



Research Paper

Corruption Prevalence in SADC Regional Bloc

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Abstract:- The journey to harness corruption in SADC states remains a challenge even after decades of preaching effects of corruption. Corruption derails success and development, and its costs are borne by the citizens. Corruption is found in the award of contracts, promotion of staff, dispensation of justice, and misuse of public offices, positions, and privileges, embezzlement of public funds, public books, publications, documents, valuable security, accounts, among others. Millions of dollars are lost each day through corrupt activities, yet such amounts if channeled to productive use could yield a lot for the betterment of respective states. Collaborative efforts have been made through formation of regional groups, world institutions among others with the zeal to harness corruption. The study utilized the CPI statistics for the period 2008-2019 to explore the level of corruption in the SADC regional bloc. The levels have been observed to be falling in the red-zone implying SADC economies are very corrupt. Comparisons have been made with other nations on the green-zone and the differences noticed to be too big to be covered in the near future. Political will is required to harness corruption in the regional bloc, together with strong institutions for the enforcement of the laws. The government should be on the top in addressing corruption. Political discipline is of great importance because leaders should lead by examples. Collaborative efforts and individuals efforts are all necessary to address corruption. The private sector is recommended to ensure that they maintain a culture of integrity, transparency and fairness in their operations. The regional bloc should tighten controls and continuously engage each other for a corruption-free region to improve ease-of-doing-business indicators and ensure positive development. Neopatrimonialism and state capture should be addressed, as the elements have been blamed for some corruption scandals observed in the regional bloc.

Key words: Corruption, CPI, Development, Institutions, Politics, Regionalism, SADC, Scandals, State Capture.
JEL Codes: D73, E02, E61, F15, I31, K42, O19, O55

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I. INTRODUCTION

Southern African Development Community (SADC), formerly known as the Southern African Development Coordination Conference (SADCC) was established in 1980, and the replacement was done in August 1992. SADC is one of eight Regional Economic Communities (RECs) recognized by the African Union (AU). AU was established in 1963, as a prerequisite for economic development for the continent Africa, which has been lagging behind other continents in terms of development (Mahuni, Taru and Bonga, 2020). The eight regional blocs are; Arab Maghreb Union (AMA), Common Market for Eastern and Southern Africa (COMESA), Community of Sahel-Saharan States (CEN-SAD), East African Community (EAC), Economic Community of Central African States (ECCAS), Economic Community of West African States (ECOWAS), Intergovernmental Authority on Development (IGAD), and SADC. SADC comprises of 16 member countries: Angola, Botswana, Comoros, Democratic Republic of the Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. Comoros is the newest member state, having joined SADC in 2017 and became a full member in 2018.

Regional integration has been expected to bring benefits to member states. Nita (2018) supported the idea by indicating that regional integration has the potential of transforming the economies of SADC countries. Corruption being a world cause of concern, many countries have entered into agreements to jointly monitor the act of corruption (Bonga, Chiminya and Mudzingiri, 2015). SADC objectives include; achieving development and economic growth, poverty alleviation, employment promotion, improving the standard and quality of life, and helping the socially disadvantaged. Across member countries of the SADC, there are large discrepancies in economic well-being and stage of development (Mahuni et. al, 2020). Trade integration in SADC has been affected by several members states with overlapping membership to other RECs. SADC has a lot of incomplete

projects, with some objectives being pushed to future dates. The regional bloc is known of setting high targets and hence failure to attain them. The bloc is characterized by poor human rights, illicit trafficking and civil wars. Recurring xenophobia attacks in South Africa have shaken the relationships of member states. In each SADC nation, there exist various tribes and cultures which for long has remained difficult to brand. South Africa accounts for over 60% of all intra-SADC trade, as well as 70% of the total SADC gross domestic product (Bell, 2017).

Corruption is an impediment to doing business in the SADC bloc. Nita (2018) observed that efforts on integration have been stagnated by corruption. Corruption undermines democracy and good governance by flouting or even subverting formal processes (Atuobi, 2007), and contributes to instability. Corruption creates many forms of injustice which affect almost every aspect of daily life for ordinary citizens and no sector of the population is immune from it (Nduku and Tenamwenye, 2014). Collaborative efforts have been made through formation of regional groups, world institutions among others with the zeal to harness corruption. The whole Africa continent is at war with corruption and corruption seems to be advancing and gaining ground. Ruzindana (1999) asserts that corruption in Africa is a problem of routine deviation from established standards and norms by public officials and parties with whom they interact. Unless Africa fights back strongly, corruption will keep on pummeling the feeble continent with lethal jabs (Mahuni et. al, 2020). The more people are involved in corruption, the more harm extended to the economy (Bonga, 2014). Governments have for long stated their motive to address corruption, but this objective has never been achieved. Successive governments have only used the quest to address corruption as a trump card to gain majority for nomination into office (Mahuni et. al, 2020).

Anti-corruption institutions have been developed, however, their ability to enforce laws is questionable. The institutions together with the judicial systems are not independent from politics. The institutions deals with petty corruption while grand corruption with greatest threats to economic development continue unabated. Corruption has been part of the agenda for the regional bloc. The states have failed to control each other to avoid serious violations of stipulated standards as gazetted in the agreements (Mahuni et. al, 2020). The AU Convention to Prevent and Combat Corruption (AUCPCC) set-up has given Africa an opportunity to speed up the curbing of corruption. The African Union adopted the AUCPCC in July 2003. AUCPCC has a roadmap for states to implement governance and anti-corruption policies and systems on both national and regional levels. At sub-regional level, the SADC Protocol against Corruption, which entered into force in August 2003, seeks to promote and strengthen not only the development of mechanisms to prevent, detect, punish and eradicate corruption in the public and private sector, but also co-operation between the parties.

Corruption in SADC is found in many forms, ranging from petty corruption to grand corruption. Corruption is found in the award of contracts, promotion of staff, dispensation of justice, and misuse of public offices, positions, and privileges, embezzlement of public funds, public books, publications, documents, valuable security, and accounts (Bonga, Chiminya and Mudzingiri, 2015). Petty corruption comes in the form of nepotism, favouritism, racism, religion among others, and its prevalence causes significant harm to the society as it affects culture and access to resources through efficient allocation. Grand corruption being the most dangerous involves embezzlement, fraud among other acts and usually involves large sums of money. Grand corruption is usually linked to politics, hence its harnessing is very difficult. With grand corruption economic development is hard to attain, it involves networks that paralyse state institutions including legal sector to the extent that perpetrators will walk scot-free. Grand corruption is very common in states that have weak institutions who are not autonomous from politics.

II. A GLIMPSE ON CORRUPTION SCANDALS IN THE SADC REGIONS

Many cases of corruption have been recorded in SADC regional bloc, with some labelled severe. The list presented in this section is not exhaustive, it only explains a few major cases recorded in SADC among other many cases. Corruption is found in many forms and is practiced by different groups of people. There also exist corruption networks, and these form syndicates to siphon resources for private benefit. The networks may come from friends, families, politicians among other relationships. Nepotism and favoritism is more common due to networks. Embezzlement and grand corruption comes from networks of big people in the society, and these are more damaging to economic development and resource allocation. The prevalence of corruption in the society comes with great effects including destruction of morals. Scandals usually involves large sums of moneys, hence have the greatest impact to the development of the respective nations.

Cashgate scandal. The case was for Malawi in 2012. Perpetrators were able to transfer funds from government bank accounts to vendor accounts for goods and services which were never supplied, and then delete the transactions from Integrated Financial Management System (IFMIS). As of 20 February 2014, the National Audit Office of Malawi confirmed that up to 6,096,490,705 Malawi kwacha (about \$15.5 million) could be classified as theft and subject to appropriate legal action. The country's procurement systems was

abused by government officials, including the questionable awarding of contracts to Apollo International Ltd., estimated to be over \$75 million.

The Salarygate Scandal. The case is for Zimbabwe, 2013-2014. The salarygate scandal refers to the Zimbabwean parastatal sector. Low level employees have been going for months without salaries while mega-salaries were awarded to the bosses of key parastatals (Rusvingo, 2014: 19). Zimbabwe by then has 78 parastatals, and those that are fingered in the mega salary scam where; Zimbabwe Electricity Supply Authority (ZESA), Air Zimbabwe, Harare City Council (HCC), Public Service Medical Aid Society (PSMAS) and Zimbabwe broadcasting Corporation (ZBC). ZBC Chief Executive Officer, Hapison Muchechetere grossed about US\$ 40 000.00 and got about US\$ 250 000.00 as a housing allowance while many employees at the public broadcaster were not being paid for months (Rusvingo, 2014: 19). In another case, former ZBC Board Chairman and PSMAS boss Cuthbert Dube was said to be earning a whopping US\$230 000.00 from the heavily indebted medical aid society (Matenga 2014). This has been the scandals in the parastatals, and have drained a lot of resources towards a few individuals at the expense of low level employees and the institutions at large who failed to partake their obligations to society. Approximately \$2 billion was lost to corruption in 2012, equaling nearly one-sixth of the country's GDP (Cain, 2015: 3). Apart from this scandal, there has been a lot of reported scandal in Zimbabwe especially, after independence in 1980. The recent scandals include; VIP Land Grab Scandal – 1999, Harare Airport Scandal – 2001, National Railways of Zimbabwe looting scandal – 2009, National Railways of Zimbabwe inflating prices scandal – 2010, Airport Road Scandal – 2008-2014, Zimbabwe United Passenger's Company bribery scandal – 2009, Zimbabwe Mining Development Corporation Diamonds fraud scandal – 2010, Zimbabwe School Examination Council (ZIMSEC) tender scandal – 2012, ZBC Over pricing scandal – 2013, Air Zimbabwe insurance scam scandal – 2014, ZESA Procurement scandal – 2014, Zimdef Funds Jonathan Moyo Scandal – 2016, and ZINARA Snow Graders Scandal among others.

Tegeta Escrow Account scandal. The scandal refers to Tanzania in 2014. The scandal is a multi million-dollar corruption scheme in the government. Between US \$250 million and \$800 million were transferred from the Bank of Tanzania, and distributed illegally among government officials. The origins of the TEA date back more than 20 years, when Independent Power Tanzania Ltd (IPTL) entered the power sector (Tanzania Governance Review 2014). The escrow saga led the major development agencies to suspend budget and programme support until the issue was resolved; major donors including the World Bank announced the suspension of US\$558m general budget support planned for FY2014-15 pending resolution of the escrow affair (Tanzania Governance Review 2014).

Luanda Leaks. The scandals involving Dos Santos is one of the biggest corruption scandals that are revealed in Africa. The corruption scandal shows the absence of the rule of law, lack of independent judiciary, and the concentration of unaccountable power in Angola. Isabel dos Santos benefited from extraordinary opportunities afforded to her by the government of her father, José Eduardo dos Santos, before he stood down as president in September 2017. There were two decades of unscrupulous deals that made dos Santos Africa's wealthiest woman and left oil-rich and diamond-rich Angola one of the poorest countries on earth. The investigation of unscrupulous deals was done by the International Consortium of Investigative Journalists and 36 media partners. Dos Santos and her husband (Sindika Dokolo) used their archipelago of shell companies to avoid scrutiny and invest in real estate, energy and media businesses. According to investigations public contracts awarded by her father's regime to her companies were inflated by more than \$1 billion (Freedburg et. al, 2020). Government and business elites are closely interlinked in Angola and it is common for government officials and civil servants to hold positions in private companies in addition to their public functions (Chêne, 2010). Government ministers and other high-level officials commonly and openly owned interests in public and private companies regulated by, or doing business with, their respective ministries (AACI, 2020). Some scandals involved Sonangol – Sonangol is the Angolan state oil company, which was created and granted a monopoly over the country's offshore oil by the MLPA in 1976. In June 2016, President Dos Santos appointed his daughter, Isabel dos Santos, as a CEO of Sonangol. A serious conflict of interest emerged as she was politically connected and in control of other companies that were shareholders, debtors, creditors, suppliers, and customers of Sonangol. prioritized a \$1 billion loan repayment to the Trafigura-Cochane joint venture that she is party to over other obligations.

National Petroleum Fund (NPF) scandal. The government of Botswana had created the NPF in order to cushion Botswana from oil inflationary increases and by October 2016 it was reported be around at 600 million Pula while by November 6, 2017, almost a year later, it was reported to be running dry (Motshegwa, Mutonono and Mikazhu, 2019). The government of Botswana left the funds in the Ministry of Mineral Resources, Green Technology and Energy Security (MMGE) when Permanent Secretary in the Ministry of Finance and Development Planning (MFDP) had requested for the funds to be transferred to the MFDP and be managed from there. The embezzlement of funds involved high profile individuals including the president. Botswana has long been considered one of Africa's least corrupt countries and top performers in democratic practice and good governance (Isbell and Seabo, 2020), and the case of the "disappearance of the NPF" funds

indicates that the standard of ethics has degenerated in the country (Motshegwa *et, al*, 2019). There is a moderate risk of corruption in the judicial system of Botswana, some businesses report that irregular payments or bribes are made to obtain favorable decisions.

Gecamines Scandal. As DRC has endured a long period of violence and instability, the country continues to struggle with conflict, repeated political crises, weak governance, mismanagement of natural resources and entrenched corruption (Chêne and Rheinbay, 2015). A report by Global Witness indicated that at least \$750m paid by companies to the Congo's tax agencies and state-owned mining company Gecamines disappeared between 2013 and 2015. Some of the funds were distributed among corrupt networks linked to President Joseph Kabila. Gecamines hemorrhages money in suspect transactions while simultaneously failing to make any substantial contribution to the national treasury or invest in its own mining operations.

Lesotho Water Project Corruption. Massive corruption was discovered on the LHWP in 1999, when more than 12 multinational firms and consortiums were found to have bribed the CEO of the project. Financed heavily by foreign investment, the LHWP was designed to increase water supply for the Guateng Province of South Africa while simultaneously increasing jobs and electricity in the Lesotho (Douglas and Dempsey, 2019). Large dam construction has in the past for Lesotho been wracked by corruption, bribery and a lack of transparency in the tender-process. As indicated by Douglas and Dempsey (2019) the political climate of the countries involved in the LHWP certainly did not encourage accountability, project wealth stayed in the hands of the privileged and local politicians lining their own pockets and using the money to reward supporters of their political party.

Credit Card shopping scandal. President of Mauritius Ameenah Gurib-Fakim resigned from office in March 2018 following a scandal revealed by the local press. Receipts of the president's overseas private expenditures using a credit card provided by a NGO were published. In 2016, she received a credit card from Planet Earth Institute (PEI) to pay for travel and other expenses related to her work for the organisation, however used the credit card to buy items worth \$26,000 not related to her work for PEI. The NGO was founded by an Angolan banker who was keen to obtain a banking licence and other investments in Mauritius.

Biscuit Gate Scandal. The Mauritius Speaker of the parliament's daughter's company was awarded contracts to supply tinned biscuits to state-owned organisations. The tins bore misleading labels 'Made in UK' when they were supplied by a local baker (Manisha, 2017). According to investigations made, a mark-up of 3300% of the locally made biscuits was observed.

Secret loans affair. Between 2013 and 2014 three government-owned companies controlled by the military intelligence had borrowed around US\$2 billion (equivalent to about 13% of GDP) without informing either the Mozambican parliament or Mozambique's donor community. The hidden loans were revealed in 2016. Donors and the government hired the audit firm Kroll to investigate, but by 2018 the full contents of its report remained unpublished. Nuvunga and Orre (2019) indicated that the secret loans case casts light on the role of political corruption in Mozambique.

Fishrot Scandal. A company Samherji used numerous methods to get money out of Namibia. Samherji's operations revolved around tax evasion and money-laundering. The company allegedly secured access to Namibian horse mackerel quotas by bribing politicians and businessmen between 2012 and 2018 and moving profits out of the country, depriving Namibia of valuable tax revenue. According to Corruption Watch (2020) the amount flagged as suspicious by Namibia's Financial Intelligent Centre, in connection with the Fishrot saga, is reported to be around US\$650-million, or R10-billion. Money was laundered by government officials and Samherji executives to tax havens and some of the fishing company's operations in other countries in a tax avoidance scheme. It also paid US\$10-million (R154-million) in bribes to certain Namibian officials and businessmen.

2009 Health Scandal Scam. In 2009, SEK7 million in Swedish aid was stolen by health ministry officials in Lusaka. A whistleblower alerted Zambia's Anti-Corruption Commission to the embezzlement of over US\$2 million from the health ministry by top government officials. The scandal threw Sweden's health programme in Zambia into disarray. Usher (2015) indicated that the scandal has exposed the tough dilemmas that donors face when implementing policies of zero tolerance on corruption, especially in the health sector, where lives can depend on steady funding.

Disability Grants Scandal. In Swaziland, in the office of Deputy Prime Minister, \$865,000 in disability grants were disbursed over a period of three years with no established guidelines. Due to such act, \$15,950 was doled out to non-deserving beneficiaries, eroding a system aimed to benefit low-income disabled Swazis.

Tshwane Prepaid Meters Scandal. In South Africa, City of Tshwane a wise measure aimed at combatting the non-payment of electricity in form of prepaid meters was passed. Tshwane had paid PEU a gargantuan R830 million between October 2013 and May 2015 for 800,000 meters to be installed and manage the project for eight years. Only 12 930 meters had been installed at the time of cancellation while PEU was required to have installed more than 435,000 within the first two years. The termination of the contract was just

as corrupt as the agreement itself, it would require Metro to continue paying PEU R3 million per day after cancellation of the agreement.

The few corruption scandals discussed shows the presence of corruption in the regional bloc, and the type of people who are involved. The amounts involved are huge and could place the countries in a better position for internal development if used appropriately. Domestic and foreign investment has the potential to boost development in the SADC region, and remains one of the way to go for positive regionalism. According to Ayittey (2018) corruption repels foreign direct investment for the SADC region. Due to such issues including corruption, Ayittey (2018) further indicated that Africa as a whole has remained so unattractive to foreign investors. Adjor and Kebalo (2018) believe that for youth unemployment in the SADC, the reduction of corruption to all its forms should be the priority of political and economic decision makers. Awojobi (2014) also indicated that for Africa to break the impasse of underdevelopment, good governance and the establishment of special agencies to monitor all development projects undertaken by African countries is necessary. Many scandals involve capital projects and big people in the societies. This can be attested to by the massive looting of public funds by African leaders (Awojobi, 2014).

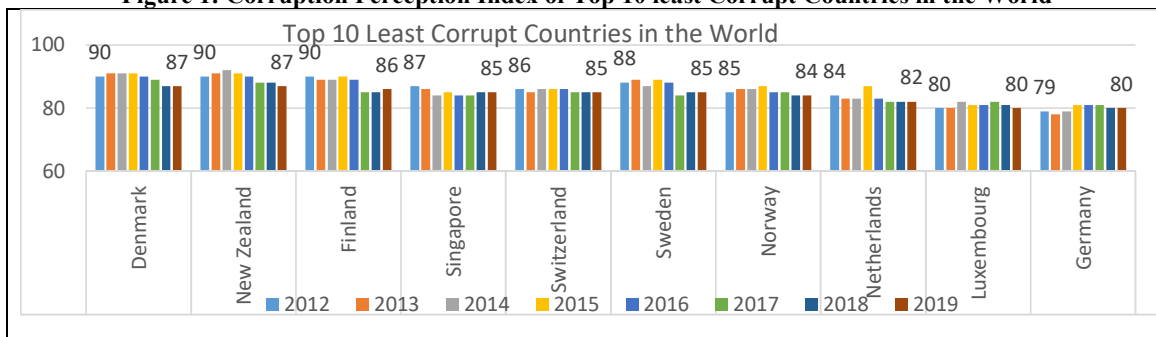
III. CORRUPTION TRENDS

This section covers the trend of corruption for the observed period 2008 to 2019. Observing trends aid in showing how the battle to harness corruption is being fought and associated results assessed for way forward and policy strengthening and possibly formulation of new policies. The journey to fight corruption is never new in the world. A lot has being said from the past decades, and to date the cry to harness corruption persist. Corruption if left unaddressed graduates from low levels to serious levels that stagnates economies as well as affecting relations with the international community. International investors usually detect it quickly in their search for investments. The world has accepted some designed measures of corruption such as the Corruption Perception Index, as a pointer and measure of the corrupt activities in nations. Such indices have a lot of information usable by many individuals and corporates for investment decisions among other uses. Indicators help to show the response to the fights being made and also determines the next required move in the processes. Policy evaluation and policy improvements are also determined through checking on the indicators.

3.1 Corruption Perception Index: Africa vs World

Corruption is as old as the government, and total elimination is impossible, but it should be barred to reach serious levels. If corruption is not controlled, it becomes so prevalence to become a common practice and distorts the correct culture and replace it. There will be difficulty to return to good culture, many sectors will no longer have good corporate governance. Cost of doing business will become higher for many business. Corruption has no boundaries as it is found both in developed and developing countries (Lawal, 2007). Corruption has more dire consequences in states in transition (Maguchu, 2011), and that's where SADC states belong. Corruption is less formally monitored in developing nations than the developing world. Corruption is most unwanted in the society especially by those not involved, but it is blamed by those who practice it, just to divert attention (Bonga, 2014). Figure 1 below shows the trend of corruption for the least corrupt nations in the world. The period covered is 2012-2019, using the Corruption Perception Index (CPI).

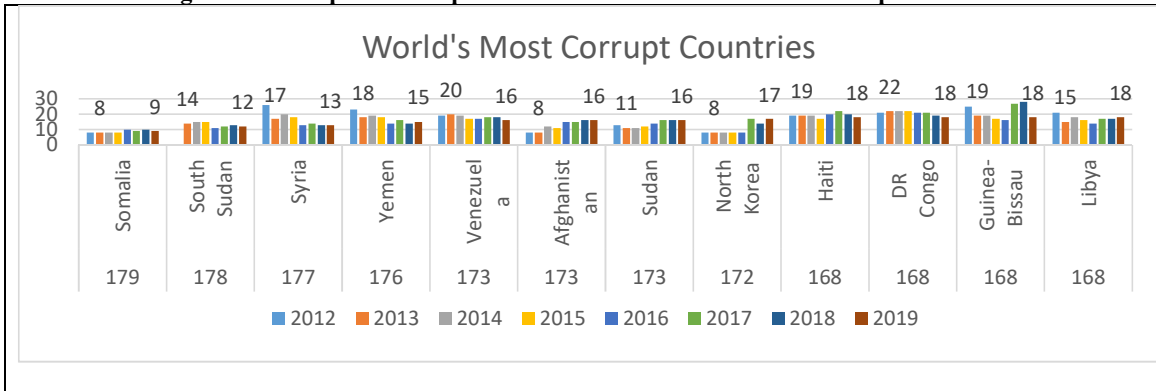
Figure 1: Corruption Perception Index of Top 10 least Corrupt Countries in the World



CPI uses a scale of 0-100, 0 being the most corrupt and 100 being the least corrupt. No country has ever scored a 100 to be labeled a clean country. Some countries have managed to set-up strong institutions to fight corruption at each level. Denmark and New Zealand are ranked number 1 in the world as least corrupt. However, for the two countries there is a slight drop in the CPI scores, implying a slight increase in corruption. There should be further tightening and revision of policies to ensure harnessing of corruption for the world leaders.

Some nations has been found over the years to be the leaders in corruption. In these states corruption is less being addressed and difficult to control. Some of the nations are dominated by civil wars which are not coming to an end. In war nations the government lacks the power to enforce laws, and in some cases those in power exist to loot state resources hence leading to those wars. Figure 2 below shows the world's most corrupt nations as measured by CPI.

Figure 2: Corruption Perception Index for the World's most Corrupt Countries



Somalia is ranked the most corrupt country, followed by South Sudan and Syria. In this group of most corrupt countries is DRC which is the member of the SADC regional bloc. DRC emerges from long periods of violence and instability. Youth unemployment and poverty has ignited conflicts in the country, and wars against raw materials has led to deaths of many civilians. There have been repeated political crises, infrastructure is poor, regulatory environment is underdeveloped, weak rule of law and there exist weak institutions. In DRC there is persistent governance crisis, and as such corruption levels remains high and uncontrollable.

The CPI for the SADC countries is presented in Figure 3 below for the period 2008-2019;

Figure 3: Corruption Perception Index for SADC Countries (2008-2019)

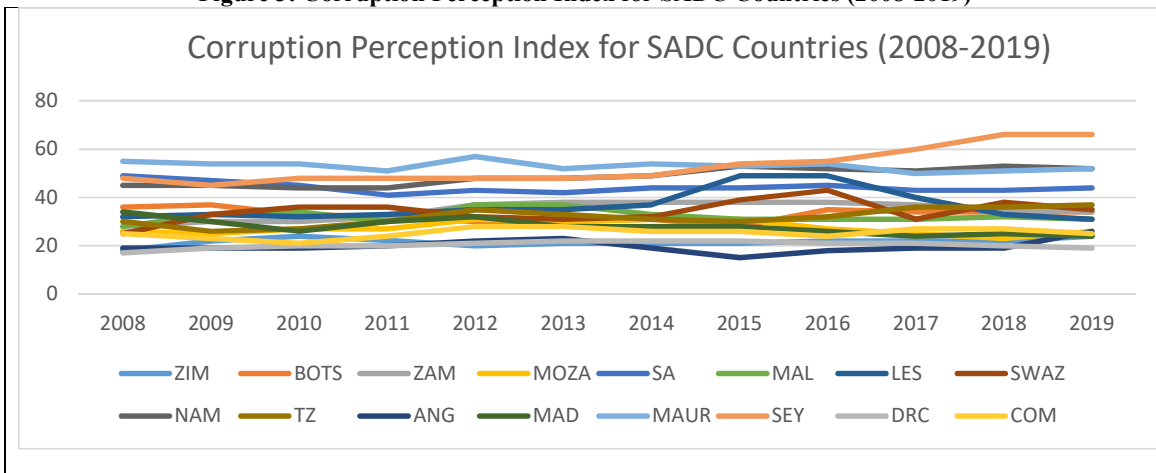


Figure 3 shows the CPI for the SADC countries from 2008 – 2019. Almost all nations have a CPI of less than 50 implying high levels of corruption. Mauritius have a better magnitude of corruption as compared to other nations, while Seychelles and Namibia have a favourable trends with time. Seychelles has in recent years strengthen the fight against corruption, in the 2019 National Development Strategy corruption has been pointed to undermine policy effectiveness and a barrier to development. Mauritius is one of the most stable and vibrant democracies in Africa. Apart from being in the SADC regional bloc, Mauritius and Seychelles came up with an Integrated Country Strategy (ICS) approved 2018, one objective being to strengthen democratic governance by promoting political accountability, independent anti-corruption efforts and increased transparency. Mauritius and Seychelles are African success stories, and they should however continue the journey to fight corruption in their states to reach better levels. Namibia has a National Anti-corruption Strategy that brings all stakeholders under one roof to make their due contribution to promoting good governance, and good governance is key for

economic growth and development. Botswana has a good reputation abroad, corruption risks are moderate, and is one of the least corrupt nations in Africa – however, corruption can be seen in a wide majority of different government sectors and in different forms – and many legal acts have been passed to try and combat corruption. From the above trends the majority of the SADC countries are in the range of widespread to systemic corruption. Corruption in SADC has now reached cancerous proportions and today has a demonstrable negative impact on the development process in the region.

Lawal (2007), asserts that in Africa there are clear signs and symptoms of corruption as there have been no significant or improvement pertaining the issue of development in many African States. Maguchu (2011) relating to corruption levels in SADC region narrated that politicians have hijacked the transition to democratic governance and are manipulating it to guarantee that their privileges are not threatened. The average CPI for the SADC regional bloc is presented in Figure 4 below;

Figure 4: Average Corruption Perception Index for SADC Countries (2008-2019)

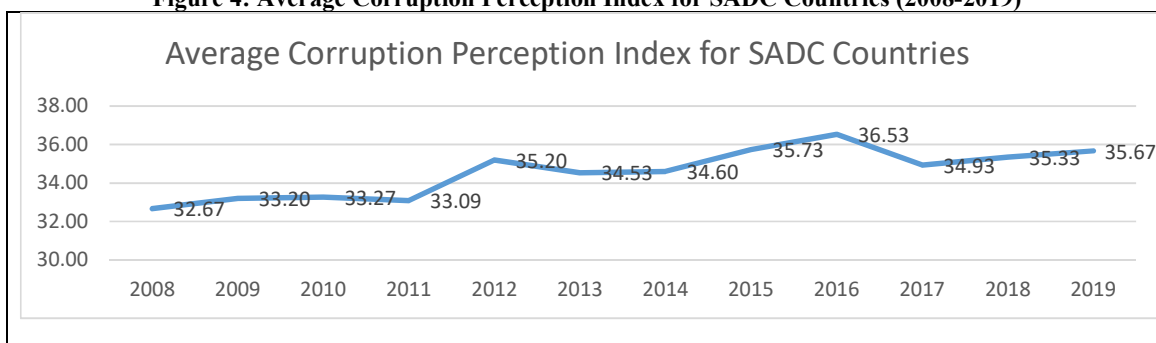


Figure 4 above shows the average CPI for the SADC countries for the period 2008-2019. An oscillating pattern is observed for the entire period, however with a slight rising trend. The oscillating behavior shows that there is no definite path to address the corruption situation in the region. The average CPI for the whole period under consideration is 34.56 with a minimum of 32.67 and maximum of 36.53. There is little variability for this level of corruption in the regional bloc as evidenced by range and a standard deviation of 1.238. The minor noticeable changes may not be attributed to any policy at hand to deal with corruption. The averages lies below the 50 mark, implying that SADC countries have severe corruption prevailing within the states. The entrenchment of corruption in SADC points to the fact that something has gone wrong in the governance of the individual nation-states (Hope and Chikulo, 2000). Some researchers blame neopatrimonialism in the region for the level of corruption prevailing and persistence. Francisco (2010) narrated that neopatrimonial politics has managed to permeate all political levels, affecting the distribution of resources and distorting development plans and diverting development aid funds to ensure the survival of the system. Meirotti and Masterson (2018) indicated that the diversion of power away from citizens to private interests in a situation of state capture is especially worrying for African states that fought so hard for liberation and self-determination for the people.

Comparison of world least corrupt, world most corrupt and SADC is presented in Figure 5 below;

Figure 5: Average CPI – Most Corrupt, Least Corrupt and SADC

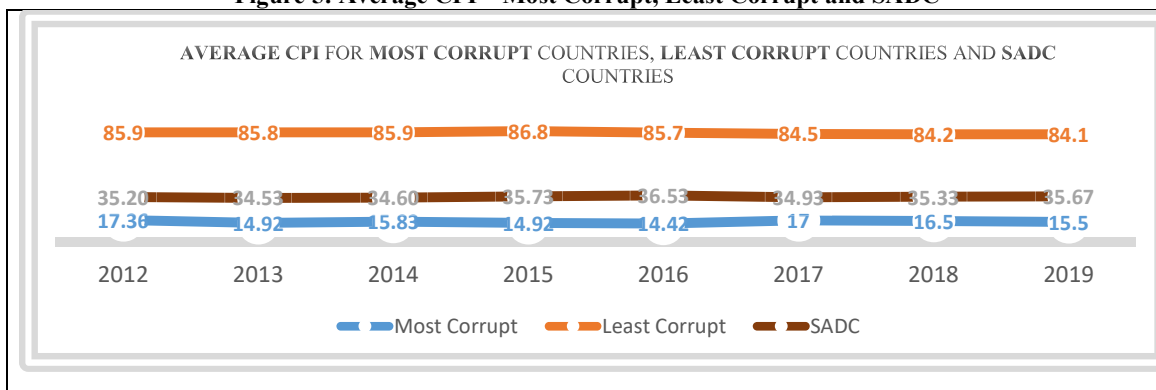
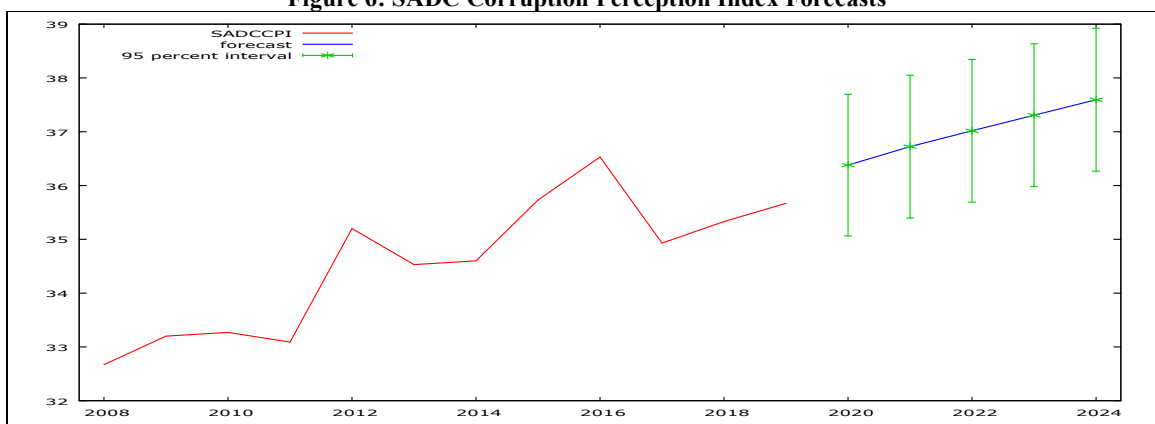


Figure 5 compares the average CPI for the most corrupt countries, least corrupt countries and SADC economies for the period 2012-2019. Looking at the trends, the SADC economies are just closer to the most

corrupt trend line, far away to the least corrupt nations. Such observation calls for a lot to be done by the SADC regional bloc, if they have to harness corruption in the respective nations. The objective of tackling corruption in the regional bloc requires strong collaborative and individual commitments by member states. Sutherland (1949) opines that crime is committed where there is a conducive environment to violate the laws, rules and regulations compared to where the environment is constrictive or prohibitive. With support from Nita (2018), corruption in SADC is believed to have been attributed by the following *inter alia* reasons – government intervention, trade restriction, complex tax systems, low wages in the civil service, population size, natural resource endowment, non-transparent rules, laws and procedures, quality of bureaucracy, leadership style and the type of the penalty system.

The study having obtained an average CPI for the period under consideration being 34.56 with a minimum of 32.67, maximum of 36.53 and variability given by a standard deviation of 1.238 applied the ARIMA technique to forecast the CPI for the next five years. The best ARIMA model has been found to be ARIMA (1,1,1), as the variable SADC_CPI has been found to be stationary after first differencing, and using the Eviews software to observe the PACF and ACF functions p and q were best set at 1 for each. The forecast graph obtained from Gretl software is shown in Figure 6 below;

Figure 6: SADC Corruption Perception Index Forecasts



According to the ARIMA forecasts, the average CPI for the SADC regional bloc is expected to have a slight rise for the coming years. However, the expected rise is not far from the observed trend, it remains insignificant for the agenda to address corruption. A great change is required, and should come as shocks for meaningful contribution to be recorded in the region so as to trigger necessary investment and development motives. SADC states should continue to observe and implement the requirements of SADC Protocol against Corruption, which aims to promote and strengthen development within each member state of mechanisms needed to prevent, detect, punish and eradicate corruption in the public and private sectors.

IV. CONCLUSION AND POLICY RECOMMENDATIONS

The paper explores corruption levels in the SADC regional bloc. Corruption in SADC is found in all facets of life, it has really become endemic. The attempt by countries in SADC to break the cycle underdevelopment has been hindered by the high levels of corruption in the region. The study mentions various corruption ways and their impact to development. Corruption hinders development because it makes resources ineffective and alter economic growth among other negative effects. Using the CPI, the study measures and discusses the level and prevalence of corruption in the regional bloc for the period 2008-2019. The study incorporated the world's least corrupt countries and most corrupt countries to enable comparisons to be made for CPI levels in the SADC regional bloc. To show how corruption affects development in the region as well as how corruption is made, the study discussed various known corruption scandals in the region. The corruption scandals are not exhaustive, they are just a few of many cases, some being detected and some remain to be detected. Petty corruption exist in the region and should be dealt with to avoid bad culture to find its roots deeper in the society. Grand corruption has more damage to the economies, and most is done by big people in the society. Embezzlement of funds by public officials is detrimental to developmental initiatives (Motshegwa *et. al.*, 2019). Grand corruption requires the political will to fight it and/or requires powerful institutions that are autonomous from politics including the judicial system. In support USAID (2005) indicated that successfully reducing corruption is ultimately a matter of political will on the part of governments in the continent, combined with strong institutions of governance that exercise effective checks and balances, systems that ensure transparency and accountability to citizens, and clear sanctions for those who engage in corrupt behavior.

Fighting corruption is no easy task in SADC region given the CPI statistics reported, great works are called. Harnessing corruption calls for multifaceted strategies targeting political, economic, legal, administrative social and moral aspects of the ill (Lumumba, 2014). As noted by Ayittey (2018), to turn SADC around, the abominable political and economic systems established by its postcolonial leaders must be dismantled and replaced by systems based on a market economy and the politics of inclusion. While short-term approaches are necessary, long-term approaches are required with great consistency to address corruption to drive the region to better levels for the future. Corruption should not be left to prevail, hence there is need to explore its nature, intensity and source so as to harness it. Coalitions between government, private enterprise and civil society organizations are required. Developing effective sub-regional anti-corruption regime is essential for each member state. Corruption should be isolated for consideration so that human and material resources can be mobilized for its address.

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