is important to note that ethical leadership and VBL doesn't work alone, but it is one of the most important factors in the fight against corruption and without corruption will never end.

Chapter 5- Practical part

For the practical part, we have done some primary research through a survey of 100 respondents from all around the world and 5 interviews with different leaders who worked in different sectors. This research has helped us with our thesis that ethical leadership is a good solution to the epidemic problem that is corruption.

Leadership and corruption

Created: 01/19/2018 | Modified: 01/22/2018

100
Responses

100%
Completion rate

2 mins
Typical time spent

Survey:

The survey is made up of 8 simple multiple choice questions that will support the thesis of the paper. 100 responses in 3 days was the total interaction of the survey. People from Turkey, Portugal, France, Norway, Slovakia, Czech, Portugal, Guatemala, United states, Germany, Egypt, Finland, The Netherlands, Georgia and Italy participated in the survey and voiced their opinion on the subject of Leadership and corruption

First question:

First question is: Have you ever been involved in petty crime or witnessed it? That question aims to find out; if people consider corruption as a normal thing of daily life, or if they rarely see it. The answers of this question varied a lot depending on the country of the participants.

ANSWER CHOICES	RESPONSES
Yes	52.00% 52
No	48.00% 48

What can we gain from the answer of the question?

As you can see, 52 percent of the people involved in the survey have been involved in corruption or witnessed it, as opposed to 48 percent who haven't. This result is astonishing and argues that yes in fact Corruption does exist everywhere in the world, albeit in some places more than others.

Second question:

The second question is related to the first and it goes like this: on a scale from 1 to 5, how prevalent is corruption in your country? This question's purpose is to know what different people from different parts think of their country? Does corruption really exist everywhere in the world? What some people see as corruption others see as normal, it all depends on the general perception of the country you are from.

ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
Responses	70	7,036	100
Total Respondents: 100			

What did we learn from this question?

The average of 100 responses was 70 out of a 100. This result asserts what has been asked in the first question, most people from all over the world believe their country is corrupt but fail to do something about it or in other words have given up and lost hope in change.

Third question:

The third question is: What type of corruption is the most harmful? With the answers being Bureaucratic or political corruption. The purpose of this question is to find out what people consider as the most dangerous type of corruption and in other words what they think their country suffer from.

ANSWER CHOICES	RESPONSES
▼ Political corruption	74.00% 74
▼ Bureaucratic corruption	26.00% 26
TOTAL	100

What did we get from this question?

As seen, a whopping 74 percent think that political corruption is what is harming their country and is the root of all what that is wrong. This shows the mindset of the people and it also shows that people as always don't trust politicians and the political system of any country.

Fourth question:

The fourth question asks the participants: Why does corruption exist?

With the possible answers being: 1-Lack of ethical leadership 2- Lack of education 3-Poverty 4- or all of the above. The aim of this question is to find out what people think the cause of corruption is, or in other words what they think corruption exists in their country.

ANSWER CHOICES	RESPONSES	
▼ Lack of Ethical leadership	25.00%	25
▼ Lack of Education	9.00%	9
▼ Poverty	1.00%	1
▼ All of the above	65.00%	65
TOTAL		100

The lesson from the answer:

Although people think that all of the above factors contribute to corruption, 25 percent think that lack of ethical leadership by itself is the biggest cause of corruption which is the second highest percentage. The reasons behind corruption were discussed earlier in the paper highlighting ethics as a main point

Fifth question:

The fifth question researches what type of leadership is the best?

With the possible answer being: 1-Transactional leadership 2- Transformational leadership 3- Charismatic leadership. The purpose of this question is to find out how people prefer to lead or what kind of leader they would like to follow. The styles have different perspectives and the answer depends on what country you are from.

ANSWER CHOICES	RESPONSES	
▼ Transactional leadership	15.00%	15
▼ Transformational leader	60.00%	60
▼ Charismatic leadership	25.00%	25
TOTAL		100

The answer tells us that:

A very high percentage think that Transformational leadership is the best way to go, all of the three different kinds of styles were discussed earlier in the paper. This shows us how people would like to lead or be led.

Sixth question:

Question number 6 discusses the most important trait that a leader should possess, with the answers being: Charisma, Ethics, power or intelligence. The reason why we asked this question is to find out what people look in a leader, what they aspire to have and who are they willing to follow, all of this correlates to the next questions concerned with the correlation of Leadership and corruption.

ANSWER CHOICES	RESPONSES	
▼ Charisma	12.00%	12
▼ Ethics	54.00%	54
▼ Power	3.00%	3
▼ Intelligence	31.00%	31
TOTAL		100

The response gives us an idea that:

Although there a lot of qualities that a leader should have, people chose ethics as the main trait a leader should possess, as mentioned before ethical leadership is the main point to end corruption. 54 people out of a 100 believe that being ethical makes a successful leader.

Seventh question

The seventh question goes exactly like this: Do you think there is a correlation between Corruption and leadership?

Why we asked this question?

To find out what can cure corruption, if people think leadership can change the aspect, or if it has an effect on the disease that ruins economies of countries. If people think there is a relationship between the two or not is very important to the main point of this thesis.

▼ Yes	73.74%	73
▼ No	26.26%	26

The answer was:

A majority of 73 people think there is a relation between corruption and leadership. People have the idea that corruption comes from people in power and that is mostly leaders who have decided to turn to the dark side and commit illegal activities for their own personal benefit

Final question:

Lastly, the last question is the most important of the survey since it asks the question which this paper dared to ask and point out: Can Ethical leadership cure corruption?

The aim:

Is to find out what people think, how is ethics involved in corruption and can it really be the long-awaited solution for the worldwide virus.

ANSWER CHOICES	RESPONSES	
▼ Yes	71.00%	71
▼ No	29.00%	29

What the answer tells us:

The participants think that ethical leadership is the solution to end corruption, when there is a general perception of ethics and good leaders with strong values and standards; corruption will most likely cease to exist.

What did we learn from this survey?

Corruption is worldwide disease that no country is safe from, as shown in the survey people believe that corruption exists in their country and more than 50 percent have even witnessed or participated in petty corruption. As for the leadership style, people chose what they think encourages and motivates them to do better and that is transformational leadership mentioned above in the paper. Moreover, people think highly of ethics as shown in their three answers, ethics was always chosen. Furthermore, what is important is that most people believe that the solution to the disease of corruption is ethical leadership. The respondents represented many different mindsets from different parts of the world. Some from the first world and others from the third world, although these participants may disagree in many things, they agree that

corruption exists in their country and they most importantly believe that ethics is the way to go and through it corruption can be reduced.

Interviews:

The interviews were made of 8 simple questions, the aim of the questions is to find out what style of leadership these leaders used, how many people they commanded, how they faced corruption when they were in the situation and if they think that ethical leadership can in fact end corruption or even slow it down.

First interview:

Was conducted with the former General attorney of Guatemala, Carlos De Leon Argueta. He was in office from 2002 till 2006.

1- As a leader, how many people are or were you in charge of?

As a head of a government institution I was in charge of more than two thousand people.

2- Do you think ethics is an important part of leadership? Why?

If we accept the common definition of ethics as the set of principles that we use when selecting a course of action in the face of competing values, we must come to agree that ethics are fundamental for leaders, who are responsible for both good and bad outcomes in their organizations. When leaders have high ethical values, it inspires workers in the organization to meet that same level of commitment and both leaders and followers are accountable to those standards, establishing an ethical organizational culture, that in the end affects productivity and credibility setting a reputation as bottom line of the public or private organization. An ethical leader makes ethics a clear and consistent part of his agenda, sets standards, models appropriate behavior, and hold himself as everyone accountable.

3- As a leader what style of leadership do you utilize? (Transformational-Transactional, etc)

First of all, in my opinion and from experience; I would say that there is no “one and best” leadership style. In fulfilling my institution mission, I had to shift from one style to another. Sometime playing the transactional style setting the goal but giving people the freedom to choose how to get there. In other times, I would lead democratically giving people a voice while building flexibility and responsibility according to the specific circumstances, and our chosen outcomes. At the end using transformational leadership style to meet our goals as an institution led me to motivate employees and increase output and efficiency using communication, both internal and externally involving the management, the workers and the community as well to meet the national goals and to strengthen the Rule of Law.

4- Did you ever witness an act of corruption while you were in charge? If so, how did you respond?

Acting as General Attorney of the Nation, I was not only witnessing a lot of acts of corruption coming from political leadership, the bureaucratic official of the public sector and equally from the private sector, but I had to investigate and prosecute those responsible for corruption crimes, among other crimes listed in the Penal Code. It was part of my job to fight corruption.

5- What is the most important trait a leader should possess?

Integrity and ethics, no doubt about it. Integrity requires that we always tell the truth, to all people, in every situation, Being ethical is necessary for the success of any business. With integrity, you will find the courage to articulate a vision of where we are going and what we are trying to accomplish, guided by an excellent strategic planning, that gains the cooperation of others by making a commitment to the mission of the institution. Leaders with integrity will, in due course, make the right decision on behalf of the institution, organization or company, regardless of their personal interests.

6- Can corruption be fought with ethical leadership? Explain

Ethical leadership is a must when fighting corruption. Without ethical principles and a strong moral code in the whole of our society no fight against corruption can be won, since the structures and processes will be composed and executed by leaders, officials

and managers; who will later respond to corrupted practices. We are currently witnessing that in the absence of a strong moral code, even with the right penal legislation, and a legal and justice branch with enough resources to investigate and prosecute corruption cases; corruption continues. The only difference we see is of course more people in jails. It is essential to promote ethical leadership supported by a strong moral code, if we aspire to change the outcome in fighting corruption.

Second Interview:

Was conducted with a former Regional manager of the commercial international bank of Egypt, Mr. Ibrahim Gomaa

1-As a leader, how many people are you in charge of?

I oversaw 110 employees

2-Do you think ethics is an important part of leadership? Why?

Of course, ethics is a very important part of leadership, the main reason why it is so important is to get the employees accustomed to the strong principles and the proper treatment the clients should be dealt with, and on how to treat their colleagues as well. Furthermore, it also facilitates the work flow based on trust and procedures.

3-As a leader what style of leadership do you utilize? (Transformational-Transactional, etc)

Transformational leadership, as a bank manager it is important to get close to the employees so they can feel motivated and achieve the targets set by administration.

4-Did you ever witness an act of corruption while you were in charge? If so, how did you respond?

No, no acts of corruption were witnessed during my 30 years in office, however if it had happened, I would have probably taken immediate action against the criminal by either firing him or exposing him.

5-What is the most important trait a leader should possess?

To be a good listener and to be Ethical.

6-Can corruption be fought with ethical leadership? Explain

Yes, it can be fought by abiding by the principles and the book of procedures.

Third Interview:

Was conducted with the former deputy manager of the ministry of transportation of Egypt, Mr. Mohamed Zaki.

1-As a leader, how many people are you in charge of?

As a Leader, I was in charge of about 750 employees from all managerial levels to railroad workers. In addition to 500 other part time employees

2-Do you think ethics is an important part of leadership? Why?

Yes, Ethical leadership is an important part of leadership, one of the most important traits that a leader should possess is ethics, to set an example to the rest of the employees who follow the example set by the boss. However, ethics should always be accompanied by a strong hand.

3-As a leader what style of leadership do you utilize? (Transformational-Transactional, etc)

Transactional leadership is the best way to go as a strong hand is needed to control many people.

4-Did you ever witness an act of corruption while you were in charge? If so, how did you respond?

Yes, I did encounter acts of corruption during my time in office. This is how I reacted

- 1- Suspend the employee who has committed the acts of corruption
- 2- Investigate the damage done
- 3- Take the necessary legal procedures
- 4- Form an entity from the different managers to get to the end of why corruption occurred in the first place and make sure it doesn't happen again in the future.

5-What is the most important trait a leader should possess?

To be strong, which means to have power and to be able to make decisions and act fast when needed.

6-Can corruption be fought with ethical leadership? Explain

I think Ethical leadership is not enough to combat corruption and that is for the following reasons:

- 1- Corruption is an aggressive behavior demonstrated by an employee, and even if the employee appears to be innocent and committed; inside him is an aggressive human being. A strong hand is needed, in other words return aggression with aggression
- 2- The person who is corrupt is usually very smart, that is why you have to deal with it firmly and aggressively
- 3- The corrupt employee must be exposed before all to set an example and cast fear into the other employees.

Fourth Interview:

Was conducted with a businessman who owns a huge real estate company in Guatemala City and Miami; Mr. Miguel De Leon.

1-As a leader, how many people are or were you in charge of?

I am in charge of 60 people

2-Do you think ethics is an important part of leadership? Why?

Ethics is a fundamental stone of leadership. Values and principles are the only way of achieving any mission or goal of whatever company.

3-As a leader what style of leadership do you utilize? (Transformational-Transactional, etc)

Transformational leadership has always worked best for me, I like to personally encourage employees and get close to them, ask about them, this way the employees feel at home. I believe this style has gotten me the best results

4-Did you ever witness an act of corruption while you were in charge? If so, how did you respond?

Yes, I did, I had to take extreme measure and fire that person immediately to set an example to the other employees that corruption is not allowed in the establishment.

5-What is the most important trait a leader should possess?

Inspiration, Confidence and a will to go on. I think these are the most important traits

6-Can corruption be fought with ethical leadership? Explain

Yes, it can and it is necessary for a better world. Without ethics, this world won't be the same.

Last Interview:

Was conducted with a former zone head of the United bank of Egypt.

1-As a leader, how many people are or were you in charge of?

I was in charge of about 95 people

2-Do you think ethics is an important part of leadership? Why?

Ethics is a very important part of leadership because leaders use ethics while dealing with problems in front of their followers and that sets an example for the subordinates. As for the employees, the leader is the role model. Gradually the better the example set, the better the employees will behave and corruption would cease to exist in the corporation.

3-As a leader what style of leadership do you utilize? (Transformational-Transactional, etc)

For smaller groups I practiced transformational leadership, while for other bigger groups I practiced strategic leadership as I believe it works better with bigger groups of followers.

4-Did you ever witness an act of corruption while you were in charge? If so, how did you respond?

I didn't witness any act of corruption while in post. However, if so I would act immediately and report the case to all concerned parties in the organization. I would also give recommendations to solve the problem.

5-What is the most important trait a leader should possess?

Positivity, charisma, and enthusiasm just to name a few

6-Can corruption be fought with ethical leadership? Explain

Yes, I believe so, but it can also be fought with the following:

- 1-A high standards staff, chosen by the HR
- 2-S.O. P manuals should be ready and applied properly in the organization
- 3-Audit and quality assurance department
- 4-Training programs to educate staff of ethics is essential

What can be gained from these interviews with these successful leaders?

What can be gained is that all the leaders believe that ethics is a must if you want to be a successful leader, those leaders have dealt with corruption and know how to fight it. They believe that ethical leadership can have an important role in ending corruption, while some argued that it is not enough to end corruption, they believe that it must be included in any program that is willing to fight the disease that is corruption. Moreover, regarding the style of leadership, Transformational leadership seems to be the preferred tool of most of the leaders interviewed, some preferred transactional leadership, however in most cases transformation leadership is used to encourage and further better the employees' performance. The leaders that faced corruption all dealt with it with a strong hand either suspending the criminal or firing him to set an example to the other employees and make them fear doing a similar action in the future. As for the traits that leader should have, the answers varied from Positivity, inspiration, ethics to integrity and decisiveness. Lastly, all leaders firmly believe in ethics and strongly argue that followers will most certainly follow the example of their boss, if the boss is ethical, the followers will almost always be also ethical.

Chapter 6-Possible Solutions to Corruption

To conclude, we offer some possible solutions to corruption based on research that can help lower and control corruption. Many argue that in order to combat corruption, firstly the state has to go pass the denial stage and begin to admit that a problem exists. Secondly, they have to study and introduce the causes of corruption as well as its effects. Lastly, they can start to plan strategies to combat the disease that is corruption (Tanzi 1998, 586-591)

Scholars argues that any bid to slow down corruption, must go through certain guidelines. Firstly, the president or the highest power must be faithful to the cause and willing to change and committed to finding a solution to the problem (Tanzi 1998, 590). Secondly, the government and the political establishments must be prepared to take some hits like lowering tax incentives, reducing the scale of regulations and they have to be able to introduce new laws and rules (Tanzi 1998, 591). Thirdly, the salaries of the public employees have to increase and that is to slow down the flow of corruption by giving employees enough to go by, furthermore, rewarding good behavior and honesty with bonuses and giving the establishments more control over the workers (Tanzi 1998, 591) Lastly, it is essential to put a limit over the donations given to political institutions and parties. The issue with corruption is it can't be completely remove, therefore there will always be remains and roots left. (Tanzi 1998, 591)

Corruption is a really tough virus and it will take a lot of effort to get rid of and as discussed earlier it will still have remains that the government have to slowly dispose of. Here are other ideas from the world bank and the ethics office on how to fight corruption:

1. Creating transparency and openness in government spending

The government should begin to be transparent, announcing the salaries of the ministers for example and make everything available to the public. The more open and transparent, the less opportunity it gives corruption to prosper. Of course, all of this depends on the literacy level of the country plus the freedom of the press. When the public is aware of everything, corruption is reduced immensely (Lopez-Claros 2014).

2. Cutting red tape

There are many regulations and too much bureaucracy which enables less paid employees to take advantage, since they get bribes to finish procedures and permits. In order

to resolve this permits and licenses have to be faster and easier to get. Moreover, procedures should be shorter. If all of this is done, people will not bribe employees. Lastly, the elimination of laws and agendas that create corruption is necessary (Lopez-Claros 2014).

3. Replacing regressive and distorting subsidies with targeted cash transfers

Subsidies are another cause of corruption since it distorts incentives. For example, energy subsidies amount to 1.9 trillion per year, with over 60 percent of the benefits going to the richest 20 percent. According to some scholars, it is better to cut subsidies and replace them with targeted cash transfers (Lopez-Claros 2014).

4. Establishing international conventions

The creation of anti-corruption international committees to deter corruption, track offshore accounts and stop money laundering is essential to stop corruption as it is difficult for one country to track all of the accounts a corrupt person has offshore as an example. The Government need to be more active in their chase against corruption and create more laws that aim to stop corruption (Lopez-Claros 2014).

5. Deploying smart technology

Implementing new technology, that cuts time spent with officials and makes things easier will definitely reduce corruption, Chile for example has introduced a very large platform which allows the purchase and the selling of the products B to B. The platform has been widely applauded as a success and since using it; corruption has declined as it was easier and faster to conduct the transactions. Speaking of transactions, it is estimated that around 2.1 million transactions have occurred in that platform alone (Lopez-Claros 2014).

6. Establish countermeasures to address governance issues

Corruption sometimes occurs as a result of other government issues that should be addressed to stop the damage of corruption. As an example, poverty and violating human rights are some of the issues the government should take care of ("Corruption").

7. Understand what corruption levels mean about governments.

Getting to know how are your corruption levels and what they are related to, for example the lower the level of corruption, the more efficient and reliable the system of the government is and vice versa ("Corruption").

There are many possible solutions to solve corruption but in order for them to work ethics have to be added to the mix. Without ethics and ethical leadership corruption can't be taken down completely. A world consisting of ethics is a better world.

Chapter 7-Conclusion:

In conclusion, in this paper we have tried to cover the subjects of leadership and corruption as much as possible. In regard to leadership, different styles, schools of thoughts, theories, models and substitutes to leadership were deeply discussed and examined. On the other hand, Corruption was also heavily researched discussing the aspects of different corruption types, the causes, effects and how to fight it. It didn't end there as then, a correlation was made between leadership and corruption while explaining how ethical leadership could help stop corruption, discussing in details the steps of the ethical frameworks that should be implemented. Then came the practical part that included a survey conducted by a 100 people plus 5 interviews with some interesting figures that were either previous leaders or are current leaders. These interviews and survey helped in finding out what type of leadership style is better according to their personal views, also they voiced their opinion on corruptions and talked about how to fight it.

Having covered a lot of concepts and styles of leadership, defining each and every style. It is hard to say which type of leadership is better, as every situation is different and different situations require different styles. However, it can be argued from the survey and the interviews that transformational leadership is preferred by followers and leaders, since it encourages communication and motivates people. Leadership is a big world filled with many theories, models and schools of thoughts. In order to be a good leader, you have to get a good grasp on the different concepts and theories. One thing is for sure, once a person is in the position of power and has followers, he/she has to be ethical, as ethics is what makes a good leader.

As for corruption; after a lot of research, it is possible to say that corruption in its many forms contribute to the slowing down of the development of countries and puts the brake on human fulfillment. As noticed corruption has a lot of causes and it exists everywhere in the world, no country is free from it. An epidemic that strong is very hard to end, it has to be fought against part by part, until the roots are cut. However primary and secondary research assure that

ethical leadership can put up a good fight against corruption and if applied right along with of course other arms; it can slowly end corruption.

In the end, the relation between leadership and corruption is evident, as normally people of power are the ones who commit the gravest acts of corruption. Presidents, CEO's, and other powerful people who were trusted to lead nations and organizations are the ones who dared betray the trust of their followers. Corruption comes firstly and foremost from bad leadership, unethical leadership and from the lack of ethics as a whole. A world without corruption can be created; if kids in school learn about ethical leadership, about how to become a role model to others and come to understand how to lead with the help of ethics. Leadership and corruption go hand in hand; with good leadership, a better world can be created and one the other hand with bad leadership, corruption prospers.

Thanks for reading, we hope you enjoyed reading about the worlds of leadership and corruption and their relation as much as we enjoyed writing it. Remember ethics is the keyword to anything bad that occurs in this world.

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