

The Socio-Cultural Context of Corruption in EEPCO: The Case of Sebeta District

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Abstract

This study is aimed at investigating the practice of corruption in the energy sector of Ethiopia to identify the implications on the process of development. The target is to trace the major glitch in the process of service delivery to the public in a focused community. Basically, a qualitative method was applied for the investigation; and observations, document analysis, focus group discussion, key informants' interviews, and a mini survey were the techniques used; and the information from each source was sufficiently triangulated in the discussion. One community, Sebeta Town, was selected for the investigation and within the setting, two subcommunities were focused and 75 individuals were considered as informants. They constitute officials and resident households randomly selected from subcommunities for internal comparisons. The group includes well educated respondents that can speculate issues from normative and ethical perspectives and all are reasonably matured people with a lot of experience and stories about the facts in life. Structured interview questions and observation grids were developed and applied for gathering the data. In addition to the qualitative techniques employed for the analysis, Z-test is applied to determine whether there are significant differences between groups. It was found out that whereas the organization is the key for development of the nation and has been contributing a lot in this regard, corruption is becoming a challenge as it is widely practiced and even protected, and getting stronger from time to time in the recent years. Bribery, patronage, and pillaging are the major manifestations of the phenomenon in the community under investigation. It was concluded that corruption has been operating in a multifaceted and pluralistic mode through informal deals in the sector and the community under investigation, resulting in inefficiency and adversely affecting development. In specific terms, the system in the particular case punished honesty and rewarded lawlessness. It is clear that the sector is one of the key areas of focus for the overall development in the country; it cannot be left alone to go as it may. Therefore, at policy level, intensive mass education, privatization of some of the services of the sector, and at the corporation level, ensuring transparency in service delivery, focusing on quality in staffing and relevant remunerations of employees, and defining code of conduct to foster personal responsibilities in decision making were among the recommendations.

Key Words: *Corruption, Ethiopian Electric Power Corporation, Sebeta*

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Introduction

Objectives of the study

The general objective of this study is to investigate corruption in the public sector in the particular culture by applying ethnographic inquiry. The focus is on examining the behavior of corruption actors in the specific community. The specific objectives are: (1) to conduct detail account of the practices; (2) to explain the behaviors of corruption actors and identify the most important factors resulting in poor moral behavior.

Statement of the problem

Culture determines the social, ethical, intellectual, scientific, and technological realities in a geographical area and controls the behaviour of people in acceptable norms (Ukeje, 1992:395; Shoremi, 1999:94). In an urban setting, an individual is alone and may be only responsible to immediate family, less caring about moral and cultural values. Consequently, individuals may abandon the regulating strength of cultural values and this in turn opens the gate to the negative urban characters of corruption, crime, etc. (Gbotokuma, 1996:20).

According to Agbaje (1989: 46-47), when the checks and balances established in the culture for social responsibilities fall, the abuse of power in offices and related inappropriate behaviours gain supremacy. This adversely affects development when a system lacks relevant instrument to manage irregularities.

Electricity is a very crucial ingredient in modern life in general and in an urban community it is central for development. In Ethiopia, the strategy document of EEPCo underlines the corporation's responsibility to develop and distribute electricity to the community (EEPCo 2009). The community has the right to service. Yet, among the challenges in this regard is that the availability of power infrastructure has not been the determinant for the distribution of service. Of course, informal deals dominate the normal call of duty in recent times. Therefore, investigating this problem may add some value for policy making, and below are the basic questions.

The basic questions

- What is the effect of corruption in the community and what are the major contingencies?

- What are the major manifestations of corruption in the situation and how can we explain the behaviour of the actors on the demand and supply sides?

The theoretical and conceptual framework

Theoretical framework gives structure and shape to a study. *Systems* theory and *contingency* theory are chosen in this regard. Systems are sets of component parts operating in a unified whole in which each component interacts with others reciprocally. Consequently, systems develop synergy in the process of interaction and operate more efficiently than the sum of the parts. Systems theory has its own weaknesses mainly because it focuses on universality while contingency emphasises peculiarity and presence of alternatives (Anthony & Govindarajan, 2004:6). In this regard, systems theory is applied to explain interactions of corruption components on the demand and supply sides whereas contingency view is considered in suggesting ways to solve the practical problems.

As conceptual framework, factors are grouped as components of the system on supply side, demand side, and instrumental factor through which the system operates as illustrated below.

Figure1: The Conceptual model



Scope of the study

The study investigates corruption in a service providing organisation in an urban setting. Specific focus of the investigation is Alemgena (Kebele 02 of Sebeta Town). This is because it has sufficient issues to analyse. The area is further divided into two sub-communities Addis-sefer and Wato (see the list of technical terms). To this end, the clients obtaining services from the

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corporation during the last seven years (2005-2012) were focused for the data as most of the expansion has been taking place during this period.

Significance of the study

The study may have the following three major significances.

1. *Policy significance:* It may initiate policy debate around the challenges of development as corruption is a potential threat.
2. *Time significance:* The problem is current in that it focuses on one of the most important priority areas of development in the country.
3. *Academic significance:* The findings of the study can initiate intellectual debate about the issue at hand and attract other researchers' attention to conduct related studies.

Limitations of the study

The study has the following limitations:

- 1) It was based on selected cases to simplify the data and make it more manageable; however, studying the whole sector might have given a more comprehensive view.
- 2) Such a study has not been common, especially at micro level, and it was difficult to find well focused literature. This might have adversely affected the quality of the literature that might have enhanced the meanings derived from the data in a better way.

Literature Review

The classical definition of corruption may be attributed to Nye who describes it as behaviour that deviates from the formal duties of a public role for the sake of personal interest (Nye, 1967). Similarly, corruption could be conceived of as behaviour that deviates from the formal rules of authority because of private motives such as wealth, power, or status (Khan, 1996). In this regard, corruption is an act that exceeds legal boundaries and raises a question of morality.

Literally speaking, corruption is a transaction and most researches in the area

emphasise this aspect (Rose-Ackerman, 2006). In this dimension, a very common concept of corruption emphasises private gain through public authority. This is in other words the abuse of public power for private benefit; and corrupt transactions occur at the *intersection* between the public and private sectors (Rose-Ackerman, 1978).

As one of the fundamental reasons of corruption, we may also look at human nature in its cultural setting. In this dimension, we understand that the average human beings in all conceivable walks of life behave in economically rational way. In other words, individuals normally attempt to maximise their wealth. Such selfish interest marks the ground for economic transactions. In this condition, resources are allocated to activities that provide the greatest possible returns and this affects investment decisions (Begovic, 2004). Therefore, individuals can normally be tempted to involve in corrupt practices as suppliers or demanders. In the relations, those who give bribes are on the supply side and those who accept bribes are on the demand side.

The definitions of corruption are tied to particular forms of occurrence and discussing some of its forms may enforce better understanding of the phenomenon. Bribery, patronage, and pillaging public assets are important to discuss here.

Bribery has been defined as giving any article of value in exchange for any act or omission in the performance of public duty. This is one of the most pervasive forms of corruption and it has received the greatest attention. It is not only the most widespread form of corruption, but is also one of the principal tools of fraudulent practices (World Bank, 1997). Patronage is another form of corruption in which favouritism and nepotism are the common aspects (Amundsen, 1999). In such a situation, services are organised for supporters rather than those truly in need. Appointments are distributed to supporters and wealth is acquired by those who subvert or circumvent the universal rules. Pillaging is theft of public asset, which may be items, office equipment, vehicles, fuel, etc. (World Bank, 1997).

Systems can corrupt people as much as people corrupt systems (World Bank, 1997). Corruption of some sort may be common in every human culture and systems have a great impact on the level and scope of the practice. A number of cultural factors determine the prevalence of corruption in the practice of organisations or institutions. In this perspective, we may discuss bureaucratic

time requirements, technicality of jobs, relative wages of employees, corporate controls and code of conduct, and awareness about sustainability as the most important cultural issues to consider (Marshall, ND).

Design and Methods

Pragmatic approach is most useful for research that is undertaken for policy considerations (Ayaya, 1997). The study was based on pragmatic approach, which incorporates both qualitative and quantitative information. It was descriptive in design and the method was basically qualitative. The use of numerical data from the survey gave the study a positivist perspective while the qualitative data was derived from the organisational context, which was related to interpreting issues in the normative dimension. The strategy recommendations emanate from the analysis of the normative element by indicating what the situation ought to be.

The data was formally gathered from June 2011 to November 2011. However, the informal ways of gathering data exceeds this timeframe. A variety of sources were consulted for the data. Key informants were drawn from the corporation's officials and households. From officials, 6 were involved, one interviewed for two hours and five were observed by applying participant observation while they serve the observer as well as other customers. From households, 6 participated in focus group and 3 were interviewed. The participants of the focus group were carefully selected as they are the ones who received services from the corporation recently in the particular area. The group involves well educated participants, people with different occupations to reflect different points of view. All were selected on voluntary bases as the ethical demand requires so. Another group of households were involved in the survey in two sub-groups, namely: from *Addis-Sefer* (30) and from *Wato* (30). They are those who have received the service in the last seven years. In fact, the latter is a relatively more recent settlement area.

Four types of instruments were developed for gathering the data and pilot testing was conducted on a group of 5 residents on 26 June 2011 to check that the questions were understandable. The survey data was gathered from 5 July 2011 to 3 August 2011 through two assistants one for each sub-community. The key informants from both the organisation and its clients were interviewed with open-ended instruments for ethnographic investigation. For this group, the data was purely qualitative and the interviews were audiotaped for effective retrieval. I (the researcher)

conducted participant observation as I was also a client of the corporation at the same time. Accordingly, participant observation was conducted for 18 months. Secondary data were obtained from documents and they were triangulated in the investigation with other data sorts.

Descriptive tests were employed basically for the analysis. The numerical data were analysed using percentage and Z-test was employed at ($\alpha=0.01$) where testing significant differences between the two groups were required. The qualitative data from interviews and observations were firstly summarised as notes and then presented together with the other types of data for analysis under the related topics. Triangulation of data from different sources was applied sufficiently as a tool for verification.

Case Description

This case description is based on my observation of the situation. Issues about the district office, regional office, and the headquarters were covered in this report.

My memo

My first encounter with the corporation at all was, at its Sebeta District Office, on 18 May 2010. The purpose of my visit was to register for electric power supply to my new home. It was raining in the afternoon and I arrived at 1:45 PM. I walked in and sat on a chair in a row, which I thought was for queuing for service. I sat near a gentleman with long and red coloured beard, wearing a Muslim hat. I asked the gentleman whether I sat on the right queue or not. He gestured with approval and told me what I should do first before queuing. That was, to photocopy my house plan and ID card. I asked the whereabouts of copy service, and the same person directed me the way along the street whereas the official sitting nearby simply listened. I rushed to the copy service in a showering rain. After about 30 minutes, I returned to the queue. There was only one person waiting that time. In the procedure, there were two steps to register and to fill in forms. Third step is paying Birr 40 to the cashier. The steps actually take few minutes and while I was on the second step, the cashier put on his black coat and started setting his bag to leave and the lady who was filling my case in the form, strangely kind person of course, urged me to tell the cashier to receive my payment before he leaves. She said, "He is going to the Bank" and that I may wait until he

returns after hours. I did as she advised but the cashier didn't care. He gave me a glance and walked straight away holding his bag in his right hand and the left hand in his pocket. I have no choice than waiting for hours. He returned at 4:55, and I finished my payment during the last minutes of the work hour for the day. He didn't apologise for making me wait for hours for a task that could have been done in a minute. I was watching for him in a surprise and he wrote the date of appointment of estimating the service charge on the back of my receipt. First he wrote 26 June 2010 and changed it to 26 July 2010. I asked why he changed the appointment date to one month later, but he didn't answer; he just looked at me with unkind smile. I finished the task for that day at 5:00 PM and left in a wonder. I was surprised by what I have observed at the scene in that office and started thinking about the difficulty that the people were shouldering and decided to take note of everything I encounter further.

On 26 July 2010, I went to the district office at 1:30 PM as per the appointment. An old man was complaining about a delay in his application for similar service. The officers made fun of him as he was telling his stories about his past experience as a client of the corporation. He stressed that the corporation was so punctual in the past and he couldn't understand what they were doing to him that time. He continued describing the excellent services he used to get from the same organisation decades ago in another town. He said, he had got the services within 3 days. They asked him the date of his application in this case, and he said "7 months". They laughed at him and one of the officers told him that he might wait for a year or even more. Another officer said, "Father, please relax, there are lots of applications on the waiting list and you don't have to talk about stories of old days."

I showed my appointment paper to the gentleman who gave it to me during the first visit, two months before. This time, the gentleman told me that it was in the morning and told me to come the next day (27 July 2010). I asked why he didn't tell me the same on the first day. But he said it is not his job and he didn't know. On 27 July 2010, I arrived at 8:30 and he told me to show the paper to the technical staff in the next room. A gentleman and a lady were busily working on files of applicants in that room. I showed my paper to the man who sat closer to the entrance and he told me to appear the next day (28 July 2010) and wrote down the new date on the back of my receipt. On 28 July 2010, I arrived a bit earlier for the possible queue. The technical officers arrived at 9:00 AM. After roaming along the corridors for a while, he told us to queue outside. He took out a red pen and started writing

names on a piece of paper asking the locations of each home to be visited. We were 8 and I was 7th in the row. He wrote my name and asked where the location of my home is and I answered. Then he said, “There was no power supply there”, and cancelled my name from the list. He said that I have to wait until the supply reaches the area. I asked how I could know the exact time. He said they would inform me when the supply line is fixed. One more surprise, because they could have told me this 3 days before.

After several months, a person acquired a land and started building a house next to mine. After few weeks, he got electric supply before finishing the construction. On 21 February 2011, I went to the office and reported the case to the responsible official that power is available so I had to get the service. I told them what the technician told me about a year ago and asked why power is supplied to unfinished house while I lived there for a year without the service? The official called upon the technician and asked about my case and the technician again responded that there was no power supply there. I stressed I could show them an unfinished house next to mine already connected. As a matter of fact, that house was not finished even until this research was completed.

After considerable debate, the technician told me to rent a car so that he can go with me to do the cost estimation. I refused by telling them that I had already paid the service charge at registration as per the regulation of the corporation and I could legally pay more as a transportation fee, if appropriate. After fighting for a while, they agreed to use their office car and they finished everything about the cost estimation within half an hour at the site (my home). In the meantime, they told me to go to the office and pay Br 992 at the district office a week later. I paid and signed the form on 28 February 2011.

Months passed and no response. Another person built a new house in the neighbourhood and got the service but I didn't. This time, the power passed straight along my home. I decided to make an appeal to the regional office. On 3 June 2011, I visited the regional office but the guards and office managers there guided me the wrong way and I tried to find the relevant person to talk to, for about an hour, but failed. Here, I rather decided to conduct a study on the matter calmly than making an appeal against the difficulty I was facing. Then, I went to my university and asked for an official letter of cooperation to gather data because they may respond more readily to an official request.

On 8 June 2011, I visited the district office with an official letter and told the relevant officer about my purpose and what I want from the office. He gave me some documents and arranged an interview session 3 days later (for Saturday, 11 June 2011). At the day of my appointment, I arrived a few minutes earlier. While I was waiting outside, other officers were coming in having fun about my expected visit. Probably, they couldn't guess who I was because I didn't wear in the manner they might have expected. They were talking freely about me in front of myself. One of them said to the other, "Are you ready to answer the possible interrogations from the __ (my academic rank)?" The other official didn't respond. I guess, they misunderstood my mission as fault finding and they lacked confidence about their deeds.

The official that gave me the appointment was late. He gave me his mobile number the first day and I called him. He appeared after an hour and I went on observing few more aspects of the situation. While I was waiting, a gentleman was walking from room to room saying loudly, "I know why he cut off the power line from my home. I will wait and ask the boss". He said this several times and sat on a chair outside in the waiting area under a palm tree. I moved and sat next to this gentleman and asked about his complaint. He was happy to tell me about it. He said he and his neighbourhood (a lady whom he didn't name) always pay their electric bills together. Last time, accidentally, they forgot and the due date passed a little for both of them but they cut off the line from his home and not his neighbour's. "What do you think is the reason?" I asked. The gentleman responded, "We have personal disagreement with a network technician and he retaliated by cutting off my supply yesterday."

As soon as the official that I was waiting for arrived, I thanked him for coming and he apologised for being late, telling me that he had got unexpected guest. I asked if I could audiotape our discussion. First he said he didn't appreciate that if it was for media and I confirmed it was only for academic purpose and no names or positions would be explicitly mentioned in the report and he agreed. I conducted the interview successfully and left the office at 11:30 AM.

On 14 June 2011, at 10:00 AM, I visited the headquarters of the corporation at Piazza with an official letter. The officer I met first on the corridor directed me to the public relations officer, which accepted me warmly and gave me some documents and directed me to a relevant office for more information,

which I am not allowed to mention for ethical reasons. I found the location of the office easily behind the main building. As I walked in, the secretary told me to wait a minute because the officer was out for some reason and would be back soon. After about 5 minutes a middle aged lady came in and the secretary gave me a gesture, which I recognised means she was the person I was waiting for. However, she came in with a gentleman who followed her into the office and I had to wait until the gentleman left. She asked the secretary to order milk with a little coffee in it for the guest and a Macchiato (coffee with milk) for herself. It was 10:35 and the office was partly open and I could see what they were doing, actually relaxing and talking about something less serious. I thought she didn't know that I was waiting and asked the secretary to remind her that I was there for an official duty. But the secretary told me to wait. I waited for 30 minutes and left the office without accomplishing my task.

My next visit was on 15 June 2011 in the afternoon, 8:30 PM. I went to the public relations officer again because I thought he is probably the only accessible person in that environment and told him what happened during my earlier visit. He picked up a phone and talked to the lady explaining my case. This time, she accepted me in her office. I explained my purpose and handed my letter to her. She looked at the letter suspiciously and told me a little about her job and referred me to another office located on the 2nd floor and gave me the office number in writing. I reached that office at 3:15 PM after a lot of security checks and searches on the ground floor. I knocked at the door but there was no response. I nearly decided to leave but wanted to try one more time and asked the next door on the row. When I knocked and opened the other office, I met a secretary (a gentleman) who asked me what I wanted. I told him that I was sent to the next door but the office was locked. He asked me about the person who referred me to that office and I told him. He continued asking about the appearance of the lady and how she was dressed, etc., and he said, "She meant his own office not the next one."

I was glad to reach the destination anyway, but everything I saw there seemed a drama. The gentleman received the letter from me and started investigating. The first thing he picked was that the same letter was directed to the headquarters and Sebeta District Office at the same time. I explained the reason and he could not find any reason to reject it. He tried to find another fault again looking at the paper's front and back but didn't find any. It was clear that he didn't like to accept it. Then, he told me to submit the letter to the record office behind the building, ground floor, and come back to

him. When I did according to his demands, he talked to someone on the telephone. Finally, he gave me an office telephone number and told me to call during the next few days to collect some documents from the person he referred me to. It was 4:45 and here, I realised, I learned enough and decided to quit any more visit to that office.

On 17 August 2011, 9:00 AM, I went to the district office again as a customer and asked how long I should wait while everyone else in the surrounding had got power supply. The officer said, those who had got power recently brought letters of cooperation from their respective offices. Then, he told me to bring a letter for cooperation from my university explaining that I need electricity for equipment like laptops at home. On 20 August 2011, I submitted the letter. On 12 October 2011, my home was connected and I got the service after 18 months. I couldn't guess how long it could have taken if I didn't submit the letter.

This is a story about how the job has been done in the corporation which is one of the major stakeholders of the growth and transformation plan of the nation.

My wonders and curiosities

I didn't expect such a mess in such a big organisation. I thought there would be someone giving sufficient information for visitors in each office to facilitate customer service. There was suggestion book near the entrance of the office as usual at the district office. If someone starts complaining about service, the staff suggests to the complainer to write comment in the book. In fact, they know the book is unattended. Similarly, at the regional and the headquarters level, no one pays attention to a customer. For example, as mentioned above, officials do not care if a customer is waiting or not and are suspicious of visitors. I have observed a professional behaviour with few persons there such as the public relations officer. However, one or few persons cannot make a difference in such a huge organisation. It is difficult to imagine that this organisation could achieve a serious mission with such inconsistencies. Poor communication and lack of commitment to serve the people are clearly reflected here.

The Corporation (EEPCo)

This section discusses the context of the corporation, its operations and their

implications. The corporation was initially established as Ethiopian Electric Light and Power Authority (EELPA) in 1956, and in 1997, it was reorganised as corporation.

Vision, mission and mandate

The vision of EEPCo is "being a centre of excellence in providing quality electric service at every one's door and being a competitive export industry". In line with this vision, the mission is "providing adequate and quality electricity generation, transmission, distribution, and sale services through continuous improvement of utility management practices responsive to the socio-economic development and environmental protection need of the public" (EEPCo 2009).

The mandate is to generate, transmit, distribute and sell electric in the country. In its current vision, the corporation's dream has been to surpass the domestic power demand and export electricity to neighboring countries (Ibid).

The vision is attainable, the mission is relevant and the mandate is great. The vision is not difficult to achieve because the country gives high priority to the development of natural resources to the advantage of the corporation. However, it is not time bound and as a monopoly, the corporation is not subject to competition. This does not encourage change and improvement of services. The situation in the case description in the earlier section also reveals the same.

As mentioned above, the mission is very relevant; however, as it is very broad, it assembled varieties of resources and professions in a complex whole. Accordingly, the specialised operations are organised in a flat structure. The specific functions have been arranged as per the specialised operations as subsystems. Accordingly, they are: Generation Construction, Generation Operation, etc., each of which have their own structure based on the technicalities (EEPCO, 2009).

The structure reveals complexity. The supporting structures like internal audit, corporate ethics and anti-corruption were placed as advisory to the Board while they should have been to the chief executive office, which is a more active post indeed. The poor communication revealed in the case description relates to such problems in one way or another.

Profile of the human resource

As one of the most complex organisations, the corporation is one of the biggest in the country (EEPCo, 2009). As the data reveals, more than 90% of the employees were professionally unqualified (Ibid). Besides, the training programmes focused on developing technical skills only (survey report, May 2012). The corporation might have chosen this alternative to access cheap labour. However, as witnessed in the practice, providing standard service with such a resource is hardly attainable. In this dimension, as discussed in the literature, low wage leads to corrupt behaviour.

The profile of the corporation's employees at the study site was developed from the statistical information collected from the district office; and that is also similar to the situation at the corporate level, mentioned above, as presented in the following table.

Table 1: The personnel at the district office

Items		Ct.	%
1. Sex	Male	59	94
	Female	04	06
	Total	63	100
2. Level of education	Higher degree	--	--
	First degree	04	09
	Diploma	19	44
	Below diploma	20	47
	Total	43	100
3. Ethnic origin	Amhara	19	51
	Oromo	12	33
	Others	06	16
	Total	37	100

Source: Staff list obtained from District Office on 11 June 2011.

The data shows that the system is male dominated. The level of education of the staff again shows insufficiency with the majority being below diploma. This reflects critical gap in the nature of staffing at all levels.

The information about the ethnic origin of the employees tells one more issue. For instance, referring to the geographical location of the service, one may normally expect the reverse for the first and second groups in item 3 of the above table. Referring back to the discussion in the literature, this situation clearly reveals the existence of patronage in the process of hiring and firing in the organisation, which is one critical aspect of corruption.

Data Presentation and Analysis

Characteristics of the respondents (households)

The background of the household respondents shows that about 85% were male, 89% were over 40 years of age, 99% married, and 74% Oromo. This shows the community was multicultural and the respondents are matured people. Regarding level of education, the majority of the respondents were with low level of education (elementary and secondary). In connection to

occupation, those from *Addis-Sefer* were largely government officials (53%) and those from *Wato* did some business (43%) (Survey Report, May 2012). Low level of education can result in low understanding about the technicalities of the job, in the services under investigation, and may compromise sustainability in the overall development framework.

Table 2: Respondents by length of residence and views about service

Item	Residence				a=0.01	Test criterion for rejecting Ho is ($Z > 2.58$)
	Addis-sefer		Wato			
1. Age of the house:	Ct.	%	Ct.	%	Z-value	Result
A. Before 2005 GC	03	10	-	-	Z=4.7	Reject Ho*
B. 2005-2008 GC	21	70	08	27		
C. After 2008 GC	06	20	22	73		
2. Time taken for service:	Ct.	%	Ct.	%	Z-value	
A. Within a week	19	63	06	20	Z=4.8	Reject Ho*
B. In two weeks	05	17	05	17		
C. In three weeks	-	-	-	-		
D. In a month	05	17	-	-		
E. Few months	01	03	-	-		
F. Several Months	-	-	13	43		
G. One year and more	-	-	06	20		
3. Treatment at EEPCo office	Ct.	%	Ct.	%	Z-value	
A. Very receptive	15	50	02	07	Z=5.2	Reject Ho*
B. Moderately receptive	12	40	06	20		
C. Slightly receptive	01	03	08	26		
D. Hostile	02	07	14	47		

*Ho refers to no significant difference between the two groups.

Opinions about service

The data reveals that *Wato* is relatively younger community in the area. Regarding the nature of provision of services, the data shows more prompt service during the earlier days than the recent times. Moreover, as revealed in item 3, the treatment of clients was more positive in the earlier times referring to the case of *Addis-sefer* residents while it is the reverse for *Wato*. Besides, the Z-tests for the three items show greater value than the standard 2.58 indicating rejection of the null hypothesis that declares equality. It means there are significant differences between the two groups regarding the parameters.

From the discussion, the interaction between time and service provision could be recognised; and we can deduce the deteriorating nature of the circumstance along the course of time. This is sufficiently supported by reports of the interviewees and focus group discussants. In fact, those who refused to submit to the informal deals wait for the service for over one year while those in the deal obtain the service within few days (Survey Report, May 2012). This is also sufficiently discussed in the researcher's observation memo (see section 4.1) and interviews with key informants. When we refer back to the literature, the excessive time taken by the bureaucracy encourages corrupt behaviour.

In the key informants' interviews, the relationship between the amount of bribe and the time of response from officials was found out to be proportional. For instance, a gentleman who paid Birr 8000+ in the informal deal reported that he obtained the service within 3 days although his home was located about 500M from the power supply line. A lady who reported she paid Birr 1400+ said she was served within 5 days. A gentleman who paid Birr 300 was served in 6 weeks, etc. (Survey Report, May 2012). As discussed in the literature review, corrupt officials intentionally create shortages of services to diminish the confidence of service seekers and encourage submissive behaviour to corruption. This is one of the worst effects of corruption as it results in system inefficiency and it perfectly correlates with what is identified in the study.

Table 3: Respondents' information about corruption

Item	Residence				a=0.01	Test criterion for rejecting Ho is (Z>2.58)
	Addis-Sefer		Wato			
	Ct	%	Ct.	%	Z-value	Result
1. Information about corrupt behaviour in the corporation's service?						
A. No	03	10	02	07	Z=0.056	Accept Ho*
B. Yes	27	90	28	93		
2. If 'yes' how?	Ct	%	Ct.	%	Z-value	
A. You participated	01	03	10	36	Z=3.3	Reject Ho*
	12	45	16	57		
B. Know persons involved	14	52	02	07		
C. Only as rumour						

*Ho refers to no significant difference between the two groups.

Manifestations of corruption in the culture

From the data presented in the above table similar situation was reported by respondents from the two communities in that more than 90% said they have information about corrupt behaviour in the service under investigation. The test statistic (Z) also shows similarities of the two groups in terms of information.

Regarding intensity of participation between the two sub-communities, *Addis-Sefer* reflected slightly less experience than *Wato*. Similarly, the test statistic $Z=3.3$ reflects variations between the two groups regarding the issue. As the latter community is relatively more recent, this again shows the increasing nature of corruption with time in the cultures.

Table 4: Level of involvement in corruption

Item	Residence			a=0.01		Test criterion for rejecting H ₀ is
	Addis-Sefer	Wato				
1. Made extra payment by informal deal?	Ct.	%	Ct.	%	Z-value	Result
A. No	26	87	06	20	7.4	Rejected H ₀ *
B. Yes	04	13	24	80		
2. If 'yes' why?	Ct.	%	Ct.	%		
A. You think it is normal	02	50	09	38	1.4	Accept H ₀ *
B. Encouraged by others	-	-	03	12		
C. Forced by the situation	02	50	12	50		
3. Who are the most important actors?	Ct.	%	Ct.	%		
A. Officials	10	33	13	43	1.15	Accept H ₀ *
B. Households/clients	09	30	08	27		
C. Other perpetrators	11	37	09	30		

*H₀ refers to no significant difference between the two groups.

As presented in the first item of the above table, 87% of residents in *Addis-Sefer* said they didn't pay bribe while 80% of those from *Wato* said they did pay. Besides, the result of the Z-test shows significant difference between the two sub-communities in this regard confirming the contrast.

In the second item, 50% of the respondents who gave bribe from *Addis-Sefer* said it is normal to pay while the rest think they were forced by the situation. From *Wato*, 50% said they are forced by the situation and 38% think it is normal to pay. The Z-test result regarding this item shows no significant difference between the two sub-communities.

In item 3, the respondents from *Addis-Sefer* blamed all participants while those from *Wato* blame mostly the officials. In this perspective, again, the Z-test result shows no significant difference in the opinions of the two groups. This shows mixed feelings about corruption agents and reveals widespread nature of the act in the community in general.

When we see the responses from the focus group and key informants, all agreed that they know about the practice of corruption in the activities of the corporation and they accepted that they had participated directly or indirectly in the informal deal. In the interviews, respondents were asked why they give bribe instead of firmly demanding their rights. What they reported was that they were victimised by the situation (Survey Report, May 2012). They said the corrupt officials create so many conditions to push the service seekers in to the system. They said that the officials prevent them from accessing the service by reporting shortages of facility, equipment, and mystification of the technical job. For example, at times, the technicians mystify the job pretending they install the best facility for them, at other times, they report shortage of tools and materials (Survey Report, May 2012).

In connection to this, one respondent answered the above question by asking the researcher the following. "If you want to access a computer that is protected by password, what would you do first?" This gentleman is one of the well-educated members of the respondents. However, he paid tips to the technician who visited his home for estimating the service cost. As he argued, he convinced himself that it is not a bribe but a tip. At the time, the power line passed straight along his home, but the technician was not satisfied with the amount and didn't serve him promptly. In fact, he waited 6 weeks as compared to those who paid thousands.

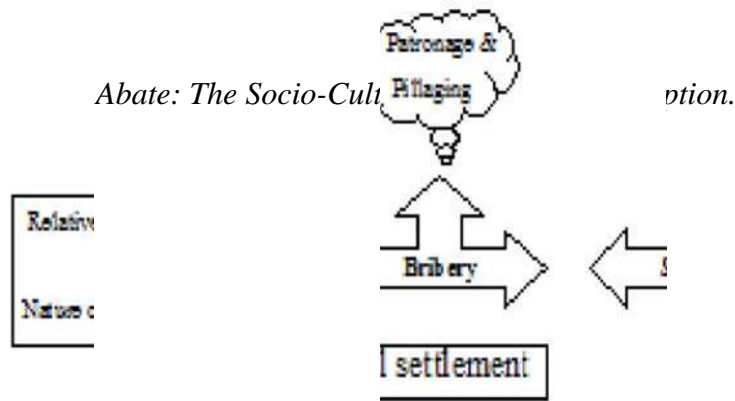
The situation reveals that the respondents have less understanding about corruption and how it flourishes. In fact, all of the key informants and others reflected negative attitude towards corruption but they encourage the practice by investing in the name of tips or bribes that have reverse consequences in the long run. As discussed in the literature, this again shows low awareness about sustainability because fighting corruption could be effective only if they all refused to give bribe.

Analysis

As the data indicate, the organizational structure of the corporation reveals complexity of the system in that much diversified businesses are put together in an aggregate. Besides, as the practice during the investigation revealed, communication is severely hampered at all levels of the organization (section also 4.1 - 4.2). Moreover, the human aspect of the corporation was defective. For instance, the corporation was manned with more than 90% unqualified staff. Nevertheless, with the demanding nature of the mission and high technicality of the job, the system requires highly qualified, committed, and efficient human resource more than anything (sections 5.1 - 5.3).

The people in the community under investigation are affected by lack of awareness about the technicality of the job and sustainability in general. They expressed their fears to complain about the way they are treated as they think the technicians can secretly harm them if they do so by installing low quality meters, etc. In short, they accepted anything as their destiny. This made them subject to mystification of the job by the technicians. In this context, those who paid less or refused to accept the informal deals were adversely affected by delayed services. When we consider the situation in systems' view, three major components could be recognised: the demand factors to engage in the informal deal, the supply factors and bribery. This is the systemic expression of the operations; and bribery operates as a pivotal factor in the system, interacting with the other components and the environment at large as we can see in the following figure.

Figure 2: Application of systems and contingency concepts



As discussed earlier, the human aspect of the corporation reflects characteristics of patronage, which complicates the situation to identify corrupt intentions of individuals. The process of corruption ends up to be pillaging the property of the corporation for personal gains. It is the property of the corporation that is bid in the corrupt transactions and all the informal deals examined in the study have been settled by the same means; the poles, the cables and all the other materials and resources are abused by the individuals involved. Bribery is the central engine that moves the process service delivery in the new areas of expansion and enforces the demand and supply factors.

On the demand side, the relative wage, and weak control are presented. In this regard, it could be noted that the salary of government employees is generally lower compared to non-governmental organisations in the general culture. This is further compounded by the use of less trained employees. The use of less educated employees may enable the corporation to obtain cheap labour but may be the reason for promoting corruption as a consequence. Less qualified employees appreciate tips and fringe benefits from busy customers. This trend soon transforms itself into deep system abuse when the demand for shortcut services is high. Irresponsible customers that focus on immediate prompt service and the informal dealers who further complicate the situation were pushing the system into complete irregularities. Besides, the control aspect had been weak and there has not been well defined code of conduct emphasised for the employees of the organisation.

On the supply side, the perception of the bureaucratic involvements of the job, technicality, and low level of awareness are the determinants. The technicality of the job promoted mystifications by the technicians. This forces the service seekers to go to the informal deal to speed up the process. Consequently, as discussed earlier, service delivery is directly proportional to the amount paid as bribe and inversely proportional with the resistance to

$$SS = BT * 1 / PAID$$

(Where PAID is speed of service, BT is bureaucratic time requirement, PAID is payment amount in informal deal)

pay. This could be illustrated in the *corruption equation* below, the higher you pay, the faster the service would be and the vice versa.

Figure 3: The corruption equation

This environment made the people easily submit and accept the proposals of corruptors. Furthermore, there has been lack of awareness of the people about matters of sustainable development. For instance, in bribing officials, the suppliers were not aware of the effect in boosting the behaviour on the demand side further. Besides, in the practical situation, it was difficult to detect corruption by the anti-corruption wings of the government because corruption is well maintained and informally supported in the local culture of the community under investigation. The people do not understand their rights and they bribe officials and technicians for services that they are entitled to by virtue of their right. Some even think they are taking the advantage over those who do not by giving bribe and getting the services and selling power in the neighbourhood who refuse to pay.

Conclusions and recommendations

This section concludes the study by referring to the gist of the findings from the point of view of the basic questions. The following basic questions were identified for the study and the conclusion here is based on them.

- What is the effect of corruption in the community and what are the major contingencies?
- What are the major manifestations of corruption in the situation and how can we explain the behaviour of the actors on the demand and supply sides?

Concluding remarks

Honesty is the best principle whether it is rewarding or not!

The local community focused in this investigation is accustomed to corruption; and this has been adversely affecting the development of service delivery by the corporation while the resource is available. In the system, bribery operates in a multifaceted and pluralistic way supported by informal deal which helps to hide the practice from the legal administrative control. In the meantime, the effect is that honesty has been punished and lawlessness has been rewarded. Indeed, the major contingencies are the nature of the corporation in that the corporation has been complex in structure with highly technical job and manned with weak human resource. The major manifestations of corruption in the particular community are bribery, which operates through patronage and pillaging. Mystification of tasks dominates the behaviour of the actors on the demand side; on the supply side, confusion, lack of confidence and fear of technical experts prevail.

Recommendations

The policy makers and the corporation may consider implementing the following as a contingency to alleviate the problem.

- Focused education through mass media to develop awareness of the people to stand against corruption.
- Emphasis on administrative reforms that encourage transparency and minimise delays.
- Staffing based on transparent criteria and selecting well qualified persons and pay structure should reward honesty and be competitive among the sectors.
- Code of conduct has to be developed and contract signed (say every six months) with all technical staff. This will encourage personal responsibility for moral standards and strengthens individual legal responsibility at personal level.
- The system has to provide effective venue for citizen complaints and individuals should be protected and be rewarded for reporting irregularities.
- Finally, contracting minor services to private firms with no close links to the corporation may also help.

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