Mini Review Paper

# Political Corruption: The Path of a Country's Poverty Case Study

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#### **Abstract**

Certain institutions, organizations, countries and people are often considered beyond the reach of the law. This case presents a scenario of corruption and causes the reader to engage in thoughtful analysis and dialog about potential predispositions and beliefs. The case allows the reader to extend into cultural topics and research that will lead to an understanding of transitional economies and politics.

Keywords: Bulgaria, Politics, Corruption, Ethics, Case Study, International Business...

### Introduction

Corruption "wastes resources by distorting government policy against the interest of the majority" and away from its main goals. It harms developing countries the most since it has devastating effects on any economic advance or promotion of democracy. Furthermore, it redirects efforts of public officials towards easy money and provokes cynicism and apathy. Worldwide, bribery alone is estimated to involve over 1 trillion US dollars annually (BBC News)<sup>2</sup>. In Bihar, India, more than 80% of the subsidized food aid for the poor is stolen by corrupt officials (Forbes)<sup>3</sup>. Corruptive political activities are a reality in Bulgaria too.

There are many reasons why such corruptive actions thrive in societies. Each party in the transaction is lured into a level of satisfaction with the outcome. Take for example the case of bribing traffic police when one is caught speeding. Both the law enforcement officer and the violator benefit from the bribe. The policeman does a favor by accepting the illegal payment and saves the offender money on the fine that should have been assessed. The commission, or bribe, is gladly accepted since people working in the police department are usually not compensated generously by the government. The same scenario, but different participants, can be seen in hospitals between patients and doctors or in government buildings between government officials and private contractors. Both parties are guilty in spreading the popularity of these devastating practices.

## **Discussion**

A few years ago, Milena was working for a political party in Bulgaria. She was only eighteen years old. Looking back, she does not consider her age as an excuse for her actions or ignorance of the political system. However, her age and gender may have caused others who were involved to more easily dismiss her beliefs, values and abilities. Milena had just graduated high school and was accepted as a student at a

medium size American university. She found herself with an abundance of free time. All of her friends were busy studying for the necessary summer exams before entering local Bulgarian institutions for higher education.

In May, 2005 she was looking for something to occupy her time before I traveling to the United States in August. She was hoping to find a job for the summer but had no previous work experience or plans to stay in the area. The town she lived in had very few jobs available, especially for such a short time period.

Just as summer began, Milena was given an offer she felt she could not refuse. One of her classmate's mother was running for mayor in the approaching city elections and she was looking for an assistant who could stay in the office whenever she had appointments. Additionally, this person might accompany her to a few public events. The mother, Mrs. Mihailova, was a very influential person in the community and a successful entrepreneur, so Milena considered her a good mentor. During the interview, Mrs. Mihailova expressed being impressed by Milena's brave decision to leave family and friends and study abroad. Milena, likewise, was impressed by the extremely generous compensation that was offered for the two-month contract.

Milena was a poised and resourceful person. She was well spoken, confident and photogenic. Mrs. Mihailova had found the perfect partner to handle the office when necessary and to be at her side for public appearances.

Dazzled by the media attention and popularity, Milena did not pay much attention to the strangers who would stop by the office to pick up envelopes on a regular basis. The time leading up to the election flew by and she had enjoyed her summer position thoroughly.

Res. J. Management Sci.

Mrs. Mihailova did not win the election. There was still time before Milena had to leave for the USA and she continued to work in the office after the election was over. It was at this time that Milena overheard conversations that made her take notice and reconsider events of the preceding weeks. Mrs. Mihailova and one of her advisors talked about all the money they spent 'on people'. At first, Milena thought they might be referring to her job in the office. She quickly realized thought it was not her or her position they were referring to. Mrs. Mihailova and her advisor were upset about the fact that "some of them did not do what they promised".

At that point, it was obvious that they were talking about other people that were not directly employed in the office or on the election staff. The references to 'cash' and 'envelopes', caused Milena to remember those white envelopes that were picked up by various people throughout the summer. As she recalled those pickups, Milena realized that it was never the same person and that no one else was ever in the office when she was handing them out. Although she never questioned the legitimacy of these transactions at the time, she now felt certain that these were bribery exchanges. There were no witnesses that she could speak to about this since she had always been alone. Milena could not even be certain if the envelopes she gave out contained cash or promotional brochures or something else entirely.

At this point, Milena considered contacting the media since she had created a good local network during the last several weeks of working the campaign. She also considered making an anonymous call to the police. However, she did neither. She collected my salary, wished everyone well, and left for the USA.

Looking back, Milena feels she made the easy decision, not the right one. It was easy to discourage herself from heroic attempts, forget about what she knew or saw, and focus on spending her first salary in the big American malls.

Milena justified her actions at the time in a number of ways. Mrs. Mihailova had not won the election. Milena was not absolutely certain what was in the envelopes. She also told herself that society 'expected' such dealings and corruption when it came to politicians.

She also had a crisis in confidence. Milena did not believe in herself, thinking that nobody would pay attention to her accusations. In addition, she was scared that being the whistleblower might result in ending the friendship with Mrs. Mihailova's son or even worst consequences for her family's business.

#### Conclusion

The fight against corruption originates in the fight between the idea of good and evil in an individual. What is more, it is about social responsibility, duty and honor. It is the risk to choose the hard way and an unknown finish or to end up alone and misunderstood. It is about controlling one's vices without gaining any dividends from it. Corruption is often accepted as a way of doing business. Individuals, businesses and groups all face the decision at some point, and sometimes quite regularly, to engage in or stand up to corrupt practices.

Additionally, bribery may lead to a very short term business orientation. Jude<sup>5</sup> discusses the need for long term customer and client relationships rather than short term transaction oriented approaches. Bribery's detriments may be more obvious when evaluated in light of this long and short term lens.

Questions for Discussion: i. What were the main ethical dilemmas in this case?, ii. Is Milena's list of potential repercussions complete? Is it legitimate? Research and review aspects of family businesses and relationships in Bulgarian culture to help you answer this question, iii. Would Milena's actions have been different if she was not leaving for the USA? What role did this fact play in her decision making process?, iv. What role might Milena's gender and age have made to the factors in this case?, v. Review the types of skills needed by entrepreneurs given by Sachin<sup>4</sup>, and discuss Milena's potential for a future independent business career.

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