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**CONTROL OF CORRUPTION: DIFFERENT TOOLS TOWARDS SIMILAR  
GOALS**

*A Three Country Comparison*

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Public Administration

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**ABSTRACT:**

The Corruption Perceptions Index is published annually by Transparency International and shows the level of corruption in over a hundred and fifty countries. Finland, Australia and New Zealand have placed consistently high and have thus proven to be examples of countries with minimal corruption and ethical public administrations. The control of administrative corruption and administrative ethics were chosen as a subject for this thesis as it is an area that is gaining an increasing amount of attention in the media as well as within the realm of public administration. The study is qualitative in its nature and the sources used include literature review of books and articles as well as official documents and websites of the countries studied and of international organizations.

The aim of this research was to look at three countries that have similar administrative cultures and have placed consistently high in the Corruption Perceptions Index but have chosen different tools to achieve this goal. The goal was to show that different tools can be used to achieve the control of corruption in public administration as long as the method is suitable to the administrative culture and background of the country.

The central findings of the study show that different tools can be used to control administrative corruption as long as the categories of promoting, preventing and watchdogging are covered. It is important that the tools chosen are applicable to the administrative values and culture of the country. The sets of tools used by Finland, Australia and New Zealand can all be used as models for other cultures in creating public administrations with minimal administrative corruption. The methods used by these three countries are different because of differences in the traditions of organizing the public administration, differences in the backgrounds and size of the societies and the levels of decentralization enforced in the control of corruption in the public administrations of these countries.

Different tools can be used to control administrative corruption in the public administration and it is important that these methods and their combinatorial possibilities are studied so that more public administrations can experience minimal administrative corruption.

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**KEYWORDS:** control of corruption, public administration, country comparison



## 1. INTRODUCTION

This research concentrates on the subject of corruption in the public administration and the control of it in Finland, Australia and New Zealand. Administrative corruption is the main threat to good governance and to a transparent public administration (Salminen, Viinamäki & Ikola-Norrbacka 2007). Corruption in the public administration manifests itself through the misuse of power or resources for one's own good (Isaksson 1997: 91). It is a complex, multi-leveled phenomenon that needs a complex system to control it (Salminen et al. 2007). These complex systems of control differ according to the administrative backgrounds and cultures of countries.

The research results show that different forms of control can achieve the same efficiency in fighting corruption. The differences in tools for controlling corruption in the above mentioned countries are studied. Finland, Australia and New Zealand have taken different paths to reach the same goal, which is an administrative culture with very minimal corruption. All three of these countries have a history of ranking highly in the Transparency International Corruption Perceptions Index yet all three of them use a different set of tools to control administrative corruption.

The Corruption Perceptions Index is an annual study conducted in more than 150 countries that are ranked according to the number of cases of corruption in the country with placement number 1 being the country with the least number of cases of corruption (Transparency International 2008). The source of the index differs annually but the results are based on numerous rankings from various independent institutions (Svensson 2005: 21–24).

It is considered to be the most valuable existing measure of corruption and combines several measures of corruption in each country as well as capturing the perception of thousands of country analysts, international business leaders, risk analysts and business journalists (Galtung 1998: 105–125). Country evaluations are provided by country experts both in and outside of the country and data from the past two years is used (Transparency International 2008). It annually gives a clear picture of which countries have minimal administrative corruption and which countries experience more of it. The countries are given

scores from 1 to 10 with 1 being the score for a country with a high amount of corruption and 10 being the score for a country with minimal corruption. Finland, Australia and New Zealand have all ranked in the top fifteen countries consistently (See Table 1).

Table 1. Placement and Scores in the Transparency International Corruption Perceptions Index 2000–2008 (Transparency International 2008).

	<b>Rank/ Score 2000</b>	<b>Rank/ Score 2001</b>	<b>Rank/ Score 2002</b>	<b>Rank/ Score 2003</b>	<b>Rank/ Score 2004</b>	<b>Rank/ Score 2005</b>	<b>Rank/ Score 2006</b>	<b>Rank/ Score 2007</b>	<b>Rank/ Score 2008</b>
<b>Finland</b>	1/10.0	1/9.9	1/9.7	1/9.7	1/9.7	2/9.6	1/9.6	1/9.4	5/9.0
<b>Australia</b>	13/8.3	11/8.5	11/8.6	8/8.8	9/8.8	9/8.8	9/8.7	11/8.6	9/8.7
<b>New Zealand</b>	3/9.4	3/9.4	2/9.5	3/9.5	2/9.6	2/9.6	1/9.6	1/9.4	1/9.3

For the purposes of clarification and comparative possibilities the control of corruption is divided into three forms of control: promoting, preventing and watchdogging (Salminen, Viinamäki & Ikola–Norrbacka 2007). Dividing the forms of control of corruption into three groups makes direct comparisons possible and easier to clarify. These three categories cover the tools for the control of corruption comprehensively and function well with the concepts of control and corruption.

The control of administrative corruption and administrative ethics were chosen as a subject for this research as it is an area that is gaining an increasing amount of attention in the media as well as within the realm of public administration. The results of the Transparency International Corruption Perceptions Index have received a lot of attention in the past years especially in countries that place high in the survey and the last decade has seen an immense growth in the number of cross–country studies on corruption (Svensson 2005: 21–24). Yet there has not been a surge to conduct cross–country research on the differences in the tools for controlling corruption. And the literature on quantifying and identifying corruption is still at its infancy (Svensson 2005: 24–30) Through

globalization countries are unifying and comparing their definitions and control mechanisms of administrative corruption making this topic of discussion one of relevance.

### 1.1. Research Questions and the Method of Study

The objective of the research is to define administrative ethics and administrative corruption and to focus on the tools for the control of corruption in Finland, Australia and New Zealand. The different routes and forms of control of corruption that these countries have chosen despite the seemingly similar administrative cultures and values are studied. These differences in the methods for controlling corruption can be due to the varying traditions of organization in the public administration, differences in the backgrounds and size of the societies and the levels of decentralization enforced in the control of corruption in the public administrations of these countries.

The aim is to show that different tools of control can be as effective in fighting corruption as long as they cover the three areas of control: promoting, preventing and watchdogging and there are certain values and practices in place in the administrative culture of a country that make the implementation of these forms of control possible. Through the research conducted on the varying tools of control the aim is also to find explanations for the differences shown despite the relatively similar administrative cultures of the countries studied.

The study is conducted in the realm of public administration. Public administration as a field of study focuses on public administration and management and the functions and actions of the public sector as part of the society. This thesis is a comparative study of three countries: Finland, Australia and New Zealand. The research started with collecting research materials on the control of corruption in Finland and was then extended to a country comparison with Australia and New Zealand hence the order the countries are discussed in.

It is easily seen that the globalization and global development processes in the world, regional integrating processes, international organizations, the

converging of the western economies, the interaction between administrative cultures, intercultural management and leadership and the like are all societal trends and phenomena that make comparative studies necessary and essential. Countries conducting administrative reforms use the comparative and evaluative studies that have to be conducted to create their own forms of reform. (Salminen 2000: 11.) Country comparisons are also used to create new theories and best practices in public administration.

A comparative study focuses on the differences and/or similarities systematically and aims to find the possibility of generalizations or particularities in the subjects. This research seeks to find particularities in the methods of control of corruption in each of the countries studied and to generalize a well functioning set of methods for controlling administrative corruption which other countries can model their set of controlling tools on.

For a comparative study to be possible the subjects of the study must be comparable in that there have to be enough similarities so that the differences can be studied or there have to be enough differences so that the similarities can be studied. For this reason the countries that were chosen to be discussed in this study are countries that have similarities in administrative cultures and have ranked consistently similarly in the Transparency International Corruption Perceptions Index. This makes the comparative study possible in that the differences in the use of tools of control of corruption become clear. Comparative studies in administrative sciences can deepen our knowledge of public administration. The comparison conducted in this research makes clear the methods of control of corruption that can help public administrations fight corruption. The countries that were chosen to be studied were chosen because each of them can act as an example for other countries in controlling corruption efficiently. (Salminen 2000: 13.)

The type of comparative method used is the comparison and likening of multiple cases, in this case three, which includes the systematic comparison of differences and similarities which can be illustrative or analytical (Salminen 2000: 26). The type of comparison used can also be called the most similar systems design where the key differences are studied. The practical contribution of a method where different or similar systems are sought can

often include findings of best practices or development in the area of public administration.

As this study looks at administrative cultures that are relatively similar in that each of them have similar Western values, they are all OECD countries, have a tradition of justice and equality and transparency is considered one of the key elements of public administration the focus is on the differences in tools of control of corruption in public administration. To see the differences in the methods chosen the similarities are also studied. The two or multiple case comparison system used here emphasizes divergent interpretations of the ethics of the administrative systems of different countries. A more detailed and in-depth comparison of systems is possible than when using a large sample of countries. (Salminen & Viinamäki 2006.)

When comparing countries the information is gathered through systematic collection of materials. To be able to conduct a comparative study access to material is needed. This usually means other studies, scientific literature, publications and other research material such as information databases of international organizations or the governments or public administrations studied. (Salminen 2000: 33–34.) This study utilizes various forms of sources of information including books, previously published studies and research materials, and relevant websites such as the websites of international organizations and the governments and public administrations of Finland, Australia and New Zealand. It is a documentary comparison whereby the material used is restricted to documents and the information and description they provide. The documents are considered reliable as they come from official sources.

The main sources of information can be divided into two categories of books and articles, and documents, reports and official websites. The books and articles mainly provide a theoretical framework within which the study is conducted. The official documents, reports and websites provide the factual and analytical information on the three countries studied that are needed to conduct a comparative study. The official documents and websites of the public administrations provide up-to-date information on the tools used for the control of corruption in the public administration. Such documents can be updated on a regular basis thus providing more recent information than books.

The publication years of the material used span from the late 1960's to the present. Earlier sources are used in theoretical discussions of the study and the factual information on the public administrations studied is from the most recent publications and sources available. As the information for the comparisons is from official documents and websites that are updated regularly it can be considered accurate and applicable.

This research follows the steps of a country comparison whereby the gathering of background information and the data that it produces is formed into a systematic description of the tools for the control of corruption in Finland, Australia and New Zealand, which is followed by classifying and finally analysis (Salminen 2000: 33–34). The thesis is divided into three main sections that define, discuss and explain relevant issues.

The first section of the study defines and discusses administrative ethics and administrative corruption to give a basis and background of the field of study and gives a small description of the public administrations of each of the countries studied. The second section discusses control in public administration research, the control of corruption and its different forms in Finland, Australia and New Zealand dividing the material into three further sections of promoting, preventing and watchdogging. Each of these three categories of control are divided into more detailed sets of tools for the control of corruption such as values, transparency, recruitment, training, laws, codes and directives, ethics board and monitoring and controlling bodies. In the third section each of the above mentioned matters is discussed and analyzed and a conclusion is presented based on the information provided.

## 1.2. Basic Definitions

The themes of administrative ethics and administrative corruption provide the background against which this thesis has been written. It is important to define these terms in more detail to create a better picture of what they represent so that the significance of controlling corruption can be properly understood.

### 1.2.1. Administrative Ethics

Corruption and ethics are important issues in the modern world of public administration. They are also issues that are increasingly talked about in the media thus creating more interest in the topics. The sphere of public administration has changed and civil servants are facing increased demands and scrutiny as well as the challenge of limited resources (Caiden 1991: 367). Public administration is expected to do more with lesser resources. A new view on public administration has been sought, it is seen as a business and as a competitor with private organizations and companies. Traditional values of the public sector have to be reconciled and balanced with the new values of the private sector. This struggle for balance between the two types of values has brought to attention a discussion and debate on administrative ethics. (Salminen 2006.)

The public administration of today relies on the professional ability and the integrity of those working in its realms. Those working in the public administration are governed by the principle that the administration belongs not to them but the public. The administration exists to serve the public and must do so in good faith and with integrity governing their decisions. (Graham 2001: 97–101.) They must make their decisions with the good of the people in mind. It has also been suggested that the responsibilities of those working in the public administration does not only include forming and implementing policies but includes also questioning legislation that does not seem ethical (Denhardt 1988: 101).

Reforms of the public administration have made it more efficient but some of the changes that went along with the reforms may have caused negative impacts on the ethics of those working in the public service. It is not suggested that the reforms have caused more corruption in the public service, rather that the new line of conducting the public service has placed its employees in new situations and conflicts of interest or objectives that the existing guidelines of conduct do not cover. (OECD 1996: 7.)

Ethics are the rules that translate characteristic ideals into everyday life and practice and the principles that help us define what is right and wrong (OECD 1996: 13). Values are issues or goals that are considered of high importance

(Valtiovarainministeriö 2005: 5–7). They are also an important element of an ethical public administration. The actions of the public administration must reflect the values that are in place. They must do this in order to maintain the trust of the citizens as many government functions depend on the voluntary compliance of the public to function. The compliance of the public depends on how the public administration presents itself in that if the administration is seen to reflect the values of the public administration they are regarded as fair and honest and this in turn will encourage the trust of the public and its compliance. A set of common values also increases cohesiveness and collegiality in the public service work place. (Commonwealth Secretariat 2003: 4–6.)

Ethics is a critical issue in public administration because those that are employed as civil servants use their discretionary powers each day in making decisions and ethics is needed as a check and balances system so that power is not wrongly used (OECD 1996: 15). The public need to feel secure that there is a system in place that guarantees them a fair and ethical public administration. Administrative ethics is the process whereby moral principles are applied to actions and functions of public administration professionals.

Administrative ethics is seen as a part of political ethics which includes applying moral principles to political life. The afore mentioned moral principles include both the respect for the rights of others that must be taken into account when acting in a way that influences the lives of others in a society as well as the conditions that practices and policies have to satisfy in order to take into account others in the society. (Thompson 2001: 79–91.) Politicians and administrators come and go and change positions but the bureaucracy and administrative practices stay and have to be managed in an ethical manner (Frederickson & Hart 2001: 367).

Administrators have to face a wide range of ethical issues. There are certain challenging issues that the public sector of today has to manage to create and maintain ethical conduct. Modern societies are more diversified than those of the past which challenges public administration in many ways as those working in the public administration have to make decisions on behalf of the people they represent which now have increasingly varying opinions and values. They must also make sure that in such a diverse society the citizens are receiving equitable treatment in that those in the same situations are receiving the same

treatment and those in different situations are receiving different but fair treatment. (Cooper 2006: 53–68.)

The modern field of public administration sees the interconnection of the scientific and technological processes and the political system. As the working tools include an increasing amount of technology the hierarchical bureaucratic forms of public administration are diminishing and being replaced by a new form of collegial and egalitarian relationship between managers and researchers as managers do not have the knowledge to judge or give advice on the work produced by the researchers. This change in the functioning of public administration has also created a need for more experts and specialists. (La Porte 2001: 394–400.) The above mentioned factors have made the government and public administration of today a highly complex entity (Gawthorp 2001: 427).

This highly complex entity faces several new challenges that public administration has not had to deal with at least to the extent it has to now. Many of these new challenges also put the ethics of the public administration to a test. One of the challenges public administration is facing, which also affects the ethics of public administration, is limited resources. There is more pressure to do more with less. Administration is supposed to become more effective while at the same time cutting down costs and maintaining an ethical way of behaving and decision-making. With cutting down costs, in many countries labor force has been cut (Caiden 1991: 367). This causes employees to feel more insecure about their position and affects their morale. Maintaining comfortable levels of working environments is important in ensuring ethical conduct and an ethical environment in the public sector. Insecurity and instability in the workplace opens up the possibility of corruption as these conditions may encourage those working in the public administration to put their own interests ahead of that of the public.

Another important issue that the public sector has to manage is the increasing citizen demands (Commonwealth Secretariat 2003: 5–8). Public servants that have to manage to provide services with lesser resources than before are expected by the citizens to provide them with more services and services of better quality (Berkley, Rouse & Begovich 1975: 355–365). The public has become more knowledgeable and demanding. The media has contributed to

this through publicizing matters of ethics and corruption in the public administration. This increases the amount of pressure put on those working in the public sector and can strain the overall working morale which can influence the maintaining of an ethical environment by tempting the workforce to take shortcuts to achieve results faster.

Another issue is the restructuring experienced by the public sector that included changes in its organizations such as privatization or corporatization. New autonomous organizations within the public sector have also been formed. Creating new organizations that may not have been mentioned in codes of conduct in the past creates uncertainty of required behavior for those employed by the organizations. This entails the challenge of declaring what is desired behavior without creating strict rules that go against the non-rule based form of administration that is now preferred. (Caiden 1991: 369–370.)

More challenges in creating and maintaining an ethical public administration are caused by the devolution of resource allocation decisions from central management to lower departments and agencies, sometimes meaning the transfer of decision making from the organization itself to subcontractors in private firms (Caiden 1991: 369–370). Although this has enabled the agencies to be more efficient through having been able to function in ways that are most suitable to their department there has been a concern that this decentralization has created diversity of practice and diminishing of a general perspective and values of the administration (Berkley et al. 1975: 75–79).

The departmental autonomy caused by the decentralization of power has caused departments to create their own ways of functioning which has diminished the common administrative values (OECD 1996: 21). This has been added to through recruiting from the private sector employees who are not familiar with such values. This creates a challenge to maintain an ethical environment in the public sector.

However, the fact that departments are starting to create their own ethos is not necessarily a negative thing as they are moving from a very wide applying general ethos to a more detailed one that applies more to the work that they are responsible for. But these detailed guidelines are most effective when combined with general guidelines that apply to the whole public sector which can help to

deter the fragmentation of departments and gives the departments some basis on which to draw on their own more detailed guidelines.

With the devolution of power departmental managers have received increased discretionary powers, this has been done to make managers more flexible and innovative but it also makes possible unethical conduct that previously was not possible. Less supervision from higher levels of management creates openings for more misconduct. Managers also have the pressure of being more efficient and sometimes their salaries depend on it, this combined with increased freedom may create pressure or temptation to go outside the norms of behavior. Those in charge must find the proper balance of control and decentralizing power. (OECD 1996: 21–22.)

Accountability in the public sector has also become a more complex issue as public servants are held accountable for what they themselves do but are also accountable to the public to whistleblow on any other public sector employees who misbehave. A whistleblower is an administrator or employee of the public administration that makes public or reveals inefficient, wasteful or illegal acts of government or of its employees. (Bowman 2001: 270.) Most governments have considered it a priority to create safe whistleblowing procedures for their employees which creates a more trustful image in the eyes of the public in a new realm of public administration where more possibilities of unethical conduct have come to being (Berkley et al. 1975: 328–338). Whistleblowing also builds trust between the administrators and the citizens they serve (Bowman 2001: 268). It might not necessarily create trust between those individuals employed in the public sector but it does create a more ethical environment in the public administration as the public can hold the public administration responsible for their actions and trust that that the administration will do the same for itself.

Another issue that the public sector has to face in the realm of administrative ethics is the fact that through public sector reforms the public sector is increasingly in contact with the private sector (Caiden 1991: 369). The public sector is feeling the pressure to compete with the private sector. Having to compete with the private sector the public sector may be considered an underdog as it is more restricted by rules and conventions such as accepting hospitality or gifts which is accepted in the private sector but in the public

sector it is considered corruption (OECD 1996: 24). This may cause temptation for public administrations to not conduct themselves in an ethical way as they are expected to produce results and may even be made personally responsible for their results which may affect their salary. Subcontracting to the private sector by the public sector may create conflict as those working in the public sector do not necessarily have the experience and training to oversee and manage the work done by the private sector companies (Berkley et al. 1975: 287–289).

As the private and public sectors have begun working more closely together and become more interrelated recruiting has become an issue. As a 'revolving door' has opened between the two sectors it becomes more challenging to maintain public sector values. The revolving door problem is a widespread ethical problem and phenomena in the public services (Zimmerman 2001: 233). The revolving door describes the entry and exit of employees to and from the civil services to the private industry. Some governments have tried to solve this issue through creating a rule whereby those employed in the public service are not allowed to seek employment in the private sector for one year after leaving but this creates problems in recruiting talented and experienced personnel to the civil service. This process of moving to and from the public sector may increase requirements for training and socialization in the public service to teach new employees the codes of conduct in the public sector (OECD 1996: 25).

The reforms of the public sector have also created a new working environment for the civil servants whereby they are working as if in a fishbowl (Commonwealth Secretariat 2003: 9–10). Their backgrounds, actions and behavior are more and more visible to the public. Sometimes this includes their private lives which may deter qualified individuals from taking employment in the public sector. The public and the media have become more active in using and finding information. Although the employees may feel more under pressure, this is also a positive change as the public and the media act as a stronger watchdog of the public administration in making sure that their behavior in office is ethical (Berkley et al. 1975: 328–338). In addition to more pressure from the media and the citizens public servants feel more pressure from the international environment (OECD 1996: 26).

Through globalization the public administrations of different countries have had increased contact which pressures those countries that are lower on the corruption perceptions index to increase ethics to match with their international counterparts (OECD 1996: 26). In the realm of modern day public administration more attention is also paid to the education of future civil servants in the area of ethics. Rohr (2001: 302) recommends a route whereby the values of the public administration in force are the starting point of education for those studying or employed in the field. Along with the public administration reforms of many countries where the public sector has become more like the private sector also in its recruiting methods, the importance of training and education during and before employment has increased in importance.

Besides bribery, embezzlement and the use of confidential information there are also other ethical problems that are experienced in the public administration through the acts of individuals. The concept of a fair day's work and fair pay for the fair day's work is one of these ethical problems in that a manager has to deal with employees arriving late, leaving early or generally not being effective in the workplace. Related to the above mentioned problem is the abuse of sick leave rights. Another ethical issue in the public administration is the ultra vires problem whereby civil servants exceed the rights that they have or the legal authority they have the right to. (Zimmerman 2001: 232–233.) Whistleblowing, as mentioned above, is an important element in promoting ethical behavior in the public administration but many refuse to act as a whistleblower in the fear of being labeled a squealer (Berkley et al. 1975: 328–338). Authorities have the important task of solving this ethical issue by putting into place rules and directives that protect those who come forward.

A civil servant must, in addition to a general sense of integrity and honesty, respect and abide by the law (Willbern 2001: 116). Although this is a basic requirement for a functioning society and an important quality in any citizen, it is especially important that those working in the public administration have these qualities because they are in charge of creating and maintaining ethics in the public administration.

Public administrators create numerous rules and regulations and have the right to use their discretion in decision making, thus their decisions may influence

copious amounts of people. As those working in the public administration have the responsibility of pursuing the rights and interests of the public it is also important that they make clear any conflict of interest that may exist (Berkley et al. 1975: 328–338). As some conflicts of interest may be very subtle it is important that the administrators themselves have the sense of integrity to bring forward anything that may affect their capabilities in serving the public (Wilbern 2001: 119).

When providing services the employees of public administration must remember not to let the authority and discretion they are given blind them from the fact that they are providing a service and must do so in a fair and ethical manner. As the administrator may have the power of discretion to choose from numerous decisions which all represent a certain group of interests, they should remember to work towards the greatest good of the largest number of the public. Because of this freedom of discretion it is important that those working in the public administration believe in the values that are in place and work towards creating and maintaining ethics in the public sector. (Willbern 2001: 121–123).

### 1.2.2. Administrative Corruption

Corruption in the public administration is a transaction with high economic and political costs. Corrupt behavior in public administration can be illegal, which is against the law; unethical, which is against guidelines of behavior or certain values that have been set; or inappropriate, which is behavior that is not in line with the norms of behavior. Corruption in public administration manifests itself through the misuse of power or resources for one's own good. This definition of corruption has become standard in public administration research. Corruption manifests itself in varying forms from culture to culture and is contextual. It also reflects an underlying institutional framework (Gould 1991: 467; OECD 1996: 13; Galtung 1998: 105–125; Sandholtz & Gray 2003: 761–800; Svensson 2005: 21–24 ).

The level of corruption in a country has great national determinants but is also affected by international influence whereby the more international contact a country has, the less administrative corruption can be found (Sandholtz & Gray 2003: 761–800). Cases of corruption in the public administration of any country

diminish the trust of the public (Commonwealth Secretariat 2003: 9–10). It is usually easier to deal with problems that arise from illegal behavior as there is a clear list of acts and their sanctions. This is where management of ethics and the ethics infrastructure come in by declaring and creating a consensus on what is proper and improper behavior and giving guidance on how ethical behavior can be achieved and how unethical behavior should be sanctioned. When dealing with unethical and improper behavior it is more difficult to define misconduct as well as the sanctions for the said conduct if they are not specifically coded. (OECD 1996: 13.)

If corruption is left to it self it will spread and a spilling over effect will occur. The spill over may occur by the corruptive behavior spreading from the leader to the followers where employees or lower level workers mimic the acts and values of managers or higher level workers. The other form of spill over of corruption is where a so called white corruption of seemingly not very significant forms of corruption are accepted or rationalized thus giving way for larger and more significant acts of corruption. The last form of spill over effect that spreads corruption is institutional spillover whereby corrupt authorities allow corruption to spread from one institution to the next. (Werner 2001: 198–201.) Those working in the public administration must remember that although they have the right to use their discretion while making decisions, there are certain limits and rules that they must abide by (Graham 2001: 101).

Examples of acts of corruption in public administration include bribes, extortion, fraud, embezzlement, bureaucratic manipulation, fallacious use of legislature and unfair judiciary, and receiving benefits. The authors state that there is a higher risk of corruption if there are no clear codes or guidelines of behavior or if the officials do not feel bound by these rules. The opposite of corruption in the civil service is a civil service that is open and transparent, responds to the needs of the citizens which they can express through participation, the ideal civil servants also feel a sense of responsibility and there are mechanisms in place to hold them accountable. These ethical values are effective in fighting corruption. (Salminen et al. 2007.)

Salminen, Viinamäki and Ikola–Norrbacka (2007) found that the public's confidence in their administration and its self control is an important element in controlling corruption. They also add that citizen influence and public

confidence are less strict way of fighting corruption whereas self-control of civil servants is related to heavy regulation and the tradition of administrative culture. Important in the fight against corruption are the legal framework, financial monitoring and auditing and professional peer-control. Socialization into the organization and its values is needed for peer-control to function properly. In the future, socialization and education on administrative values becomes even more vital as civil servants may be hired from outside the realm of public administration without the inherent values in place for those in the civil service. (Salminen et al. 2007.)

Administrative corruption makes it more difficult for transparent governance to exist (Salminen, Viinamäki & Ikola-Norrbacka 2007). A public administration free of corruption helps create a fair society (Commonwealth Secretariat 2003: 11–13). Higher levels of administrative corruption can often be found in developing and transitional countries where there is no tradition of transparency and the income levels are low (Svensson 2005: 24–30). According to Bertok (2000) corruption is not only the individual corrupt acts conducted by those working in the administration but a systemic failure and that in the public administration corruption is an issue of management and results from a weak public sector which is not able to enforce the rules it has created. Corruption is a symptom of a weak system which there is no single cure for (Bertok 2000).

Systemic corruption is when the organization forces those working within it to act in a way that in any other situation would be considered unacceptable and punishes those who do not act in this way. Signs of systemic corruption include internal practices that do not abide by an external code of ethics, internal practices that encourage going against the external code of ethics whereby non-violators of rules are punished and violators are rewarded.

When systemic corruption is in force possible whistleblowers are intimidated into silence, whistleblowers also have to be protected from retaliation of others in the organization. In such an atmosphere those that violate the external code of ethics and internalize the new ways of conduct within the organization are often surprised when they are discovered and accused of misconduct and feel that they are innocent. Through collective guilt there is collective rationalization of the internal practices and thus the practices are continued and guilt is not felt for those improper acts. (Caiden & Caiden 2001: 186–187.)

The causes of the above mentioned practices impede change. Systemic corruption in the public administration causes closed politics and suppresses opposition which causes resentment and violence. It causes societal issues such as wider differences between social classes and prevents policy change and administrative reform as organizational benefits and interests become more important than the interest of the people.

Systemic corruption is also much more expensive and difficult to eliminate than preventing corruption. Corruptive actions place public funds in the hands of those who do not have the interest of the public as their main concern. Systemic corruption causes the public to lose its trust in the administration and is not only found in poor, developing countries but may also occur in organizations at all levels in all societies. When the government is the only provider of a service the possibility of corruption increases as the official in charge of providing the service has a large amount of discretion and is under little scrutiny in providing the service. (Caiden & Caiden 2001: 186–188.)

### 1.3. Comparative Approach

This research is a qualitative comparative study of three cases, namely Finland, Australia and New Zealand. The comparative approach and the case study approach are discussed further in more detail to explain why these methods were chosen for this study and why these particular cases are discussed.

#### 1.3.1. Comparative Method

The comparative method in public administration is an important tool that aids the creation of new methods and theories and the understanding of current practices. Without comparative studies a science of public administration would not exist, instead there would be nation specific sciences of public administration such as the science of Finnish public administration. Comprehending the practices in public administrations around the world creates understanding between nations and helps create best practices. Comparative studies help countries see practices that are efficient in other countries that may also be applicable to their public administrations. The public administrations of states can only be comparatively studied when a certain

focus is chosen. The area of comparison must be limited and in this study it is limited to the tools for controlling corruption in the public administration. (Heady 1979: 1–43.)

This research is a comparative study of Finland, Australia and New Zealand. The type of comparative method used is the comparison and likening of multiple cases, in this case three, which includes the systematic comparison of differences and similarities which can be illustrative or analytical (Salminen 2000: 26). The type of comparison used can also be called the most similar systems design where the key differences are studied. This method is applicable to this particular study as the three countries discussed are similar in their placements in the Transparency International Corruption Perceptions Index and in their administrative cultures which means that the differences in the tools chosen can be clearly seen and studied.

The comparative design was chosen as a method for this study as the aim is to show particularities in the control of corruption in the public administrations of three countries. The comparative method is efficient in showing and creating best practices. This research follows the steps of a country comparison whereby the gathering of background information and the data that it produces is formed into a systematic description of the tools for the control of corruption in Finland, Australia and New Zealand, which is followed by classifying and finally analysis (Salminen 2000: 33–34). Classifying and analysis creates models that other public administrations can use as examples when creating controls of corruption.

### 1.3.2. Comparison and the Cases

The case study is used as a research strategy when the investigator has little control over what they are studying, usually a contemporary phenomenon, and when the topic studied is in a real life context. A case study is an empirical inquiry where numerous sources of evidence are used and the boundaries between the phenomenon and the context are not clearly evident. The case study method is often used in public administration research. By using the case study method questions such as 'how' and 'why' related to a certain phenomenon can be answered. It is a way of researching and studying an empirical issue or topic through pre-specified procedures. The same study may

include more than one case, in this case three, and may thus be considered a multiple-case study design. (Yin 1989: 13–53.)

The forms of sources that can be used in case study research include documentation, archives, interviews, observation, participant-observation and physical artifacts. For a case study design to be possible sufficient materials must be found (Yin 1989: 84–103). In this study Finland, Australia and New Zealand were chosen as case studies. The countries are all democratic, Western nations where the principle of transparency is valued thus making materials such as government and administrative documents available to the public. The material for all of these countries is also available in English which makes the usage of the case study method and the comparative method simpler.

Finland, Australia and New Zealand were chosen as case studies for this research because they have placed consistently high on the Transparency International Corruption Perceptions Index. Each of the countries has chosen tools suitable to their administrative cultures towards the control of corruption in the public administration. The tools and the emphasis on the methods chosen differ from country to country but the same goal is achieved efficiently and in each of the countries the tools cover the three areas of control, namely promoting, preventing and watchdogging. Finland, Australia and New Zealand are all countries that can act as examples for other nations in the control of corruption. This makes the research into their tools for the control of corruption significant and choosing these three countries as case studies valid.

## 2. FRAMEWORK OF ANALYSIS

Control is the process where a person, group of persons or organization determines the behavior of another person, group or organization. Control of corruption is a part of a larger field of study in public administration research, the field of the study of control. (Tannenbaum 1968: 3–29.) To get a better picture of what is meant by control in this study's title the background of control in public administration research is looked into in more detail.

### 2.1. Theoretical Considerations of Control in Public Administration

Control is a causal relationship whereby the actions of an actor are seen to be brought about by the preferences of other actors (Dahl qtd. In Gruber 1987: 11–13). Because public administration is public it is also presumed that it needs to be under control which the private sector does not have to be (Dunsire 1985: 327). This makes the topic of control one of high importance in the field of public administration research. Control in public administration research is usually considered to be the control over public administrators (Dunsire 1978: 18–20).

The function of control is to bring about conformity to the requirements of the organization and achieving the goals of the organization. Maintaining accountability and responsibility in the public administration requires control. It is not only the public that profits from its public administration being under control. Public administration employees profit from being under a set system of control as control mechanisms, such as the Ombudsman which notifies the administrators of violations, will stop them from making mistakes and guarantees the trust of the public. (Tannenbaum 1968: 3–29; Berkley et al. 1975: 340–343.)

Control in public administration is considered to be an equilibrium of existing forces instead of a superior activating constantly their orders and instructions (Dunsire 1978: 226–227). Control is a cycle where the intent of one person is followed by an attempt of influence towards another person who then acts in a way that fulfills the attempt of the first person (Tannenbaum 1968: 3–29). One of the main tasks of a superior is to encourage control through acting as an

example, providing leadership and setting the tone (Dunsire 1978: 226–227). In order to avoid curbing enthusiasm, creativity and motivation a loose form of control is usually preferred in the realm of public administration. Loose control means considerable discretion in decision-making for public administrators. Even though allowing discretion can be risky at times, it is also necessary because those working in the public administration are administrative experts who have a unique competence to serve the public needs. (Gruber 1987: 38–41.)

In the field of public administration research control is considered one of three essential elements for the functioning of a public administration. Control is interlinked with guidance and evaluation which are the other two important elements. In the context of public administration control is generally understood to mean the function of information and motivation for intelligent conformity. (Kaufmann 1985: 221–225.) Control includes internal and external methods of control (Berkley et al. 1975: 328–339).

Guidance, the second important element, is considered to mean the function of standard-setting for actors in the system and thirdly, evaluation is understood as the function of feed-back that concerns particular acts and the output of a system of action as far as it matches some desired outcomes and some mechanisms of control. The interaction between these elements must work efficiently to provide proper coordination of various actors and their actions that are interlinked. This theory shows that control is ultimately a necessary element of public administration without which such a large system cannot be coordinated. Without the working together of these three elements the public administration could not be made to function in an efficient and ethical way. (Kaufmann 1985: 221–225.)

There are internal and external methods of control that must be in place in the public administration. Agencies and departments must exercise control over their subunits and employees and control must be exercised from the outside on the agency as a whole. Internal control is conducted by the staff itself but also different units over different areas such as the personnel department which has influence over how officials deal with personnel problems, the budget office and the purchasing office that decide which causes and departments get financing and which services are products are invested in and the auditing branch that is often considered an external control but occasionally there is an

internal auditing branch which is a part of the department and monitors the actions of the department.

The final form of internal control is the field inspection. They can be conducted by internal units, field inspectors or regular officials. External controls in the field of public administration are conducted by several agents and agencies such as the courts and other monitoring agencies like ombudsmen. The public and the media, as well as competing agencies, can also act as an external control through whistleblowing mechanisms. (Berkley et al. 1975: 328–338.)

The importance of control can be seen when putting any decision or policy in to force. Tools of control are essential in realizing any plans as without control there are no devices at hand to ensure that different actors implement the plans. This is where the connection to evaluation comes into play. Evaluation of outcomes is necessary to determine the success of the actions and the success of the methods of control. For evaluation to happen feed-back is necessary but feed-back is only effective when processes of evaluation and control are interconnected.

A plan that is formed in public administration is considered to be a projection of future action which can not become action without the aid of control. (Kaufmann 1985: 211–230.) The implementation of any plan of action needs control as an aid. In a bureaucracy such as the public administration control processes are the necessary complement of implementation processes and implementation does not exist without control (Dunsire 1978: 18–20). Control connects decisions and output and a public administration that is under control is an effective and reliable tool in implementing government policies (Dunsire 1985: 336).

To implement effective control the controller must have sufficient resources to induce the object of control to behave in the way the controller wants (Gruber 1987: 197–214). There are certain factors that need to be taken into account when looking at the implementation of control methods. The first is the fact that street-level bureaucrats have a significant importance as they are the public administration entities that the public is in touch with. Street-level bureaucrats make administrative decisions in situations where they have a high amount of discretion and little supervision.

Policy makers have very little chance in having strict control over these bureaucrats but the control function can be implemented through allocation of resources, clear directives and program policies. (Sabatier 1985: 313–323.) Too much bureaucratic control curbs enthusiasm and motivation but too little bureaucratic control gives free reign which creates a public administration where conduct is not standardized. The right balance must be found especially as bureaucracy and democracy are interdependent and essential in the modern society in that a society needs bureaucracy to manage and control its functions (Johnson 1992: 111).

Another element of implementation of control functions in the public administration that must be taken into account is the time frame. The effectiveness of a control function takes years to be seen clearly. There are numerous elements that affect the effectiveness of control such as the internalization of the training and education by the employees that take a long time to occur. A time frame of five to ten years will show the effectiveness of a tool of control as anything shorter than this will not provide a valid result. It has also been found that when implementing control functions in the public administration a bottom-up method is often most effective in that a problem is found on the ground level and proper methods of control and policy are created for it by policy makers instead of vice versa. (Sabatier 1985: 322–324.) This goes together with the idea that too many rules, especially ones that may not be necessary, are a hindrance to the effectiveness and motivation in public administration.

Control creates costs in money, time, materials and other resources such as creativity. The more sensitive the control that is needed is, the higher the cost. Occasionally the finer methods of control are not used because of the high costs they create. (Dunsire 1978: 130–143.) The implementation of control can have certain costs when the measures are followed but also when they are not followed. When control measures are followed by the employees of the public administration but the measures are too strict it creates costs in the effectiveness of the workforce. The enforcement of control also produces costs of monitoring and if violations are discovered putting sanctions into force can be costly. If there is a borderline case of violation the controller must decide if it is more costly to use sanctions or let the case go which may reduce the amount of control over the administration. (Gruber 1987: 61–84.)

The presence of authority is not synonymous with control. A superior can be in charge of his subordinates without having them under control. A superior is not considered to be in control when they are not able to recognize an error in the work of others and when they are not able to advise on what to do to correct the error. There are certain problems to setting the public sector and its employees under control and keeping it under control which include the size of the public administration, the complexity of it and finally, the lack of a common measure of success which in the private sector is considered to be profitability. (Dunsire 1985: 149–346.)

The public sector is not a natural being but a large web of interlinked agencies and departments but between which communication is difficult. The vastness and vary of these interlinked actors makes the public sector difficult to hold under control. In addition to this web of agencies being extensive some of the agencies and departments themselves are large, often larger than most private sector entities. The size of the public administration also makes any changes in procedure slow. This is a positive in that it makes the public sector more predictable and implementing unethical procedures slow but when the changes are made towards a more efficient and ethical public sector this is a hindrance. (Dunsire 1985: 328–346.)

As mentioned above, the second difficulty in keeping the public sector under control is the complexity of the system. The public administration system consists of a wide variety of actors, agencies, programs, tools, techniques, policies, rules, operations and employees. All of these must be managed and controlled in the most efficient and ethical way for the public. There are as many varying controls as there are entities in the public administration. The sensitivity of each of these has to be taken into account when implementing controls. Too much control suffocates innovativeness and motivation, whereas too little control enables corruption and unethical conduct. Usually a loose system of control, instead of a strict monitoring system, is the most functional. (Dunsire 1985: 327–345.)

The third difficulty in establishing and maintaining control in public administration is the lack of a common measure which does exist in the private sector. In the private sector the common measure is profitability. The different agencies and departments of the public sector fight for survival against each

other as they have to compete for the same resources. Besides having to compete against other agencies, different policies within an agency are in competition with each other for resources. The division of which is a difficult decision as no common measure exists for the wide array of varying entities. (Dunsire 1985: 335–345.)

Different mechanisms of control exist for different agencies and functions. The control over financial matters is governed by auditing which is conducted by internal auditors or an external consulting auditor. Constitutionality and the use of power is controlled through a system of courts, tribunals and public enquiries which are not departmental or ministerial. (Dunsire 1985: 339–345.) Equity, promptness, accuracy and attentiveness are controlled by the general public who commit an act of whistleblowing if they have experienced an injustice in the acts of the public administration (Berkley et al. 1975: 328–338).

The sanctions for these acts are conducted by the superiors of the administrative employees who have committed the act. The work conditions and other related matters are controlled by an internal mechanism of monitoring conducted by trade unions of the civil service and other associations that represent norms that have been set through negotiations and consultations. Each of these crosscutting methods of control in the public administration act mainly independently sometimes in contradictory manners meaning that when there is tight control over one there has to be looser control in another the priorities for which are decided at the point of contradiction making the system of control one with flexibility. (Dunsire 1985: 339–345.)

## 2.2. Dimensions of Analyzing the Control of Corruption

Administrative ethics is related to a country's history and culture (Salminen 2006). The more transparent and open a country is to international contact and cooperation, the less administrative corruption is usually experienced (Sandholtz & Gray 2003: 761–800). Good governance and transparency of the public administration is only possible when administrative corruption is under control. Having mechanisms in place to control corruption in the public administration supports ethical ways of behaving (Gould 1991: 474). Tools are put into place to discourage undesirable behavior and encourage ethical

conduct. These tools of control can vary from culture to culture with varying levels of efficiency.

Reforms in the public administration and the confidence that the public feels towards it depend on an effective system of controls and infrastructure for fighting corruption. Good governance is only possible through well functioning controls of corruption that are suitable to the environment they are applied to. Important elements of an ethics infrastructure and tools of control include a legal framework, commission of inquiry and monitoring such as an ombudsman, mechanisms that ensure accountability, codes of ethical conduct, socialization mechanisms of the employees, supportive public service conditions, some form of ethics body that co-ordinates and finally, an active public and media that act as watchdogs for administrative actions. (OECD 1996: 8.)

Corruption in this study is considered to be the misuse of power or resources for one's own good (Isaksson 1997: 91). Corruption needs to be prevented before it happens as eliminating existing corruption is difficult and often costly (Commonwealth Secretariat 2003: 11–13). Eliminating corruption completely would be such a costly task for public administration that it is by theorists often considered to not be worthwhile. These same theorists believe that the creation of controls that would eliminate corruption in public administration would go against the new more liberal forms of public administration where it is considered that too many rules curb enthusiasm and motivation. (Galtung 1998: 105–125.)

The tools and forms of control that are applied to discourage corruption and encourage ethical behavior need to be understood and applied consistently to be effective (OECD 1996: 8). They also need to be suitable to the cultural, historical and political backgrounds of the country's public administration as well as the traditional approach to public administration that the country has taken (Gould 1991: 473). Public administrations around the world have the difficult task of creating controls of corruption that are in line with the reforms that are taking place, that control unethical behavior but do not discourage innovation and efficiency.

There is often a contrast between traditional forms of public administration and the form of public administration that is sought through the reforms (Dresang 1984: 395–398). This contradiction can be seen in the dilemma of how rules should be applied and how corruption should be controlled. With fewer rules there are more opportunities for mistakes but with too many rules it is difficult for the administration to take action and any action will be slowed down (Dunsire 1978: 102–105). For this reason it is important that a country that is forming its strategy towards controlling corruption takes into account its approach to public administration and makes sure that they are consistent with each other (Gould 1991: 473).

Although the infrastructure for controlling corruption includes many parts that must interact together it may actually cause savings for the government and administration, as a government that does not have a formalized system in place spends a lot of resources on ways to increase trustworthiness whereas a transparent administrative system decreases the need for parallel institutions. An example of this can be seen in many developing countries where there are numerous anti-corruption bodies within the same public sector investigating each other. This shows an environment of mistrust within the administration as well as between the administration and the citizens it serves. (Bertok 2000.)

According to Salminen, Viinamäki and Ikola–Norrbacka (2007) the control of corruption can be divided into three categories namely promoting, preventing and watchdogging. These three categories of control of corruption are used in this research to compare the methods of control used by the public administrations of Finland, Australia and New Zealand. Promoting includes the manner in which ethics is brought forward and encouraged such as the confidence in public institutions and the existence of citizen channels for whistleblowing. Promoting is considered to include the soft methods of control of corruption. Preventing usually includes all legal acts, punishments and Codes of Conduct that have been created to form a frame in which an employee of the public administration can act. This includes any so called hard methods of control such as strict sanctions for corrupt behavior. Watchdogging includes the methods of monitoring of those working in the public sector such as evaluating agents, any bureaus created to find any acts of corruption in the public sector, the public and the media as well as the Ombudsman.

Watchdogging often includes decentralized monitoring and strict financial audits. (Salminen et al. 2007.)

The three categories of control of corruption promoting, preventing and watchdogging can be further divided into the specific tools used to control corruption in a public administration. Within promoting important tools are values, transparency, recruitment and training. Values are the principles that help us define what is right and wrong (OECD 1996: 13). Values are also issues or goals that are considered of high importance (Valtiovarainministeriö 2005: 7). The public administrations of each country publish their values to make clear to their public as well as the employees what they are striving towards and what they hold important.

Transparency, the second tool of control within the category of promoting, exists in all healthy administrations and it is also one of the most important factors in fighting corruption and promoting ethical conduct (Bertok 2000). It enables the citizens to see the interplay between control, guidance and management which enables the citizens and the media to monitor the behavior of the administration and whistleblow on any unethical activities (Bertok 2000). And it has been shown that increasing the citizen access to information and giving them more rights to act increases control and reduces corruption in the public administration (Svensson 2005: 24–36).

Recruitment and training are considered important factors in controlling corruption and maintaining an ethical public administration. Usually the public administrations of countries make restrictions on who can be employed. Examples of these restrictions include rules on the education required and rules on restricting entrance from those employed by the private sector. Training and education within the public administration are key elements as they promote professional socialization of the civil servants in that employees are socialized into the standards of ethical behavior in the public service (Dresang 1984: 230–246). This develops the judgment of those in the service through education and training, the senior level civil servants acting as role models of behavior, induction and initial training programs and ongoing programs where changing environments and practices are analyzed (OECD 1996: 37–38).

Preventing can be divided into laws, codes and directives. Legal frameworks act as a control through setting laws as standards of behavior and making sure that public servants abide by the laws through maintaining a set of sanctions (OECD 1996: 30). Sanctions have to be applied whenever necessary to make the threat of sanctions efficient (Dunsire 1978: 90–143). Legal frameworks also create a transparent administration so that it is easier for the public to participate and act as a watchdog of administrative behavior (Bertok 2000). A Code of Conduct, usually a sort of legal framework for conduct in the public administration, is another important aid in promoting ethical behavior and controlling corruption (Gould 1991: 475).

Codes of Conduct act as a control because they state and clarify standards of behavior, values and obligations of the organization which are clearly different from those of the private sector (Dresang 1984: 54–61). The fact that they are so different from the standards of the private sector makes it necessary for them to be clarified. Codes of Conduct can be legislated or not, if they are legislated they become easier to enforce but less flexible, if they are not legislated they can be modified to changing circumstances (OECD 1996: 37).

Watchdogging contains two categories of control of corruption, namely the ethics board and the monitoring and controlling bodies. Each of these aids in holding public administrators accountable. Accountability mechanisms act as an aid in forming and maintaining an ethical public administration. In the public service accountability can be internal whereby audits are conducted or procedures are required to be written down and made public (Berkley et al. 1975: 328–339). They can also be external whereby an overseeing body exists (Berkley et al. 1975: 328–339). Usually the ethics board and the monitoring and controlling bodies function in both of these areas. Accountability mechanisms make it difficult for unethical acts to be carried out and for the unethical acts that are carried through not to be discovered thus promoting ethical behavior (OECD 1996: 35).

Coordinating ethics bodies, such as the ethics board, are of significant importance in that they either direct ethics programs or delegate these tasks to other bodies and oversee them. Most often they act as promoters of ethics whereby they are a central body that promotes ethical public administration. An ethics body can also have the role of watchdog or counseling body that acts

as a consult to other departments. The role of watchdog is also played by the public. This has been encouraged through rules of openness and transparency in the public service. (OECD 1996: 41–43.)

The control of corruption in public administration can be studied through looking at various aspects of the system that has been put into place for encouraging ethical conduct and discouraging or punishing corruption. This study looks at certain comparable elements of the three countries studied including values of the public service, principle of transparency, recruitment, training methods, laws, codes and directives, the ethics body and monitoring and controlling bodies that are in place. Table 2 presents the main tools of control of corruption that this study concentrates on.

Table 2. The Dimensions of Analyzing Control of Corruption in the Public Administrations of Finland, Australia and New Zealand.

	<b>Finland</b>	<b>Australia</b>	<b>New Zealand</b>
<b>Values of the Public Service</b>	Effectiveness, transparency, quality and expertise, trust, service principle, impartiality and independence, equality, responsibility	Being an apolitical, merit-based, professional public service with a workplace that is free from discrimination and recognizes diversity, with the highest ethical standards. Accountable, responsive, delivers services in a fair, impartial, courteous and equitable way, with a workforce of high level professionals	Integrity, honesty, political neutrality, professionalism, obedience to the law, respect for the institutions of democracy, respect for the Treaty of Waitangi, free and honest advice to the government
<b>Principle of Transparency</b>	The Law on Openness of Government Activities	Freedom of Information Act	The Official Information Act of 1982
<b>Recruitment</b>	Relatively closed system	Merit-based	University education required
<b>Training</b>	Department specific depending on the skills needed and the	The Public Service Sector Education and Training Authority	General training conducted by the Public Sector Training

	strategy in force		Organization, more detailed training strategies created by each department
<b>Laws</b>	State Civil Servants Act, Finnish Administrative Procedure Act, Penal Code, the Finnish Constitution	The Public Service Act 1999, Commonwealth Law, Crimes Act, the Constitution, Parliamentary Acts	Crown Entities Act, State Sector Act, The Crimes Act, the Protected Disclosures Act
<b>Codes and Directives</b>	The Supreme Court directives on ethical values, the circulars on ethical public administration of the Association of Finnish Local and Regional Authorities	The Code of Conduct, circulars of the Australian Public Service Commission	Public Service Code of Conduct, Cabinet Office Circulars, the Public Service Principles, Conventions and Practice texts
<b>Ethics Board</b>	No single ethics body	The Public Service and Merit Protection Commission	The State Services Commission
<b>Monitoring and Controlling Bodies</b>	Independent and self regulated media, the public, the Chancellor of Justice, the Ombudsman, internal control units of ministries and the government, National Audit Office, Parliamentary Committees	Independent and self regulated media, the public, the Auditor General, the Ombudsman, the Australian National Audit Office, the Merit Protection and Review Agency, Parliamentary Committees, the Commonwealth Legislation Enforcement Commission	Independent and self regulated media, the public, the Office of Controller and Auditor-General, two branches of the Auditor-General: the Office of the Auditor-General and the audit of New Zealand, the Ombudsmen, Parliamentary Committees, New Zealand Serious Fraud Office

The facts are collected from official documents of Finland, Australia and New Zealand: Australian Government (2008), Commonwealth Secretariat (2003), Commonwealth Secretariat (2004), Ministry of Finance (2006), New Zealand Ministry of Justice (2008), Office of Public Service Values and Ethics (2003), Parliamentary Ombudsman of Finland (2008), Parliament of Australia (2008), The State Services Commission (2001), Valtiovarainministeriö (2005)

### 2.3. A Three Country Comparison

Administrative ethics is related to a country's history and culture (Salminen 2006). And so are the tools for controlling corruption. Because of this correlation it is important to have certain background information on the public administration of each of the countries being studied. All of the three countries being studied here have in common that they are all Western countries that are OECD members, industrial, developed, have mainly sparse population, have a history of fighting corruption and of having the public's trust. The populations of each of these countries have relatively homogeneous values and a tradition of valuing equality whether it be guaranteeing women's rights early, like New Zealand and Finland, or creating rights for the minority populations, like New Zealand and Australia. Despite all the above mentioned similarities differences can also be found and the reasons for them are easier to understand with a deeper understanding of the type of public administration of each these countries. A detailed table of facts of the societies of each country can be found in Appendix 1.

#### 2.3.1. Finland

The Civilian Central Government of Finland employed in 2000 123000 employees or 2,4 percent of the population. The number is up from 1995's 110000 and 2,2 percent of the population. The Subnational Government employs 416000 and 8,1 percent of the population. This number is also up from 1995's 389000 and 7,8 percent. The average government employee wage in 2000 was 148000 Finnish marks, which is roughly 24600 euro, and the average government wage to per capita GDP ratio is 1,1. (World Bank 2008.)

The administrative divisions of Finland consist of six provinces (läänit) namely Åland, Etelä-Suomen Lääni (Southern Finland), Itä-Suomen Lääni (Eastern Finland), Länsi-Suomen Lääni (Western Finland), Lappi (Lapland), and Oulun Lääni (CIA 2008). The Regional Councils of Finland are municipal authorities that act as regional development and planning authorities. They work towards the good of the region and organize cooperation between different entities. The local government system in Finland is extensive including 415 local authorities

and provides an extensive array of services such as health care, child care and education. (Association of Finnish Local and Regional Authorities 2008.)

The most significant public sector reforms were enforced from 1987 to 1995. These reforms changed the structure of the public administration, financial management and human resources. (Holkeri & Summa 2008.) The reforms aimed towards more diversification, decentralization, production management, service management, expert management and results management (Ministry of Finance 2006). In short, towards a style that the private sector is known for but with the difference that the traditional public service values must be maintained. To achieve this goal a results-oriented style of management and budgeting was adopted, decision making of agencies and managers was made more devolved, the system of state grants to local government was reformed, the corporatization of numerous state bodies was launched and state organizations were reorganized through structural changes such as mergers. (Holkeri & Summa 2008.) The new human resource policies whereby even salaries are dependent on personal performance reflect this change (Ministry of Finance 2006).

The public administration of Finland reflects the non-hierarchical, egalitarian Finnish society. There is a strong legalistic tradition but the emphasis in the Finnish public sector is more on guidance and management than strong control due to the tradition of trust that exists in Finland. This is typical of the countries of Northern Europe. The confidence of the public in the civil service institutions seems to be high in all Nordic countries and the loyalty between politicians and civil servants strong. In addition to transparency and openness, compassion is a strong, common value of the public administration. (Salminen et al. 2007.) These factors, in addition to the above mentioned trust, have formed a specific administrative environment and tradition that promote ethical conduct.

### 2.3.2. Australia

The Australian public sector employed 150000 employees in the Civilian Central Government in 2000. This is 0,8 percent of the population and a huge drop from 1995 when the number was 234000 or 1,4 percent of the population. The Subnational Government employees 389000 2,1 percent of the population, also down from 1995's 404000 and 2,3 percent of the population. The average

public employee's wage is 39000 Australian dollars, which is roughly 23700 euro, and the average government wage per capita GDP ratio is 1,3. (World Bank 2008.)

The administrative divisions consist of regions that are divided into territories namely Australian Capital Territory and the Northern Territory as well as the external territories of Norfolk Island, Jervis Bay Territory, Christmas Island, Cocos (Keeling) Islands, Ashmore and Cartier Islands, Coral Sea Islands, Indian Ocean Territories and the Australian Antarctic Territory. There are also six states that are called New South Wales, Queensland, South Australia, Tasmania, Victoria and Western Australia (CIA 2008).

The Australian public sector employs around 15% of all Australians who work. The public administration is formed of three different levels of government and administration. The state public administration has significant decision-making power and there are only a few limits on the laws that they are allowed to create but the laws are not enforced if they contradict the Commonwealth law which is the national level legal framework. The states are protected by the Constitution. Territories on the other hand are directly subordinate to the Commonwealth. Unlike the other territories which are administered by the Commonwealth three territories namely the Northern Territory, Norfolk Island and the Australian Capital Territory have gained significant autonomy in administration. The local government consists of around seven hundred governing bodies. Typical responsibilities include town planning, delivery or certain health services and inspection of community. (Australian Public Service Commission 2003.)

Since the 1980's three main reforms have been invoked in the Australian public sector. These include changes in the size and composition of the public administration including cutting down on employees, a flatter structure and more decentralization and devolution and finally changes in working methods and places to make the public service more efficient. These are all changes felt in most countries as the way of functioning of the public administration is becoming more similar to that of the private sector and efficiency is becoming one of the main values. As the number of employees has been reduced the focus has turned to effectiveness and towards reaching the goal of each agency. (Australian Public Service Commission 2003.)

### 2.3.3. New Zealand

The New Zealand Civil Central Government employed 191000 employees in 2000. This is 5 percent of the population and a dramatic increase from the 1995 43000 which was only 1,2 percent of the population. The Subnational Government on the other hand has decreased its number of employees from the 1995 41000 and 1,2 percent to the year 2000 and 20000 which is 0,5 percent of the population. The average public sector employee earns 36000 New Zealand dollars which is roughly 17200 euro a year and significantly less than in Finland and Australia. The average government wage per capita GDP ratio is 1,4. (World Bank 2008.) The administrative divisions consist of one territory namely Chatham Islands and sixteen regions called Auckland, Bay of Plenty, Canterbury, Gisborne, Hawke's Bay, Manawatu–Wanganui, Marlborough, Nelson, Northland, Otago, Southland, Taranaki, Tasman, Waikato, Wellington and West Coast (CIA 2008).

The public administration of New Zealand consists of thirty–nine departments which employ around 35000 workers (The State Services Commission 2001). The department functions have been split according to policy or service. The amount of Ministerial influence on a department depends on the function and nature of the department but the influence is usually considerable. There are twelve Regional Councils that cover the different regions of New Zealand. The tasks of these Councils include special planning, environmental matters and transportation issues. The local government of New Zealand is largely independent of the Central Government. The functions of the local government are stated in legal acts and considered relatively minor. They include numerous maintenance responsibilities such as roads, libraries or garbage collection. (Review of Public Administration Implementation 2006.)

Major changes in the public administration of New Zealand were launched in 1993 by the change in the electoral system which moved from the traditional Westminster type of government to a proportional electoral system (The State Services Commission 2001). The reforms were led by the Prime Minister and the Treasury (Review of Public Administration Implementation 2006). This change was a move towards an administration more suitable to the New Zealand type of society which is non–elitist and egalitarian (Mascarenhas 1997). The move is towards a more decentralized and devolved public administration. There has

been an increase in the number of services provided and an improving of the quality of the services provided has been noted. Like in so many other countries, the move is towards a more efficient and more business-like public administration.

The reforms have concentrated on improving the quality of management, making the public administration more efficient, restructuring departments and reallocating their duties as well as making the public administration more business like, taking example from the private sector. The focus is also not on policing and rules but on creating a sense of integrity in the public administration. (The State Services Commission 2001.) The key aspects that have formed the public administration to what it is today are a tradition of democracy, equality, responsible government with a non-elitist public administration (Mascarenhas 1997).

### 3. PROMOTING ETHICAL CONDUCT AS A TOOL FOR CONTROLLING CORRUPTION

For the purposes of clarification and comparative possibilities the control of corruption is divided into three forms of control: promoting, preventing and watchdogging. Dividing the forms of control of corruption into three groups makes direct comparisons possible and easier to clarify. The first of these three methods of control of corruption, promoting, includes the manner in which ethics is brought forward and encouraged such as the confidence in public institutions and the existence of citizen channels for whistleblowing. (Salminen et al. 2007.) Promoting is considered to include the soft methods of control of corruption. The main aspects of promoting include values, transparency, recruitment and training.

#### 3.1. Values

Values are the principles that help us define what is right and wrong (OECD 1996: 13). Values are also issues or goals that are considered of high importance (Valtiovarainministeriö 2005: 7). They are also an important element of an ethical public administration. A set of common values increases cohesiveness and collegiality in the public service work place (Commonwealth Secretariat 2003: 5). Clarifying the values of the administration means that unethical acts that go against the value system of the public administration can be clearly defined, noticed and sanctioned.

The values of the Finnish public administration are listed as being effectiveness, transparency, quality and expertise, trust, service principle, impartiality, independence, equality and responsibility. Values that are related to the new administrative values that are being put in to force include effectiveness, quality and expertise and the service principle. (Valtiovarainministeriö 2005: 7.) The latter represent changes that have become apparent worldwide whereby the public sector is expected to compete with the private sector and be more effective.

The Australian public administration strives to be an apolitical, merit-based, professional public service with the highest ethical standards that provides a workplace without prejudice and discrimination and recognizes and utilizes the diversity of its people. In addition to the aforementioned values it also lists other values that it holds important such as being accountable, responsive and providing services in a fair, effective, impartial and courteous way which is sensitive to the diversity of the Australian people. Similar to the Finnish public administration the Australian public administration also lists values that reflect the new productive nature of the public sector such as it emphasizes the importance of a workplace with open communication and cooperation with a focus on achieving results and managing performance.

The list of values of the Australian public administration is much more extensive than that of the Finnish. It includes detailed values like the following. The employment decisions have to be based on merit and provides opportunity to all qualified nationals to apply for employment, it promotes equity in employment, is a career based system that promotes the democratic system of government that is in place in Australia, it should create a fair review system for the decisions made by those employed in the public administration. (Australian Government 2008.)

The New Zealand public administration describes values as the collective principles that guide judgment of what is right and wrong and act as standards of integrity of conduct for the public administration officials and are often based on the core values of the nation. The values of the New Zealand public administration are stated as being integrity, honesty, political neutrality, professionalism, obedience to law, respect for the institutions of democracy, respect for the treaty of Waitangi and providing free and honest advice to the government. Australia and Finland, New Zealand has not made effectiveness and productivity in the public administration visible in its values. Although the reforms that have been put into place in the public sector of New Zealand have concentrated on improving the quality of management and making the public administration more efficient this has not as of yet been listed as a value of the public administration. (The State Services Commission 2001.)

### 3.2. Transparency

Transparency, which exists in all healthy administrations, is the most important factor in fighting corruption and promoting ethical conduct. It enables the citizens to see the interplay between control, guidance and management. (Bertok 2000.) The rules of openness and transparency encourage and enable the public to act as a watchdogging or monitoring body and enable whistleblowing (OECD 1996: 43). The transparency of the administrative system makes it easier for the citizens to participate or make their opinions heard. It also creates an environment of trust for the public in the public administration and sets an example of conduct.

According to Salminen, Viinamäki and Ikola–Norrbacka instruments towards a low level of corruption include “the maintenance of diverse forms of citizen participation, independent and self–regulated media, a high level of education, public access to official documents, clear–cut roles of appealing institutions, and a possibility to present appeal with professional legal help” (2007). Very few complaints of citizens become full blown criminal investigations but the possibility of this happening acts as a strong enough control against corruption (Salminen et al. 2007).

Finland has a long legalistic tradition in the public administration which is interlinked to the tradition of transparency. This is a rare system when looking at the traditions of the European Union and its member states. Already when Finland was still under Swedish rule the Swedish Access to Public Records Act governed also in Finland. In 1951 Finland adopted the Act on Publicity of Official Documents which was replaced in 1999 by the Law on Openness of Government Activities. Although the 1999 law guarantees freedom of access to government archives there is also the Archives Act which came into force in 1994 which guarantees that archives are recorded in a way that enables access to the public. (Legislationline 2007.)

Those that are employed by the public sector have to make public any previous obligations or occupations that might interfere with working as an ethical civil servant and strict guidelines of dismissal are in force (Salminen et al. 2007). This is done to extinguish any possible conflict of interest. A conflict of interest arises within the public administration when a public administrator or politician is

conflicted between the public interest and other interests which contradict each other (Isaksson 1997: 91).

In Australia transparency is guaranteed by the Freedom of Information Act which was put into place in 1982. This act made most government and administrative documents available to the public and made the agencies responsible for declaring the documents they keep. The act also declares that the public administration of Australia must make clear policies for making decisions and recommendations that affect the public. (Australian Government 1982.) Civil servants are also required to report any conflict of interest and it has also been made mandatory to publish all information on internal behavior to make transparency possible (Office of Public Service Values and Ethics 2003). Similarly to the Finnish public service, officials are required to give reasons for their conduct and decisions.

New Zealand did not have any official transparency mechanisms in place before the Official Information Act of 1982 (Commonwealth Secretariat 2003: 14). Prior to this act the government had a principle of secrecy in force which did not create an atmosphere of trust from the public towards the administration. The act declares the importance of having an open democracy with participation and availability of the decision-making in the administration as well as information. (The State Services Commission 2001.) More transparency creates more trust in the administration and a more ethical environment.

New Zealand has a relatively homogeneous society when looking at social and religious background which means that the values and beliefs of the citizens can be considered to be relatively homogeneous. Since this is also true for those individuals working in the public administration, civil servants often bring forward issues that are relevant to the larger public. (Mascarenhas 1997.) It is possible that this is also the reason why the citizens have felt that their administration is one of fair and ethical conduct even before the transparency mechanisms were put into place.

### 3.3. Recruitment

Efficient recruitment that is in line with the values of the public administration is important in controlling corruption. Ensuring that the employees of the public administration are in line with the values of the public administration and can be trained to act according to them makes the public administration more trustworthy and ethical. The nature of the public service raises the question of who can be recruited. Appointing outside managers to positions of leadership in the public service may make it open for corruption as administrative values are not inherent in those outside the public service. They have not been socialized to believe the same values that those that have served in the public service have. Management and effective human resource policies are important as well as on going education and training in the field of ethics in the public sector. (OECD 1996: 27.) Those that are employed from outside the civil service are under a higher risk when pressured to conduct an act of corruption as they have not had the time to internalize the values of the public administration (Commonwealth Secretariat 2003: 11–15).

Although the administrative career system in the Finnish public administration is not closed it is rare that someone from outside the civil service be appointed to a high status (Virtual Finland 2008). Through this system it is guaranteed that those in power have already attained the right values of a civil servant, they have already been socialized. When hiring civil servants for the Finnish administration the emphasis has been on the legal tradition whereby lawyers and other professionals with legal degrees have been hired for public administration positions (Salminen et al. 2007).

Already in 1817 a decree stated that public service positions were to be reserved for lawyers or other university graduates that held a degree in law. This decree had been created to make a more efficient public service as earlier public service positions were reserved for aristocrats who did not have to earn the position in any way. The governmental administration still holds a legal tradition despite modernization processes. (Virtual Finland 2008.) Another tradition in the human resources policies of the civil service in Finland and a way of preventing corrupt behavior has been the employment of non-political professionals. Related to the human resource policies and recruitment of the public service is the status of public sector employees. In Finland, civil servants hold relatively

well respected and well paid statuses. Salaries have been high enough to discourage corruption despite not being especially high.

An important element in promoting ethical conduct in the public administration is creating an environment of loyalty to the office (Salminen et al. 2007). Australia has taken several steps to ensure that the civil servants it hires are socialized into the ethical value system it promotes. The recruitment system in the Australian public sector is different from that of Finland as it is based on a merit based system and is more similar to the private sector. As the merit based system of recruitment is one of the first elements mentioned on the list of values of the Australian public sector it can be stated that this is one of the fundamental building blocks of the system. Already in the employment contract of a public official the values of the administration are clearly stated and the civil servant agrees to adhere to these rules (Office of Public Service Values and Ethics 2003). This ensures that although the recruitment style is not closed those that are employed make a public promise to adhere to the values of the public sector.

An important part of promoting integrity in the civil service are the human resource policies. The New Zealand public administration rarely hires employees who do not have a university education. They do not have a closed system of recruitment but rather one similar to the private sector system and that of the Australian public service. Those employed in it are trained to support the government despite what their personal beliefs are but this is done after the entering into the public sector. (Mascarenhas 1997.)

The public administration of New Zealand has not been able to be too strict about their recruitment restrictions as it has had trouble recruiting appropriate personnel and maintaining those that have been recruited. This is because of the limited number of people with the right skills and the competition for these employees, the vastness of the public administration and its departments and the 'goldfish bowl' effect whereby those working in the public sector are under a lot of scrutiny from the public which may also spread to the private lives of the employees. The fact that the public administration of New Zealand considers it a value to have a workforce that represents its public also becomes a problem as very few qualified women or Maori apply for these jobs. And because there is such a small amount of qualified employees the competition for

them is fierce and especially the younger employees are likely to change place of work to get more financial rewards that the public sector cannot compete with. (Commonwealth Secretariat 2003: 9–10.)

### 3.4. Training

Related to the recruitment policies in the public sector are the training and socialization methods. Those working in the public service are trained to internalize the values of the public sector of their countries. Socialization and training into the organization and its values is needed for peer-control to function properly as a control of corruption. Along with the public administration reforms of many countries where the public sector has become more like the private sector also in its recruiting methods, the importance of training and education during and before employment has increased in importance. The socialization activities of the civil servants like educating and training are an important factor in promoting an ethical environment in the public sector. The integrity of the civil service is an essential element in the public sector and an important element of promoting ethical conduct.

This is especially true in Finland where the public sector is relatively extensive. The size of the public sector also makes the establishment of integrity in the civil service an extensive task. (Salminen et al. 2007.) Specific methods of training used by the departments in the Finnish public administration include online learning, mentoring, planned job rotations, teamwork and internal training programs. The methods chosen are specific to each department and depend on the skills and strategy of the department. Annual appraisal reviews are conducted between each employee and the supervisor where it is discussed and decided what training the employee needs. Training is conducted during the whole employment of an individual as the strategies and ways of conduct change in the public administration and according to the requirements of the job. (Valtiovarainministeriö 2008.)

The civil servants have to be socialized to believe in the administrative values. This creates an organizational culture where a civil servant would be scorned for not behaving according to the norms. This is especially important when the recruitment style is not closed and includes hiring employees from the private

sector. In the Australian public sector during employment the civil servant will be included in various forms of training such as workshops and orientation programs. A new training is conducted whenever new technologies, services or promotional materials are issued. There is a new emphasis on training on fraud awareness and prevention matters. The Public Service Education and Training Australia, which is the main body for coordinating and encouraging competence and training in the public service, has also created a Public Service Training Package which includes training in areas such as ethics and fraud detection and creates qualifications for different positions in the Australian public administration. (Office of Public Service Values and Ethics 2003.)

Within the public administration of New Zealand it is emphasized that the State Services Commissioner along with those in charge of the departments of the public administration have a duty to show an example in public sector ethics. They must promote ethical behavior as well as fairness and honesty. They must show other employees of the public administration that their duties include a fair sense of discretion where the public interest is taken into account. (The State Services Commission 2001.) Previously this has been the only type of training in place. It was only in 2000 that the Commission conducted a survey amongst its employees and discovered that in most of the departments there was no overall training or development strategies in place.

Because the public administration of New Zealand is so extensively devolved each department develops their own detailed training strategies but the general training in the New Zealand public administration is conducted by the Public Sector Training Organization. The organization develops standards of behavior for the public sector and creates systems of training and assessment to guarantee that those working in the public service are in adherence to these standards. (Commonwealth Secretariat 2003: 1–5.) The State Services Commission has only relatively recently started introducing a system of training as they have recognized that the ethical standards are not necessarily automatically absorbed by those entering the public service and previously these departments were considered too small to organize training for (The State Services Commission 2001).

### 3.5. Summary

To clearly see the differences in the methods of control of corruption in Finland, Australia and New Zealand the similarities must also be looked at. The differences in the tools of control of corruption are more significant and copious and the main differences can be seen in the enforcement and scope of the tools of control. The organization of certain controls also differs from country to country.

Similarities in promoting:

- Impartiality and professionalism is mentioned in the values of the public administration
- A principle of transparency is enforced
- Training is conducted for those employed by the public administration

Differences in promoting:

- Different values are emphasized
- Length of the tradition in maintaining a principle of transparency
- Contrasting recruitment methods
- Varying levels of decentralization in the training of the public administration employees

As mentioned above Finland, Australia and New Zealand have listed some of the same elements in their values of the public sector but in a different order of importance. Impartiality or political neutrality is mentioned in each country's set of values, as is expertise or professionalism. But more differences than similarities can be found. Finland lists effectiveness as its first value. This is mentioned by Australia at the very end of its values and New Zealand does not mention it at all. The Finnish public sector values concentrate on the effectiveness, quality and impartiality of the services they provide. The Australian public sector values are much more detailed and concentrate heavily on the issue of equity in the workforce and the workplace which the other two countries do not mention. The New Zealand public service values concentrate on general themes such as integrity and honesty.

Transparency is guaranteed in each country by a specific act. The difference is in the length of the tradition. Finland has a long legalistic tradition and has had a principle of transparency already when it was under the Swedish rule. In 1951 it created its own act on maintaining transparency in the public sector which was replaced in 1999 by the Law on Openness of Government Activities. (Legislationline 2007.) Both Australia and New Zealand did not have a principle of transparency in place until 1982. But due to the egalitarian nature of both of these societies and the homogeneous nature of their values trust in the public sector existed because those working in the public sector could be trusted to strive for the values of the public as they themselves believed in those values (Mascarenhas 1997). Both of these countries are places where people from other countries moved to create better lives and rights for themselves. They are also forerunners in women's and minority rights which shows the egalitarian nature of the society. It is possible that due to the fact that the public has seen the public administration visibly strive towards a more egalitarian society and public administration that the trust of the public has been maintained despite the lack of a principle of transparency.

The recruitment methods of the public administrations are contrasting. This shows a different strategy in the creation of an ethical public administration. The Finnish recruitment style is relatively closed. The emphasis in hiring has been on lawyers and other professionals with legal degrees (Salminen et al. 2007). The Australian public sector uses a merit based system of recruitment which it values so highly that it lists it as one of the first values of the public administration. This is similar to the private sector and can open up the public administration to employees who have not internalized the values of the public service. This style of recruitment in the public administration increases the significance of training and other method of ensuring an ethical workforce. The New Zealand public sector rarely hires employees without university degrees but it is not able to be too strict on employment restrictions as the public administration had had trouble hiring and maintaining appropriate personnel. This is especially difficult because New Zealand considers it a value that its public administration be representative of the population. It also creates pressure for the creation of efficient training and monitoring methods.

The level of decentralization in the training of the employees of the public administrations of Finland, Australia and New Zealand is evident. In Finland

there is no head organization that organizes training for public sector departments. The training methods chosen depend on the strategy and skills of the department and are organized by the departments themselves (Valtiovarainministeriö 2008). This shows the devolvement in the control of corruption and is representative of the strategy of control chosen in Finland.

In Australia there is a significant importance on the training during employment in the public sector due to the open system of recruitment. The Public Service Education and Training Australia acts as the main body for coordinating and encouraging competence and training in the public service (Office of Public Service Values and Ethics 2003). The training programs are much more centralized than those in Finland as they are formed by a central institute. In New Zealand training in the public service only recently got more attention despite the fact that the recruitment method is not closed. General training is conducted by the Public Sector Training Organization and more detailed training by the departments themselves. (Commonwealth Secretariat 2003: 1–25.) Although these programs are a recent development they have been made more efficient by the dual nature of the organization of the training.

#### 4. PREVENTING CORRUPTION AS A METHOD FOR CREATING AN ETHICAL PUBLIC ADMINISTRATION

Preventing corruption in the public administration is most efficient through behaving ethically and creating strict sanctions on acts of corruption. Preventing usually includes all legal acts, sanctions and Codes of Conduct that have been created to form a frame in which an employee of the public administration can act. This includes any so called hard methods of control such as strict sanctions for corrupt behavior. (Salminen et al. 2007.)

##### 4.1. Laws

Formalized rules define roles and delineate the parameters of acceptable conduct (Sandholtz & Gray 2003: 761–800). Legal frameworks act as a control through setting laws as standards of behavior and making sure that public servants abide by the laws through maintaining a set of sanctions (OECD 1996: 30). Sanctions have to be applied whenever necessary to make the threat of sanctions efficient (Dunsire 1978: 90–143). Legal frameworks also create a transparent administration so that it is easier for the public to participate and act as a watchdog of administrative behavior (Bertok 2000). It is important that laws cover the conduct of the public administration. According to Salminen, Viinamäki and Ikola–Norrbacka (2007) there is a higher risk of corruption if there are no clear codes or guidelines of behavior or if the officials do not feel bound by these rules.

In Finland the first of these is the Finnish Administrative Procedure Act which was created to minimize the harms of corruption, to create good relations between administration and citizens and guarantee ethical behavior of civil servants. It does so by stating that administrators must treat clients equally, the administrator has to be impartial, use clear and understandable language and provide free advice within their competence. (Salminen et al. 2007.) The second set of codified rules to fight corruption is the Penal Code. The Penal Code of Finland lists the following acts as offences in office (in a chapter dedicated to offences in office)

“1) acceptance of bribe and aggravated acceptance of a bribe, 2) bribery violation 3) acceptance of a bribe as a Member of Parliament 4) breach and negligent breach of official secrecy, 5) abuse of public office and aggravated abuse of public office, and negligent violation of official duty” (Salminen et al. 2007).

The Penal Code also lists sanctions for the above mentioned crimes such as dismissal and imprisonment at the most extreme (Äijälä & Hyvönen 2001). Through these legal acts it is made clear what ethical behavior of a civil servant is considered to be. This makes it easier for civil servants to adhere to rules because there are no misunderstandings and any violations are blatant. These rules influence the behavior of top level civil servants which is in turn reflected in the behavior of the lower level administration. It is important for those in higher administrative positions to show an example of how an ethical civil servant behaves and act according to the rules, acts and codes in place.

The State Civil Servants' Act makes provisions for action in cases where an employee of the public administration commits an unethical act or fails to meet the requirements of their employment (Valtiovarainministeriö 2005: 26). In addition to the above mentioned ways of making administrative values clear the Finnish Constitution also states the prerequisites for good governance and administration (Salminen et al. 2007).

The main anti-corruption legal framework in Australia is the Public Service Act 1999. It covers such topics as the values that the public sector has to abide by, makes provisions for the protection of whistleblowers, prohibits favoritism and patronage and makes provisions for equitable employment. The Crimes Act of Australia is similar to the Penal Code in Finland. It criminalizes certain acts in and against the public administration by those in employment of or after employment in the public administration. It mentions detailed and very specific acts such as fraud, browsing the Commonwealth computers, theft, release of Commonwealth information and bribery. (Australian Government 2008.)

The Australian Constitution helps control corruption in the public sector as it states the rule of separation of power which means that no one body has a high concentration of decision-making power. The Constitution also guarantees freedom of political communication whereby the press has the right to publicize

any case of corruption. (Australian Government 2008.) Australia has created very detailed criminal codes for a range of acts of corruption instead of covering administrative corruption in one parliamentary act. Examples of these detailed acts include Corporations Act 2001 which covers breach of duties as a director of a company, the Financial Management and Accountability Act 1997 which covers offences of unethical management of public funds and the Crimes Act 1914 which criminalizes the obstruction of justice. Even those that may not seem crucial at first glance like official travel, work outside the public service, political activity or control of fraud, which includes regulations on use of credit cards, serve an important purpose in creating the proper ethics infrastructure. In addition to the Public Service Act 1999 and the Constitution improper behavior of a civil servant is made clear in other Australian legislation such as the criminal law and certain regulations of the Commonwealth. (Office of Public Service Values and Ethics 2003.)

The Crown Entities Act 2004 is an umbrella act that covers the different departments of the public administration of New Zealand. It makes provisions for such issues as the conflict of interest of public sector employees, clarifies the duties of the employees and reporting and accountability provisions. The State Sector Act 1988 has brought about reforms in the public sector of New Zealand through creating provisions for monitoring the acts and performance of those working in the public sector. It also makes provisions for training and development of the staff, providing guidance and advice within the public administration, recruitment and working conditions for the existing employees and makes each department head responsible to the appropriate minister for the above mentioned conduct, giving advice to the minister, efficient and economic running of the department and gives the employer duties and rights to the department head. (State Services Commission 2001.)

The criminal acts related to bribery in the public service are covered in the Crimes Act 1961. The Crimes Act defines bribery and the misuse of official information in the public administration and states the sanctions for these crimes. It states that a bribe may involve money, valuable consideration, employment, office or any other benefit. It also states the sanctions for the above mentioned crimes such as various ranges of imprisonment. The constitution of New Zealand is not one document and it is not codified but consists of a collection of statutes, treaties, decisions of the courts, unwritten

constitutional conventions and other documents. The Protected Disclosures Act is in place to guarantee safe whistleblowing of those working in the public administration. It guarantees that those committing an act of whistleblowing are not in risk of harassment, persecution or dismissal. (New Zealand Ministry of Justice 2008.)

#### 4.2. Codes and Directives

Codes and directives act as guiding factors in the ethical conduct of public administrators. An example of these are Codes of Conduct which act as a control because they state and clarify standards of behavior, values and obligations of the organization which are clearly different from those of the private sector (Dresang 1984: 54–61). The fact that they are so different from the standards of the private sector makes it necessary for them to be clarified. Codes of Conduct can be legislated or not, if they are legislated they become easier to enforce but less flexible, if they are not legislated they can be modified to changing circumstances (OECD 1996: 37). Usually Codes of Conduct are legislated but other directives are not and act only as guiding elements. To promote a neutral civil service those employed in the service must reflect the government which is in force at the time. To achieve this, the civil service is governed by a code of conduct, and norms of behavior. (Mascarenhas 1997.)

The Supreme Court of Finland, which is the highest instance for clarifying administrative values, informs the civil service of ethical norms of conduct (Virtual Finland 2008). As well as the Supreme Court clarifying ethical values the Association of Finnish Local and Regional Authorities send out circulars to the municipalities about good local governance and ethical administration (Salminen, Viinamäki & Ikola–Norrbacka 2007). Circulars enable the updating of rules of conduct faster than creating legislation on the same issue.

The conduct of those working in the public administration of Finland is regulated very little by rules and regulations compared to before. There is no separate Code of Conduct for the Finnish public service. Instead, the State Civil Servants' Act includes a chapter on the conduct, duties and authority of civil servants which act as ethical norms for the public administration. This chapter includes regulations on the responsibilities of the civil service, the way of

conduct both on duty and free time, the handling of information, prohibition of taking bribes and the taking of other vocations to maintain impartiality. (Äijälä & Hyvönen 2001.)

The Code of Conduct which is laid out in Section 13 of the Australian Public Service Act lists ten rules that public servants must adhere to. These include the requirement that a civil servant must act honestly, respectfully and with integrity, they must be courteous and follow laws, be diligent, loyal and adhere to rules of confidentiality and take into account the reputation of the public service. They must respect public property and make public any conflict of interests that may influence his position as a public official. (Office of Public Service Values and Ethics 2003.) The Australian Public Service Commission sends out circulars to agencies which outline any changes and advancements in the public service and make clear the most recent set of protocol for administrative conduct (Australian Government 2008).

There are also certain Commonwealth standards of behavior that are in place (Office of Public Service Values and Ethics 2003). All of the above mentioned laws contain rules for very specific and narrow areas of conduct. In addition to laws, there are numerous directives and requirements that are in place for specific agencies or departments. The Commonwealth published new guidelines for conduct in cases of fraud in 2002. It gives rules and advice on how to control and manage fraud and the risk of fraud. Examples of this include better and more detailed reporting to the government on cases of fraud, training for those in charge of investigating cases of fraud and guidelines on how to control fraud when outsourcing is used.

The guidelines also established the Fraud Trend Information Network where agencies meet together to discuss the sort and quantity of fraud they have discovered. Because the agencies involved are largely funded by the Commonwealth each year they must report on their actions and prove that they have stayed in line with the rules that are set in the guidelines for those working in the public administration of Australia. (Australian Public Service Commission 2003.)

In New Zealand Public Service Code of Conduct was published in 1990 by the State Services Commission which acts as a central agency in clarifying the

minimum standards of integrity and conduct in the public service of New Zealand (The State Services Commission 2001). The Code of Conduct states the minimum standards of integrity in the public administration of New Zealand (Commonwealth Secretariat 2003: 5). Following this lead, many agencies within the public administration have issued their own, more detailed, codes of conduct that apply to their practices. The Public Service Principles, Conventions and Practice texts were produced in 1995 as a guidebook and reference to acting within the public service. It is available to all those working in the public administration and provides information on appropriate behavior of the public administrator. It is used to create a more ethical environment and to encourage those in charge of the departments to create more educational and training opportunities for their employees under a common umbrella of rules of conduct. (The State Services Commission 2001.)

In addition to the above mentioned directives and guidance that is issued to the public administrators of New Zealand, the Cabinet also publishes Cabinet Office Circulars on general issues of ethical conduct which can later be included in the Cabinet Manual which is available for reference for all those working in the public service. These circulars provide updates in rules of conduct and aid civil servants in interpreting the Code of Conduct (The State Services Commission 2001.)

#### 4.3. Summary

In the category of preventing as a tool for the control of corruption similarities can be found. Similar frameworks such as criminal laws, Codes of Conduct and the sending out of circulars exist but the organization of these tools varies from country to country showing differences in organization, specificity and decentralization.

Similarities in preventing:

- Criminal laws list corrupt conduct in the public administration and sanctions for these acts
- Conduct of public administration is clarified in official acts or Codes of Conduct

- Circulars update rules on conduct in the public administration

Differences in preventing:

- Organization of the legal framework
- Specificity of laws
- Decentralization in the creation and publication of circulars

The Penal Code of Finland and the Crimes Acts of Australia and New Zealand can be considered the same type of laws to prevent corruption in the public administration but there are significant differences that make the legal frameworks of corruption prevention in these countries different. Both Finland and Australia have a Constitution in place which state prerequisites for good governance. In New Zealand on the other hand, there is no codified Constitution at all so it does not contribute to the anti-corruption legal framework. Instead, other forms of acts and laws are used to cover the area that the Finnish and Australian constitutions cover.

Australia, like in the case of values, differs from Finland and New Zealand on the specificity of the laws in place. Australia has an extensive amount of detailed laws that curb corruption whereas Finland and New Zealand have much more general legal frameworks. The requirements of those working in the public administration and the sanctions for corrupt acts by civil servants are listed in the Finnish State Civil Servants Act and the Finnish Administrative Procedure Act, the Australian Public Service Act and Commonwealth Law and finally, the New Zealand Crown Entities Act, State Sector Act and Protected Disclosures Act. The Code of Conduct covers the conduct of public administration in Australia and New Zealand, in Finland the Code of Conduct is a chapter of the Finnish State Civil Servants Act.

All three of the countries studied have circulars that are sent out in the public administration to update the requirements and conduct of those working in the public administration but these circulars are sent out by different entities. In Finland they are sent out by the Local and Regional Authorities which shows the devolved nature of the Finnish public administration. In Australia, where the public sector can be seen to be more centralized in the control of corruption, circulars are sent out by the Australian Public Sector Commission which is the

central ethics body in Australia. In New Zealand circulars are sent out by the Cabinet Office which is a government–secretariat which supports the central government which also shows centralization in the updating of administrative practices and documents.

## 5. WATCHDOGGING OF THE PUBLIC ADMINISTRATION AS A PREREQUISITE FOR CONTROLLING CORRUPTION

Watchdogging includes the methods of monitoring of those working in the public sector such as evaluating agents, any bureaus created to find acts of corruption in the public sector, the public and the media as well as the Ombudsman. Watchdogging often includes decentralized monitoring and strict financial audits (Salminen et al. 2007). Watchdogging includes ethics boards and monitoring and controlling bodies.

### 5.1. Ethics Board

Coordinating ethics bodies, such as the ethics board, are of significant importance in that they either direct ethics programs or delegate these tasks to other bodies and oversee them. Most often they act as promoters of ethics whereby they are a central body that promotes ethical public administration. An ethics body can also have the role of watchdog or counseling body that acts as a consult to other departments. The role of watchdog is also played by the public and the media. This has been encouraged through rules of openness and transparency in the public service. (OECD 1996: 41–43.)

There is no single body in charge of investigating ethical misconduct of civil servants in Finland. This is despite the fact that it has been claimed that the best mechanism for controlling corruption in a complex society is an ethics board that is in charge of giving out advisory opinions, investigating unethical acts and reporting the findings of its research to the appropriate authorities (Zimmerman 2001: 224). The lack of a special ethics body is compensated by the strong position of the Chancellor of Justice and Ombudsman (Virtual Finland 2008). The Chancellor of Justice and the Ombudsman are the main legal controls on controlling corruption and promoting integrity in the public administration.

In coordinating ethics in the public service the Australian system is more centralized than that of Finland which does not have a central ethics board. In Australia the Public Service and Merit Protection Commission was founded in

1995. Its main task is to function as the coordinator for the government in establishing a common understanding of the ethics infrastructure and values among the public service matters. It also monitors the implementation of the values it promotes and the adherence of the agencies with the Code of Conduct. (Office of Public Service Values and Ethics 2003.)

Similar to Australia New Zealand has chosen a route of centralization in coordinating ethical matters in the public administration. In New Zealand the State Services Commission is the main body in creating and an apolitical public administration where administrative ethics are a governing issue and acts as the main ethics board. They seek to do this through promotion of the type of ethical environment they demand instead of a classical adherence to rules style compliance. (The State Services Commission 2001.)

## 5.2. Monitoring and Controlling Bodies

Monitoring and controlling bodies aid in holding public administrators accountable. Accountability mechanisms act as an aid in forming and maintaining an ethical public administration. In the public service accountability can be internal whereby audits are conducted or procedures are required to be written down and made public. They can also be external whereby an overseeing body exists. (Berkley et al. 1975: 328–339.) Usually the monitoring and controlling bodies function in both of these areas.

The Chancellor of Justice and Ombudsman are the highest legal officers in Finland and are nominated by the president but work independently with all necessary rights to investigate (Parliamentary Ombudsman Finland 2008). The citizens announce incidents of performance of the civil servants to the Ombudsman that they feel need to be investigated. The Ombudsman and the two Deputy–Ombudsmen, both of which have the same powers as the Ombudsman, are named by the parliament (Parliamentary Ombudsman Finland 2008). The Ombudsman has to “ensure that public authorities and officials observe the law, constitutional and human rights, and that civil servants fulfill their duties according to good administration” (Salminen et al. 2007). The Chancellor on the other hand is a supervisory body that observes government actions to guarantee their legality. Through the powers of the

Chancellor of Justice and the Ombudsman independent investigation is guaranteed. The tasks of these two entities are largely the same in that both oversee the actions of authorities and officials. (Parliamentary Ombudsman Finland 2008.)

Free media and the public can also be considered controlling and monitoring bodies when there are transparency and whistleblowing mechanisms in place to make this possible. Because Finland is a country of low hierarchy and high egalitarianism, the public is more likely to participate as a watchdog of administrative actions. The Finnish society is largely a classless one that provides equal opportunities for its citizens. The above mentioned factors also lessen the temptation of accepting bribery. (Virtual Finland 2008.)

In Finland the social disgrace that someone who has been caught for an act of corruption experiences after the publicizing of a corrupt act by the media or the public is extensive and after getting caught it would be difficult to get high level employment as the person will be stamped for life and only remembered for the wrong reasons, none of his or her achievements are remembered (Salminen et al. 2007). Because the Finnish society is small having a good name is something that is highly valued. This makes the monitoring by the public and the media more effective. All of the above mentioned social punishments for corruption simply make it not worthwhile for a civil servant to attempt corruption.

Because of the low hierarchical structures administration in Finland is decentralized and corruption is controlled by several institutions as part of their duties instead of one higher institution. All ministries and the government have their own special internal control unit that conducts financial audits but their task is only to find acts of corruption or misuse the handling of which they pass on to police authorities and there is always external pressure to solve internal and police investigations as these are of interests for the media and the public, especially in Finland where such cases are rare. There is also the National Audit Office that is in charge of audits but functions as an independent body. It provides the parliament, citizens and the administration itself with proper information on performance audits and ensures that the state and other agencies adhere to the budgets assigned and looks after annual accounts. The just administrative tradition of the Finnish public administration that has been carried on for years is also a watchdogging type of control of corruption. There

are also parliamentary committees that monitor and overlook the public administration and the use of public funding (Parliament of Finland 2008).

As in Finland, accountability in Australia is achieved through both internal and external institutions. Internal controls on corruption are guaranteed by the Ombudsman and the Australian National Audit Office (Office of Public Service Values and Ethics 2003). There are also other internal financial control and monitoring mechanisms. The Ombudsman, usually appointed by the government or parliament, acts independently and investigates matters brought forth by the citizens and if an act of corruption is discovered the matter is handed over to the federal police for further investigation. In Australia there is a Commonwealth Ombudsman and State and Territory Ombudsmen for the eight states and territories. (Commonwealth Ombudsman 2008.)

The Auditor-General which reports on and monitors the public sector, and acts as a guiding and leading force in all matters related to ethics in the public service. It acts as an independent party supported by the Australian National Audit Office thus guaranteeing independent accountability mechanisms. The Australian National Audit Office provides auditing services to the Parliament as well as other governmental bodies and agencies. (Australian National Audit Office 2006.) In addition to the above mentioned tools independent control is conducted by the Parliament and the Parliamentary committees, the courts of law, the Merit protection and review agency, the administrative appeals tribunal and external auditors (Office of Public Service Values and Ethics 2003).

Like the principle of transparency, the Australian freedom of information legislation provides the framework for citizen participation in administrative matters. This and the egalitarian nature of the Australian society ensure the monitoring of administrative actions by the citizens and the media. Whistleblowers are also protected by directives. If a regular citizen wants to call for an investigation of improper conduct they may do so through the Ombudsman, the Inspector general of information or through specific complaint procedures by service charters. (Office of Public Service Values and Ethics 2003.)

Reporting is also provided by the Commissioner of the Public Service and Merit Protection Commission, the central ethics body in Australian public

administration, which prepares a status report annually on the adherence to the Code of Conduct as well as the compliance and respect to Australian administrative values experienced in different agencies which it presents to the Parliament. The Merit Protection and Review Agency acts as an external monitoring agency of the public administration.

Another annual report on administrative values is the one presented by the Commonwealth Legislation Enforcement Commission to the Department of Justice. It reports on performance of agencies on matters such as education and training, investigation and corruption prevention. (Office of Public Service Values and Ethics 2003.) The parliamentary committees also have a significant role in holding the public administration accountable. The committees consist of a group of Members or Senators and conduct investigations into specific issues and oversee the spending of public funds and may ask for justification on decisions made. (Parliament of Australia 2008.)

Like in Finland and Australia, watchdogging in New Zealand is also performed by the media. The public is more interested in making sure that their interests are adhered to making the media more likely to report any case of public interest matters such as issues related to management or public resources. The satisfaction of the public in their public administration can usually be seen through an absence of adverse comments. (The State Services Commission 2001.) In New Zealand, the public administration has fared well. There is a long tradition of a trustworthy administrative environment which can be seen in the results of the Transparency International's Corruption Perceptions Index.

In New Zealand the Parliamentary Commission (Ombudsman) Act was published in 1962 which created an Ombudsman that is independent and acts on behalf of the New Zealand public (Mascarenhas 1997). Acts of corruption can be reported to the Ombudsman by the public as well as those working in the public administration. Currently there are two Ombudsmen functioning in New Zealand, the Ombudsman and the Chief Ombudsman, which are appointed by the Governor-General on recommendation by the House of Representatives and report to the parliament not the government to ensure the impartiality of their investigations on the government (New Zealand Ministry of Justice 2008). This move to a monitoring system was followed by the Official Information Act of 1982 which made the government more transparent and

giving the public access to information previously held secret thus giving the public better opportunity to act as a watchdog. The public administration is monitored to ensure that it serves the government in place in a neutral and unbiased way. (Mascarenhas 1997.)

Another central entity in holding the New Zealand public administration accountable is the Office of the Controller and the Auditor-General. They monitor the public sector and its use of money and report any wrong doings to the parliament. The Auditor-General is split into two sections, the Office of the Auditor General and Audit New Zealand. The former sets the standards by which Audit New Zealand undertakes its investigations and forms its annual reports to the Parliament. Audit New Zealand carries out the auditing function in public administration agencies on the criteria set by the Office of the Auditor-General. (New Zealand Ministry of Justice 2008.)

The State Services Commission and its Commissioner reviews the performance and conduct of all the departments annually and reports on these matters to the appropriate ministers. Each department has a Deputy Commissioner assigned to them to assess their conduct. (Commonwealth Secretariat 2003: 6–8.) The State Services Commission has the responsibility of monitoring the conduct of those working in the public administration (The State Services Commission 2001). Like in Australia, there are independent Parliamentary Committees that specialize in certain issues and act as monitoring bodies. The New Zealand Serious Fraud Office is a department of the government that detects, investigates and prosecutes acts of corruption in the public administration and publishes annual reports on its findings (OECD 2002.)

### 5.3. Summary

When comparing the watchdogging tools in Finland, Australia and New Zealand the clear differences in organization can again be seen. The scope of authority and influence of monitoring bodies also varies between the countries. Similarities exist but the differences are much more numerous.

Similarities in watchdogging:

- Transparency mechanisms allow the public and the media to act as watchdogging agents

Differences in watchdogging:

- Centralization of ethics coordination
- Scope of power and number of Ombudsman
- Organization of internal monitoring
- Authority of parliamentary committees

In all three of the countries studied there are transparency mechanisms that allow the public and the media to act as whistleblowers of unethical conduct in the public administration. Each of these countries has an egalitarian society with low or no hierarchy which encourages the public to act as watchdogging entities. This type of monitoring is made easier by the above mentioned laws and acts that guarantee access to information for the public and the media.

According to Zimmerman (2001: 224) the best mechanism for controlling corruption in a complex society is an ethics board that is in charge of coordinating ethics in the public administration of a given country. Yet Finland has chosen not to have a central ethics body but instead the lack of a central authority of ethics is compensated by the strong position of the Ombudsman and the Chancellor of Justice. In Australia the Public Service and Merit Protection Commission acts as the central ethics board. In New Zealand this responsibility is with the State Services Commission.

There are Ombudsmen in place in all three of the countries as monitoring bodies but the scope of power and the organization of the Ombudsmen are different. The Finnish Ombudsman was the second to be created in 1920 and the powers that it holds are more significant than those of many other Ombudsmen. New Zealand was the first English speaking country where an Ombudsman was established and Australia followed soon there after. In addition to the authority the Ombudsman holds, differences can be seen in the organization and number of Ombudsmen. In Finland there is an Ombudsman and two Deputy-Ombudsmen both of whom have the same authority as the

Ombudsman (Parliamentary Ombudsman Finland 2008). In Australia there is a Commonwealth Ombudsman and State and Territory Ombudsmen for the eight states and territories of Australia (Commonwealth Ombudsman 2008). This may be due to the fact that Australia is a much larger country than Finland and New Zealand and having an Ombudsman for each region is a more effective way of guaranteeing an ethical public administration. In New Zealand there are two Ombudsmen, the Ombudsman and the Chief Ombudsman (New Zealand Ministry of Justice 2008).

Internal monitoring exists in all three of the countries studied but the placement and organization of the agencies varies. Both Australia and New Zealand have an Auditor-General which is a public body in charge of auditing other public departments and agencies. In Finland there are internal control units in ministries and the government that monitor the conduct of the department they are placed in. This guarantees true impartial internal monitoring as the agencies are placed within the departments but are not part of the departments.

Parliamentary Committees exist in Finland, Australia and New Zealand but their tasks and authority are different. The Parliamentary Committees in Australia and New Zealand also have a key role in monitoring and investigating acts of corruption as they only deal with specific issues so they can specialize in a certain unethical act. In Finland the Parliamentary Committees monitor much more generally and do not necessarily investigate independent issues but prepare reports for the parliament that it can base its decisions on (Parliament of Finland 2008). Their chief task is overseeing.

## 6. CONCLUSIONS

The main theme of this study is corruption in the public administration and the control of it in Finland, Australia and New Zealand. Corruption in the public administration was defined as the misuse of power or resources for one's own good and as a complex, multi-levelled phenomenon that needs a complex system to control it. These complex systems of control differ according to the administrative backgrounds and cultures of countries. In the theoretical discussion of control above it was stated that control is a prerequisite for a functioning of a public administration and creating accountability. Both the public and the public administration benefit from efficient tools of control. Finland, Australia and New Zealand were chosen to be studied because of the similar placement in the Transparency International Corruption Perceptions Index and because they are all countries that can act as examples in controlling corruption.

The control of administrative corruption and administrative ethics were chosen as a subject for this research as it is an area that is gaining an increasing amount of attention in the media as well as within the realm of public administration. The similarities in the administrative cultures and placement in the Corruption Perceptions Index of Finland, Australia and New Zealand means that there are enough similarities between these countries so that the differences can be studied and a most similar systems design could be used. This research is a comparative study of three cases in the realm of public administration research. The usage of a comparative study in public administration aids reform and the forming of new theories and best practices.

Each of the three countries studied has a history of fairness and egalitarianism which has been represented in such events as New Zealand and Finland being the first countries to give women the right to vote and New Zealand and Australia making provisions for the equal treatment and opportunity of minorities. It can be seen in the Corruption Perceptions Index of Transparency International that those countries that do not have a tradition of equality in the society have more cases of corruption and bribery. Individuals that feel they are being unfairly treated seek to find ways of getting better treatment even if they have to turn to corruption to achieve this.

The basic method for this research was a country comparison based on documentary comparison discussed previously in more detail. This study utilizes various forms of sources of information including books, previously published studies and research materials, and relevant websites such as the websites of international organizations and the governments and public administrations of Finland, Australia and New Zealand. The time of publication of the sources used span from the late 1960's to present. The websites run by the public administrations and the governments of these countries were an important source and provided detailed information on the control methods of each country. This study seeks to find particularities in the methods of control of corruption in each of the countries studied and to generalize a well functioning set of methods for controlling administrative corruption which other countries can model their set of controlling tools on. The comparison conducted in this study makes clear the methods of control of corruption that can help public administrations fight corruption. Table 3 discusses the findings of this study.

Table 3. The Specificities of Control of Corruption in Finland, Australia and New Zealand.

<b>Finland</b>	<b>Australia</b>	<b>New Zealand</b>
<ul style="list-style-type: none"> <li>- Administrative values emphasize effectiveness</li> <li>- Long tradition in transparency and Ombudsman</li> <li>- Relatively closed system of recruitment</li> <li>- Circulars sent out by Local and Regional Authorities which shows devolvement.</li> <li>- Training determined by departments in annual performance reviews</li> </ul>	<ul style="list-style-type: none"> <li>- Administrative values emphasize equity in the workforce and the workplace</li> <li>- Detailed and extensive values, laws, codes and directives</li> <li>- Merit based recruitment</li> <li>- Circulars sent out by the Australian Public Sector Commission which shows centralization in the clarifying of public sector values</li> </ul>	<ul style="list-style-type: none"> <li>- Administrative values emphasize integrity</li> <li>- Rules of recruitment are not strict</li> <li>- Circulars sent out by the Cabinet Office</li> <li>- Training in the public administration is a new development.</li> <li>- Coordinating body in training in the public administration as well as training run by departments</li> <li>- No formalized</li> </ul>

<ul style="list-style-type: none"> <li>- Ombudsman and two Deputy- Ombudsmen</li> <li>- No single coordinating ethics body</li> <li>- True internal control through control units in ministries and governmental departments</li> </ul>	<ul style="list-style-type: none"> <li>- Single coordinating body in training in the public administration</li> <li>- Commonwealth Ombudsman and State and Territory Ombudsmen</li> </ul>	<ul style="list-style-type: none"> <li>constitution as part of the legal framework</li> <li>- Ombudsman and Chief Ombudsman</li> </ul>
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This study found certain country specificities of the tools used to control corruption in the public administration. Finland is characterized by having a set of public administration values that emphasize effectiveness. Although effectiveness in the public administration is a common international trend Finland has gone a step further by making effectiveness its number one value for the public administration. Finland also has a long tradition in transparency and having an Ombudsman. It has been a forerunner in both of these control methods setting an example for other countries to follow. The monitoring by the Ombudsman in Finland is conducted by the Ombudsman along with two Deputy-Ombudsmen who have the same power and authority as the Ombudsman. In addition to the long tradition in transparency there is also a long legalistic tradition in Finland whereby traditionally those with legal degrees were hired for positions in the public administration. This along with a relatively closed system of recruitment has created a public administration that has internalized the public administration values which decreases the significance of training compared to countries with open systems of recruitment.

The Finnish public administration is a decentralized system where much of the decisions and strategies are conducted by the departments themselves. This can be seen in the way the training of the public administration employees is conducted. There is no central authority for organizing public sector training but instead the training is conducted by departments themselves and differs according to the strategy and the needs of the department. Another example of the decentralization of ethics coordination is the fact that the circulars that

update the public sector employees on current conduct and decisions in the public administration are sent out by the Local and Regional Authorities instead of a central ethics body. One of the main specificities of the control of corruption in Finland is the lack of a central ethics body that coordinates ethical matters. This is compensated by the strong position of the Ombudsman and the Chancellor of Justice. The control of corruption in Finland is also efficient due to the internal monitoring agency in each governmental and parliamentary agency which guarantees true internal monitoring of the public sector.

The organization of the control of corruption in Australia is less decentralized than that of Finland and New Zealand. It is also characterized by detailed acts, values and rules that aim to clarify the conduct of public sector employees thus making sanctioning easier when unethical acts are discovered. This is especially important because of the open system of recruitment that is merit based. The Australian administrative values emphasize equity in the workforce and the workplace. Detailed rules are made so that the public sector would be an egalitarian place of employment where the public would be fairly represented and the workforce treated equally. Centralization of ethics coordination is shown by having a central ethics body and by the fact that circulars are sent out by the national Australian Public Sector Commission.

The tradition of transparency and the Ombudsman are much more recent developments than in Finland. The authority of the Ombudsman is also less significant than in Finland but the central ethics body guarantees coordination and organization on ethical matters that in Finland are governed by the Ombudsman and the Chancellor of Justice. Instead of the division of the Ombudsman authorities to an Ombudsman and two Deputy-Ombudsmen like in Finland the Australian Ombudsman consists of the Commonwealth Ombudsman and State and Territory Ombudsmen. This is an efficient way of organizing this authority on such a large territory.

The New Zealand public administration values emphasize integrity. The values are based mostly on the moral conduct of the public servant instead of specific goals for the conduct like Finland and efficiency or Australia and egalitarianism in the workplace. The rules of recruitment are similar to that of the private sector but the rules are not strict compared to those of the Finnish public administration. University education is usually required but the public sector of New Zealand has not been able to enforce strict rules as it has had difficulties in

employment. The circulars for the public sector are sent out by the Cabinet Office which is a supporting entity of the central government of New Zealand.

Despite the fact that the recruitment style has not been strongly restricted in New Zealand the training of public sector employees is a recent development. The training is run by the departments themselves in addition to a central training agency that organizes general training. The fact that the level of corruption has been maintained minimal despite the open system of recruitment and the lack of a long tradition in transparency can be explained by the egalitarian nature of the New Zealand society. New Zealand is a country where values of the public are relatively homogeneous meaning that those working in the public sector are likely to strive for the same values the public believes in as those are the values they hold important. The organization of the legal framework as well as the Ombudsman differ from Australia and Finland. Unlike the other two countries studied, New Zealand does not have a formalized constitution. The Ombudsmen consist of the Ombudsman and the Chief Ombudsman.

Control of corruption in Finland is highly devolved with no central ethics body and much of the training and strategy decisions being made by the departments themselves. Australia has chosen a path of detailed and numerous values, laws and directives and a much more centralized form of coordinating ethical conduct such as having a central ethics board which also publishes national circulars on ethical matters. Most rules are codified for clarification and the public administration is run similarly to the private sector especially when it comes to recruitment. For New Zealand, controlling corruption through a principle of transparency, training in the public administration and monitoring agencies such as the Ombudsman are relatively new developments. Yet the trust of the public has been maintained through the egalitarian and non-hierarchical style of society and due to the homogeneous value basis of the New Zealand public.

The differences in the methods for controlling corruption can be caused by the varying traditions of organizing the public administration, differences in the backgrounds and size of the societies and the levels of decentralization enforced in the control of corruption in the public administrations of these countries. In Finland many significant methods of control of corruption such as the principle

of transparency and the Ombudsman have historically been a part of the public administration which means that other methods of control that have been created later on have been created on the basis of two functioning strong methods of control and have been adjusted to work with them. An example of this is the lack of a central ethics body which is considered an important method for controlling corruption by many theorists. In Finland there has been no need for the creation of a central ethics body as the strong position of the Ombudsman and the Chancellor of Justice have compensated the lack there of.

Australia differs from Finland and New Zealand in that it has a much larger territory and public that it needs to administer (See Appendix for more information). This accounts for the differences in for example the organization of the Ombudsmen which there are more of than in Finland and New Zealand. It also explains why Australian authorities have felt the need to create detailed acts and laws. Because the territory and public is so vast and sparse the laws must be detailed as the central authorities cannot monitor or advice the copious amount of agencies, employees and departments constantly. The fact that the Australian system for the control of administrative corruption is less devolved than those of Finland and New Zealand may be due to the need for a centralized authority that informs the departments placed far apart on common rules of conduct so that the level of service in public sector agencies around the country would be the same.

New Zealand has relied heavily on the tradition of equality, democracy, trust and a non-elitist government in guaranteeing an ethical public administration. The public have put their trust in their administration and the administration has not let them down. Many of the tools for controlling corruption, such as training and transparency, are relatively recent developments in New Zealand. New Zealand has not felt pressured earlier to create stronger or more controls of corruption. The value base of the New Zealand public can be considered relatively homogeneous and the public have felt that the administration has responded to their values.

The focus has not been on policing and rules but on creating a sense of integrity in the public administration. The style of administering has been more of guidance instead of formalization of rules. The administrative reforms of New Zealand aimed to create more devolvement. This combined with the tradition

of centralization that comes from being governed by the British system explains why the tools for the control of corruption in New Zealand show both centralization and decentralization. For example, training of public servants is organized both by a central agency as well as the departments themselves. The regional councils also have relatively high levels of autonomy to make decisions on conduct yet the rules of conduct and circulars are created by central authorities.

The results of this research show that an uncorrupt public administration can be achieved through utilizing various tools. These tools must cover the categories of promoting, preventing and watchdogging and they must be suitable to the administrative culture that has been historically enforced in the country. As the tools chosen for controlling corruption in Finland, Australia and New Zealand are different other countries looking to create efficient systems for controlling corruption can find the tools that are most fitting to their administrative styles and backgrounds.

Finding models for the control of corruption is important as such models can aid other countries in achieving the same level of ethics in the public administration as Finland, New Zealand and Australia have traditionally maintained. These models must also be modifiable to the culture and administrative system of a country as there are no guarantees that a system that works in one country will also work as efficiently in another country. Creating an efficient system of control of corruption for the public administration is a challenging task. Difficulties are caused by the size of the public administration, the varying nature of the agencies involved, the complexity of the system and the lack of a common measuring method. It may also be more difficult for countries that do not have a tradition of fairness and egalitarianism in the society to create an uncorrupt administrative system to the level that Finland, Australia and New Zealand have. Especially as many countries that have high levels of corruption also have weak legal and financial institutions.

This research has some limitations in the range of countries studied and the applicability of the results. Although three countries were studied, these were all countries with similar placements in the Transparency International Corruption Perceptions Index and with similar administrative cultures. For this particular study it was necessary as it concentrated on the possibility of using

different tools to reach the goal of control of corruption. But future research in the field of control of corruption in public administration should concentrate on developing a better understanding of the interplay between different tools of control and the combinatory possibilities of these tools.

To achieve this more countries should be studied and the research should include countries from different placements in the Transparency International Corruption Perceptions Index to see how the controls of countries with minimal corruption differ from those in the mid-range and lower placements of the index. Through this knowledge and understanding more applicable theories that could aid countries in developing their public administrations could be created. Further research should also include the affects of the size of the country and the population on the control of corruption. Creating controls in a larger country may be more challenging which may also account for the slightly lower placement of Australia in the Corruption Perceptions Index compared to Finland and New Zealand.

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## APPENDIX 1. Societal Facts of Finland, Australia and New Zealand (CIA 2008)

	<b>Finland</b>	<b>Australia</b>	<b>New Zealand</b>
<b>Capital</b>	Helsinki	Canberra	Wellington
<b>Population</b>	5,2 million	21 million	4,2 million
<b>Area</b>	338145 sq. Km.	7686850 sq. Km.	268680 sq. Km.
<b>Religion</b>	Lutheran Church of Finland 82,5%, Orthodox Church 1,1%, other Christian 1,1%, other 0,1%, atheist 15,1%	Catholic 26,4%, Anglican 20,5%, other Christian 20,5%, Buddhist 1,9%, Muslim 1,5%, other 1,2%, unspecified 12,7%, atheist 15,3%	Anglican 14,9%, Roman Catholic 12,4%, Presbyterian 10,9%, Methodist 2,9%, Pentecostal 1,7%, Baptist 1,3%, Other Christian 9,4%, other 3,3%, unspecified 17,2%, atheist 26%
<b>Ethnic Groups</b>	Finns 93,4% Finnish Swedes 5,6% Russian 0,5% Estonian 0,3% Roma 0,1% Sami 0,1%	White 92%, Asian 7%, Aboriginal and other 1%	European 69,8%, Maori 7,9%, Asian 5,7%, Pacific islanders 4,4%, other 0,5%, mixed 7,8%, unspecified 3,8%
<b>Type of Government</b>	Republic	Federal parliamentary democracy	Parliamentary democracy
<b>Executive Branch</b>	Chief of State is the president, head of government is the Prime Minister	Chief of State is the Queen of England, head of government is the Prime Minister	Chief of State is the Queen of England, head of government is the Prime Minister
<b>Administrative Divisions</b>	6 provinces	6 states and 2 territories	16 regions and 1 territory
<b>Legal System</b>	Civil law based on Swedish law	Based on English common law	Based on English law with special land courts and legislation for the Maori
<b>GDP per capita</b>	\$ 35300	\$ 36300	\$ 26400
<b>Natural resources</b>	Timber, iron ore, copper, lead, zinc, chromite, nickel, gold, silver, limestone	Coal, iron ore, bauxite, copper, gold, silver, tin, nickel, uranium, tungsten, lead, zing, mineral sands, natural gas, diamonds, petroleum	Natural gases, iron ore, timber, coal, sand, gold, hydropower, limestone
<b>Agriculture products</b>	Barley, potatoes, wheat, sugar beets, cattle, fish, dairy	Wheat, barley, cattle, fruits, sugarcane, sheep, barley	Lamb and mutton, dairy products, barley, potatoes, wheat, fruit, vegetables, wool, pulses, beef, fish
<b>Industries</b>	Metals and metal products, electronics, machinery and	Mining, industrial and transportation equipment, food	Food processing, wood and paper products, textiles,

	scientific instruments, shipbuilding, pulp and paper, foodstuffs, chemicals, textiles, clothing	processing, chemicals and steel	machinery, transportation equipment, banking and insurance, tourism, mining
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