

Impact of bribery on social development of Afghanistan's economy

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Abstract

Bribery is one of the most dangerous and hazardous type corruptions which become one the major obstacle in the economic, social and political environment. Bribery is defined as the act of giving, promising soliciting, or accepting money, gift or other advantageous things with the intention to induce or reward improper performance. The aim of this paper is to study the impact of bribery on social development of Afghanistan's Economy. For this purpose, an exploratory research method is adopted with a sample population of 120 people from the citizens of Afghanistan which were randomly selected, and Questionnaires distributed for collecting the required data through online survey. Based the collected data, it is found that majority of the respondents were agree that bribery has a very bad effect on the development of business and thus hamper the economic development and growth of the country. The study concluded with suggestion and recombination which are expected to be fruitful and advantageous to reduction of bribery in Afghanistan.

Keywords: bribery, corruption, economy, business

1. Introduction

In a comprehensive sense, the concept of bribery refers to a situation where someone holding the position of authority do a favor by promising or providing ones with some benefits in ways that are against the fundamental principles, rules and regulations of a society and community. And it is one of the greatest problems that man has been facing for a long time but has intensified and strengthened nowadays in most of the countries especially in third world countries, which is one of the greatest barriers and obstacles to the implementation of social, economic, and political justice. Bribery is not a victimless crime, the damage caused is widespread, with both a global and personal impact. Morally and ethically it is difficult to justify. For individuals involved it can result in fines and imprisonment; for organizations it can result in fines. In both cases there is likely to be reputational damage which may have consequences for future funding, attractiveness of the organization, tighter controls, etc.



Fig 1

As every human being is concerned first and foremost with securing and safeguarding his/her own interest, the crime of bribery and many other forms of corruptions are rooted almost in every country as a great potential, which humpers the economic growth and development and lower the standard of living of the people in the corrupt societies.

Bribery is a dangerous form of corruption that has been associated with humankind for a long time. Numerous national and global institutions like the United Nations (UN), International Chamber of Commerce (ICC), Organization for Economic Cooperation and Development (OECD) etc. have suggested various modules, criterion and principles that now serve as models for understanding bribery.

As a general, we observe fewer crimes of bribery and other forms of corruptions being committed in advanced and developed countries as compared to developing and underdeveloped countries. However, even in the former societies it is not eliminated.

Bribery and corruption have an impact on everyone, and while the impact is not immediately recognizable to most of us, the global impact cannot be underestimated. From developing countries in Africa, Latin America, and Asia to the United States, Western Europe, and the United Kingdom, bribery and corruption continues to create an uneven playing field in international trade, commerce, and the process of government. The problems range from the petty payment requested by a custom official to unsuitably and inappropriately process an import package, to multimillion-dollar payments to secure a large government contract.

Bribery and corruption are the chief barriers and obstacles to sustainable economic, political and social development for under developing and developed economies, overall bribery

and corruption reduce efficiency and effectiveness and increases inequality.

The cost of bribery and corruption can be felt in many ways. Investors and traders are almost not willing to invest in the countries where systems of the government are perceived to be corrupt and not suitable for investing, because they are less able to assess the likely risk and return on their investment.

2. Review of literature

OECD (2011). Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and Related Documents. Available (2012): Bribery is widespread phenomenon in international business and international investment that raises serious moral and political concerns, militates against good governance and economic development, and distorts international competitive conditions; however, bribery needs a collective responsibility to tackle, because of how personal and environmental interests can help its imposition and existence.

Mitchell. C (2003): Every bribery transaction involves a supply side and demand side.

Backman. M (1999): Best-drafted laws can be rendered useless if efforts are not made to empower the citizens, because bribery is highly influenced by lack.

Heimann. F & Katz. R (1999): Institutional and legal frameworks along with self-regulations are imperative to putting an end to bribery, because of the power and discretionary effects that often go with bribery.

Sangram K. R (December 2009): Analysis in his research that corruption is a consequence of the monopoly power of authorization regime corruption is flourishing in full swing not only in India but also in entire world. Corruption is a moral depravity and influence through bribery.

Richard R. G (1999): Regardless of the shape or nature of bribery, popular awareness is being created worldwide about its general negative effects and people are becoming more eager to live and do business in a bribe free world.

3. Objectives of the study

1. To find out the effect of bribery on Afghanistan economy.
2. To find out the effects of bribery on small and enterprises.
3. To find out the negative impact of bribery in public administration.

4. Method and Materials

This research is descriptive research that is based on the phenomenon which is already being studied. The sample population of 120 people from the citizens of Afghanistan were randomly selected. In this study both primary and secondary data have been used. The primary data have been

collected through structured questionnaire where the target audience were approached with the help online survey to know the negative impact of bribery on the social development of Afghanistan economy and the secondary data has been obtained from different reliable source such as journals, published articles, books, internets, library. I have used different statistical tools such tables, percentage, Graphs, columns. Pie charts, bar graph etc for better analysis and interpretation of the collated data

What is bribery?

Bribery is defined as the act or practice of giving or receiving bribe. Bribery is a crime mostly occur when a person gives, receives, or provide money, gifts or some other valuable things to a public official for the aim of getting influence over him or her. Generally, gifts are distinguished from bribes, as being unconditional and without expectation of particular action on the part of the received but it will be considered as bribes, if the aim is to make wrong the right and make right the wrong. It is a crime in which both the parties maybe charged.

Bribery can be defined as "The act offering, promising, giving, requesting, or accepting of a financial or other advantage with the intention to induce or reward improper performance."

According to Organization for Economic Co-Operation and Development (2011), bribers often offer not money but non-pecuniary advantages such as trips, memberships in private clubs, or educational opportunities for the officials' children.

The Malaysian Anti-Corruption Commission (2009) defines bribery or corruption as an act of giving or receiving of any gratification or reward in the form of cash or in-kind of high value for performing a task in relation to his or her job description. Bribery does not have to involve cash or an actual payment and can take many forms such as a gift, hospitality, political donation tickets to an event and many other forms of bribery are there. The various kinds of bribery that occurs in the commercial sector are such as bribery in order to secure or keep a contract, bribery to secure an order, bribery to gain any advantage over a competitor, bribery of a local, national or foreign official to secure a contract, bribery to turn a blind eye to a healthy safety issue or poor performance or substitution of materials or false labor charges and bribery to falsify an inspection report or obtain a certificate. Bribery can be divided into two type, that is Active bribery and passive bribery. Active bribery refers to offering, giving, soliciting money or some valuable gifts by any person directly or indirectly to the public officials in order to influence them to do something in the favour of bribe giver. Or simply we can say when a person offers, promise or give bribes is called as active bribery. When a person directly or indirectly requests, accepts a bribe then it is called as passive bribery.

How does bribery happen?

Bribery may occur into following forms.

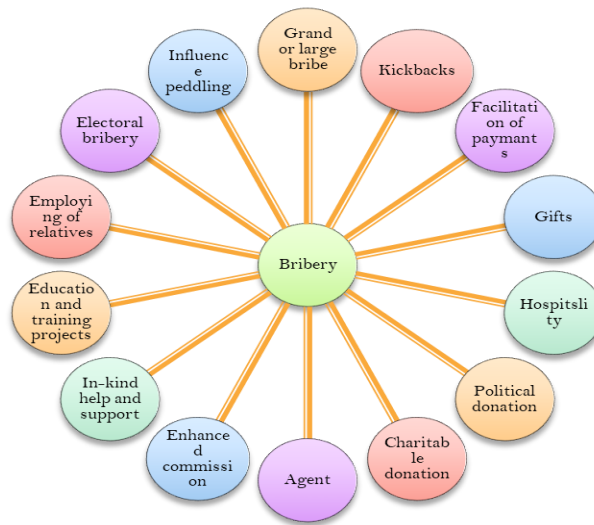


Fig 2

Kickbacks

kickback is a common form of bribery that is paid by a party to another one illegally and illicitly in order to influence him or her in a way that makes the right wrong vice versa commonly kickbacks are paid by organizations seeking to secure profitable contracts

Secret commissions

Secret commission is a type of bribery where an agent asking, soliciting or accepting a payment for doing something in the favor of the payer against the principles, rules and regulation of the society. This may be to secure a contract and to achieve profitable and favorable contract, or to prevent a profitable contract to be entered with a competitor. Whoever illegally, corruptly offer or gives some amount of money or something having value to an agent secretly can be called as secret commission.

Facilitation payments

Facilitating payments refers to a payment that made by a person to government officials as an incentive in order to influence the official to do his normal duties or to complete the work process quickly in the favor of the person who made the payment.

facilitation payment is a form of bribe where a government official is given money or a valuable thing to smooth and speedup the performance and progress of the public services to which the payer has the right for that, even without making the payment.

Electoral bribery

Bribery in the context of election, is essentially illegal and wrongful incentives. It refers to the vote buying. Electoral bribery occurs when a political party or candidate seeks to buy the votes of the voters in an upcoming election and promise them donation or giving them, some amount of money. This kind of bribery often used to persuade voters to vote for the person whom paid bribe. Electoral bribery is one of the most dangerous kinds of bribery which leads the occupation of the seats by an inefficient leader.

Gifts and hospitality

Gifts and hospitality are very common forms of bribery which is practiced by the businesses and individuals in order to build relationships with the parties having influence. Gift and hospitality are often offered, requested or received with a commitments and expectation to provide a benefit in return.

Why does bribery Happens?

There are several reasons that leads to bribery, some of these are can be listed as following.

1) Low pay scale/ wages

Low government compensation system (low wages and salary) combined with weak monitoring systems paves the way for corruption and bribery. There is an indirect relation between bribery and remuneration. When the officials get the high salary then there will less chances of the bribery occurrence.

2) Low job opportunity

This is one of the main causes of bribery and corruption, due to lack of job opportunity and unemployment, there will be many people who would willingly pay bribe to get the job offer. They will be ready to pay some amount of money or any other kind of bribery (like major gifts) for the job offer to the higher authority officials or position to get selected for a position. This satiation is going on in many under developing and developing countries especially in Africa and Afghanistan.

3) Lack of strict and proper management

Low level of government restriction towards the removal of bribery and corruptions leads to more prevalence of the bribery and corruption in a country.

4) Lack of accountability

Lack of accountability refers to a situation where a person who is supposed to do a certain task but doesn't do it, this mean he does not do his responsibility.

Employees at government offices do not perform their responsibility properly, they do not perform their job on time. If the employees receive 100 passport forms to be cleared in a week, they may not even clear 50% of them in that week. They post-pone the work the people. So those who are in urgency of the passport clearance must get them done by rewarding the officials. This lack of accountability in government offices is the chief cause for bribery and corruption in many under developing countries.

5) Lack of unity in public

Public openly criticizes corruption but in fact there is not an interesting unity among them to stop bribery and many other forms of corruption. If a person wants to get his work done faster by offering bribe to the officials and then later criticizes the corrupt officials. If the public stand united against corruption and bribery in such a way that no one should offer bribe to get their work done. Then the corrupt officials will have no other option but to work without asking bribe.

6) Disbelief and dishonesty

The most important reason for some people's tendency toward the bribery is their weakness of faith, dishonesty and lack of piety. A believing person has high trust in divine mercy and is thus sure that God satisfies his economic problems completely and he no longer needs to perform the sin of bribery. A pious person also has the power of contentionsness, which frees him from greed and consequently falling into the trap of bribes.

7) Profit Seeking

Man has a self-interest instinct and always moves towards his or her own interests. Things like doing one's work faster than it takes normally, interest in collecting more jewellery and money in transactions, tax evasion etc. are rooted in people's instinct to seek their own interests, and bribery is their means of achieving such goals.

Effects of bribery

Bribery and corruption are found in all part of the world. They hurt the society especially the poor section of the community and it hampers the development of the society. They undermine economic growth and are a barrier to poverty alleviation and good governance. Often, bribery and corruption can worsen conflict and insecurity in the country.

A) Economic effect

Bribery and corruption have long been perceived as a chief barrier and obstacle for socio-economic development; destroying national and international economic relations. When the bribery case in a country is serious, the economic development of the country will be weakened and slow down. This is due to working ability of workers has reduced. Every individual is only hoping for a bribe and ignore their proper job. Therefore, the development of the economy is slow down because of bribery.

Bribery can have a very harmful effect on an economy of a country. Engaging in corrupt practices also creates a very unfavorable business environment by encouraging unfair advantage and anticompetitive practices. Bribery is one of the major obstacles to the economic development of a country; it undermines and ruin the rule of law, weaken trust in public institution and challenges democratic principles.

There are some major negative impact of bribery and corruption on economy as under

1) Incorrect distribution of resources

Resources that should be dedicated to the production of goods and services are corrupted. This includes direct financial resources, such as cash transfers and indirect funds, as maintaining relationships with government officials or securing license of manufacturing for small-scale companies. Corruption and bribery also cause unbalanced distribution of capital to be spent on services. The amount of money that generated from taxes also goes in the wrong way, instead of being added to the budget. It does not deserve the use of resources, and money goes to those companies that have some relation with the government.

2) Lower growth rates

Corruption affects smaller companies, because it is more difficult to bear the cost of corruption (time and money) for small companies than for larger companies. In general, smaller companies have less power and financials capability to avoid corruption and operate in a highly competitive environment and cannot afford to cost consumers. Therefore, where corruption is widespread, the survival of small firms is difficult, and as a result, it will hamper the economic growth and development.

3) It promotes poverty and inequality

Bribery and many other forms of corruption reduces the level of income of the poor in the community, as it destroys job opportunities in the government sector as well as private sectors, and expands inequity by limiting public sector service, such as access to health services and education. In corrupted societies everywhere public should pay bribery. Thus, poor section of the society has limited access to different facilities such as job opportunities, healthcare, education and many different facilities available in the society.

4) Lower government revenues for essential supplies and services

Tax evasion, which threatens government revenue seriously, is widespread in countries where bribery and other forms of corruption is dominant, as informal companies do not report their profits and return therefore do not pay taxes. Official firms also do not pay taxes, as corruption and bribery is prevalent in government offices, then they pay bribe in place of tax to the government officials. In addition, the corrupt government staff also pays a lot of money from companies for government funding, so the government does not have enough funds to supply the necessary supplies and services.

5) Government spending increases

Government-funded projects usually give officials an opportunity to take bribes. If we simply say, when officials see that they can benefit greatly from government contracts, they may encourage government investments as much as possible. In fact, these scandals occur not only in developing countries, but also in developed countries where corruption is less common. Corruption leads to misuse of authority in government projects, which results in low quality project and the outcome is not what is expected.

6) Reducing production levels and lack of innovation

In corrupt systems, individuals and companies spoil their time and resources in return for their deployable activities (bribery, corruption, etc.). Corruption eliminates innovation, because in corrupt legal systems there is no defend of Copyright rights, exploitation rights and patent right

B) Business effects

In can, be difficult to identify the negative impact of bribery and many other forms of corruption on the business growth. However, there are some major effects of bribery and corruption on business.

1) Corruption reduces business competitiveness and adequacy

When government officials ask for a bribe to issue licenses and certificates, they create restrictions on the number of companies that can participate in the market for investment. This criminal action resulting in benefits for the officials that do not have a benefit to the community, and this cruel activity causes that the companies which are not willing to pay bribes or do not have the ability to pay off. Achieving such benefits will make poor- or low-quality products harmful to the efficiency and quantity of production, and the lack of competition to the detriment of the consumer ends up not only having to be satisfied with the second-class goods, but also a great deal of money for it.

2) Increased business expenses

The time and money used to bribe government officials and get along with the complicated and corrupted rules increase the costs of launching and continuing of business activities. These costs are either taken out of products and services rendered to the final user(consumers) or prevented from entering the market. Corrupt jurisdictional systems also limit the power of contracting, preventing normal operations and the use of available appropriate opportunities in business environment.

3) Reduce the amount of investment

Corruption has a negative impact on domestic and foreign investment. Investors ultimately avoid investing in environments where corruption is widespread, because it raises costs and fails to enforce laws. Corruption is usually a source of uncertainty and this is what escapes the owners of capital.

C) Political effects

Bribery in political environment comes to existence when political parties who are looking for some political favors an benefits within the corridors of power try to use bribes to gain special treatment in relation to various things such as political appointments, government contracts or just general influence over the political order in the country. This can also be linked to business transactions particularly if the person or politician involved, he or she is acting as a middleman in order to enable a company to gain some special treatment or consideration for government contracts especially multimillion-dollar contracts.

D) Social consequences

One of the disadvantaged and harmful phenomena in social relationships which have been in many centuries and worries about human societies and sometimes it suffered a lot of losses and caused the mixing of the right and wrong, the lawful and it's forbidden. It's a brutal phenomenon of bribery. This phenomenon with being one of the oldest crimes of human history, but unfortunately, it still retains its very nature and is in societies. Today it is also very common in most part of the globe.

Bribery bring a lot of harm to the communities especially in third world countries. When people can meet all their demands with money, poor section of the society those who don't have money or those who don't want to pay bribe for any reason, they confront a lot of problems in reaching their rights. When officials are addicted in taking bribery, they don't render services to those who do not ready to pay bribe. Ultimately this situation results in division of the society between poor and rich.

1. Bribery weakens the foundations of social justice, and since the stability and dynamism of any society is based on justice, cruelty and oppression will come to a society where justice has no position.
2. Obviously, if bribery is widely used in a society, the rules, which should protect the interests of the poorest classes, will be used in favor of the powerful and wealthy classes. Naturally, the weak or poor will be disappointed of the government and the executive and administrative system of the country in such an unfair atmosphere, which will gradually lead to the loss of public confidence between different classes of the society.
3. Bribery is not just a matter of paying money, goods or privileges; rather it gradually turns into a complex system in which networks of relationships and partnerships operate and lead to one-night wealth, and achievement of various political, commercial and... positions. Therefore, the facilities and assets of a country will be confined to a limited number of people who are easily able to circumvent the rules and violate the rights of others.

Bribery in Afghanistan

Bribery is one of the most popular and dangerous form of corruption that encountered in everyday life of Afghan citizens. Administrative bribery is the greatest burden on the economic and well-being of Afghan citizens and their families. Attorney, teachers, judges, customs officials and all other government officials are the most Who engaged in bribery and other corrupted activities. The average bribe to attorneys and prosecutors, judges is beyond US\$ 300 and offering bribe to other officials are somewhat lower. Most often bribes are directly or indirectly requested by public officials; but in some cases, bribes are offered by the citizen. The amount of bribery experienced by the Afghan population is a relevance in the overall assessment of corruption pattern and trend in Afghanistan. In Afghanistan, apart from any other problems that people are facing in day to day life, the problem of corrupt office, bribery and

harassment of the public hamper the social development and makes the life of people miserable and poor.



Fig 3

The citizens of Afghanistan are facing major problems like security, unemployment corruption and many other problems. But, people of the country are mostly concerned about corruption and bribery rather than security and unemployment. In Afghanistan bribery take place in different places such as administrative offices, court, jail, hospitals, at the time of election, traffic and many other places. People have given bribe when they apply for a job if they do not offer the bribe to the officials then they will lose the job.

According to a United Nation report bribery and the opium trade amount to half of Afghanistan’s Gross Domestic product (GDP) in 2009 Afghan citizens had to pay about US \$ 3 billion in bribe after questioning 7600 people, the UN report found that nearly 60 per cent of those surveyed were more concerned about corruption and bribery than they were about insecurity and unemployment.

In January 2010 the United Nations Office on Drugs and Crime (UNODC) released a report titled “Corruption in Afghanistan”. The report showed that, in 2009, Afghans paid USD 2.5 billion in bribes and kickbacks, an amount equivalent to 23% of the country’s Gross Domestic Product (GDP) [1].

The UNODC report (2010) also indicated that one out of every two Afghans paid a bribe to public officials in rural and urban communities.

Areas where bribes mostly happen

1) Government agencies and offices

The criminal phenomenon of bribery and corruption are mostly common in the government offices of Afghanistan. The government officials are not accountable and reliable to do their normal duty, for rendering services to the public they ask for bribes. In a day thousands of people approach to the government offices to get their work done but they are not satisfied with the services rendered by the officials and most of them are impelled to bribes for the completion of their works.

The practice and existence of bribery in the public sector of Afghanistan affects the capacity of the Afghan population to access the services provided by them, and that — as they are more likely to accept the payment of bribes — higher income households can ensure better accessibility to the higher quality of, public services than households with lower incomes. Conversely, poor portion of the Afghan society with lower incomes are more likely to turn down

requests for bribes, which effectively prices them out of the “market” for public services and makes them less likely to receive fair service delivery.

The selection and Recruitment process in the public sector have shown itself as one of the most corrupted area in Afghanistan where most of the Afghan citizens are compelled to pay bribe or get assistance from a political party to be recruited as an employee in the public sector. The employees are mostly selected through bribery and patronage.

2) Business

In Afghanistan bribery and many other forms of corruption in business typically occurs in many different forms. Mostly corruption happens in business contracts such as government funded projects particularly construction projects like road and bridges contraction, metro lines, supply of clean water, construction of hospital and schools in urban and rural area and many other contracts which are being corrupted by the political parties and government administration in Afghanistan. When officials see that they can benefit greatly from investment, they may encourage government investments as much as possible.

Afghan and foreign traders usually note corruption and bribery as their biggest obstacle and barriers for running of business in the country, whether in permitting and licensing, government procurement, taxation system etc. Majority of the trader mentioned that corruption and bribery are the major problems ahead of their investments as well as economic growth and development of Afghanistan.

3) Healthcare Services

Key risk areas

There are six key corruption and bribery risk areas that have been identified in the health sector in Afghanistan.

1. Health regulatory management
2. Delivery of health services
3. Product distribution and storage
4. Marketing of health products
5. Procurement
6. Financial and workforce management

These areas have been identified based on a comparison of corruption risk areas identified by three major international reports on corruption in health reports by Transparency International [2], EU [3], and UNDP [4], and on one MEC [5]

i) Health regulatory management

Regulatory and management portion of health sector determine that who can occupy the vacancies or who can work in the health sectors, medical process and procedures and products & services. There is a chance of bribery and many other forms of corruption to happen in every phase of determining who can work in the health sector. Like corruption and bribery in the process of selection an employee in the health sector vacancies.

Corruption and bribery can also occur in granting or gifting certificate to those who doesn’t have medical qualification,

¹ United Nation Office on Drugs and Crime (UNODC), Study on Corruption in Afghanistan, 2010.

² Petkov and Cohen, Diagnosing Corruption in Healthcare, Transparency International UK, 2016

³ EU, Study on Corruption in the Healthcare Sector, 2013

⁴ 18UNDP, Fighting Corruption in the Health Sector, 2011

⁵ MEC, Vulnerability to corruption assessment in the Afghan Ministry of Public Health, 2016

or we can say fictitious qualification. There is a risk of bribery, nepotism, patronage, political influences in giving scores to pass unqualified medical personnel in the testing process.

ii) Risk of corruption and bribery in delivery of health services

In the process of delivery of health services, corruption takes places in many different forms such as bribery, nepotism, political influences and many other forms. Bribes mainly in the form cash are paid by the clients to healthcare staff to have access in verity of health services such as better and professional treatment, quality services, etc. these kinds of illicit or illegal payment has two side. These are either demanded by the healthcare staff or are given by the patients/clients.

Some health facility staff decide working in health sector they also have private healthcare facilities. They refer patients from public sector to their own private health facilities for gaining more profits. This is a common kind of corruption in Afghanistan.

iii) Occurrence of corruption and bribery in medical product distribution and storage

In pharmaceuticals companies, bribery and many other forms of corruptions takes place in the process of distribution and storage of medicines or other medical products such as pharmaceuticals, medical equipment and devices, spurious or imitation medicines, hazardous and low-quality medical devices are introduced to the supply chain and imported to the market. Moreover, outdated medicines are repackaged and sold-out in the market. In pharmaceutical companies, the process of authorizing medicines and other medical products are also vulnerable to different forms of corruption such as kickbacks and bribery.

iv) Risk of bribery and corruption in marketing of medical products

In health sectors, the marketing procedures also likely to suffer from corruption such as bribery in the forms of gifts, kickbacks patronage etc. Pharmaceutical companies in Afghanistan seek to reward doctors through gifts or some other pecuniary advantages for frequent prescription of their drugs.

Health service providers (hospitals & clinics) may ask for the payments of bribes using the fact that the pharmaceutical and medical devices producers need the favorable coordination and cooperation of the health service providers.

4) Education

corruption and bribery within education system keep away many student and teachers from schools. In Afghanistan the selection and appointment of teachers are highly corrupted. There are so many newly qualified graduates are willing to do their job in a good manner and contribute their best for the development of education system. But throughout the nation teachers are appointed through bribery, nepotism, political influences etc... not based on merits. Teachers appointed based on cronyism and patronage or by offering

bribes to the administrative officials are not actually qualified to support students and run classes. These kinds of teachers are a kind of liability to the government.

Teachers in Afghanistan mostly working beyond the retirement age and a significant number of them have not done any level of education beyond grade 12. And these teachers seek to keep their teaching position, mostly through nepotism, bribery and many other forms of corruption. This can result in blocking the position to the newly graduates

In a VCA published in 2015, MEC reported in detail about corrupt practices in teacher recruitment in terms of the bribes regularly being paid by teachers to gain positions, and the complete lack of transparency in the recruitment process ^[6].

5. Result and Discussion

Table 1: Opinion of the respondents about the impact of bribery on employment

Option	Number of respondents	Percentage
yes	105	87.5%
No	1	0.8%
Maybe	14	11.7%
Total	120	100%

The above Figure indicates that out of 120 respondents. 87.5% of them have given the idea that bribery result in inefficient use of labor force. While 11.7% of them are not sure about it.

Table 2: Effect of bribery on the efficiency of labor force

Options	Number of respondents	Percentage
Agree	49	40.8%
Strongly agree	70	58.3%
Neutral	1	0.8%
Disagree	0	0%
Strongly disagree	0	0%
Total	120	100%

The above table shows out 120 respondents, 58.3% of them are highly agree that bribery leads to the employment of inefficient labor. 40.8% of the respondent are agree regarding this matter.

Table 3: Opinion of the respondent about public administration as the main source of bribery

Options	Number of respondents	Percentage
Agree	47	39.2%
Strongly agree	27	22.5 %
Neutral	41	34.2%
Disagree	5	4.2%
Strongly disagree	0	0%
Total	120	100%

The above table shows that out of 120 respondents, most of them are agree that public administration is one of the main sources of bribery i.e. 39.20%, 22.5% of the respondents are highly agree to this statement. 34.20% of the respondents are neither agree nor disagree about this statement.

⁶ MEC (2015). Vulnerability to Corruption Assessment of Teacher Recruitment in the Ministry of Education.

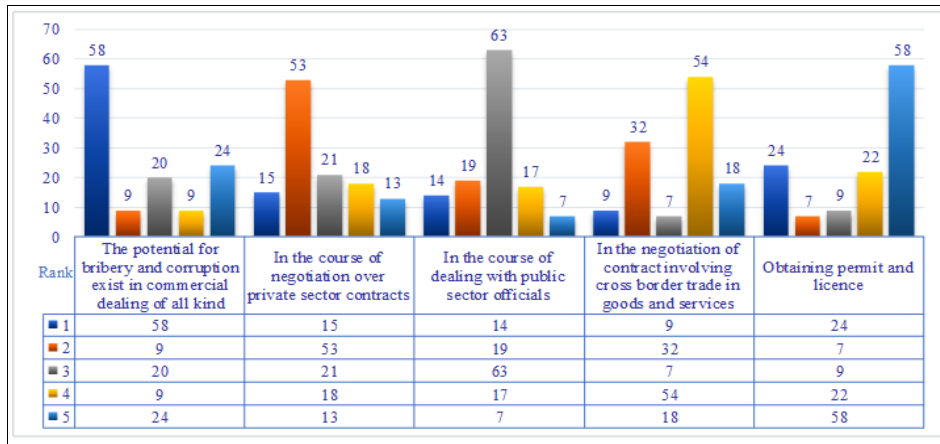


Fig 1: Ranking of the ways in which bribery occurs in SME environments

The above Figure 1 illustrate the issues that bribery can cause in the SMEs environment and the people rank the issues as following

1. Out of 120 respondents 58 people rank (the potential for bribery and corruption exist in commercial dealing of all kind) as the number 1 issue that most likely to occur in the SME environments, 24 people rank (obtaining permit and license) as No 1 issue, and the remaining comes under other categories
2. The figure also indicates 53 people rank “in the course of negotiation over private sector contract” as the second most issue, 32 of them rank (in the negotiation of contract involving cross border trade in goods and services) as the 2nd issue
3. It also shows that 63 people rank “in the course of dealing with public sector officials” as the third issue that likely to occur in SME, 21 people rank (in the course of negotiation over private sector contracts) as the 3rd issue that most likely to occur and the remaining comes under other categories.
4. The above figure also depicts that 54 people rank (in the negotiation of contract involving cross-border trade in goods and services) as the 4th issue in the SME environment, 22 people rank (obtaining permit and license) as the 4th corrupted issue. And the remaining chooses other options.
5. It also shows that 58 people rank (obtaining permit and license) as the 5th issue that bribery cause in the SME environments, 24 people rank (the potential for bribery and corruption exist in commercial dealing of all kind).

The remaining comes under the other options.

Table 4: Response of the respondents about the negative effect of bribery on the SMEs

Options	Number of respondents	Percentage
Agree	74	61.7%
Strongly agree	36	30%
Neutral	8	6.8%
Disagree	2	1.7%
Strongly disagree	0	0%
Total	120	100%

The above table demonstrates that out 120 respondents, 61.70% of them are agree that SMES are more negatively affected by bribery as compare to the large-scale industries. 30% of them are highly agree with the statement. While 6.8% of the respondent are neither agree nor disagree with above statement

Table 5: The negative impact of bribery on GDP growth

Option	Number of respondents	Percentage
yes	104	86.7%
No	6	5%
Don't know	10	8.3%
Total	120	100%

The above table illustrates that out of 120 respondents 87% of the respondents give the idea that bribery can have a negative impact on the GDP of the country. 5 % of them said that bribery doesn't have negative affect on GDP.

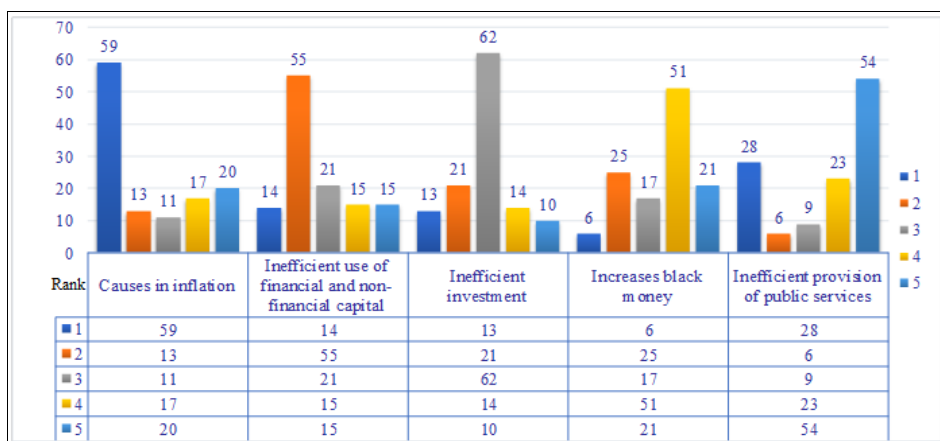


Fig 2: Ranking of the dangerous effects of bribery and corruption on the economic growth.

The above Figure 2 depicts the dangerous effects of bribery and corruption on economic growth of the country and the respondents rank as the following.

1. Out of 120 respondents 59 people rank “causes inflation” as the number 1 dangerous effects of bribery and corruption on economic growth, 28 people rank it as the 5th dangerous effects of bribery on economy. And the remaining rank it as 2nd, 3rd 4th respectively
2. The figure also indicates that 55 people rank “inefficient use of financial and non-financial capital” as the second most dangerous effect of bribery on economy, 21 of them rank it 3rd, 15 people rank it 5th, 14 people rank it 1st. The remaining mention other ranking categories.
3. It also shows that 62 people rank “inefficient investments” as the 3rd dangerous effects of bribery on economy, 21 people rank it 2nd, 13 of them rank it 1st, 14 people rank it 4th and 10 people rank it 5th.
4. The above figure also depicts that 51 people rank (increases black money) as the 4th negative effects of bribery on economy, 17 people rank it 1st, 23 people rank it 5th and the remaining mention other ranking categories.

58 people rank (inefficient provision of public services) as the 5th dangerous effects of bribery and corruption on economy, 28 people rank it as 1st, 23 people rank it 4th and the remaining mention other ranking options.

6. Conclusion

To conclude, Bribery and many other forms of corruption have been a chief problem and a constraint to economic, political and social development in many countries, especially in third world countries. Yet, it is not so easy to reduce or prevent the occurrence of this hazardous and dangerous phenomenon. Bribery can bother development plans, strategies and leading to unnecessary, invalid, unprofitable or uneconomical capital budgeting and investment decisions.

Bribery is one of the biggest challenges that created many problems in Afghan society. Insecurity, unemployment, inequality, poverty, backward economy. These all are as result of corruption practices in the country. Nowadays this criminal phenomenon become a big barrier in the way of traders and investors in Afghanistan. Local and international investors are not willing to invest their money in the corrupted business environment. Therefore, this situation leads to capital flights and ultimately result in a low economic growth and development.

The selection and Recruitment process in the public sector have shown itself as one of the most corrupted area in Afghanistan where the employees are mostly selected through bribery and patronage. Most of the citizen in Afghanistan must pay bribe or get assistance from a political party to be recruited as an employee in the public sector. The practice of bribery and other forms of corruption in the public sectors of Afghanistan affects the capacity and capability of the Afghan citizens to access necessary and required services, for that they are more likely to offer some valuable gifts or to accept the payment of bribes — higher income households have the capacity to ensure better accessibility to the higher quality of government services than households with lower incomes. Conversely, poor portion of the Afghan society with lower incomes are more likely to turn down requests for bribes, which effectively

prices them out of the “market” for public services and makes them less likely to receive fair service delivery.

The findings in the paper shows that majority of the people agree that bribery and corruption can a huge negative impact on the GDP growth of our country and leads to weak economic and business environment. Most of the respondents said that bribery is a big barrier for the SMEs development.

Adoption of a strong corporate governance is necessary for Afghanistan government to reduce the prevalence of bribery and many other forms of corruption in all part of the country.

Author profile

Mr. Mohammad Naser Oyani was born in 1995 in Ghor city, Afghanistan. He has graduated from Sultan Alawuddin Ghor High School in 2013 and received his bachelor’s degree in Business Administration from SHUATS University, Allahabad, UP, India in 2019.

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