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## *Graft and Corruption Practices Among Selected Public Officials in Mindanao, Southern Philippines*

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### **ABSTRACT**

This study aims to examine the graft and corruption practices among selected public officials in southern Philippines. The study is qualitative in nature making use of case study method in which an in-depth analysis of primary data obtained from eight informants, four of whom are town mayors and their four incumbent municipal treasurers, is employed. The findings revealed that the mayor informants got elected through vote buying and bribery. Politics and family matters intersect as informants are supported by their families during election who used guns, gold and goons to ensure election victory. The clannish nature of the community finds expression also in the selection of relatives in municipal employment and in accessing municipal resources. The most prevalent corruption practice disclosed by the informants is amassing the internal revenue allotment (IRA) for personal purposes in order to recover the huge amount of money spent during election. Other types of corruption practices also include falsification of documents, nepotism, bribery, kickbacks, and evasion of public bidding. These public officials also do not seem to perform official duties in their towns as they live outside of their municipalities. Inter-agency involvement of corruption among different government agencies in the areas studied are also uncovered. Moreover, the perceived negative effects of corruption are manifested in the poor delivery of the community's basic social services in health, water supply, education, and security protection. Corruption also adversely affects the construction of community infrastructure facilities and the establishment of an equitable and solid economic base. The

study has implications to the strict policy implementation of the provisions of the 1991 Local Government Code of the Philippines, The Anti-Graft and Corrupt Practices Act, and other pertinent laws in order to improve the transparency, integrity and accountability of public officials not only in southern Philippines but also in the entire country.

**KEYWORDS:** governance, inter-agency corruption involvement, Internal Revenue Allotment, maratabat, nepotism

### **INTRODUCTION**

Good governance sets the normative standards of development. It fosters participation, ensures transparency, demands accountability, promotes efficiency, and upholds the rule of law in economic, political and administrative institutions and processes. It is a hallmark of political maturity but also a requisite for growth and poverty reduction, for there are irreducible minimum levels of governance needed for large-scale investment to occur and for social programs to be supported ([www.neda.gov.ph](http://www.neda.gov.ph)). The empowerment of local officials is enshrined in the 1991 local government code. However, a lot of studies significantly point out the proliferation of corruption in the local government units after the devolution of power as mandated in the said code (Amorado, 2007).

Corruption has been defined as the misuse or abuse of public office for private gain (Klitgaard, Abaroa and Parris, 2000). It involves members of government and the private sector. Robert Klitgaard, as cited by Batalla (2000), asserts that corruption comes in several forms and consists of a wide array of illicit behaviors including bribery, extortion,

fraud, nepotism, graft, speed money, pilferage, theft, embezzlement, falsification of records, kickbacks, influence-peddling, and campaign contribution". According to the 1999 United Nations Development Program (UNDP), corruption is anti-development because it goes against efficiency, social equity and welfare. The full development of national system of communication, transportation, trade and commerce, all of which are essential to economic development, is adversely affected because of the diversion and misdistribution of domestic and foreign public funds.

The Transparency International 2010 report says that the level of corruption in the Philippines has worsened in the last three years, with the country being perceived as 12<sup>th</sup> most corrupt in a field of 178 nations. Furthermore, 69% of those surveyed said that they believe that corruption has increased within the last three years. Transparency International also estimates that 20 percent of the budget is lost to corruption annually. Given a budget of 1.645 trillion for 2011, the country stands to lose P329 billion in taxpayer's money by year's end.

The Philippines is continuously viewed as having serious corruption problems in international stage. In a survey conducted by the Hong Kong-based consultancy firm Political and Economic Risk Consultancy in 2011, the country garnered a score of 8.9, worse than its rating of 8.25 in 2010. This ranked the Philippines as third most corrupt nation in Southeast Asia ([www.abs-cbnews.com](http://www.abs-cbnews.com), 2011)

In the Muslim-dominated Autonomous Region of Muslim Mindanao (ARMM) observations would indicate that it is saddled with an oversized, demor-

alized and mostly incompetent bureaucracy. People in the government services are hired for their political connections and family ties rather than their skills. Since its creation, ARMM has received generous financial infusions from Manila. It is estimated that each of ARMM provinces gets one billion pesos annually from the national government in the form of Internal Revenue Allotment (IRA), congressional initiative allocations and countrywide development funds (CDF). According to the Commission on Audit reports, ARMM— the poorest region in the country, with the worst social services—has little to show for this money. In addition, millions of pesos worth of funds remained unaccounted for (Vitug, 1996).

In terms of transparency, accountability and governance performance, ARMM is unsatisfactory. In the ARMM Regional Government (ARG), about 82 percent of the total budgetary allocation is spent on employee salaries and benefits, making it the largest employment agency in the area. Many barangay lacks barangay hall; absentee employee and even mayors seem to be the norm. The homes of municipal mayors and barangay chairs are often the de facto centers of local governance. In many municipalities, only the mayor and treasurer have knowledge of the IRA, and funds which, by law, are reserved for development activities, are in fact used in any manner the mayor decides. Public funds are dispensed as private funds; appointments to key positions are based mainly on kinship; and citizens expect local executives to provide free services (Calavan et al., 2004)

In Lanao Del Sur, one of the provinces of the ARMM, graft and corruption practices are widespread. Based on the Commission on Audit Executive Summary 2007 report on the province, the

commission found out rampant irregularities practiced by the provincial government officials. Some of these are absence of public bidding in the procurement of supplies and equipments, disbursement of money is not supported by vouchers and unliquidated cash advances for travelling expenses of officials (www.coa.gov.ph, 2007)

The COA report mentioned earlier only elaborated on the forms and nature of corruption and financial mismanagement of the resources of Lanao Del Sur and ARMM region. However, the factors that account for these corrupt practices in the region have never been contextualized. Thus this angle needs to be explored further to shed light on the reasons why corruption pervades in a Maranao-dominated community and the types or forms and procedures of corruption that actually happened during the incumbency of the selected public officials in some municipalities of Lanao Del Sur. This study is significant in examining the transparency, accountability and good governance in selected towns in Lanao Del Sur.

This study aims to identify and describe the graft and corruption practices among selected public officials in Lanao Del Sur. Particularly, this study examines the following: the socio demographic profile of the key informants, the role of kinship system in the political involvement of the informants, the informants view on corruption, the graft and corruption practices done by local government officials, the perceived effects of graft and corruption practices in their municipality, and the recommendations of the informants to lessen the corruption practices in the locality.

This study highlights Homans' exchange theory which advances propositions about the nature of exchanges in people's interaction that promotes

further exchanges as well as Merton's strain theory. These two theories would explain the engagement of graft and corruption practices among the informants in the study. The fundamental propositions of George Homans' exchange theory are the following: The Success Proposition- states that "For all actions taken by persons, the more often a particular action of a person is rewarded, the more likely the person is to perform that action" (Homans, 1974:16); The Stimulus Proposition- argues that "if in the past occurrence of a particular stimulus, or set of stimuli, has been the occasion on which a person's action has been rewarded, then the more similar the present stimuli are to the past ones, the more likely the person is to take the action, or some similar action" (Homans, 1974: 23). On the other hand, the Value Proposition- states that "the more valuable to a person is the result of his action, the more likely he is to perform the action" (Homans, 1974:25).

Furthermore, his Deprivation-Satiation Proposition states that "The more often in the recent past a person has received a particular reward, the less valuable any further unit of that reward becomes for him" (Homans, 1974:29). There are also two cases involved in The Aggression-Approval Proposition. The first is the Proposition A: "*When a person's action does not receive the reward he expected, or receives punishment he did not expect, he will be angry; he becomes more likely to perform aggressive behavior, and the result of such behaviour becomes more valuable to him*" (Homans, 1974:37). The second is Proposition B: "*When a person's action receives the reward he expected, especially a greater reward than he expected, or does not receive punishment he expected, he will be pleased; he becomes more likely to perform*

approving behaviour, and the result of such behaviour becomes more valuable” (Homans, 1974:43).

Lastly, the Rational Proposition which states that, “In choosing between alternative actions, a person will choose that one for which, as perceived by him at the time, the value,  $V$ , of the result, multiplied by the probability,  $p$ , of getting the result, is greater” (Homans, 1974:43). Out of the six propositions being mentioned, only four were used as basis for explaining the practice of graft and corruption in the selected municipalities of Lanao Del Sur. The following propositions are: the Success Proposition, Stimulus Proposition, Value Proposition, and Aggression-Approval Proposition.

negative reaction, the behaviour would not be considered deviant. Because deviance is found naturally within society, Merton believes that it was society itself which causes it. Further, Merton believes that when societal norms, or socially accepted goals (such as the American Dream), place pressure on the individual to conform, they force the individual to either work within the structure society has produced, or instead, become members of a deviant subculture (Merton, 1938). Therefore the conditions governing social interactions together with the cultural norms of society (example strong familism) define the proclivity of the informants to engage in corruption as articulated by the succeeding diagram and the explanations that follow. (see figure 1)

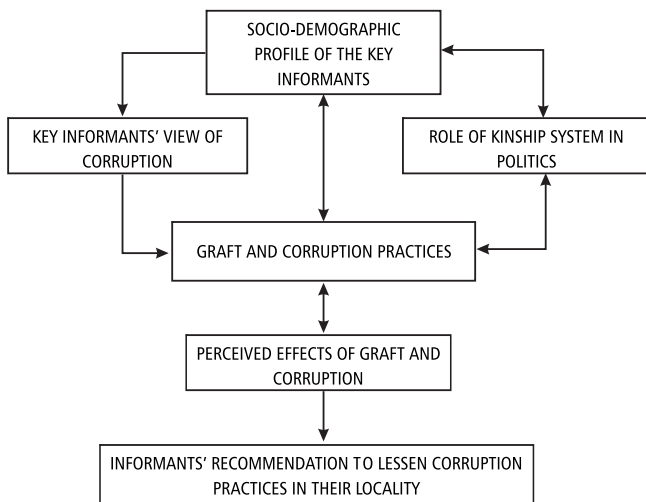


Figure 1. Schematic Diagram Used in the Study

On the other hand, Merton’s strain theory looks at deviance as the characteristics of behaviours of individuals which violate group norms (including cultural mores and moral standards). The deviance, in order to be properly labelled, must induce a negative response from the group. The second piece of this definition is actually the most important in that; without the

Figure 1 presents the variables in the study. The socio demographic profile is linked to the following three variables: role of kinship system in politics, key informants’ view of corruption and graft and corruption practices. The role of kinship system in politics is crucial because it is the kin of the key informants who decides who will run in politics. It is very important that the family of the politicians (key informants) must be united so that there will be a great chance of winning in the election. The informants’ view on corruption is linked to his own perspective and personal experiences. Graft and corruption practices are also connected with the informants because their lifestyles would be reflective of their involvement or non-involvement in the act.

The role of kinship system is linked to graft and corruption practices because when the mayors win in the election, they must repay the favor they owed to their relatives. At this point also, Homans’ exchange propositions are relevant specifically on

the following: success proposition, value proposition, stimulus proposition, and aggression-approval propositions (notably, proposition B).

The perceived effects of graft and corruption have impacts to the community especially in the delivery of basic social services to the people because corruption is anti-development: it adversely affects the prosperity of the community. But corruption needs a solution. Some recommendations from the informants to lessen corruption practices in their respective locality are expected in order to improve local governance.

## **RESEARCH METHODS**

The study was conducted using a qualitative approach employing mainly case study and observation methods. Primary information were generated from the in depth-interviews of the informants. Observation method was used by the researchers to check and verify the presence of community facilities, the lifestyles of the municipal mayor and municipal treasurer informants and the actual situation of the selected municipalities. The researchers obtained data from 8 selected local government officials who assumed office since 2004 up to the present. They were selected using snowball sampling technique. The researchers ensured the observance of research ethics in the conduct of the study through informed consent, respect and protection of the identity of the informants.

The data were analyzed using content/thematic analysis of the transcripts of the case study data. This is a technique for making inferences by objectively and systematically identifying specified characteristics of messages (Ole Holsti, 1969). The researchers thematically analyzed the data based on

the key ideas drawn from the responses of the key informants.

## **DISCUSSIONS AND RESULTS**

### **1. SOCIO DEMOGRAPHIC PROFILE OF THE INFORMANTS**

The average age of the mayor informants is 52 and 49 for the municipal treasurers. Among the 4 mayor informants, 3 are males and 1 is female. The same distribution is noted among the 4 treasurer informants which may indicate the emerging role of Maranao Muslim women in politics and key positions in public office. The mayors do not have previous work experience in the government service unlike the treasurers that are mandated by the Local Government Code to obtain a background in financial management.

Election cost in Lanao del Sur is very expensive with an estimated average of P42.3 million per mayor candidate. This amount is mainly used for vote buying and bribing the Commission of Election (COMELEC) officials and financing supporters (the details of which are elaborated in the succeeding discussions). The mayors are allowed by law to hold office for 3 terms and each term has a duration of 3 years. On the average, the mayors in this study have served for 2 terms (6 years) while their municipal treasurers have been in this position for around 8 years which suggests their job capability.

The mayors have a mean monthly income of P37, 187.00 and P29, 983.00 for the municipal treasurers. Their salary depends on the classification of their municipalities. Both the salary of municipal mayor and municipal treasurer is stipulated and fixed by law under R.A No. 6758 known as "An Act Prescribing a Revised Compensation

and Position Classification System In the Government and For Other Purposes”. The average monthly income of the mayors, which include the income of their spouses, is more than twice the mayors’ monthly salary ( P86,867.00) while their treasurers earned about half (P43,193.00). Translating their income into a living standard, their monthly financial resources obtained from legitimate means could only warrant them to enjoy a modest life .

However, in terms of material possessions which are visible to the public like houses and vehicles, the 4 mayors own an average of 4 luxury cars estimated to have an average cost of P7,570,000 million. One of the mayors even own 6 cars. They also typically possess 4 houses and lots. In fact, one of them has 5 houses; 1 in his own municipality and 4 in other cities.

The 4 treasurers also typically own 2 expensive cars which could be valued at P3.2 million. Aside from cars, they also have an average of 2 houses. These suggest that the informants live a comfortable life which could be monitored through their

declaration of assets and liabilities and lifestyle check as mandated by the law on R.A. No. 6713 also known as “An Act Establishing A Code Of Conduct And Ethical Standards For Public Officials And Employees, To Uphold The Time-Honored Principle Of Public Office Being A Public Trust, Granting Incentives And Rewards For Exemplary Service, Enumerating Prohibited Acts And Transactions And Providing Penalties For Violations Thereof And For Other Purposes”. The section eight of Republic Act 6713 which states that:

*“Statements and Disclosure. - Public officials and employees have an obligation to accomplish and submit declarations under oath of, and the public has the right to know, their assets, liabilities, net worth and financial and business interests including those of their spouses and of unmarried children under eighteen (18) years of age living in their households.*

(A) Statements of Assets and Liabilities and Financial Disclosure. - All public officials and employees, except those who serve in an honorary capacity, laborers and casual or temporary workers,

TABLE I. PROFILE OF KEY INFORMANTS

DESCRIPTION	MAYOR INFORMANT	TREASURER INFORMANT
a. Personal Information	Total Informant- 4	Total Informant- 4
1. Mean Age	52	49
2. Sex	Female-1; Male-3	Female-1; Male-3
3. Mean Salary	P37,187.00/mo.	P29,983.00/mo.
4. Total Monthly Family Mean Income	P86,867.00	P 43,193.00
5. Mean Election Expense	P42.3 million	NA
6. Duration of Office	2 terms ( 6 years)	8 years
b. Material Possession		
1. Luxury Cars owned ( Mean)	4	2
2. Estimated Car Value (Mean)	P7.5 million	P3.2 million
3. House and lot owned (Mean)	4	2

Source: Fieldwork Data Gathered from the Informants Conducted in May to July, 2012

shall file under oath their Statement of Assets, Liabilities and Net Worth and a Disclosure of Business Interests and Financial Connections and those of their spouses and unmarried children under eighteen (18) years of age living in their households.”

## 2. ROLE OF FAMILY IN CORRUPTION

The 4 mayor key informants have also relatives, either by blood or marriage-related, who are in politics. There are social and political functions of kinship in Lanao del Sur since politicians need a huge support of different families in order to increase their chances in winning in elections. The families expand their political alliances through marriage to someone belonging to a big family. Expansion of family networks through affinal and blood ties ensure financial support from relatives during election.

It is also revealed that the family has a strong influence in the informants' decision to run for public office. It is impossible for a politician in this province to win without the support of his/her family. If there are a lot of men in the family, the opposing party cannot just simply outsmart the rival. Men are needed especially during voting period when violence cannot be avoided. Some people tend to control the polling precincts. Men supporters of the politicians sometimes do not allow voters who do not vote for their candidates to enter the precincts, thus male power is needed to safeguard election victory.

Another thing to be considered upon entering the world of politics in Lanao Del Sur is the capacity of each local candidate to put up huge amount of money. As mentioned earlier, a mayor candidate has to spend million of pesos to ensure winning,

30 to 58 million pesos or P42.3 million on the average. This money was mainly used in vote buying activities, mobilization of election supporters and even in the bribery of the election officials in the province. It has to be noted that in section 261 of the Omnibus Election Code of the Philippines, entitled “Election Offense”, specifically states that vote buying is strictly prohibited.

“Prohibited Acts. - The following shall be guilty of an election offense:

- a) Vote-buying and vote-selling. -
  - (1) Any person who gives, offers or promises money or anything of value, gives or promises any office or employment, franchise or grant, public or private, or makes or offers to make an expenditure, directly or indirectly, or cause an expenditure to be made to any person, association, corporation, entity, or community in order to induce anyone or the public in general to vote for or against any candidate or withhold his vote in the election, or to vote for or against any aspirant for the nomination or choice of a candidate in a convention or similar selection process of a political party.
  - (2) Any person, association, corporation, group or community who solicits or receives, directly or indirectly, any expenditure or promise of any office or employment, public or private, for any of the foregoing considerations.”

The two researchers in this study who are residents in the province witnessed the rampant vote buying during elections. Mayors give money in the range of P3,000 – P8,000 per voter, while a congressional candidate gives P2,000 –P3,000 pesos. It is estimated that during elections, a voter can collect P10,000 to P12,000 from the candi-

dates. The amount spent during election by the mayor key informants is also in violation of Section 13 of Republic Act 7166 known as “An Act Providing For Synchronized National And Local Elections And For Electoral Reforms” which stipulates the following provisions:

*“Authorized Expenses of Candidates and Political Parties. - The agreement amount that a candidate or registered political party may spend for election campaign shall be as follows:*

*For candidates. - Ten pesos (P10.00) for President and Vice-President; and for other candidates Three Pesos (P3.00) for every voter currently registered in the constituency where he filed his certificate of candidacy: Provided, That a candidate without any political party and without support from any political party may be allowed to spend Five Pesos (P5.00) for every such voter; and...” (R.A 7166)*

### 3. VIEWS OF CORRUPTION

Corruption can come in various forms. The mayors admitted that it can be in the form of amassing the IRA (Internal Revenue Allotment) to recoup the money they spent during election. This is in preparation for the next election or this could be a source of personal income. The IRA, according to Section 284 of the Local Government Code of the Philippines (RA 7160), is a local government’s share of revenues from the national government. It is largely based on land area and population. As further stated in Section 286 of the same code, *“the release of the IRA shall be automatically released without need of any further action, and as the case may be, on quarterly basis within five (5) days after the end of each quarter, and which shall not be subject to any lien or holdback that may be imposed by the national government for whatever purpose”*. The

intended fund of the 80% IRA is classified as General Funds, where the salary of the municipal employees, maintenance and operating expenses (MOOE), payrolls, and others are withdrawn. The 20% IRA is intended for development projects as required by the same law, again as stated in Section 287 of Local Government Code. It is the task of Department of Interior and Local Government (DILG) to furnish a copy of the development plan projects.

On the other hand, the treasurers view corruption as a way of stealing the IRA. Aside from this act, other corruption practices include bribing the COMELEC and Commission on Audit (COA) officials to facilitate anomalous transaction or using the funds of Local Government Units ( LGUs) for personal expenditures.

The study also shows that there are advantages and disadvantages of corruption. The mayors view the direct benefits of corruption to their family and political career. Aside from recovering their investment or the money spent during election, corruption gives prestige to the mayors including their families because it provides them with family honor, luxurious lifestyle and power. The treasurers identified the disadvantages of corruption in the promotion of community welfare. According to them, corruption retards the economic development of the community because problems of poverty, access and provision of social services, infrastructure facilities and security concerns are not given priority.

Why do the informants resort to corruption? The treasurers said it is because the mayors used it as a strategy for recovering election financial investment and in preparation for the next election.. The success and stimulus propositions of



Homans' exchange theory can be aptly seen in the actions of the mayor informants as also validated by their corresponding treasurers. Election becomes an economic investment of every politician in anticipation of the reward (whether money, power, recognition, prestige) which they get through the IRA.

Also, the treasurers added that the mayors tried all possible means to get them to power not only through vote buying but also in bribing COMELEC officials. Merton's strain theory is also useful to analyze the motivations of the mayors who use all possible illegitimate means to get their goals. The treasurers further stressed that corruption is the way of governance in the province of Lanao Del Sur which is also a microcosm of corruption in the whole government bureaucracy.

#### 4. THE PRACTICE OF CORRUPTION

There are procedures in undertaking corruption as revealed by the treasurers. They admitted that they usually prepare manipulated/fake documents like payrolls, vouchers, and disbursements to liquidate the municipal expenses taken from the IRA. The other practice is to pay fixers to process the liquidation. It is noted that the treasurers play a big role in the preparations of the papers in order for the IRA to be released and in the disbursement process. They are the ones also to hand in to the mayor the extra amount left in the 80% general appropriations fund and usually the full amount of the 20% development fund. These practices are in violation of the Revised Penal Code of the Philippines, Section four, article 171 which states that:

*"Art. 171. Falsification by public officer, employee or notary or ecclesiastic minister. – The penalty of*

*prison mayor and a fine not to exceed P5,000 pesos shall be imposed upon any public officer, employee, or notary who, taking advantage of his official position, shall falsify a document by committing any of the following acts:*

1. *Counterfeiting or imitating any handwriting, signature or rubric;*
2. *Making any alteration or intercalation in a genuine document which changes its meaning;*
3. *Issuing in an authenticated form a document purporting to be a copy of an original document when no such original exists, or including in such a copy a statement contrary to, or different from, that of the genuine original"*

The mayors admitted the existence of rampant corruption in their municipalities. This is done in the form of spending personally the IRA and the budget allocated for local and national projects. The other corruption practice is done through the sharing of IRA by the mayor and selected municipal officials (elected and appointed like the treasurers and municipal engineers) which is an inter-agency arrangement. In extreme cases, acquiring personally the release of 80% and 20% of the IRA by pocketing it is also another form. Getting the remaining funds of the implemented projects is also another practice. These corruption practices are in violation of the R.A 3019 also known as Anti-Graft and Corrupt Practices Act which stipulates that:

*"Sec. 3. Corrupt practices of public officers. - In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:*

- (b) *Directly or indirectly requesting or receiving any*

gift, present, share, percentage, or benefit, for himself or for any other person, in connection with any contract or transaction between the Government and any other part, wherein the public officer in his official capacity has to intervene under the law.”

Most of the municipal mayors practice malversation of public funds which is not only a corrupt practice but also as criminal offense as specified in Article 27 of the Revised Penal Code of the Philippines and amended through R.A. It states that:

“Art. 217. *Malversation of public funds or property. – Presumption of malversation. – Any public officer who, by reason of the duties of his office, is accountable for public funds or property, shall appropriate the same, or shall take or misappropriate shall consent, or through abandonment or negligence, shall permit any other person to take such public funds or property, wholly or partially, or shall otherwise be guilty of the misappropriation or malversation of such funds or property*”

The study also revealed that the key informants are not conducting public bidding where there are infrastructure projects to be implemented and in purchasing government supplies. Treasurer informants bluntly admitted that they personally chose the private contractors to the infrastructure projects. Under R.A. No. 9184 also known as “Government Procurement Act”, Public Bidding is required to promote transparency in procurement process and provide equal opportunity to private contractors. The illegal practices done by the key informants fall under R.A 3019, section 3, paragraph (g) which states that:

“Section 3. *Corrupt practices of public officers- In addition to acts or omissions of public officers already*

*penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:*

(g) *Entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby.”*

Corruption like evasion of public bidding, falsification of documents, diversion of funds were the common forms of corruption identified by Klitgaard in his study (Batalla, 2000) and that of Cahiles et al. (2011). Since the informants were not caught nor penalized in doing these illegal acts and were successful in getting money from the public treasury, they repeatedly performed this action because of the reward ( Homans’ Success Proposition). Also, because the mayors wanted to recoup their election expenses and they could not do so under legitimate channels, the only way to do that is by breaking established norms and by abuse of power (Merton’s strain theory).

## 5. PEOPLE INVOLVED IN CORRUPTION

Graft and corruption practices of the local government officials need the participation of other officials and agencies. In practice, the usual people who are involved are the municipal treasurer for the withdrawal of the IRA while the municipal planning officer and the municipal engineer are needed for the preparation of requests for project proposals. Once the provincial and regional offices approved the project proposals, the possibility of getting kickbacks is already assured. Inter-agency involvement is also apparent in this situation. Auditors from Commission on Audit (COA) and of course the municipal treasurer

ers become accomplices in the process by seeing to it that their illegal transactions are without loopholes. These practices of bribery are punishable by law under Revised Penal Code, "Crime Committed by Public Officers", Chapter 2, Section 2, Article 210 which states that:

*"Art. 210. Direct bribery. – Any public officer who shall agree to perform an act constituting a crime, in connection with the performance of his official duties, in consideration of any offer, promise, gift or present received by such officer, personally or through the mediation of another, shall suffer the penalty of prison mayor in its medium and minimum periods and a fine of not less than three times the value of the gift in addition to the penalty corresponding to the crime agreed upon, if the same shall have been committed."*

Aside from bribery, getting kickbacks from projects, malversation of public funds, other forms of corruption in the municipalities also exist. Mayors and treasurers do not hold offices in their respective municipalities. In fact, one treasurer admitted that he had not been to his office for a long time already yet he continues to collect his monthly salaries and personal shares of IRA. The mayors also do not reside in their respective municipalities but live in the nearby cities of Marawi, Iligan or Cagayan de Oro as indicated by their number of houses located in several cities in Mindanao. Ghost employees and nepotism are also common. Since the family and kin play a great role in the election campaign, nepotism is a way by which the mayors can repay the favour they owed from their relatives. Debt of gratitude (*utang na loob*) and deep sense of pride (*maratabat*) are values that are strongly enshrined in the Maranao culture that demand strict adherence among the

informants.

According to the strain theory of Merton, putting pressure on the individual to conform to societal norms, or socially accepted goals place the individual to either conform within the bounds of societal structure or lead him to be in the deviant subculture (Merton, 1938). Therefore, the culture and structure of the social context where the informants live forced them to comply with societal expectations like repaying debts of gratitude to election supporters leading to patronage, adhering to the principles of *maratabat* to preserve family honor and familistic ties making way for nepotism. To Merton, deviance is structurally created also because opportunities given to aspiring individuals who wish to obtain socially desirable goods are limited. Therefore, the mayors who resorted to deviant acts like vote buying and bribery find deviation to culturally approved norms as the only opportunities available to them in order to get power. This process in itself justifies their inability to deliver services to their constituents who became their partners (having sold their votes to the candidates) in the deviant situations they committed. The culture of corruption that happened in these municipalities is a structurally induced condition that can be traced upon the society itself.

## 6. MONEY LOST TO CORRUPTION

This study also uncovers some estimates on the money wasted to corruption although the exact figures are not certain. In the release of IRA, the mayors admitted to have received an amount ranging from 1.5 million to 3 million pesos monthly up to their term of 3 years. However, these revelations are understated because the exact amount they get from the 20% IRA is not

given. At the earliest, the mayor who spent the least can already recover his election investment within the period of one year after induction to office. Crude as this maybe, these information could provide an estimate as to the magnitude of corruption at the municipal level which illegally drains the local and national financial resources. According to the report presented by Transparency and Accountability Network last 2011, the massive amount of money wasted to corruption was estimated to be 12 billion dollars in the period 1995 to 2000 (<http://www.scribd.com/doc/TAN-Paper-on-Corruption-and-Anticorruption-in-the-Philippines-March-2011>).

## 7. EFFECTS OF CORRUPTION

The perceived effects of graft and corruption in the municipalities are perpetuation of nepotism, failure to deliver basic social services such as health services, safe water supply/water system and low level of education. Municipal development in all forms are sluggish with the absence of employment opportunities for the rural folks. Although the agricultural sector is considered good by all informants but public facilities such as roads still need improvement or still needed to be built. Municipal halls are the priority projects of the mayors despite the fact that these municipalities had long been established for decades already.

## 8. THEORETICAL IMPLICATIONS

The propositions of Homans especially the stimulus proposition, value proposition, success proposition are supported in this study. At the personal level, the motivation (stimulus) of the mayor to run for office is high despite the financial cost it entails. However, the value attached to the

position of being a mayor symbolizes power and family prestige which is the pride (*maratabat*) and significant mark of the familistic and closely-knit Maranao society. Winning the position is a desired goal. This has to be obtained either in the legal or illegal means (like vote buying or bribing the COMELEC) with the financial and social help of the family and support groups. Getting back the money (through embezzlement, if not caught) invested after winning the election is justified as an anticipated reward (Homans' success proposition) in performing the act. Thus, the cycle of corruption is the result of the endless desire to obtain a goal or a valued reward, the success of getting the reward, and the tendency to repeat the rewarded action (as there are no reported cases of public officials in Lanao del Sur being sued and imprisoned for involvement in corruption)

Also, Merton's strain theory explains why under circumstances of lack of access or opportunity, as in the case of the mayor informant who used unapproved means to win or recoup election investment through corruption or repay the favour owed from immediate family and social circles, the person will find any possible means to obtain a desired goal. Corruption, as a form of deviance, is an indication of a structurally induced behaviour because of the culturally prescribed norms demanding compliance.

## 9. POLICY AND PRACTICAL IMPLICATIONS

The counter corruption approach employed by the Philippine government to address corruption problem is that which A.T. Rafique Rahman (cited by Carino, 1986) categorizes as 'hesitant-institutional' which utilizes institutional means to eradicate corruption through constitutional,

legal, organizational (like anti-corruption bureaus) legislative measures, and procedures (Arce, 2001). However, the Philippines is not deficit in the regulatory policies/laws and constitutionally independent bodies that address corruption problem in the country. Sad to say, all these efforts are reduced to mere formalities since "clientelism and bureaucratic capture continue to characterize governance institutions in the country" (Abad, 2010). The weak bureaucratic operations exacerbated by a blurred distinction between public and private divide creates an environment conducive to corruption. However, since public office is a public trust, the role of citizens and well-meaning/responsible leaders who have political are vital in eradicating corruption.

## **CONCLUSION AND RECOMMENDATIONS**

Graft and corruption practices are prevalent in the municipal governments studied in Lanao Del Sur. Its pervasive nature starts at the time of election where massive vote buying is considered the way things are run in the province if a candidate wants to win despite governmental regulations that make this act illegal. Intensive investments of the candidates are poured during election period in anticipation of getting the same from the municipal treasury the moment they win. This would also mean resorting to violence for power. The voters, on the other hand, had already given their consent to this act as it is the time of the political cycle where they can also receive generous amount from political candidates.

A big role is also performed by the family and kin of the politicians from the period of candidacy until the declaration of winners. The family provides social, political and monetary support during

campaign until the election-day and even when there are post-election protests to be filed to the COMELEC. The clannish nature of the Maranao families in Lanao del Sur is a social capital that is tapped by politicians because the larger and more politically and economically advantaged the family of a candidate is, the higher the probability of winning during election. However this cultural orientation also breeds patronage, clientelism, reciprocity and nepotism because the politician has to repay the favour he/she owed from kin. This is notable in the recruitment of employees in the town hall, economic priorities given to farmer relatives, among others.

Corruption destroys the integrity and accountability of local governance and the prospect for countryside development of the province since the IRA of the municipality is now embezzled by the political leaders. The role of democratic participation of the citizens could not also be relied upon as they allowed themselves to default their privilege the moment they sold their votes. Also, politics in the province is governed by guns, gold and goons, that is, the powerful and the rich are the ones who entered politics and are ready to wage violence against each other. Poor civilians are indeed literally mute as they witness the struggle of power in their municipalities.

The type of graft and corruption practices undertaken by the mayors and treasurers are typically seen in the studies conducted so far about corruption in the Philippines. The common denominators of corruption are dishonesty and fraud which are manifested in payroll padding, falsification of documents, bribery, kickbacks, malversation of funds, abuse in the release of IRA, among others. There is one notable form of

corruption practice that the researchers had documented. This is grave abuse of power of the treasurers and politicians leading to extreme governmental inefficiency in the province as they do not report for duty to discharge their functions and getting the IRA for personal use (embezzlement). These practices blur the distinction between private and public goods. The corrupt officials are not also caught doing the act. Inter-agency connections and linkages who also get shares in the amount corrupted (e.g. municipal treasures, accountants, engineers) are partners in preparing/facilitating blemish-free liquidation documents or reports.

The government should strengthen persecution of corrupt individuals and institutions through lifestyle check monitoring. In the case of Lanao del Sur, elective and appointive officials should be subjected to lifestyle checks before, during or after their terms to establish cases of corruption and the corresponding persecutory actions to be meted against the perpetrators..

Establishing a strong partnerships between the government and civil society organizations is a remarkable ground for expanding public participation and monitoring of government transparencies. Democratic partnership between the government and the public is also a laudable endeavour useful in instilling good citizenship. This collective consciousness (Amorado, 2007) allows people to develop sensitivities to universal good especially with respect to electing responsible leaders during election. This partnership might abate incidence of vote buying in election hot spot areas like Lanao del Sur.

By developing a culture of efficiency in public service, transparency in transactions and ethical

reforms, cultural breeders of corruption may slowly lose its ground and influence.

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