



Corruption: Drawing a Line in the Grey Zone

Fortifying your organisation against corruption begins with questioning your own incorruptibility.

Corruption can no longer be addressed as a legalistic or compliance issue by executives and directors.

Nor is it enough to regard it as an ethical issue. Righteousness is not and will never be a guarantee for directors and executives.

Corruption is one of these complex notions for which simplistic reasoning can give no more than an illusion of understanding.

Consider the following metaphor: Corruption would be to integrity what night is to day.

Day can be defined rigorously as the time between sunrise and sunset.

But who would deny that dusk is already the night coming, that twilight contains some daylight in it or that dawn announces the inexorable coming of day?

Moreover, seasons affect the length of the day. There are cycles and what is day today may be night tomorrow: A practice that is acceptable today may be considered corruption tomorrow.

And if one wants to approach corruption in a globalised world, one has to take into account that night and day, in practice, depend on where you are.

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When the sun sets in the west, it rises in the east...

Xi and Trump

I'll illustrate my point with a concrete example – China's President Xi Jinping's speech to the 19th National Congress of the Communist Party of China, contrasted with the National Security Strategy of the United States of America by President Donald Trump.

First, let's consider the commonalities between the two leaders' statements. Both documents consider corruption a governance issue. Both embed the idea that corruption is antagonistic to the rule of law, which is formulated in both documents as a fundamental value. Both documents refer to the societal benefits of combating corruption.

Further, their perspective on corruption is like day and night with, of course, shades of grey.

For Xi Jinping, "corruption is the greatest threat our Party faces". It is one of the "tests confronting the Party as they relate to governance, reform and opening up, the market economy, and the external environment".

Xi wants to ensure "that officials are honest, government is clean, and political affairs are handled with integrity".

The integrity of party officials will improve “the political ecosystem of the Party”, “strengthen internal oversight” and protect “its close ties with the people”.

Xi Jinping advocates anti-corruption to make the Chinese Communist Party better so as to contribute to the long-term stability of the country.

For Donald Trump, corruption also arises from weak governance and the failure of the rule of law. But he fingers a quite different set of culprits: “Transnational Criminal Organizations”, “corrupt foreign officials”, “corrupt elites”, “repressive leaders [who] often collaborate to subvert free societies and corrupt multilateral organizations”.

Trump’s anti-corruption agenda is aimed at fighting “authoritarian states” and allowing U.S companies to “compete fairly in transparent business climates”. In other words, Donald Trump advocates anti-corruption to influence the global playing field, protect U.S. interests and contribute to political freedom and fair economic competition.

These two perspectives on corruption highlight two sides of what corruption can be.

On the one hand, corruption refers to the loss of integrity of a political system because of inappropriate economic incentives.

On the other hand, corruption refers to the loss of integrity of an economic system because of inappropriate political influence.

The question of whether economic or political power should drive global governance frames both Xi Jinping’s and Donald Trump’s perspectives on corruption.

Between the extremes

It is risky for globalised companies to make business decisions – such as which non-market strategies or sales practices to employ abroad – through one of these perspectives alone. We need both to cover the full spectrum of corruption.

Some theoretical input can help define the different forms of corruption and anti-corruption.

A stance towards corruption that stresses politics at the expense of economics, as in Xi’s discourse, is *relational*. In a relation, two identified parties cooperate to benefit from their joint activity. Most importantly, these parties share a common identity and exist together as a collective. It is this collective that they intend to protect by promoting the integrity of the relation.

A stance emphasising economics at the expense of politics, like in Trump’s National Security Strategy, is *transactional*. In a transaction, two anonymous parties compete to benefit from an exchange. The object of the transaction makes the exchange beneficial for each party. These individual benefits drive the exchange and need to be protected by the integrity of the transaction.

Both of these stances have an absolute definition of integrity that is both culturally grounded and philosophically sound. Each has its own values, and its own value.

However, social interactions are a mixture of relations and transactions, and should be treated as such. Transactions or relations, economics or politics, competition or cooperation represent extremes that should never pretend to capture the full reality alone.

Integrity is not about purity. It is about the drawing of a line in the grey zone, a dynamic process that engages the actors, their references and their context.

The limits of “zero tolerance”

Because corruption is a grey zone, the inconvenient truth is that corrupt behaviours are not entirely evil. Similarly, those that are not corrupted may not be paragons of integrity either. Unfortunately, “zero tolerance” discourses about corruption do not give credit to this complexity.

This is not to excuse the petty corruption or all the forms of relations or transactions that are so perverted that they should rightly be called crimes and necessitate punishment.

It is to acknowledge the need for an acute analysis of the good and evil of social interactions, and that such an analysis will lead to necessarily contradictory judgments due to the complexity at hand.

Accepting the grey zone doesn’t mean denying that some acts are darker than others. It is because you accept it that you can aim towards light with full conscience.

So for corporate leaders, effectively combating corruption is, first and foremost, about a critical attitude to one’s own perspective on corruption. Do not hold the idea of corruption at arm’s length, as though it were a problem too sordid to soil your hands with. Question your notions of what integrity looks like; consider the possibility that, in the complexity of business relationships, integrity sometimes shakes hands with corruption.

The first step might be creating the space in your organisation for uncomfortable conversations and questions. Instead of trying to ensure your company isn't corrupt from your usual perspective, assume – as a thought experiment – that it *is* corrupt, according to an alternative mindset. Then thoroughly examine your business practices with that shadow perspective in mind. Outside of your comfort zone, you may discover surprising truths about your practices and unleash a new motivation to improve. And you will certainly be better prepared in the event of an accusation.

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