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The New Paradigm of Anti-corruption Policies in Korea: A Focus on the Lobbying Disclosure Act

Young Jong Kim

Abstract

The prevalent corruption in Korea functions as a setback to the democratic development of Korea. The government of Korea, over the years, has struggled to control and prevent the corruption phenomena with limited success. Among various causes of corruption in Korea, weakness of ethics among public officials is a major cause of the phenomena. In addition, presently, despite widespread corruption is associated with lobbying, no lobbying disclosure or prevention Act exists in Korea. Using a paradigm approach to corruption, the author of this paper contends that it is urgent to control widespread lobbying corruption by introducing an act as an efficient and effective mechanism for controlling corruption in the country. The author argues that we need to build the new paradigm by stipulating a lobbying disclosure Act and suggests a new paradigm focusing on maximizing the control-mechanism of lobbying by establishing a new system in Korea.

Introduction

The new millennium in Korea has begun with positive prospects for vitality along with instability. The 21st century came heralding the powerful impact of the global economy, society, and values without borders, which inspires both hope and possible hazards. It seems that the nation needs a strong leadership with wholesome visions for the new era to cope with the enormous challenges in store in the new international environment of accelerating globalization. There is no doubt that the new environment in the new millennium would require a new pattern of thought and system in nations around the world, especially in emerging economies like Korea. Politics must be the driving engine for Korea, which is still at the toddler stage of democracy and the market economy.

Moreover, as a recent opinion poll in Korea demonstrated, politics has become the most corrupt profession in the country. This report, conducted by the Seoul Metropolitan Government, indicates that among the Korean citizens residing in Seoul, 58 per cent of respondents believed that the public officials in Seoul were involved in corruption. In addition, according to KICAC (Korea Independent Commission Against Corruption), 60 per cent of Koreans believe that public officials are still involved in some form of corrupt behavior.1 These findings are an indicator of the prevalence of corruption and citizens’ perception of it.

In case of Korea, corruption in the public sector poses a setback to a more transparent nation. Although previous governments of Korea planned special actions to reduce corruption, the results were far from successful. So far, numerous politicians and scholars have advanced their own prescriptions to cure the widespread corruption phenomena. Yet, it seems that their systems do not work because of the superficial measures for combating the corruption phenomena. The approach taken by the National Assembly to eliminate corruption exemplifies such superficial measures. It cannot be emphasized enough, the important role and responsibility of lawmakers since they are in the position to operate sound mechanism for controlling corruption. It is argued that the anti-corruption law should be independent from political influence.

The author, in this paper, suggests approaching corruption using a paradigm as its framework. Paradigms used are categorized into external, internal, and future. The external and internal paradigms are based on the causes of corruption. First, brief conceptualizing concepts are discussed in chapter 2. Next, chapter 3 discusses the current state of lobbying corruption in Korea. In chapter 4, the first part examines each

1 KICAC report to roundtable conference sponsored by TI Korea (April 6 2006)
paradigm in further detail in connection with corruption. In the second part of chapter 4, suggestions on external paradigms are laid out and finally; a lobbying disclosure Act is proposed. Using this paradigm approach to corruption, the author of this paper contends that it is urgent to control widespread lobbying corruption by a related Act as an efficient and effective mechanism for controlling corruption in the country.

**Conceptualization of Major Terms**

**Definition of Corruption and Lobbying**

Corruption is like a social disease. Once it starts to infect one sector of society, it can spread through the entire society in just a matter of time. In case of Korea, corruption is prevalent among government officials, significant number of public officials or bureaucrats, businessmen, or even ordinary citizens. Because few incidents are reported, and the public only notices those of a serious nature, it is necessary to observe corruption with great care and comprehensiveness; in reality, those cases that come to public attention are only the ‘tip of the iceberg’.

In general, corruption is a human vice that probably dates back to the advent of the earliest civilization. Ever since a society began to feature a hierarchy of the ruler and the ruled, there have been growing practices of impairing existing social morals and virtue. Ideally, the definition of corruption can be analyzed from an integrated perspective. Since the word corruption refers to different types of corrupt acts, it is difficult to define corruption as a single concept. In the context of the integrated perspective, corruption could be defined as an expression to denote an array of fraudulent schemes and commercial offences by con men, businessmen or public officials.

In particular, corruption by public officials refers to deviant behavior resulting from violation of norms by public officials or related citizens in carrying out their public duties. The main aim of this paper is to discuss corruption in political or administrative systems. The culture of corruption can be defined as a universal phenomenon in an organization or society which means that corruption is so prevalent and widespread that both citizens and officials are involved in reciprocal acts of corruption such as paying and accepting bribes for obtaining their specific objectives. Likewise, both sides justify the practice — perhaps morally justify it — and neither feels that they are acting under duress.2

As diverse as the concept of corruption is, the causes for such behavior also greatly differ. Gould’s study of corruption focuses on the case of developing countries. More specifically, he points out the special circumstances such as rapid economic social change, strong kinship and ethnic ties, overlapping/monopoly of economic condition, widespread poverty and socio-economic inequalities, legitimacy of governmental organizations, and systematic mal-administration as the reasons for bureaucratic corruption in those countries (Gould, 1983). The tolerance of corruption is also a factor to consider for causes of corruption. Specifically, if the tolerance for corruption is lower then, the higher the risk of widespread corruption.

Different scholars have focused conceptualizing corruption. Heidenheimer focuses on the third category of political phenomenon (Heidenheimer, 1978) and Scott emphasizes the special case of political influence where deviant behavior comes from the public office (Kim, 2003). Johnston points out the reality of corruption, focusing on explanations as a consequence of human nature, institutional explanations as a consequence of loopholes, hidden dynamics or unintended side effects inherent in our institutions and laws, and on a form of influence within the political system, rather than as a sort of despoiling force (Johnston, 1982). Huntington views political corruption as a result of social frustration and dissatisfaction-satisfaction (Huntington, 1968).

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Corruption refers to deviant behaviors resulting from violation of socio-cultural and ethical norms. Most of the corruption phenomena can be attributed to maladjustment between system, behavior, and socio-cultural environment.

Then, what is lobbying? The concept of lobbying varies among scholars. First, the "narrow" conception of lobbying restricts the practice to the attempt to influence legislators through direct contact. Secondly, the "middle-range" concept extends application to attempts to influence any government institution or official. Finally, the "broad" concept of lobbying includes the "grass-roots" operations that attempt to agitate public opinion in the hope of influencing government decisions.

In this paper, the term "lobby" is used in a broader sense than the legal concept under which lobbyists register. It includes any form of communication intended to influence a governmental decision directly or indirectly. Under this definition, lobbying can occur within any governmental institution, and can focus on any decision maker, clerk, staff member or official. In this study, the term "lobby" is interpreted in this broad sense. It includes not only the lobbyists' activities in Congress but also their other activities, such as lobbying in the executive branch, public relations activities, and research and "grass-roots" lobbying.

Recent Scandals in Korea: The Land of Total Lobbying Corruption?

Corruption erodes the moral fabric of every society; undermines democracy; violates the social rights of the poor and the vulnerable; subverts the rule of law which is the basis of every society; retards development; and, denies society — particularly the poor — the benefits of free competition (Lima Declaration, 1997). Besides, corruption discourages productivity and breeds distrust, encourages social conflict, dissatisfaction, and complaints. As a result, people react against their government through the collective action of social movements. The collective behaviors of the people might even destabilize the government. At the point where corruption problems become so severe that there is no public confidence in the government, people often approve — without any sound rationale — more drastic measures to correct the economic or political situation.

Recently, the Prime Minister of Korea, Lee Hae Chan was involved in a golf outing scandal by playing golf with businessmen. ‘His former aide, who accompanied him, said a businessman paid the green fee on behalf of the prime minister, which constitutes a violation of the ethical code for public servants. The main opposition Grand National Party stepped up pressure for the dismissal of the prime minister, calling for a parliamentary inquiry and a probe into his relationship with the businessmen. The opposition party also requested a state audit agency and a prosecution probe into his relationship with the businessmen.' Lee apologized to the public for teeing off with “inappropriate partners” which included businessmen with criminal records in Pusan when the nation was hit by a railroad strike. Finally he resigned his position because of strong public opinions regarding his breach of the ethical code of public servants.

Another recent case of lobbying corruption involves Kim Jae Rok. Though this case is still under investigations, fierce and illegal forms of lobbying are taking place. There are allegations against Hyundai Automotive Group raising slush funds to lobby politicians. Investigators at the Supreme Public Prosecutors’ Office arrested Lee Ju-Eun, head of Hyundai Automotive’s logistic unit, Glovis, on charges of embezzling company funds of up to 7 billion won ($7.1 million).

Prosecutors believe that Lee used some of the money to bribe politicians and government officials for business favors. There are suspicions that Hyundai Automotive had lobbied officials at the Seoul Metropolitan Government and the Ministry of Construction and Transportation to acquire a permit to build

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4 Ibid
5 Ibid.
7 See - Korea Times, Thursday March 30, 2006
a research and development (R&D) facility in Yangjae-dong, a southern district in Seoul. Other accusations include the carmaker’s attempt to bribe politicians ahead of the 2002 presidential elections.

The controversy over Hyundai Automotive, which is now a national scandal, is the latest in a series of dust-ups involving Korean conglomerates and politicians. Samsung Group, Korea’s largest conglomerate, became the target of public scrutiny last year, when the local media revealed the transcripts of a tape-recorded conversation between Samsung Vice President Lee Hak-soo and former Korean Ambassador to Washington Hong Seok-hyun, then publisher of the Samsung-owned newspaper Joongang Ilbo. The two men reportedly discussed providing illegal campaign funds to presidential candidates ahead of the 1998 elections. Samsung was also pressured when prosecutors strengthened their investigation over allegations that the group’s wealth was unlawfully transferred to the founding family. In a desperate attempt to improve its public image, Samsung announced earlier this year that it would donate 800 billion won to society.

There are worries that the pervasive corruption in Korea imposes not only a moral cost but also acts as an obstacle to foreign investors spending money here, with concerns over business efficiency becoming more evident. "It is true that there are certain market sectors in Korea that are considered by most foreign investors as a closed book, with transparency risks in the operational process keeping them from getting extensively involved," said an executive of a Korean-American consulting company, a U.S-national who did not want to be named. As a matter of fact, the recent cases of corruption and fraud committed by politicians, government officials and high-profile businessmen have left the general public disappointed.

Some observers such as the director-general of Transparency International Korea, the local branch of the international corruption watchdog, argue: "It is apparent that our society has a long way to go but I believe we are on the right track, in the middle of building a consistent system and framework to fight against corruption." A Transparency International spokesperson concurs that Korean politicians and businessmen are still much too vulnerable to corruption, fraud and abuse. However, he believes that the pressure is increasing to improve their transparency and accountability. Oh Jung-taek is also confident that Koreans are now better educated in fighting corruption. "I think we could credit the intellectual community for pressing policymakers in the past years to implement consistent measures to evaluate the conduct of public servants and set stronger regulations against those who use their public status for private gain," said Oh.

In short, this case refers to a case of typical lobbying corruption. That is, Hyundai Automotive Group Chairman Chung Mong-koo, his son Eui-son, and Glovis CEO Lee Ju-eun were apprehended for allegedly bribing influential people through lobbyist Kim Jae-rok. Likewise, Korean corruption has mostly been caused by lobbying behavior, because there has never been any related regulation for controlling lobbying behavior.

The following table somewhat demonstrates the reality of corruption in Korea. Among the 12 Asian countries that Transparency international analyzed, Korea ranked 6th on average as of 2005. Although Korea has struggled to improve in the CPI, the score is not satisfactory.

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Table 1

<table>
<thead>
<tr>
<th>Country</th>
<th>2005 CPI</th>
<th>Country Rank/158 countries</th>
<th>Ranking (From least to most corrupt countries in Asian Countries)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>9.4</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>8.3</td>
<td>15</td>
<td>2</td>
</tr>
<tr>
<td>Japan</td>
<td>7.3</td>
<td>21</td>
<td>3</td>
</tr>
<tr>
<td>Taiwan</td>
<td>5.9</td>
<td>32</td>
<td>4</td>
</tr>
<tr>
<td>Malaysia</td>
<td>5.1</td>
<td>39</td>
<td>5</td>
</tr>
<tr>
<td>South Korea</td>
<td>5.0</td>
<td>40</td>
<td>6</td>
</tr>
<tr>
<td>Thailand</td>
<td>3.8</td>
<td>58</td>
<td>7</td>
</tr>
<tr>
<td>China</td>
<td>3.2</td>
<td>78</td>
<td>8</td>
</tr>
<tr>
<td>India</td>
<td>2.9</td>
<td>88</td>
<td>9</td>
</tr>
<tr>
<td>Philippines</td>
<td>2.5</td>
<td>117</td>
<td>10</td>
</tr>
<tr>
<td>Indonesia</td>
<td>2.2</td>
<td>137</td>
<td>11</td>
</tr>
<tr>
<td>Pakistan</td>
<td>2.1</td>
<td>144</td>
<td>12</td>
</tr>
</tbody>
</table>


Past Regimes and Corruption in Korea

Although the anti-corruption campaigns were aimed at reducing corruption, previous presidents were all involved, whether directly or indirectly, in some form of corruption during their presidency. As for Park’s regime, Major General Park Chung Hee back then, led the military coup in 1961 that brought an end to a brief period of democratic revival. Park quickly established his control over the country’s political life by declaring martial law and dissolving the National Assembly and all political parties. Demonstrations became illegal and the press was censored. Park also established his control over the economy. Park soon created institutions to support his economic policy and created new planning agencies such as the Economic Planning Board and new business organizations such as the various producer associations. Park initially justified his coup by claiming that it was necessary to end corruption in government and society. Another example of Park’s control over the economy is that KCIA (Korean Central Intelligence Agency) was established by Park to serve and support his own personal political power, especially for raising funds for political party activities such as illegal schemes and corruption.

Jun’s regime in the 5th Republic of Korea was similar to a military dictatorship with export-led growth, and abuse of political and bureaucratic power, which, perhaps, was more than that of the Park’s regime. Hundreds of retired officers were given political and administrative positions such as ambassadors, mayors, and major positions in the central government as well. Jun basically followed Park’s growth-oriented line: labor repression to fight inflation, restoring competitiveness to light manufacturing industries, and boosting chaebol (plutocracy) profits. In particular, direct state intervention was used to support financially troubled chaebols. As a result, political and economic interrelationship between the political elites and chaebol allowed more bribery-corruption from chaebol to the politicians. Jun then established his own foundation called the “Ilhae Foundation” in 1984. It is estimated that the top 12 chaebols were forced to give approximately $14 million a year to the Foundation.

Roh while supporting anti-corruption on one hand was later accused of accepting bribes that amounted to over $600 million from conglomerates and other individuals. Kim Young Sam’s initial campaign toward anti-corruption was somewhat successful but failed in later years after Kim’s son was arrested for bribery and tax evasion in the Hanbo loan scandal. Some also viewed Kim’s unsuccessful campaign to be a cause of the economic crisis in Korea. The scandal led to the overall distrust of the government’s anti-corruption campaign.
Kim Dae Jung’s Government has also involved in various corruption incidences. For example, in the process of implementation of so-called “sunshine policy” between his government and North Korea, his top staff were involved in large amounts of illegal dealing and corruption and were prosecuted. Also, unfortunately, his three sons were deeply involved in corruption incidences and were indicted.

As exemplified, the past history of Korea indicates the role that policies and presidents play in creating corruption. Once the connection between different elites of various groups are established through corruption, when bureaucratic and politicians are making policy decisions, bribes and influence come into play and decisions lean toward favoring those who corrupted them. For both Park and Jun, it was using chaebols as their means to increase personal gain and in turn, the chaebols through their bribes to bureaucrats and politicians (including Park and Jun) allowed them to gain favorable policies.

As the Korean government realizes that corruption is a more complex social issue, Korea needs additional effective means to combat the rise of corruption. So far, the Korean government has attempted to prevent crime by the public officials becoming a rampant problem in Korea. The reform also includes economic crimes by civil servants, politicians, and corporate and union leaders. According to the administration, corrupt civil servants could be barred from re-employment or even from receiving full pensions.

The above-mentioned examples suggest a need for governments to form an anti-corruption campaign that is vigorous and willing to eliminate corruption. Governments must take a proactive role in anti-corruption. This involves a three-step approach by the government. The government or its proper agency must take bold measures to achieve the goals set. The government’s efforts and measures must set an example for the people to follow and to regain their trust and cooperation.

Paradigms and Corruption: External, Internal and Future Paradigms

Using a paradigm as its framework can combat corruption. Following this approach, there are three possible paradigms: external, internal, and future. External and internal paradigms are based on interpreting and perceiving corruption in our society that still exist around the world. The future paradigm denotes a model or a guideline as to what needs to be achieved.

First, the term “external paradigm” is used to refer to controlling corruption using an integrated legal system. In general, conditions such as the political situation, rapid economic development that lacks a stable system to support it, or lack of democracy causes corruption to occur more commonly. In other words, those social conditions present in a society acts as a stimulus and thus cause corruption to occur. By understanding the causes of corruption, the external paradigm can be used to control such causes of corruption. As mentioned, an external paradigm suggests the use of the legal system to control corruption. In order to reduce corruption, effective controlling mechanisms must exist to impose a high penalty for those caught. This suggests involvement of the government and legislative bodies to implement policies aimed at reducing corruption.

In case of Korea, previous regimes have demonstrated some effort to form an external paradigm. In reality, however, the anti-corruption campaigns launched by previous regimes were, mainly, no more than a political gesture. Corruption, as identified since 1948, is a serious social ill facing Korea where all previous presidents, upon taking office, have promised to take every possible measure to eradicate corruption (Kim, 2003).

Second paradigm, the internal paradigm, is based on human ethics, morals and values. The cause of corruption for internal paradigm is due mostly to the culture and people’s mindset and value system. The value system of units must change to reduce corruption. Units may either be one person, a family or organization or even a few groups of people.

Korea’s corruption and peoples acceptance of corruption exemplifies how culture can have impact on the mentality of its people. For instance, historical residues of Korean history have influenced its political culture. Some of the patterns of Korean society and politics include submission to authority; hierarchical
view of life; collective passivity; centralization of administration; past/tradition oriented; ritual/formal oriented; loyalty to persons; and, idealistic solutions.

The teaching of Confucianism, Buddhism, Taoism, and homogeneity allows the political powers to legitimize authority, and has influenced the Korean political culture. Of all, Confucian doctrine was used as a vehicle for the ruling powers to highly centralize the government. Confucianism teaches submission to authority. A. F. Wright states that:

A hierarchy of roles was through to be essential to the ideal order but Confucians insisted that the vital roles of functionary and perpetuator of the cultural heritage should be open to those of moral worth. The monarch who presided over the whole hierarchy had, in the utopia of remote antiquity, been chosen for his merit. The summit of the sociopolitical pyramid. (Wright 1962)

He also characterizes the Confucian education as submissiveness to authority — parents, and superiors — and to mores and norms; reverence for the past and respect for history; preference for nonviolent moral reform in state society; and non-competitiveness (Wright, 1962). Among these teachings, loyalty to persons can also be a source of corruption. Korean history has long been known for its homogenous culture. People with different backgrounds form ties according to their backgro und — such as education, region, and so forth. What Koreans call ‘jung’ goes beyond the family boundary; it is the togetherness of one another that result in compassion, inclusion, and total involvement.

Paik 11states jung as a similar concept to uiri, meaning ‘we’ in English. He examines the concept of uiri as returning another person’s kindness, but states that “if he rejects the request for favor from someone he knows well or if he distinguishes mine from yours in the use and ownership of things” then that person as regarded as being unethical by others.

Jung causes special ties to be recognized especially that of alumni factions and regional connections. Alumni faction refers to those that went to the same universities, and regional and region means those who share common birthplaces.

Asking favors and acknowledging ties in personal relationships in local government applies to the business and political powers in local communities as well. There are some cases where businesses preferred recruiting high-ranking officials to create ties between them. The recruited high-ranking officials working for the business would ask favors of the officials that are in important decision-making positions (Kim, 287). Conglomerates may also ask political power favors because of ties to the same university, region, and so forth. Then, Jung or the personal relationship causes them to accept that favor.

Some counter argue the negative effects of Confucianism on society and its mentality toward corruption. They claim that Confucianism helped development and extended political democratization as well. Many share the view that the Confucian work ethic, which emphasizes hard work, diligence, and importance of education, social harmony, and loyalty to authority played an important role in the East Asian economic "miracle." Still, many retain the view that the Confucian value system has been more of a hindrance than a contributing factor for democratic consolidation. Huntington, for example, argues that Confucian democracy is a contradiction in term.

Overall, an internal paradigm is necessary to change immoral and unethical behavior. Complex factors normally underlie the causes of unethical attitudes, especially in the information age that we live in. However, although the definition of ethics is not always agreed upon, bribery and other misconducts must be discouraged. In terms of the internal paradigm, reduction of corruption can occur through educational programs highlighting ethical behavior and through providing incentives for ethical conduct.

Finally, the inside out approach is a paradigm for the future. This is the answer to questions that linger for corruption. With every anti-corruption campaign and paradigm, the question is whether the people will cooperate in reducing corruption. Cooperation has been successful in countries like Singapore. But for countries where corruption is deeply rooted and has traditionally been prevalent, the cure for the corruption is for more individuals to have honesty and transparency in their dealing, personal integrity and sincerity as their mindset. These characteristics should be emphasized to the next generations. As for this generation, it should act as a transition generation, which works to change the current corrupt environment.

An External Paradigm for Controlling Corruption: Legislation for Disclosure of Lobbying

External Paradigm and its Related Issues

The external paradigm should take into consideration three related issues: corruption and the economy in Korea, corruption and legal mechanisms currently available, and the political willingness to adopt stricter legislation. First, the economy has to be deregulated and liberalized. Corruption in Korea has strong ties with the economy. The government with its excessive intervention causes corruption to occur. Where there is less government regulation, there is less scope for corruption of bureaucrats, politicians and the chaebols. In addition, a drastic government downsizing is advocated. With savings in personnel costs, the salary of the civil servants should be made comparable to those in the private sector (as is the case in Singapore) in order to lessen the need to take bribes.

The role of the Korean government in the economy has caused corruption in Korea. The Korean government has clearly taken some gradual steps to withdraw from the central role it plays in economic development. However, increasing financial pressure from the government to deal with the economic crisis tends to exemplify another form of government intervention. Conglomerates are forced to reform, and on the other hand, conglomerates are responding negatively to the fast pace of reform. For analytic purposes, the government will be considered as a specific example of political power. Political-business collusion can be viewed as the residues of government intervention. One of the grounds for government intervention is the teaching of Confucianism, Buddhism, Taoism, and homogeneity, which allows political powers to legitimize authority and has influenced Korean political culture.

Furthermore, since government was intervening with the development of the economy, it had a unique ‘power’ to make favorable economic policies and special benefits to the conglomerates. This intervention caused the chaebols to submit to political power, using ‘bribes’ to gain benefits and to show their submission to authority. Without strong government intervention on the economy, the politicians would not have a powerful tool to make favorable policies for conglomerates.

Second, the Korean government currently has no specific legislation to combat corruption. Although there are some legal mechanisms to control corruption, public officials have failed to vigorously use the existing mechanism. Korea must adopt a new integrated strategy that is more efficient and effective in order to reduce its corruption.

Third, the current Administration must adopt more stringent laws to fight corruption. For example, one of the criticisms of frequent government intervention in corruption incidences is that it places Korean businesses at a competitive disadvantage. Such an anti-corruption strategy is seen as biased and is not enough to control the corruption phenomena. The policy needs more effective coordination and comprehensive efforts to fight against corruption. Korea as a nation should encourage public officials as well as citizens to show moral and ethical confidence and conviction to fight against corruption.
Molding the External Paradigm

Taking into account the relevant issues of corruption discussed above, the external paradigm should include a compliance policy for public officials, a prevention of corruption Act, and strict penalties for violation of the corruption Act.

First, Korea should adopt a compliance policy for public officials. The government must create mechanisms that strengthen cooperation for investigation and suppression of corrupt acts. This attempt may include economic incentives to stop violations or bending of the law. One method is to set-up an administrative agency to oversight corruption by public officials. Others mechanisms could involve fines or other penalties. The governing authorities must encourage both the public and private sector to abide by anti-corruption regulations and guidelines when conducting business in Korea and abroad.

By imposing criminal sanctions, corruption related crimes could be controlled. Interestingly enough, many countries that have successfully implemented anti-corruption policies have evaluated their independent anti-corruption systems by the basis of prevention of corruption. The following describes the characteristics of various anti-corruption systems of each country. For example, the OECD Convention passed on 26 May 1997 requests each member to criminalize the bribing of foreign officials by the end of 1998. The European Union implemented its own anti-corruption policies recommended by the Council of Ministers of EU in May 1997. Singapore, for example, stipulated ‘Prevention of Corruption Act’ in 1937 (amended in 1960), Hong Kong in 1948(amended in 1971), Australia in 1989, and the U.S.A. in 1934 (amended 1977) called ‘Foreign Corrupt Practices Act’ and ‘Ethics in Government’ in (amended 1989). Thailand proclaimed the ‘Anti-Graft and Corrupt Act’ in 1975, Philippines in 1960, Malaysia in 1961. Korea, on the other hand, has stipulated a prevention of corruption Act in 2001, but does not have an integrated prevention of corruption Act as this presenter points out. Therefore, the political leaders need to have a strong will to reduce corruption through an anti-corruption Act.

Second, the countries that adopted prevention of corruption Acts also established an independent committee or commission to deal with corruption. For example, Singapore set-up CPIB (Corrupt Practices Investigation Bureau) that has a power of investigation on corruption cases and arrest powers depending on the situation. In the case of Hong Kong, ICAC (Independent Commission Against Corruption) is given full power to investigate, educate, publish, and plan for anti-corruption purposes by the government. In particular, the ICAC also has a power in cases of corruption focusing on public officials, lawmakers, public businessmen, and businessmen. On the other hand, in case of Australia, ICAC has a strong power to act on incidents of corruption, without any political intervention. In particular, it is noted that the concept of corruption has been defined in this Act misconduct, bribery, fraud, theft, embezzlement, election bribery, tax evasion, illegal gambling, violations, and violence.

Third, the countries that have anti-corruption acts stipulate strict penalties as a control mechanism. For instance, in cases of Hong Kong, Singapore, England, and Japan the corruption laws regulate maximum 7 years of imprisonment. On the other hand, Italy regulates 20 years in maximum, while Philippines require 10 years’ imprisonment in maximum. However, Korea seems to show too much tolerance toward corruption-related criminals. The indictment rate by the public persecutor for bribed officials in only 40 per cent, compared with 60 per cent of general criminals who are indicted. Therefore, almost all those prosecuted for incidents of bribery and corruption are released by the first or second court in Korea. Special pardons by President for political purpose have frequently been executed by the government for those indicted.

Finally, the Integrated Prevention of Corruption system that I propose, which can be a new legal systems fighting corruption in Korea, may include the following elements by focusing on the major control provisions in terms of legal perspective. The following is a proposed Prevention of Corruption Act for Korea that places emphasis on an integrated approach.

External Paradigm: The Proposed Lobbying Disclosure Act for Korea
Although prevalent lobbying behaviors has caused corruption to a serious extent in Korea, a lobbying prevention Act or disclosure Act has yet to be enacted. In order to reduce the occurrence of corruption, a lobbying disclosure Act must be enacted as a controlling mechanism. The author views this as a necessary component to control corruption through lobbying. If the enactment of lobbying disclosure act is properly prepared, it can be an efficient and effective mechanism for controlling corruption in the country. The followings are the major contents of the proposed lobbying disclosure Act.

The concept of lobby must be defined in this act. Tentatively, we define the concept of lobbying as various activities including planning, data collection, research activity etc. The definition of a lobbyist refers to all registered role agents who represent the specific objective of the interests group.

The object of lobbying includes government agency, local government, and public organizations, which influence the decision making of interest groups in the process of policy making and implementation.

The expenses and scope of lobbying activity include a total of direct and indirect activity, which might influence the policy maker:

- The registration of lobbyist may be considered as a few suggestions such as office of congress, administrative agency, or independent agency.
- Qualifying lobbyists who have licenses can be registered at the office in terms of a license system by government. The limitation of numbers for registration for each interest group should be also regulated.
- The lobbyists’ activity refers to opinions making, data collection, research activity, and propaganda for interest groups.
- The limitation of lobbyists’ activity refers to non-intervention of political affairs, prohibition of lobbying behavior to provide bribery and also prohibition of overlapping lobbing behavior.
- The transparency and disclosure of lobbyists’ account and budgeting is required for ordinary citizens every six-month.
- The lobbyists’ right refers to the institutional protection for the interest groups’ interest. On the other hand, lobbyists’ responsibility refers to principles of sincerity and trust, confidential obedience, prohibition of double substitution, prohibition of interest’s intervention, registration of property etc.
- The duty of disclosure and transparency regarding lobbyists’ activity refers to a report management agency, major contents of report, report styles, period, and sanction for non-reporters.

The lobbying disclosure act should be closely related to anti corruption Act. Under the current anti-corruption law in Korea there is no prohibition of lobbying behavior. Therefore, it might be required that the anti-corruption act might be necessary to accept this new legislation. Also, the public ethics law and criminal laws might be considered to amend the related regulation in accordance with this law, by which those existing laws should be identified with this new legislation in terms of an efficient and effective anti-corruption policy.

Finally, it might be seriously required that, if any person or interest groups violates the related regulations, strict sanctions and punishment should be complement this new legislation.

**External Paradigm: Integrated Prevention of Corruption Act**

In addition to the lobbying disclosure act, the author suggests stipulating an integrated prevention of corruption act to control the prevalent corruption phenomena in Korea. The current prevention of corruption Act is superficial and nominal, and fails to work as an effective mechanism.

Chapter One: chapter one should focus on the purpose and general principles for anti-corruption, including responsibilities and duties of business, public organizations, and citizens. In this chapter, we attempt to emphasize the strategies for successful anti-corruption policies by various related methodologies such as change, special education and training, and encouragement of a mindset against corruption by citizens.

Chapter Two: chapter two should define public officials’ their ethics, and their principles of actions. In particular, in this chapter, we include the concept of public officials such as national, local, elected,
political, and honorable positions but also social leaders such as medical doctors, lawyers, businessmen, bank officials, and managers.

Chapter Three: chapter three should focus on public officials’ property registration and disclosure. In particular, this chapter requires that most of high-ranking public officials should register their properties at the office within designated periods. The Anti-Corruption Committee should investigate and the register properties in accordance with the principles of this Act.

Chapter Four: chapter four should concentrate on how whistleblowers, including both whistle blowers not as officials and ordinary citizens reveal public information for public interests.

Chapter Five: chapter five should direct its discussion on how to control money laundering, which means how to prohibit dealing with black money involved in corruption.

Chapter Six: chapter six should be a detailed discussion of punishments for corrupt behavior. In this chapter, penalties should be stipulated — depending on various typologies of corruption.

Chapter Seven: chapter seven should discuss the handling of illegal properties acquired through corrupt incidences.

Chapter Eight: chapter eight should focus on how to deal with lobbying. Lobbying should be controlled by limited and qualified registration of related organizations. The Lobby process, in general, almost always brings with it bribery through the demand and supply chain.

Chapter Nine: chapter nine should emphasize how to establish an anti-corruption committee and their role and function. This chapter is very important as it is at the core of this ‘integrated prevention of corruption Act’ because the committee must assume broad responsibilities in the process of anti-corruption policy making. For instance, the Committee may have a right to investigate, educate, decide, and request cooperation from other institutions in the design and implementation of anti-corruption public policies. In particular, we suggest two separate independent committees located in two different areas of the government: one in a government and the other in a local government.

Chapter Ten: chapter ten should discuss how to educate within formal educational systems (such as schools) regarding anti-corruption, and to incorporate anti-corruption education within formal educational institutions or social systems.

Chapter Eleven: The chapter eleven should focus on how to identify the best public officials and provide reward through special promotions or special prizes as examples to show good public official’s service toward citizens.

Chapter Twelve: this chapter should recommend the establishment of a special committee to coordinate public officials’ morale. It is very important to investigate and improve the morale of public officials every year. The level of morale could be used as an indicator to measure the success of the campaign to reduce corruption by public officials.

Conclusion

Lobbying corruption, which has occurred in various public sectors among governmental officials and representatives of interest groups, poses a serious obstacle to democratic national development. Lobbying corruption effects has caused conflicts of interests and distrust in the democratic system.

In conclusion, the author argues that lobbying corruption is the most important cause of corruption, especially in case of Korea. It should be controlled by legislation that would control criminal activities related to lobbying. To implement the objective of an anti-corruption policy, it is recommended by the
The author suggests legislation to focus on disclosure of lobbyists’ information through registration and a balance between their rights and obligations.

Ideally, we contend that the internal, external, and future paradigms in the process of anti-corruption policies need to combine to maximize the effectiveness for controlling corruption.

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