

## Corruption elimination in Malaysia: An analysis on public officials

Dr. Noor Sulastry Yurni Ahmad<sup>1</sup>, & Assoc. Prof. Dr. Jas Laile Suzana Jaafar<sup>2</sup> and Assoc. Prof. Dr. Ahmad Nidzammuddin Sulaiman,  
University of Malaya & National University of Malaysia  
Malaysia

**Abstract.** Corruption is a complex phenomenon that is almost never explained by a single cause. This paper aims to determine the relationship between economic strain, practices of religion and corruption practices among Malaysian civil service servants. Efforts undertaken to eliminate or curb corruption have failed to achieve total eradication. The rate can be reduced by most legal authorities but it is almost impossible to eliminate them. The study found that those involved and convicted appear to be mostly male officers. Economic strain was found to be associated negatively and significantly with religious strength. This implied that the economic strain influence the increase of corruption 'crime' among male officers as compared to women officers is of great importance as it may suggest the sustainability of the Malaysian government or the federal government framework in controlling corruption for the Malaysian community. Unfortunately, the traditional norms and values is fast forgotten and disappearing due to the lack of effort to preserve them. Thus, this paper will try to discuss the issues related to the causes, consequences, scope of corruption and the role of the Malaysian government to fight against corruption among the public officials in Malaysia.

**Keywords:** Corruption, religion, traditional norms and public officials.

### 1. Introduction

Corruption is a universal phenomenon. It happens in small villages, government offices and even international bodies. Efforts undertaken to eliminate corruption have failed to achieve total eradication. The most legal authorities can do is to reduce the rate but it is difficult to eliminate these acts. Although authorities have put in their best effort, its occurrence is still growing in many developing countries, especially in nations that practice authoritarian rule. Nevertheless, this does not mean that corruption does not exist in developed countries, it does but at a reduced rate.

There are many measures that can be implemented to curb the practice of corruption. The use of stringent measures such as strict working procedures, imposing heavy fine, lengthy prison terms and even capital punishment have been imposed in order to reduce a country's corruption. Another method employed is to increase the salary of civil servants including police officers as done by the Malaysian government on July 1st 2007 whereby the increment was by 20 percent. Unfortunately, corruption remains a problem in this country. However, the imposition of higher penalties could run into problems with employees' associations, with trade unions, the judiciary system and many others (Tanzi 1998: 32).

In Malaysia, until 31 September 2009 the number of public officials are 1,222,947 of all race (Malay (932, 225 people), Chinese (72, 875), Indian (50, 140) and other races (167, 707). Datuk Seri Nazri Aziz, Minister of the Prime Minister's Office stated that the division of public officials according to gender is 654,

---

<sup>1</sup> Dr. Noor Sulastry Yurni Ahmad. Tel.: +60379675620; fax: +60379675459. *E-mail address:* nsya77@yahoo.com

<sup>2</sup> Assoc. Prof. Dr. Jas Laile Suzana Jaafar. Tel.: +60379675618; fax: +60379675459. *E-mail address:* laile@um.edu.my

909 (53.6 percent) men and the rest is women (Harian Metro 20 October 2009). This figure shows that the position of public officials in Malaysia is gendered. However, there were a very slim difference of public officials among the male and female in the governmental departments. He added that since December 2007, the government has implemented the exit policy for the public officials namely known as “Persaraan Demi Kepentingan Perkhidmatan Awam” whereby this policy allocates the unproductive officials and having continuous health problems could be rested from the post.

In addition to that, the expenditure of public funds in Malaysia remains a quandary. Millions of Ringgit has been flush into non-productive projects such as celebrations and festivities. Extravagant spending and corruption practices have given the Malaysian government a bad reputation in recent years. As such, it is understandable why many Malaysians no longer have faith in them. According to Tanzi (1998: 31), corruption combined with such large public investments is likely to reduce growth. By increasing total public investment while reducing its productivity, increasing public investment that is not adequately supported by non-wage expenditures on operations and maintenance, reducing the quality of existing infrastructure and decreasing the government revenues needed to finance productive spending, will not generate any income. With no income as revenue the economy tend to retard. The laws that Malaysia have today simply cannot prosecute corruption and yet it happens every day. In Islamic religion, the Quran exhorts all believers to: “And from among you let there be a party who invite to good and enjoin what is right and forbid the wrong, and these it is that shall be successful” (Surah 3: 104). Without good moral values all the laws and regulations become a total waste of time (Syed Akbar Ali 2005: 95-96). The understanding of the religion is very significant to monitor our deeds.

In discussing this issue, it is interesting to observe that those involved and convicted appear to be mostly male officers. Reports in the media such as radio, television or newspapers seldom demonstrate women officers as the trouble-maker. Does this indicate that women are less likely to be involved in this bad practice? Perhaps there are several reasons for this: the fear of being charged in court or being convicted, fear of shame, the more religious stance of women or obedience to the customs and laws. Women senior officers, too, are more likely to be married women and the likelihood of spending the night attending private dinners or meetings with ‘clients’ is very slim. Thus, presumably by engaging women as head of departments, especially where high cash flow is involved, there is a great potential of reducing corruption. If this is so, the question that still begs an answer is why do government offices not practice this, i.e. putting women as head departments (of these high cash flow offices, such as the custom, immigration, internal revenue, transport and vehicle and etc).

The war against corruption is vital to a nation. No one can dispute the negative consequences of corruption, but still, there are those who tend to condone its practice and view it as a necessary evil of economic development. Governments in several Asian and African countries tend to accept this as part and partial of economic development. However, the fallacy of this argument was exposed following the 1997 Asian financial crisis, which demonstrated how corruption had short-changed the countries. The example of Singapore was proof of the argument that a clean government is best positioned to handle an economic crisis.

How can integrity in politics be restored when corrupt practices are rampant? The primary and most important prerequisite for such undertaking is political will. Battling corruption is a painful task for many governments, but a necessary one. Nevertheless, how many are willing to endure even a short pain, especially when no rewards are in sight? When eliminating corruption means risking their own demise, few governments can muster the political will necessary for such an undertaking. Therefore to foster the necessary political will, society at large and top leaders have to recognize and publicly acclaim the benefits for all of a corruption-free society, and those that are actively engaged in taking action against corruption need to be rewarded for their courageous enterprise.

## **2. The Culture of Corruption in Malaysia: An Overview**

Democratic culture is equally important and is based on the rule of law that permits open public scrutiny and effective political opposition. While a country may not be able to eradicate corruption completely, it should have sufficient institutional mechanisms to punish corrupt behaviour and strong public opinion so that

those who engage in corruption genuinely fear sanctions, and are deterred from continuing their wrongdoing (Ackerman 1978: 211). The most effective remedy is to educate the young so that they grow up abhorring corrupt practices and are given the knowledge necessary to build a clean and trustworthy society, free of corruption, to the benefit of all. Thus, as it is presumed that most of the convicted are male officers, effort should be enhanced in placing women in top positions of those important offices.

In 1967, the Malaysian Government, sensing a gradual shift of attitude towards corrupt practices, an attitude that could be fairly described as ambivalent, felt compelled to create a special bureau to combat corruption, the forerunner of today's Anti-Corruption Agency (ACA). As can be seen, the ACA has a longer history than, for example, the ICAC of Hong Kong, arguably the most successful corruption-busting organization in the world today. It all goes to show that age is not always everything in fighting corruption.

In the 1970s, when the New Economic Policy (NEP) was installed, the Government intervened actively in economic activities, setting up large numbers of agencies to regulate and control every aspect of commercial and industrial life. Licensing, in particular, was the key instrument used to enforce the new requirements of the NEP. It is said that the British invented this red-tape and the Indians subsequently improved it by tying it up in knots. The Malays, ever resourceful, turned it into a profitable personal revenue service (Ooi 2006: 3). Without naming names, officers in departments of government that exploited such opportunities presented to them by the need to obtain various approvals before the conferment of manufacturing license, were those with power to grant or withhold specific approvals.

Quality control circles, total quality management, clients' charter, and more recently, the ISO 9000 were introduced to maintain the effectiveness among government officers. While the emphasis has been on making the civil service more efficient, attention has also been given to improving the conduct and discipline of public servants (a recent Hong Kong-based survey put Malaysia just behind Hong Kong and Singapore in a public service efficiency poll. The comparison of two tiny city states with vastly different problems is not, in our view, strictly valid. Malaysia is placed ahead of Japan, Taiwan and South Korea in terms of efficiency).

In 1993, the Public Officers (Conduct and Discipline) Regulations came into force, which then introduced Disciplinary Board Regulations. In December 1994, the Judges' Code of Ethics was put in place, followed in 1995 by the adoption of Ethics in the Administration of the Institution of His Majesty the King. The recently retired head of the ACA, Shafee Yahaya, believes that "all these measures have made the Malaysian Civil Service more efficient and less prone to corruption. This has definitely contributed towards Malaysia's high rate of growth in the last eight to nine years."

However, bribery and corruption are about the abuse of entrusted power for personal profit, a definition widely used by Transparency International. Corruption thrives in the absence of transparency and accountability. A grave shortcoming in the Malaysian anti-corruption mechanism is that the ACA is not an independent commission. It is a government agency, and members of the public suspect its impartiality, reporting as it does to the Prime Minister. Happily, for the present at any rate, the Government has taken to heart the lessons of good governance, and the days of crony capitalism, the misuse of public funds for rescue operations of politically connected corporations and negotiated contracts appear to be numbered. Malaysia, therefore, remains a good place in which to do business precisely because corruption, unlike in many countries, is not a major factor in our business equation. In the 2009 Global Corruption Barometer (GCB), 42 percent of Malaysians said that political parties are the most corrupt institution, followed by the civil service at 37 percent (<http://www.themalaysianinsider.com/index.php/malaysia>). According to the President of Transparency International, Datuk Paul Low mentioned that the Malaysians have no faith in the government's efforts to fight corruptions. This was due to the fact that the public had no idea how political parties were funded. Malaysia regularly scores close to five out of 10 on TI's Corruption Perception Index and last November's results left it ranked 47th out of 180 countries.

As a comparison, Malaysians and Japanese generally agree that Malaysia's special ties with Japan since the early 1980s have been significantly linked to the strong personality and idiosyncrasies of Mahathir Mohamad (former 4th Prime Minister). This dynamic has created a special relationship between Mahathir

and the Japanese public (Khadijah 2004: 331). Some argue that it is the wish of the Japanese people to have a leader like Mahathir who is able to stand up against what is often perceived as the bullying tactics of the West, particularly that of the United States. Even Mahathir's criticisms of Japan, particularly with regard to the indecisiveness of the country's political leadership in important matters pertaining to the economy, has made him even more endearing to certain quarters within Japanese society.

It is shown that wealthy business elites in Japan have also managed to wield great political influence. The Thai case and the English case of corruption can be categorized as "proto-corruption". But the Japanese case would be difficult to construe as corruption in any sense. In Japan the existence of an organized party system allows businessmen to contribute openly and legally to the ruling party in order to gain their policy ends (Scott 1972: 22-23). This scenario is different from Malaysia, the businessmen plays less impact on the political system. But, the ruling party (National Front) manages to influence the political system through the electoral system. However, the situation has changed during the 2008 General Election in Malaysia.

It is evident that past studies on the corruption in the Western and Eastern societies have not shown great results on the factors that lead to the corruption practices in both countries (Malaysia and Japan). Furthermore, research done through perspective of gender is very rare compared to overall man and female committing corruption. The research is very interesting to be conducted because Malaysian and Japanese public officials (for examples) have different values, cultural orientation and culture of working objectives. In addition to that, it is equally important is a democratic culture based on the rule of law that permits open public scrutiny and effective political opposition. While a country may not be able to eradicate corruption completely, it should have sufficient institutional mechanisms to punish corrupt behavior and strong public opinion so that those who engage in corruption genuinely fear sanctions, and are deterred from continuing their wrongdoing. The most effective remedy is to educate the young so that they grow up abhorring corrupt practices and are given the knowledge necessary to build a clean and trustworthy society, free of corruption, to the benefit of all. Thus, as it is presumed that most of the convicted are male officers, effort should be enhanced in placing women in top positions of those important offices. There is a great need to understand the quality of efficiency among Malaysian government officers. So far, studies have been conducted in Hong Kong, Taiwan, Japan, South Korea, Singapore etc, but little has been done in the Asian countries especially Malaysia and Japan.

### **3. Acknowledgements**

As a corresponding author of this paper, I would like to thank my co-authors, Assoc. Prof. Dr. Ahmad Nidzammuddin Sulaiman (National University of Malaysia) and Assoc. Prof. Dr. Jas Laile Suzana Jaafar (University of Malaya) for giving me full support and courage to complete this paper. With the research grant awarded by University of Malaya (Cluster Humanities and Ethics), I really appreciate the commitment given by the IPPP and Faculty of Arts and Social Sciences, University of Malaya. Thank you to anyone who has helped with the result of this paper until we manage to present the paper at the International level.

### **4. Conclusion**

It was an attempt to identify the multiple causes of corruption namely: socio-cultural, political, economic, legalistic and bureaucratic causes in its general sense. Despite the difficulties in figuring out the different causes of corruption and classifying them with accuracy or putting them in a scale of priorities, the Malaysian corruption has shown that single factor explanations of corruption tend to be inadequate. Therefore, it is generally admitted that corruption spreads and develops not simply from one factor but rather from a complex matrix of causes. In Malaysia, the tendency of corruption elimination through genders merely the most significant and illustrative that may effectively help control corruption and drive back its dangers. The Islamic perception stands out as a viable solution to eradicate corruption among Malaysian civil servants. It is because Islam insists that goodness is the initial status of creation and corruption is a human invention.

Corruption or bribery investigations should not be kept private but placed in the realm of public knowledge. To understand the main factors that lead to the increase of corruption among male officers as compared to women officers is of great importance as it may suggest the suitability of the Malaysian government or the federal government framework in controlling or curbing corruption for the Malaysian community which lay emphasis on traditional norms and values.

## 5. References

- [1] S.R Ackerman. Corruption: A study in political economy. New York: Academic Press. 1978.
- [2] R. Butwell. Southeast Asia: A Political Introduction. New York: Praeger Publishers. 1975.
- [3] Harian Metro 53.6 peratus penjawat awam lelaki, pg: 15A. 20 October 2009.
- [4] Khadijah Khalid. Malaysia-Japan Relations under Mahathir: "Turning Japanese"?. (ed.) Bridget Welsh Reflections: The Mahathir years. Washington: Southeast Asia Studies Program. 2004. pp. 325-332.
- [5] O. K. Beng. Era of transition: Malaysia after Mahathir. Singapore: Institute of Southeast Asian Studies. 2006.
- [6] J. Scott. Comparative political corruption. Englewood cliffs: Prentice Hall. 1972.
- [7] D. Sheehan. Swearing to tell the truth, Far Eastern Economic Review, 8 January 2001.
- [8] Syed Akbar Ali. To Digress a Little. Kuala Lumpur: Thirumagal Printers Sdn. Bhd. 2005.
- [9] Syed Hussein Alatas. Corruption and the destiny of Asia. Malaysia: Prentice Hall. 1999.
- [10] Tanzi, V. Corruption around the world: Causes, consequences, scope and cures. Working paper of the International Monetary Fund: Fiscal Affairs Department, May 1998.
- [11] The Holy Qur'an
- [12] Transparency International, the 1996-2006 Corruption Perception Index (<http://micpohling.wordpress.com/2007/03/15/malaysias-corruption-perception-index>)
- [13] B. Welsh. Reflections: The Mahathir years. Washington: Southeast Asia Studies Program. 2003.
- [14] <http://www.themalaysianinsider.com/index.php/malaysia>