

Corruption & GREED

A Christian Response

"While they promise them liberty, they themselves are slaves of corruption." 2 Peter 2:19

—by Peter Hammond



Predatory Officials

Guest's conclusion: "Africans are poor largely because they are not yet free. They live under predatory, incompetent governments which... impoverish them in many ways: through corruption, through bad economic policies, and sometimes, as in Zimbabwe, by creating an atmosphere of terror..."



The African Union calculates that every year over US\$148 Billion is stolen from the continent by its leaders. That works out to more than a quarter of the continent's entire Gross Domestic Product lost to corruption every single year.

The World Bank reports that 40% of Africa's private wealth is held offshore. Global Financial Integrity calculates that Africa has lost well over US\$900 Billion since 1970. That is far in excess of total Development Assistance given to Africa during that same time. More than US\$300 Billion of Western aid has been sunk into Africa, yet most states are effectively bankrupt, weighed down by debt, and failing to provide even minimum public services.

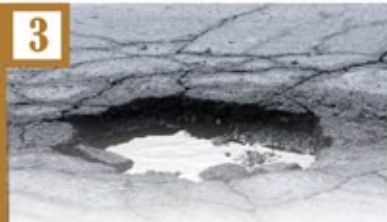
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Trade not aid

The president of Rwanda, Paul Kagame, advocates trade - not aid. Kagame is convinced that it is essential for Africa to end dependency on foreign aid, as foreign aid fuels corruption. Corruption is the second most prevalent crime on the continent. Leaders need to become more accountable to the taxpayers; more auditors are needed. Anti-corruption reforms are essential. As leaders steal seven times more than the total value of foreign aid poured into Africa each year, it is clear that far more valuable than any foreign aid would be to end the endemic corruption which is looting the resources of this great continent.



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Corruption impoverishes

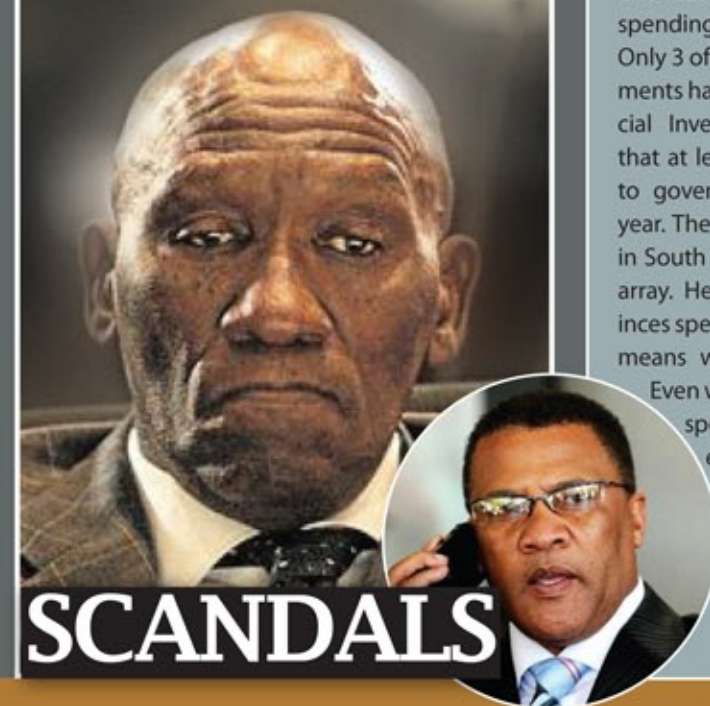
Corruption discourages investment, retards development and increases costs to the consumer. As Robert Guest, the African Editor of The Economist observes in 'The Shackled Continent':

"For half a century now, the continent has been deluged with aid, but this aid has failed to make Africans any less poor... it has bankrolled tyrants... or idealists with hopeless economic policies...both types of aid have been wasted... doing business in Africa can be tricky. Bad roads, punctuated by roadblocks, manned by bribe-hungry policemen, make it slow and costly to move goods, even short distances...local firms, meanwhile, have been held back by arbitrary government regularities, dysfunctional legal systems and the difficulty for those without political connections, of raising capital... If Africa was better governed it would be richer."

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Many scandals

The former president of Cricket SA has been engulfed in a corruption crisis. The Arms Deal of 1999 continues to make headlines, along with the Travelgate abuse of public finances by members of parliament. The conviction on corruption charges of former National Police Commissioner, (and ex-president of Interpol), the Chief of Police suspended for corruption investigations, and traffic police under investigation for buying illegal licences are all examples of unscrupulous politicians who squander taxpayers money with impunity, stealing from the poor, in the name of uplifting the poor and endemic.



SCANDALS

US\$5 BILLION RECOVERED
250 CONVICTIONS

One person can make a difference

Under Nuhu Ribadu, Nigeria's Economic and Financial Crimes Commission secured 250 convictions and recovered over US\$5 Billion in stolen public funds.

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Stealing from the poor

Every week our newspapers are awash with scandals about elected officials and 'public servants' extravagant lifestyles and outrageous expenditures. Yet, despite the state raking in over R600 Billion in taxes each year they continually run at a deficit. Taxpayers wonder where all this money is going when there are so many schools without books, children taught in the open air, hospitals short of medicines and hospital patients going hungry because the provincial government has not paid the service providers.

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Looted treasury

The Auditor General of South Africa reported over R20 Billion in unauthorised spending for the last fiscal year. Only 3 of 39 government departments had clean audits. The Special Investigating Unit reports that at least R30 Billion was lost to government corruption last year. The finances of 5 provinces in South Africa are in severe disarray. Heading the list of provinces spending way beyond their means was Limpopo Province. Even with over R2 Billion overspent, the Limpopo government was not able to pay doctors, nurses, teachers, social workers, and other public sector employees. »



R30 Billion



2

Stealing from everyone

Most African countries today have lower per capita incomes than they had at independence. More than half of Africa's total population live on less than US\$2 per day. Nuhu Ribadu, the former head of Nigeria's Anti-Corruption Commission, has declared that the best way to attack poverty is to attack corruption. The prerequisite to all efficient and effective government is the eradication of corruption. Corruption prevents a country from realising its potential. Corruption steals from everyone. It is calculated that every one of us pays at least 20% more for goods and services because of the costs of corruption.

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13 Corruption Worldwide

But this is not a problem only for the world. Patrick Johnstone of Operation World reports in *The Future of the Global Church*, that of US\$ 390 Billion given to Christian causes worldwide, \$25 Billion was embezzled.

Up to 20% of the global Gross Domestic Product (GDP) is spent on bribery, over US\$1 Trillion a year. Up to 50% of all aid to developing countries is stolen before it can reach its intended recipients. Worldwide, an estimated US\$400 Billion is lost to corruption. Every year over 10% of human-kind are forced to pay a bribe.

\$25 Billion Embezzled from Churches

Theft by inflation

A survey on inflation in South Africa (undertaken by Old Mutual), reported that in 1971 you could buy a car for about R1000. In 1981, the same amount of money would buy a motorbike. By 2001, the buying power of R1000 had so collapsed, that you could buy a bicycle. Now a good pair of running shoes could cost over R1 000. "Skimping the measure, boosting the price and cheating with dishonest scales...I will never forgive." Amos 8:5-7

The devastating impact of unbacked currency/inflation on pensions and savings is criminal. Biblical Law requires that we use honest scales and honest weights – honest money backed by real constant value (Prov 20:10). "Shall I count pure those with the wicked balances, and with the bag of deceitful weights? For her rich men are full of violence, her inhabitants have spoken lies, and their tongue is deceitful in their mouth." Micah 6: 11,12



1971

10 Why corruption increases

"Why do people commit crimes so readily? Because crime is not punished quickly enough." Ecc 8:11. Surely that is the common sense answer. Corruption is increasing in our society because criminals are not punished swiftly enough. God has instituted civil government as "an agent of wrath to bring punishment on the wrongdoer" Rom 13:4. Civil government is called to be a minister of God's justice: "To punish those who do wrong" 1 Pet 2:14.

1981

2001

11 Restitution

In cases of theft, arson, or malicious damage to property, the Bible decrees restitution, the restoration of what was stolen to the owner. It is reparation for injury, or damage to property. The Bible requires that restitution goes entirely to the victim of the crime (Exodus 22:3-6).

2012

12 Bankrupt

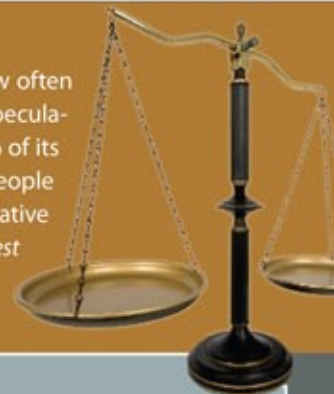
If the provinces were commercial enterprises, they would have been declared insolvent and liquidated to settle their debts. All too many politicians seem to view positions in government as an opportunity to enrich themselves at the public's expense. The toxic mixture of politics, business and greed is sabotaging development, costing jobs and eroding the economy.



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Banksters

Probably the greatest corruption and theft in history was perpetrated by bankers (now often labelled Banksters) who triggered the Great Recession of 2008, through unethical speculation and selling of worthless derivatives. The cost to the US economy was over 135% of its GDP. The cost to the United Kingdom was over 149% of its total GDP. The only people who have benefited from the Depression caused by the irresponsible speculative bubble, have been the Banksters themselves. "The Lord abhors dishonest scales, but accurate weights are His delight." Proverbs 11:1



The cost of crime

It is estimated that approximately one third of all business failures each year can be traced to employee theft. Of course, when businesses close down, employees lose their jobs and families suffer. Yet it is estimated that almost half of all employees are guilty of stealing (often called shrinkage!).

Now, obviously somebody has to pay for the cost of all this theft. You and I, and all other customers, have to share the burden of the Billions of Rands shoplifted, or stolen, by employees, or embezzled by civil servants. In addition, we have to pay for the increased insurance premiums, the additional security personnel and equipment necessitated by this stealing spree. It all gets added to the price tag of everything we buy.

Of course, we also pay for the cost of crime through our taxes, and when supporting the police force, the legal and judicial system, and the prison service, which are all meant to protect us from the criminal elements of society.

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Christian integrity

As Christians we are called to the highest standards of integrity. We are not to fuel the corruption industry by giving in to pressure to pay bribes, or award contracts on the basis of political connections. Crime can be combatted and corruption can be eradicated if those who claim to be Christians will live according to Biblical principles.

A friend of mine in Zambia, Lawrence Temfwe, worked in a bank and over the years embezzled money from it. When he was caught, he was sentenced to prison. There he was converted to Christ and after serving his sentence in prison, worked to re-pay the bank all that he had stolen from it. Now, according to the laws of the land, he had done the crime and paid the time. No one was expecting anything more from him. However, Lawrence knew from the Scriptures that he was responsible to make full restitution. What a testimony when he re-paid the bank! Lawrence Temfwe went on to become the head of Prison Fellowship in Zambia.

"And have no fellowship with the unfruitful works of darkness, but rather expose them." Ephesians 5:11 ■

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