The Global Fight against Corruption: A Foucaultian, Virtues-Ethics Framing

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ABSTRACT. This paper extends the discussion of business ethics by examining the issue of corruption, its definition, the solutions being proposed for dealing with it, and the ethical perspectives underpinning these proposals. The paper's findings are based on a review of association, think-tank, and academic reports, books, and papers dealing with the topic of corruption, as well as the pronouncements, websites, and position papers of a number of important global organizations active in the fight. These organizations include the World Bank, the International Monetary Fund, the Organization for Economic Co-operation and Development, Transparency International, USAID, the United Nations, the International Chamber of Commerce, the Organization of American States, and the Council of Europe. Our discussion departs from prior analyses by adopting a Foucaultian theoretical framing and by incorporating insights found in the virtue ethics literature. Implications are provided for international business organizations.

KEY WORDS: corruption, Foucault, international business morality, IMF, virtue ethics, World Bank

Introduction

There is widespread agreement that corruption has become one of today's most pressing global and ethical problems (Pacini et al., 2002; Ryan, 2000; Sanyal and Samanta, 2000; Weber and Getz, 2004). Corruption is said to lead to a loss of government revenue (Fjeldstad and Tungodden, 2003; Stapenhurst and Sedigh, 1999), the undermining of good governance, extra costs to businesses that engage in bribery, and lost opportunities for those that don't (Caiden et al., 2001a). Corruption is also believed to distort standards of merit and erode the respect of law (Hamir, 1999), result in higher public investment and lower quality of infrastructure (Schloss, 1998; Tanzi and Davoodi, 1998), and hold back political and economic advance (Klitgaard, 1994).

Yet upon close inspection one finds that the problem of corruption is not at all clear. For one, its definition, consequences, and causes are more numerous than might first be imagined, making an understanding of this global problem and its subsequent solution highly difficult. Moreover, the ethical dispositions of those working in the anti-corruption field are complex, sometimes contradictory, and often hidden. Both of these reasons stem from the fact that the field's actors have different ways of seeing this problem, ways that are rooted in quite different "idiomatic, epistemological, ontological, and moral correspondences" (Rose and Miller, 1992, p. 179).

In this paper, we examine the global anti-corruption field with an eye to these moral dispositions and this multiplicity of correspondences. Our analysis is motivated by the growing amount of discussion that sees corruption as essentially international or global (cf., Kaikati et al., 2000; Milton-Smith, 2002; Pacini et al., 2002). For this reason, we carry out a global analysis of the anti-corruption field. We examine numerous association, think-tank, and academic reports, books, and papers dealing with the topic of corruption, as well as the pronouncements,

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websites, and position papers of key organizations enlisted in the fight. All devoted to the development of wider human good (MacIntyre, 1984), these organizations include the World Bank, the International Monetary Fund, the Organization for Economic Co-operation and Development, Transparency International, USAID, the United Nations, the International Chamber of Commerce, the Organization of American States, and the Council of Europe. These organizations' dispositions toward corruption are worth considering not only because these organizations are active in the global fight against corruption, but also because these organizations are key actors in the field of global governance (Held and McGrew, 2002). Just as businesses are one of the important avenues through which the morality of a community is promoted (Dawson and Bartholomew, 2003, p. 134), these organizations are one of the important avenues through which the morality of international business is promoted (see also Kaikati et al., 2000).

Our contribution to the literature lies in our application of a Foucaultian theoretical framing (esp., Foucault, 1991; Lemke, 2001) as well as in our incorporation of the work of those concerned with virtue ethics (esp., Dawson and Bartholomew, 2003; MacIntyre, 1984; Maguire, 1997; Taylor, 2002; Whetstone, 2001). The use of these complementary frameworks builds on the current ethics and corruption literature (cf., Davis and Ruhe, 2003; Kaikati et al., 2000; Nielson, 2003; Pacini et al., 2002; Wilhelm, 2002) and provides additional implications for all those who are touched on a daily basis by this global problem. The paper begins with a descriptive analysis of the definitions, consequences, and causes of corruption found in this field. It then moves to an evaluative or normative (Enderle 1997; Dunfee & Warren, 2001) analysis of the solutions posed by its members and the ethics that are implicit in these solutions. We close by outlining some business and policy implications of our analysis.

Data and methodology

For this study, our research team compiled and examined two sets of documents. The first consisted of roughly 200 association, think-tank, and academic reports, books, and papers dealing with the topic of corruption. These documents came from fields as diverse as economics, public administration, international development, business, criminology, and sociology. This data set itself contained reviews of the corruption literature, and notable among these are the comprehensive reviews of Tanzi (1998) and Andvig and Fjeldstad (2001). The second set of data was derived from an archive of material drawn from the websites of a number of key organizations involved in the fight against corruption. These include the World Bank, the International Monetary Fund, the Organization for Economic Co-operation and Development, Transparency International, USAID, the United Nations, the International Chamber of Commerce, the Organization of American States, and the Council of Europe. All of these organizations are involved in the arena of global governance, an arena which contains divergent interests and diverse geopolitical realities (Held and McGrew, 2002). This latter data set comprised just under 1000 pages, not including reports or documents produced by these organizations.

Our analysis was essentially inductive, in that none of the members of the research team had any prior exposure to the topic of corruption (though as accounting researchers we were familiar with the globalization literature and the more specific notion of fraud). This analysis of the data ultimately motivated a delineation of the field's "discourses" (Dean, 1994; Mills, 1997) into four categories: definitions, consequences, causes, and solutions. It was in considering these categories that we also came to see a more or less dominant set of idealized representations, a diffuse yet powerful set of correspondences or "rationalities." These rationalities are worth considering because they influence the development and implementation of specific "programmes of governance" (Foucault, 1991), such as are found, for example, in the OECD's Convention on Combating Bribery of Foreign Public Officials and its related policy instruments. These rationalities are also worth considering because they are inseparably a part of moral agency. Moral agency, this is to say, is not a "luxury good" or a function of one's hidden or "private self." Rather it is always present and, in the case at hand, it is manifested in corruption's suggested solutions or strategies, which in turn become corruption's programmes of governance. Moreover, these suggested solutions or

strategies are a function of the agent's social role and position, which are more or less power-laden. This makes the fight against corruption both a power-infused and moral fight. Here we are clearly breaking from an emotivist or pluralist view (Macintyre, 1984) of ethics, one which might see ethics as ultimately personal and thus socially irreconcilable, as divorced from issues of power, or perhaps even as simply irrelevant. We turn now to our analysis.

Definition, consequences and causes of corruption

The first thing that emerged in our examination was the realization that the term *corruption* is a vague one. Indeed one encounters a host of corruptions, including "bureaucratic," "political," "petty," and "grand" (Rose-Ackerman, 1999; Uprety, 2000), "productive," "malignant," "systematic," and "individual," (Raditlhokwa, 1999), "private-to-private" and "private-to-public" (Argandona, 2003), and "official" and "fiscal" corruption (Fjeldstad and Tungodden, 2003; Mensah, 1999). Within these many definitions a wide range of acts is also often implied. For instance corruption might include "treason," "conflicts of interest" (Caiden et al., 2001a), "bribery," or "embezzlement" (Klitgaard, 1998). Caiden et al. (2001b) in fact list no less than *sixty* acts one might qualify as corrupt. Even where labeling is used to delineate the range of meaning, that range can still be quite wide. Argandona (2003, pp. 257–258), for instance, suggests that private-to-public corruption involves everything from "bribery" to, simply, "ingenuous acts."

Despite the definitional ambiguity surrounding the term, most commentators are clearly referring to acts involving specific actors, namely public figures, civic employees, bureaucrats, and politicians. Many in fact see corruption as "the misuse of public office for private ends or private gain" (e.g., Gray and Kaufmann, 1998, p. 22; Gray-Molina et al., 1999, p. 8; Klitgaard, 1998, p. 45; La Palombara, 1994, p. 77; Owen, 1997, p. 40), a definition that seems to originate in the work of Nye (1967).

A litany of ills is associated with this misuse of public office. These range from a loss of government revenue (Fjeldstad and Tungodden, 2003; Stapenhurst and Sedigh, 1999) to the undermining of good governance, extra costs to businesses that engage in bribery, and lost opportunities for those that don't (Caiden et al., 2001a). Corruption distorts standards of merit and erodes the respect of law (Hamir, 1999). It results in higher public investment and lower quality of infrastructure (Schloss, 1998; Tanzi and Davoodi, 1998). It holds back political and economic advance (Klitgaard, 1994), promotes the illegal export of resources, encourages conspicuous consumption, and generates distrust (Caiden et al., 2001a). For those that adhere to a Keynesian economic model corruption undermines that guardian of the public interest, the state, and for those that adhere to a neoliberal economic model, corruption distorts channels and markets for the flow of information, resources, and produce (Mensah, 1999).

Some do not always see corruption as an unwelcome phenomenon, however, as there are those who see it, or at least some forms of it, as beneficial or functional. One might consider here a situation where tax collectors are allowed to keep a portion of tax receipts for themselves. This might be seen as desirable because these individuals are motivated to increase their collection efforts, thus raising overall tax revenues. While the skimming of these receipts might be wrong, proponents of this view argue, the consequences are still beneficial. It should be noted however that there is a problem with this essentially utilitarian view: it has the potential to slip toward the view that corruption is occurring simply *because* it is functional or beneficial. Such a view goes well beyond the moral relativist's argument that it is up to each culture to define its own ethos of acceptable behaviour to the normatively fallacious argument that corruption is acceptable simply because it has always existed.

The causes of corruption may be seen as either "demand-side" or "supply-side" (Heimann and Boswell, 1998), a division that allows us to appreciate the "giving" and "taking" halves of the corruption equation. On the demand-side one may further consider this problem at the individual, organizational, institutional, or societal level. At the individual level, some commentators are wont to point out that some people are simply corrupt, unethical, and immoral, and that corruption is a

function of a few "rotten apples." Of course, this individual-level explanation is complicated somewhat when one considers that these rotten apples may be subject to need or "resource scarcity": low or non-existent salaries and wages often motivate people to engage in what is termed "low-level" or "petty" corruption.

Corruption may also originate in specific organizations, especially those that lack policies and procedures, or wherein there is excess discretion, insufficient supervision, and inadequate publicity (Hamir, 1999). The under-funding of specific organizations also points to a need to address corruption at the organization-level, as does the possibility that some organizations enjoy large monopoly powers or "rents" (Gray and Kaufmann, 1998). In poor countries, police and customs organizations are often singled out by both corruption commentators and the public as being in serious need of reform (e.g., Gray-Molina et al., 1999). From an even broader perspective, a country's institutions may be deemed corrupt, creating what those in the finance literature call "political" or "country risk" (Okeahalam and Bah, 1999, p. 100). Finally, one might attribute corruption to whole societies. Where there is a lack of education or "traditional norms" or where there is the general belief that "corruption is okay" one will find corruption (e.g., Caiden et al., 2001b; Uprety, 2000). Society-level ideologies, say others, play a factor, especially when those societies foster excess individualism (Caiden et al., 2001a).

On the supply-side, one might also consider the role that foreign parties play in "the misuse of public office for private gain." In this regard, three such parties, the foreign private sector, foreign donors, and foreign governments, and one historical reality, colonialism, are worth mentioning. "Profit-seeking transnational corporations," observes Kapundeh (1995, p. 49), "stimulated corruption, especially amongst elites. These corporations take advantage of very undisciplined, decadent and corruptly ruling people that are willing, with little or no encouragement, to subvert rules or regulations." Given the diversity of actors who have demonstrated this propensity – actors such as IBM, Boeing, Elf Aquitaine, the Riggs Bank, and Canadian Acres International – one might be inclined to suggest that the number of such corporations is quite large. Indeed, it is in response to the large number of foreign companies offering kickbacks and bribes that calls are being made for stricter enforcement of the United States Foreign Corrupt Practices Act (FCPA) and greater adherence to the OECD's Convention on Foreign Corrupt Practices (cf., Kaikati et al., 2000; Pacini et al., 2002).

Yet, foreign donors, such as the World Bank and USAID also figure on the supply-side of the equation. The conditionality of loans and tied aid, say some commentators (e.g., La Palombara, 1994; Mulinge and Lesetedi, 1999), is in fact an inducement to corrupt. When an organization demands of a beneficiary that it use donour-country technologies or services, it may deprive the beneficiary of internal investment and job creation, or it may result in the provision of over-priced or sub-standard technologies and services, which, say some, is tantamount to corruption. Similarly the case with austerity measures imposed by those offering loans. These may result in massive unemployment, price hikes, and other such problems.

Foreign governments – as a means of bolstering their own national interests – may themselves be involved in offering such loans, but they may also be indirectly involved in fostering corruption as a result of their unwillingness or inability to clampdown on those involved in corrupt practices. Foreign governments that are unwilling to negotiate or engage in fair trade with poor countries may also be alleged to be fostering corrupt behaviour, as those in poor countries are driven into situations of bribe-taking.

A last consideration in looking at the causes of corruption and the supply-side of the corruption equation is historical. According to the neo-patrimonialist view, one needs to consider the historic context in which the fight is being fought, and in many poor countries, especially those in Africa, that context is colonialist. Anti-social, corrupt behaviour, some authors observe, is derived from colonial rulers and the legacy they left. This is not just in the sense of the corruption which riddled grandiose and wasteful development schemes such as Italy's programmes in Ethiopia and the Sudan (see Lycett, 1993), but in a more complex and subtle sense. For one, a sizeable monetary economy is needed for corruption to thrive, and these did not always exist

prior to colonization (Mulinge and Lesetedi, 1999). Cash-based taxation systems were also often established and these created dependencies and accountability problems in the colonies. Immense regional variations in wealth resulted from the divide-and-conquer strategies imposed by colonial powers. These powers often also established excessively hierarchical models of administration based on a leader's ability to hold a crowd rather than on an ability to respect the law or due process. Finally, constitutions were also passed on that were often easily re-drafted with the aim of vesting enormous and absolute powers in the hands of a single office, institution, or individual.

In summary, the term corruption appears to be used in many ways to denote many things, and its consequences, while generally viewed as negative, are similarly broad. The causes for corruption, whether "supply-side" or "demand-side," can be attributed to individuals, organizations, institutions, and even societies. The causes also appear to have historical roots. This ambiguity is quite obviously the product of a divergence in perspective. However, these perspectives involve more than just an arbitrary adoption of a focal point. More fundamentally they stem from a divergence in epistemological, ontological, and moral beliefs (Rose and Miller, 1992, p. 179), beliefs that in turn affect the type of solution proposed. What remains is to consider these solutions, and to examine the ethical models that they seem to imply.

Solutions for dealing with corruption

In examining the global anti-corruption field, three main types of solutions are being proposed. These can be labeled control, exit, and voice strategies. The first of these is aimed at improving legal, electoral, educational, and other institutional systems, through, as the name implies, the establishment and enhancement of control. Making the state a credible enforcer of laws, protecting whistle-blowers, reforming tax and customs administration systems, improving reporting systems, measuring public servants' performance, and strengthening watchdog agencies (ombudsmen, auditors, etc.) all involve control and are all seen as important means of addressing corruption (cf., Galtung, 1994; Klitgaard, 1994; La Palombara, 1994; Pope, 1998). Establishing

such controls is not easy, and requires concerted efforts from members of civil society and, often, members of the international community. Domestic political parties, NGOs, professional organizations (e.g., accounting bodies), industry associations, foreign governments, and extra-governmental bodies (see below) all become enrolled in problem identification and the subsequent design and implementation of controls. For many of these actors, there is an implied, normative adherence to Weber's model of the legal-rational bureaucracy. There is also an implied consequentialist ethic, as structures of control, while admittedly at times undermining individual rights, in the end are thought to provide a net benefit to members of society.

In contrast, "exit" strategies are based on the idea that alternatives or substitutes need to be available so that actors can exit a situation if corruption is thought to be present. These strategies address the components of Klitgaard's (1998) well-known "C=M+D−A" corruption calculus: through the establishment of a competitive market for services monopoly (M) and discretion (D) can be reduced, leaving only the need for greater accountability (A). The literature, particularly the economic literature, demonstrates a preference for exit over control strategies: more regulation and more state intervention are seen as either limiting (e.g., Gray-Molina et al., 1999), 'inefficient' (e.g., White, 2001), or likely to produce dysfunctional effects. Indeed, some criticism is justifiably levied at the bureaucratic ideal-type:

> ...attempts to invent, promote, install and operate mechanisms of rule...are rarely implemented unscathed, and are seldom adjudged to have achieved what they set out to do...technologies...produce their own difficulties, fail to function as intended, and sometimes intersect poorly with the rationalities in terms of which their role is conceived... (Miller and Rose, 1990, pp. 10, 14).

Among proponents of the exit option there is a belief that competition curtails corruption and so greater state privatization is needed (e.g., Khanal, 2000; Klitgaard, 1994; Schloss, 1998). One set of commentators goes so far as to suggest that the elimination of subsidies, the lowering of trade barriers, the privatization of government assets, and the minimization of regulations will "*unambiguously reduce opportunities for corruption*" [our emphasis]

(Gray and Kaufmann, 1998, p. 29). Competition is seen as "a form of discipline" that an organization needs to "force it to face up to the costs of corruption" (Larmour and Grabosky, 2001, p. 183). One commentator (Klitgaard, 1994) calls for experimentation with a "post-bureaucratic organizational form," "post" in the sense that approaches based on more do not seem to be working, meaning that aid should be contingent on progress, or even reduced altogether.

In examining the pronouncements and commentaries of the major organizations enrolled in the fight against corruption we saw a great deal of support for exit strategies. This was particularly the case with respect to the World Bank and the IMF, two organizations that play a highly influential role in today's system of global governance (Kaikati et al., 2000; Khor and Martin, 2000, p. 6; Stiglitz, 2002, pp. 10, 21–22, 210). It is worth looking at these two Bretton Woods organizations as they can be seen to comprise a centre of calculation – an obligatory passage point (Rose and Miller, 1992) – in the translation (Latour, 1987) of anti-corruption solutions. It is also worth considering these two organizations' prescriptions as they imply particular ethical perspectives and moral positions, perspectives and positions which, it should be noted, are not simple or clean-cut.

On the one hand, when it is suggested that a "shock" is needed to fight corruption (as one commentator associated with the Bank suggested), there is an implied concern not with the Kantian categorical imperative or the "do onto others" Golden Rule, which would draw attention to the means by which corruption is being fought, but with a consequentialist ethic concerned first and foremost with the ends which are to be achieved in eliminating corruption. On the other hand, the teleology of efficiency, utility maximization, and economic growth that underpins World Bank and IMF strategies are offset by a deontic preoccupation with individual rights and freedoms, which are primarily *economic* rights and freedoms (esp., the freedom to own property). This admixture of Kantian and Utilitarian ethics, the simultaneous promotion of the right to pursue private goods and the belief that this pursuit leads to the achievement of the collective good, is not especially surprising, given that it forms the basis for most economic arguments (Shearer, 2002).

Against these rational, expert, "systems-world" (Habermas, 1984) solutions there is another set of solutions advocated by the field's major anti-corruption actors. Based on practical, "life-world" (ibid.) interventions and what we term "voice" solutions, these are based on the idea that what is needed to fight corruption is the active participation of civil society. Civil society knows the causes and consequences of corruption better than do distant and élite experts, so civil society needs to be enlisted in any attempt to eradicate corruption. Consequently public input regarding corruption, and public surveys and "scorecards," are being used in this regard (Kaufmann, 1998, pp. 147–148). Transparency International's use of a Corruption Perception Index is just one example of how public input is being brought to the fore in this field. The involvement of non-governmental organizations (NGOs) is also seen as important. Similarly, shifting resources to the public has been suggested as a means of reducing corruption, as has the idea of ensuring that there is "broad public debate about funding priorities and their social and political implications" (Sader, 2002, p. 91). Related to institutional reform but still centred on public voice is the need for the establishment of free elections and a free and independent press. Finally, citizen education and information campaigns are also seen to be important if there is to be informed dialogue and debate regarding the use of public monies.

These voice solutions, which are often advocated alongside control or exit solutions, imply a deontic ethical perspective: by respecting a wide array of perspectives, desires, and forms of practical knowledge, voice solutions clearly address the needs of each and every citizen and ensure that none becomes a mere means to any prescribed end. From our reading, however, both voice and control solutions receive a great deal less attention and enthusiasm than exit solutions. This is probably not surprising, given that control and voice solutions are viewed by economic advisors as, theoretically at least, typically inefficient solutions.

Insights from virtue ethics

Whether they prefer control, exit, or voice solutions, and whether their ethics are means- or ends-focused,

many anti-corruption commentators seem to be of the thinking that the field's corrupt actors need to be instilled with a greater sense of morality – of what constitutes right and wrong. Concerns about the immorality of the field's actors, however, tend to be obscured by a focus on the *act* of corruption, rather than its *actors*. Also, there is not a great deal of sensitivity to either the enormous variety of environments in which corruption occurs or the historical and societal conditions that underpin it (Enderle 1997). This is to say that preferences are made for certain types of solutions, regardless of context. Moreover, even where the focus is on "rotten apples" there tends to be an implied assumption that morality can be "added-on" to a person. This concern with the act, rather than the actor, this lack of concern with context, and this "moral add-on" assumption are seen as quite problematic by those who adopt the perspective of virtue ethics.

Virtue ethics argues that morality is first and foremost an integral and embodied part of the person, and that what is generally needed to make the world a better place is not simply more ethical rules, but more inherently moral people (Dawson and Bartholomew, 2003; Whetstone, 2001). Attendant with the thinking of Aristotle, but finding a middle road between the ethical absolutism of Socrates and the ethical relativism of the Sophists, virtue ethics sees morality as both a human convention and the product of an inter-subjectively determined and reasoned search for an answer to the age-old question: what is and how does one become a good person (MacIntyre, 1984; Taylor, 2002)? Downplaying the belief that transcendent laws or principles of morality can be found (*viz.* the ethics of Kant or Mill), virtue ethics uses such concepts as "self-mastery" and "self-overcoming" to draw attention to the embodied and character-based nature of morality.

This perspective has us focus not on the rational application of moral rules (*episteme*), but on the question of whether rights and privileges are deserved. It is further a highly contingent view as morality is seen to be a function of judgment (*phronesis*), which is always itself a function of specific contexts (Maguire, 1997). This approach has significant implications for anti-corruption programmes and for those involved in and affected by them. For one, it alerts us to the concerns of those who adopt the neo-patrimonialist perspective.

These commentators, who are relatively absent from the of the major anti-corruption organizations, do more than just problematize the West's normative adherence to and implementation of the Weberian rational-legal bureaucratic model. They also implicitly problematize the suggestion that corruption can be addressed through the invocation of "hypernorms" or fundamental principles of human existence (cf., Donaldson and Dunfee, 1994, p. 265). While the advocacy of such norms provides a corrective to an over-reliance on vaguely defined 'virtues' (Maguire, 1997), recognition is needed in respect of the manner in which these norms correspond to specific and possibly very foreign epistemological and ontological beliefs (Rose and Miller, 1992, p. 179) (see also Velasquez, 2000; Whetstone, 2001).

Virtue ethics also alerts us to another aspect of the global anti-corruption field, the enlistment of knowledge and science in anti-corruption programmes. Solutions in the field are often being posed with a great deal of confidence, despite the fact that much of the research in this area is highly inconclusive (see Andvig and Fjeldstad, 2001). Moreover, the majority of the science enlisted in this field is economic, a discipline that by definition erases concerns with moral obligations and concerns about the other (Shearer, 2002). Virtue ethics points to the moral character of those who profess to know about what is happening in the field. It even opens the possibility that knowledge is being enrolled in a type of power struggle over how the field is defined and which type of solutions are to be implemented. It draws attention to a possibility Nietzsche long ago alerted us to, that "behind the ideals of universal morality, objectivity, and truth there lies the concealed drive for self-preservation and domination" (in Rutherford, 2000, p. 33, Unpublished Doctoral thesis). Power and knowledge, that is, may need to be seen as deeply imbricated in the anti-corruption field.

More importantly, perhaps, virtue ethics forces us to consider whether those fighting corruption are indeed themselves virtuous or moral actors. The World Bank and the IMF become of considerable interest in and of themselves, because not only are these two organizations being vested with the role of defining international morality (cf., Kaikati et al., 2000), they are also two highly controversial organizations.[1] Indeed, it is not without some irony that

these two organizations have taken a leading role in the fight to safeguard public office. We say ironic because both of these organizations are promoters of global free enterprise and they are themselves contradicting Klitgaard's general, C=M+D−A anticorruption formula: both organizations have a great deal of discretion (D), they are close to being, if not are, monopolistic (M), and they are far from being accountable (A), in a number of important ways.

First, and more generally, these two organizations are not particularly willing to accept responsibility for the turmoil that has often been left in the midst of their liberalization efforts. Second, and specific to the issue of corruption, they have little interest in talking about the fact that privatization has at times actually *increased* the amount of corruption in those countries to whom they give loans (see Kaufmann, 1997). Equally ironic, the World Bank has disclosure standards that are weaker than the majority of the governments from whom it is demanding increased accountability, and the IMF is one of the least accountable non-private organizations known, at least according to one ex-World Bank Chief Economist (Stiglitz, 2002, pp. xii, 234). Fourth, the research that underpins these organizations' anticorruption strategies is more inconclusive (Andvig and Fjeldstad, 2001) than one is led to believe (cf., Mauro, 1995; Tanzi, 1998). Finally, there is the added fact that both of these organizations are public organizations – public offices – funded by taxpayers and established, one assumes, to promote the global public interest, not specific private interests. It becomes possible to even suggest that these two organizations themselves are the sites of "the misuse of public office for private gain."

Our goal is not to demonize these organizations – indeed, both are becoming more accountable and one of them, the World Bank, has a very socially committed organizational side – rather, it is only to draw attention to their somewhat dubious moral character, something that a character-based, virtue ethics perspective forces us to do. For business leaders interested in promoting or creating a more moral or ethical global business climate, it is necessary to pay heed to the possibility that these organizations – seeming promoters of international business morality – are themselves less-than-virtuous social actors.

The virtue ethics perspective, then, provides different insights into the global anti-corruption field. However, we do not wish to overemphasize the contributions of the virtue ethics perspective, as we are aware that this perspective's attention to context and judgment may simply promote another form of moral pluralism, one based on the idea that virtues may be defined simply as one wishes. At the very least, a balance is needed between rules/principles/goals and virtues so that moral judgment can come to depend upon understanding what is an appropriate action in a specific situation (Maguire, 1997, p. 1416). We might be inclined to go further and suggest that rules/principles/goals only provide a necessary beginning on the path of moral development, as human learning does not proceed beyond the level of "competent performer" until the actor becomes personally involved in his or her task (Flyvbjerg, 2001). To attain the level of "proficient performer" or "expert" in any activity – to demonstrate, that is, some level of *virtuosity* (ibid.) – one's reliance on rules, goals and principles must be replaced by a reliance on more context-dependent notions, such as "intuition," "sense," and "feel." All of this is to say that moral rules and goals are needed, but, given what we know about how humans actually learn and develop, that rules and goals are not and cannot be adequate in and of themselves.

The point here however is to raise questions about both the ethical rules that organizations such as the World Bank and the IMF promote (Pacini et al., 2002) *and* the virtues – or vices – that inhere within these organizations. In the language of business ethics, we wish to raise questions about how "hypernorms" (Donaldson and Dunfee, 1994, p. 265) *and* moral character infuse, or fail to infuse, the anti-corruption field.

Conclusion

In this paper, we considered the "cancer" (Wolfensohn, 1998) or "virus" (Kantor, in Kaikati et al., 2000, p. 216) that is known as corruption, and we examined the ethical perspectives that are enlisted in its fight. Our findings are based on a review of multiple sources, both institutional and academic, and our discussion departs from prior

analyses by adopting a Foucaultian theoretical framing (Foucault, 1991; Lemke, 2001) and by incorporating insights found in the virtue ethics literature (Dawson and Bartholomew, 2003; MacIntyre, 1984; Maguire, 1997; Taylor, 2002). Together, this framing and these insights point to a need to look at both the act of corruption *and* the actors involved in fighting it.

In respect of the act itself, it appears that corruption is what might be termed a "free-floating signifier," an ambiguous label that enables different groups to problematize various phenomena in different ways. In establishing a definition, these groups are able to pose their preferred solutions, whether these solutions involve more expert control ("control"), the privatization of public assets and the marketization of economies ("exit"), or the promotion of individual rights and the enhancement of democratic processes ("voice"). Each of these preferred solutions is underpinned by one or more ethical perspectives, whether the adherents of these solutions are aware of this or not.

What emerges from our analysis is the need to ask certain questions *prior* to intervening in the field. Namely, is corruption a problem because the poor are being victimized by it? Is it a problem because impedes efficiency? Is it a problem because it can be used to enhance the expert's symbolic capital? Or is it a problem because it is essentially a social phenomenon, which doesn't accord well with the strictly economic models developed by those in charge of the system of global governance? Before business leaders, or anyone for that matter, decide to commit themselves to helping fight this "cancer" or "virus," they need to decide what they think corruption is, why they think they need to solve it, and how they wish to solve it. They also need to acknowledge that they may well be an endogenous variable or determinant factor in the corruption equation. Moreover, their ethics, implicit or otherwise, are going to inform their preferred definitions and solutions to the problem.

Looking more at the actors involved in the prevention of corruption, it is worthwhile to reflect upon the received definition of the term to see how the act of definition affects the choice of "solutions" to be implemented. In the case of "the misuse of public office for private gain," one group of actors is pulled into focus (i.e., the members of public office) while another is simultaneously pushed into the shadows (i.e., the members of "private office"). In so doing, a particular set of actors – public officials – are positioned as being potentially unethical, which opens the way to a rather simple solution: eliminate all public offices through privatization. Yet, as Enderle (1997) and others (Argandona, 2003) have observed, corruption is often private-to-private, and what might be acceptable to private individuals in the course of their business ("it's only a little gift-giving") is often deemed unacceptable to public individuals in the course of theirs ("that's bribe-taking"). The moral distinction, it seems, hinges upon the definition of what is private and what is public.

We have also considered the moral character – the virtues and vices – of two important anti-corruption actors, the World Bank and the IMF. Of interest to those concerned about the spread of international business morality is the fact that these organizations may be possibly using the problem of corruption as a means toward their preferred end, the creation of a global, unfettered market. Serious questions need to be raised about the manner in which these organizations point accusing fingers at the demand-side of corruption, directing attention away from their own complicity in corrupt acts. A focus on virtue ethics draws attention to these actors, and the cloak of secrecy which shrouds their consultative and decision-making processes, especially those of the IMF. It is worth reiterating that the fight against corruption is a function of specific acts *and* specific actors, making it a field where both ethical rules – hypernorms – and ethical actors are together needed.

Acknowledgments

Note

[1] It should be noted that we are here predicating moral virtues to groups and the organizations to which they belong. This view fits with our general framing,

given Foucault's break with the philosophy of the subject and that philosophy's ontological emphasis on the individual. For a detailed explanation, see Beggs (2003).

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