

Corruption Is a Worldwide Phenomenon

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Abstract. Corruption and it manifests itself in different guises. The countries of the world are doing serious work on the issue of being free from corruption. But putting an end to the corrupt situation and its drastic reduction in the country's economy remains a problem. The article analyzes the fact that corruption is widely studied by scientific researchers as a universal phenomenon, and the fight against it serves the stability of the economy.

Keywords: Corruption, hidden economy, bribery, bribery, intermediation, money relations, root of corruption, lobbying, perception index, fight against corruption.

I. INTRODUCTION

Corruption refers to the hidden distribution of income by circumventing the rules of the open market, which leads to social injustice. Although the amount of income does not change, it is redistributed and transferred from one hand to another. The decision of injustice leads to the moral violation of people, the appearance of distrust in them. Corruption now undermines economic development, undermines democratic institutions and the rule of law, undermines public order, and undermines public trust, allowing organized crime, terrorism, and other threats to human security to flourish.

Some researchers believe that the main reason for the existence of corruption is the imperfection of laws that allow abuse of official positions. New areas of activity related to private entrepreneurship and market infrastructure have appeared in countries with transitional economies. The fact that these areas are not strictly regulated by law creates a fertile ground for corruption. The imperfection of the laws can be manifested both in their bad quality and in the failure of the implementation system. In practice, this is often reflected in the existence of blanket legislation that is not directly applicable and refers to norms regulated by many conflicting by-laws.

However, all researchers agree that corruption causes enormous damage to the economy. Corruption allows a large portion of private sector income to be hidden from taxation. The use of incentives (tax, credit, etc.) by some enterprises distorts the competitive environment. Since corruption is a kind of illegal tax, this score increases the economic costs of entrepreneurs and reduces the incentive to invest.

In practice, a bribe creates an expense that is not covered by the sale of goods, that is, an expense that is transferred to a loss. It does not create a fixed or variable, fixed or opportunity cost. It is not directly related to production and commercial activities; therefore, it creates a cost of the description of the premium for the business, which is covered by the profit. A bribe is essentially an informal tax. When a firm's profits are distributed, sending a portion of them to cover bribes reduces retained earnings, thereby reducing the investment resource that provides expanded reproduction. This undermines the market principle of self-financing. Currently, 40 percent of the investments of enterprises are financed by loans, 40 percent by depreciation and 20 percent by profit. Allocating part of the profit to bribes reduces the company's development opportunities.

Harvard University experts estimate that losses from corruption in the field of government orders and procurement make up about 30 percent of all budget expenditures in this field. In some industries (oil, gas, rare metals), almost 50 percent of profits are used to buy officials. Small and medium-sized businesses suffer more from corruption than anyone else. There is a close connection between the development of the underground economy and the spread of corruption.

II. LITERATURE REVIEW

On the one hand, these two phenomena have common roots consisting of administrative barriers. On the other hand, they create each other: the more administrative obstacles the commercial sector faces, the stronger the desire to bypass them, including by "greasing the mouths" of officials. According to some estimates, the simplification and liberalization of business activity reports, including tax calculation documents (especially in areas where licensing is required, and over-certification is carried out) may allow to remove at least one-third of the enterprises operating in the underground from the underground economy. At the same time, today the underground economy produces, for example, 42% of GDP in Russia, 49% in Ukraine, and more than 40% in Uzbekistan. The State Financial Control Department of the Ministry of Finance of the Republic of Uzbekistan and its regional departments) announced the cases of embezzlement identified in budget organizations in the 1st half of this year (<https://www.mf.uz/uz/news-mf-jx/item/1861-1861.html>) was done.

III. METHODOLOGY

Methods for studying existing research on non-bank credit institutions, analysis of changes in the activities of microcredit organizations operating in the country, statistical data analysis, economic comparison and analysis, logical thinking, scientific abstraction, and data grouping are widely used.

IV. ANALYSES AND RESULTS

According to him, 2020 will be 81.8 billion. 372.7 billion soums were appropriated this year. soums or 4.5 times more funds than last year.

1. The Ministry of Public Education 65.2 billion soums (in comparison to 2020, the cases of violation of the law increased by 3 times);

2. 59.3 billion soums in the system of the Road Committee under the Ministry of Transport (compared to 2020, the number of violations increased 60 times);

3. 59.2 billion soums in the system of the Ministry of Pre-School Education (compared to 2020, the number of violations increased 8.5 times);

4. 41.7 billion soums in the system of the Ministry of Health (compared to 2020, the number of violations increased by 2.9 times);

5. 24.1 billion soums in the system of the Ministry of Housing, Housing and Communal Services (in comparison to 2020, the number of violations increased by 26.6 times).

"Who is the strongest" by region (Local budget total 290 billion soums have been appropriated):

1. Syrdaryo (52.8 billion soums);

2. Andijan (33.2 billion soums);

3. Karakalpakstan (29.1 billion soums);

4. Jizzakh (28.3 billion soums);

5. Tashkent (24.1 billion soums);

6. Tashkent city (21.1 billion soums);

7. Ferghana (19.6 billion soums);

8. Surkhandarya (18.6 billion soums);

9. Kashkadarya (15.6 billion soums);

10. Samarkand (15.5 billion soums);

11. Bukhara (11 billion soums);

12. Namangan (10.4 billion soums);

13. Khorezm (8.7 billion soums);

14. Significant (2.1 billion soums) cases of financial violations and other errors and deficiencies have been identified.

Based on the numbers determined by our auditors (because it is only detected, it can be several times different from the numbers in combination with undetected cases), one can conclude that we are strengthening the fight against corruption only on paper.

No country, rich or poor, can avoid this negative phenomenon. Corruption can manifest itself in the public sector as well as in the private sector. But only one party - the society - will always suffer from it. But in developing countries, the damage caused by corruption to poor people is extremely large. It affects their daily life in various ways and leads to their further impoverishment, it deprives them of their rightful share of economic resources or the necessary support for life.

Corruption makes basic social services inaccessible to those who cannot afford bribes. Corruption diverts what little development funding there is, making it difficult to meet the basic needs of food, health, and education. It creates discrimination, inequality, and injustice between different social groups, discourages foreign investment and aid, and slows down development. Therefore, it is a serious problem for political stability and socio-economic development. However, corruption serves the initial accumulation of capital by generating unfair profits during the transition period. The money involved in corruption, collected illegally, enters the business, and turns into capital there. As a result, these elements generate capital at the expense of bribes. Because of this, government officials are secretly turned into entrepreneurs. Another harmful aspect of corruption is that it creates inequality in competition because certain categories of entrepreneurs gain an artificial advantage in competition due to bribery. In this case, corruption means that it is a phenomenon contrary to free competition.

Corruption changes the structure of public spending. In this case, funds are transferred from socially important programs such as health care, education, road construction, communication to less important sectors. A clear example of this is the capital construction industry, where the implementation of new investment projects has intensified without worrying about the maintenance of completed objects.

Researchers and political figures say that corruption has a very dangerous effect on the direction of the existing economic authority to increase the economic growth and welfare of the population in the countries undergoing reforms and transition economies. For this reason, corruption is the most dangerous evil that is causing great damage not only to the economy, but first to the political and international influence of the republic, to the moral and moral influence of our society.

Corruption is becoming dangerous in some cases. The scientific analysis carried out in recent years on this issue shows that attention is being paid to the research of crimes committed in the economic sphere. The increase in the number of violations committed by organized criminal groups in the sphere of banking and finance, in the privatization of state property, in the circulation of securities, in the system of small and private enterprises, and in the processes of organizing business activities is particularly worrying.

Analysis of the state of law enforcement and ethics in the economic sector and the analysis of concrete evidence suggests that we should pay special attention to the fight against corruption. Because corruption directly discredits the implemented reforms and tarnishes their essence. In particular, it is necessary to strictly put an end to self-interest, bribery, corruption, patronage of the guilty, criminal cold-heartedness in the law-enforcement bodies, which, being guardians of the law, must protect the interests of entrepreneurs, figuratively speaking, have clean hands., he noted.

Currently, the fight against corruption is in the center of attention of the public of all countries because illegal relations in society are becoming a very dangerous area. According to scientists, corruption is a manifestation of the hidden economy. According to research conducted at the William Davidson Institute, it is shown that widespread corruption causes businesses to turn to the underground economy. The report "World Development Report" prepared by the World Bank emphasizes that corruption is characterized by a decrease in economic growth rates and a low level of income per capita. Therefore, when international financial organizations allocate loans to developing countries, the government of these countries is required to create a special structure to fight corruption. However, according to the research of Transparency International, it is noted that less results are obtained. John Gitongo, the chairman of Transparency, notes that many of these structures have become "orphans" due to conflicts with the parliament or the judiciary on the issue of corruption, and there are cases of non-partisanship of this structure.

The fight against corruption must be supported by civil society so that state institutions can fully fulfill their duties. "However, says John Gitongo, civil society in developing countries is not yet well developed." Security threats from corruption and crime include:

- resistance to the implemented reforms.
- erosion of the constitutional foundations of the state.
- erosion of the moral and moral foundations of the society.
- destroying the civil status of society members, discrediting the idea of reforms.
- striving to seize power through money.
- gaining wealth through impure means. Such people are ready to do everything, even to destabilize the situation, to cause mass disturbances, fearing a just punishment.
- to present those who gained wealth through criminal means as fighters who suffered for "democracy". Such persons, at first, deceive their own people and accumulate capital, and later - deceive the public opinion and gain political prestige, undermining democracy, and justice. It is no secret that such persons are always ready to serve external forces that try to influence the situation in the republic for their own interests;
- active integration into world economic relations, resistance to attracting foreign investments and entrepreneurs to the process of economic changes. As a result of this situation causing mistrust among foreign partners, the country will be deprived of an extremely important source of capital funds, technologies and experiences, and the opportunity to join the healthy, "pure" part of the world economic system.

The threat of corruption to economic security also has a negative impact on the process of attracting foreign investment. If corruption exists, anti-corruption measures are necessary to cut its domain. A group of experts includes salary ranking in their sentence. One of the reasons why corruption is widespread is that officials are not paid enough.

The salaries of officials of state authorities and civil servants should allow the state to compete with the private sector of the economy in the struggle to have the most qualified specialists. If an official is highly compensated, the opportunity cost associated with the risk of losing his job is greater than the benefit he receives from illegal use of his position. That is, this type of "business" brings negative profits and loses its attractiveness. But the researchers say that to reduce corruption to the lowest level, officials will have to increase their salaries significantly.

In other words, if only this way of fighting corruption is used, it may cost the country's budget and the goal may not be achieved. Even when the salary is high, there are cases where not all officials give up increasing it due

to corruption.

On October 31, 2003, the UN General Assembly in Vienna approved the UN International Convention against Corruption, and signed it in early December. The new international agreement will enter into force after 30 countries ratify it and will remain open for signature by states and regional economic cooperation organizations until December 9, 2005. The acceptance of corruption was welcomed by the world community "with deep satisfaction". It seems that this is since in the context of globalization, corruption threatens the well-being of almost all countries of the world. For example, according to the World Bank, about 5 percent of GDP worldwide is lost due to corruption, misuse of financial resources and excessive spending (waste). Control Risks Group, a consulting firm, reports that nearly half of international companies have had to withdraw from investing in other countries in the past five years because competitors have damaged their business through bribery. A high level of corruption equates to an additional tax on investors. UN legal adviser Hans Corell believes that corruption is a universal phenomenon, but it is especially dangerous for developing countries: "Corruption destroys all efforts to build a legal society, attract investments and improve the welfare of the population, especially its poor sections." According to the general director of Transparency International, Peter Aigen, "people have begun to understand how important this problem is and how difficult it is to fight against it. Something similar to an international anti-corruption coalition has appeared." At the same time, the representatives of several poor countries, who emphasized that the adoption of the convention is of great importance for the fight against corruption in general, doubt that it will be possible to return the money taken abroad by the previous heads of state, which is one of the goals of the convention. There are so many legal barriers that poor countries cannot afford to overcome. At the same time, it is impossible not to recognize that due to the adoption of the convention, a new political lever is emerging to influence officials, first, officials of countries where corruption is widespread. Now it will be possible to unite the opinion of the world community and coordinate actions against the governments of such countries of the world. They have only one way to strengthen the fight against corruption. From this point of view, the opinion expressed in the Chinese newspaper "Jenmin Jibao" is worthy of attention. It announced that the country had signed the UN Convention against Corruption and provided information on the great progress made in the fight against corruption in the judiciary. Now, many countries, first, the countries that have signed and ratified the Convention, have to publicly report on the situation related to corruption before the international community.

V. CONCLUSIONS

So, every year, October 31 is celebrated as the UN anti-corruption day. The Convention clearly states that states themselves are responsible for eliminating corruption. The convention offers them a comprehensive package of standards that all countries can use to strengthen their governance regimes and anti-corruption institutions. According to it, governments are obliged to return funds under their jurisdiction and illegally obtained through corruption to the countries from which they were stolen. It allows solving the pressing problems facing many developing countries whose corrupt elites have misappropriated billions of dollars badly needed by the new governments to repair the socio-economic damage inflicted on their countries.

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