

Address of the President of South Africa,
Thabo Mbeki

Chairperson,
Your Worship The Mayor,
The Premier of the Province of KwaZulu-Natal,
Your Excellencies, Presidents Mogae and Obasanjo,
The Hon Jim Wolfenson, President of the World Bank,
Your Excellencies Ministers, Ambassadors and High Commissioners,
Leaders of Transparency International,
Distinguished delegates,
Ladies and Gentlemen:

I am honoured to welcome you all to this 9th International Anti-- Corruption Conference. I would also like to join my fellow South Africans in wishing our foreign visitors a happy, enjoyable and productive visit to our country.

We are pleased that this 9th Conference takes place on our Continent and hope that this will give an added impetus to all of us as Africans further to intensify our own offensive against the scourge of corruption.

The Oxford English Dictionary has much to say about the word corrupt. Here are some of the meanings it attaches to this concept:

"To spoil or destroy by putrid decomposition; to turn from a sound into an unsound condition; to infect, taint, render morbid; to adulterate; to debase, to defile; to putrefy, rot, decay; to destroy the moral purity or chastity of; to destroy or pervert the integrity or fidelity of (a person) in his discharge of duty; to induce to act dishonestly or unfaithfully; to make venal; to bribe; to pervert the text or sense of (a law etc.) by altering it for evil ends."

These definitions correctly serve to focus our minds on the critically important but sometimes vexed value judgements about bad and good, evil and good, moral and immoral.

As you will be aware, recently, the Mayor of New York refused to finance an exhibition at the Brooklyn Museum on the grounds that some of the exhibits were bad in the sense that they were morally unacceptable.

As we would all expect, the decision of the Mayor has elicited a fair amount of controversy. Questions have been raised about the right the Mayor might or not might not have to decide that his own personal moral sensibilities constitute the correct norm to determine which piece of art is morally acceptable and which not.

We mention this episode not to participate in the discussion occasioned by the decision of the Mayor of New York but to draw attention to the wider context in which we must necessarily place our deliberations about how to confront the challenge of corruption.

If we accept the Oxford Dictionary definition that to corrupt is to "turn from a sound to an unsound and impure condition", "to destroy the moral purity or chastity of something", then, surely, we must have some view of what is sound, pure, chaste and morally pure.

Clearly, our own subject matter is not the world of inanimate objects. Rather, we have met to discuss the corruption of human society and the individuals within this society.

The Mayor of New York felt driven to take a particular decision about an art exhibition presumably in pursuit of the objective of ensuring that New York society remained or became as morally sound, pure and chaste as possible.

As we fight corruption, presumably we too seek to create societies that are as morally sound, pure and chaste as possible. If I could hazard a guess, I would say that all of us here would find no difficulty in identifying what kinds of activity would qualify to be described as corrupt. Similarly, it would not be difficult for us to reach consensus about the actions that should be taken to prevent and to punish corrupt practice.

Indeed, I am certain that this Conference will help further to empower all of us to understand the legislative, institutional and other measures we need to put in place to increase our effectiveness in the fight against corruption.

Further, there can be no doubt that all of us need to do everything in our power to give corruption in both public and private sectors no quarter whatsoever. Nevertheless, it would also seem necessary that we also seek to answer the question - what gives birth to corrupt practice! What are the social circumstances that enable corrupt practice to become a pervasive and entrenched social phenomenon!

Obviously, a correct answer to this question is vitally important to the extent that it would give us greater possibilities to prevent corruption so that we are not confined merely to the task of punishing corrupt actions when they occur and are discovered.

It goes without saying that that answer would necessarily be complex, entailing elements that might be of universal significance and others that might be more nationally specific.

With your permission, let me make some observations largely based on our own national experience.

I believe it would be correct to say the thesis cannot be proved in any satisfactory manner that all human beings are inherently corrupt. Indeed such a statement, that all human beings are inherently corrupt may itself be irrational to the extent that, what is bad or evil is bad or evil relative to a set of generally accepted social norms and practices.

Without any claims whatsoever to any competence in the fields of sociology or social anthropology. I think it would also be correct to say that there was a relatively low incidence of corruption in our pre-colonial traditional societies. If this were correct, as I believe it is, it would argue against the assertion of an inherent human corruptness. We must therefore conclude that corruption is a social phenomenon.

In our own, national, case, we would make bold to say that a basic fact or which informs corrupt practice is the disjunction that has occurred between spiritual and material human needs.

It seems clear that in that contest, the material has assumed precedence over the spiritual. In many instances, material values have gained their greater worth in the eyes of many people at the expense of spiritual values.

In this situation, success in the accumulation of material values becomes accepted within our social value system as a pre-eminent goal to pursue and a pre-eminent criterion by which to judge whether the citizen is a successful person or a failure. Necessarily, this level of deification of material values downgrades the importance of the question of how these material values are acquired. The important thing is to have and to be known to have and not the question - how did you come to possess what you possess!

At the ANC Conference in 1977, President Mandela quoted from an article by the financier George Soros to seek a more fundamental explanation of this social phenomenon.

Among other things, George Soros said that in an earlier epoch:

"People were guided by a set of moral principles that found expression in behaviour outside the scope of the market mechanism."

"As the market has extended its sway, the fiction that people act on the basis of a given set of non-market values has become increasingly more difficult to maintain."

"Unsure of what they stand for, people increasingly rely on money as the criterion of value. What is more expensive is considered better. The value of a work of art can be judged by the prices it fetches. People deserve respect and admiration because they are rich. What used to be a medium of exchange has usurped the place of fundamental values, reversing the relationship postulated by economic theory. What used to be professions have turned into businesses. The cult of success has replaced a belief in principles. Society has lost its anchor."

"The laissez-faire argument against income redistribution invokes the doctrine of the survival of the fittest... There is something wrong with making the survival of the fittest a guiding principle of civilised society.. Co-operation is as much a part of the (economic) system as competition, and the slogan 'survival of the fittest' distorts this fact..."

"I blame the prevailing attitude, which holds that the unhampered pursuit of self-interest will bring about an eventual international equilibrium (in the world economy)."

(All quotations from: George Soros: "The Capitalist Threat". The Atlantic Monthly, February 1997.)

I am certain that the South Africans present will acknowledge the fact that what George Soros describes as applying to human society generally is very apposite with regard to our own national context.

All around us we see "the unhampered pursuit of self-interest", the "(reliance) on money as the criterion of value" and behaviour among some of our people informed by the notion of "the survival of the fittest".

Many of us will know of " people (who) deserve respect and admiration because they are rich" and for no other reason, with regard to whom "the cult of success has replaced a belief in principles."

If George Soros is correct that at the root of all this lies in the fact of the market economy and its impact on social behaviour, and clearly there is a lot of substance in his argument, what, then, should we do! Obviously the options to ban money and to end the market economy are not options.

Conscious of the important concerns that George Soros raises and other equally important issues that bear of the quality of life in what Soros describes as "civilised society", other people are at least beginning to find answers to the challenge of how modern society might be restructured.

For example, in his book 'Living on Thin Air', the British writer, Charles Leadbeater, says:

"We rely on institutions of welfare, insurance, education and mutual self-help to withstand the turbulence of the global economy. The welfare state was designed for a world of male full-employment and stable nuclear families which has gone for good. That is why we need to reinvigorate and revive organisations capable of creating social solidarity.. Any society that writes off 30 per cent of its people through poor schooling, family breakdown, poverty and unemployment is throwing away precious assets: brainpower, intelligence and creativity. Our tolerance of this social failure is akin to the Victorians choosing to dump millions of tonnes of coal at sea, or Henry Ford leaving tonnes of machinery out in the rain to rust. An innovative economy must be socially inclusive to realise its full potential. That goal - an innovative and inclusive society - is particularly important because the forces promoting inequality are so powerful."

Obviously, Leadbeater is describing the developed societies of the North. Nevertheless his prescriptions would have a more universal application.

I am certain that all of us would recognise the fact that the concepts he mentions of mutual self-help, social solidarity and an inclusive society, the antithesis of the notion of the survival of the fittest, would be more prevalent in their practice in traditional rural communities.

Nevertheless, I believe that in our discussion of the important issue of corruption, we cannot and should not avoid a critical examination of the issues raised by Soros, Leadbeater and others.

I am also convinced that, in this country, another important factor that led to the spread and entrenchment of corruption, was the existence for a long period of time of a political and social system that was clearly morally and politically illegitimate, and considered as such by the overwhelming majority of the people.

I would add to this that many among the beneficiaries of this system themselves understood that it was morally illegitimate.

The consequence of this was that both the legal system, and the institutions of governance lost all possibility to provide for society the set of norms that would simultaneously be legally enforceable and morally justifiable. This, as it were, constituted an invitation to every individual to set his or her own norms of social behaviour. And, indeed, people did set their own norms.

I believe that a particular set of circumstances in our country underpins the levels of crime and corruption which are of such major concern to the majority of our people. This is the combination of what George Soros sought to describe, of the impact of the market, money economy on social conduct, the displacement of our people from the traditional rural setting and the absence of a legitimate social and legal system.

Of course, the first thing we had to do was to end the illegitimate system of apartheid and replace it with a genuinely democratic and politically inclusive political system. Hopefully, this system will succeed to evolve the social norms that will generally be accepted as legally enforceable and morally justifiable. Clearly, this would have a major impact in ensuring that we reduce the negative tendency towards the setting of norms by individuals informed by the concept of "the unhampered pursuit of self-interest".

Obviously, therefore, we could never discuss the issue of corruption without requiring also that we reflect on such issues as democracy, transparency, accountability and social inclusiveness. Given that we are meeting at this particular Conference, I do not believe that we need argue any further the vital importance of this issue.

Before we conclude, we would however like to make two observations with regard to this latter issue.

The first of these is that in the recent epoch there has been a determined political offensive in favour of "the withering away of the state", to borrow a phrase from Karl Marx.

As we all know, this perspective is sometimes argued as less government and more individual liberty!

I raise this merely to pose and leave: the question with you, as to what the larger implications of this are in the light of the role I believe that legitimate and democratic states play in evolving the social norms that militate against a perverted, anti-social individualism.

The second issue I would like to raise arises from the impact on society of the continuing revolution in information and communication technology leading to the

emergence of the so-called information society together with higher levels of education.

Clearly all these have the very beneficial effect of empowering the individual, in a manner of speaking, to gain greater decision-making sovereignty vis-a-vis such social institutions as the government and the state. Theoretically, at least, it could be argued that this would result in what we might call the atomisation of a whole variety of things, including responses to social process. Obviously, there would also be countervailing tendencies to such a process of atomisation, including the impact of the mass media.

However, there can be no gainsaying the fact that inherent in many developments with regard to the information society, are questions relating to the issue of the cohesion of what would be described as 'the community'. It may be that we are straying too far beyond the confines of what is possible to discuss at this Conference.

We must, however conclude by saying that those of you who are the frontline fighters against corruption cannot avoid delving deep into all these matters in the interests of promoting a better life for the peoples of our common world.

We wish the 9th International Anti-Corruption Conference success, convinced that you will help us as Africans to root out corruption which has such a corrosive impact on our societies and countries.

Thank you.

Address by his Worship the Metro Mayor, Councillor
Obad Mlaba at the opening of the 9th International
Anti-Corruption Conference

One of the hallmarks of South Africa's democratic transition has been the extent to which transparency has proliferated. Whether it is in the sphere of business-labour relations, sports organisation, or the three levels of government, what is clear is that significant demystification has taken place. Ordinary people now know more about the mechanisms of Government, the salary packages of their bosses of the machinations of their sports administrators than they ever did in the past.

Such transparency and accessibility on a national scale have served to expose corruption to the extent that it was not possible to do in the past. Some are therefore misled into believing that mismanagement, misappropriation, fraud and corrupt practices generally are the by-products of the new dispensation. They cannot be more wrong.

South African society, whilst afflicted by the scourge of corruption is no different from most developed nations in this regard. Our policies of transparency that characterise the initial phase of democratisation have been directly aimed at unpacking the political baggage of our past. These are policies aimed at development,

at encouraging investment and at boosting investor confidence. South Africa leads the rest of Africa in this quest.

The tidal wave of crime and corruption must be fought at every level. With this in mind the city of Durban, which has an outstanding record in financial management and undermining misappropriation, has set up a multi-disciplinary investigative team. If someone blows the whistle our team of legal, financial, human resource and other technical experts swing into action. They collect evidence and test allegations thereafter recommending appropriate internal or external measures depending on the seriousness of the misdemeanour.

Importantly, issues of corruption need to be reported on responsibly. Sensational reporting sometimes gives the impression that government is not in control and yet exposing corruption is possible only because government is in control.

Ladies and gentlemen, you are to be addressed by distinguished experts during the course of your deliberations in Durban. I have attempted to share with you some of my own thoughts on the matter within the time constraints I face. My task however is to bid you a warm welcome to metro Durban and wish you well in your discussions.

Thank you.