Chapter 4

Corruption and Remuneration in Singapore: The Dignity Argument

By Florian Rücker

Abstract

This chapter links the topic of high public officials' remuneration to that of corruption. It does so by analyzing an argument set in the Singaporean context, which contends that a high salary is necessary for people to maintain their dignity, so that they in turn will not condescend to corruption. First, to best adhere to the intended meaning, the argument's author's conception of dignity is interpreted as being culturally Chinese dominated, making it a normative virtue that is closely related to the virtue of keeping face. With this understanding of dignity as a foundation, the link between remuneration and dignity is first analyzed, illuminating particularities in the Singaporean public sector and elaborating on the differentiated concept of dignity. Following that, the link between dignity and corruption is addressed, shedding light on corruption in Singapore. The analysis suggests inter alia the potentially high relevance of structural sociocultural conditions for potential anticorruption strategies.

1 Introduction

It has often been said that power corrupts. But it is perhaps equally important to realize that weakness, too, corrupts. Power corrupts the few, while weakness corrupts the many. ... The resentment of the weak does not spring from any injustice done to them but from their sense of inadequacy and impotence.¹

Public sector corruption is perhaps one of the most unyielding hurdles on the path of economic and social development. It strongly correlates with state weakness and has been shown to

¹ Eric Hoffer, "The Awakening of Asia," The Reporter, 1954, 16–17.

hurt the least capable citizens the most. Politicians in many countries have pledged to curb corruption and often failed. Of those working within the good governance framework, who presume that it is possible to directly tackle corruption, various approaches to reduce corruption have been argued for, such as advocacy approaches, awareness raising or strengthening the chain of justice. One of the more prevalent arguments relates corruption to the remuneration public sector officials receive. It is this relationship and its propagation as causal in the political discourse in Singapore that this chapter focuses on. Singapore is an interesting case, as it is a de facto one-party city state with a sophisticated semi-authoritarian regime. It has furthermore relatively high public sector salaries and remarkably low corruption.

This chapter first briefly elaborates on two different arguments that contend the negative causal relationship between remuneration and corruption, as they are presented in Singapore. It then presents the analysis of the dignity argument, claiming that lower remuneration increases corruption by threatening the dignity of the public official. Analytical Discourse Evaluation is used for a rigorous investigation of the argument and to allow for a different take on the question of what causes corruption as well as what people believe to be the underlying causes and mechanisms of corruption.

Discourse

Government officials and bureaucrats in Singapore are considered relatively effective, uncorrupted and well paid. Indeed, the prime minister is the most highly paid head of state worldwide. The corruption argument is a commonly used justification for the high remuneration: it is claimed to be a safeguard from corruption, i.e. to negatively impact the level of corruption or corruptibility. To define "high remuneration" in the Singaporean context: Entry-level ministers received an annual salary of S\$1.9 million (€917,000) in 2008.⁴ Singaporean officials refer to this salary as "competitive". Competitive can be understood to mean high salary, as competitive salaries are meant to compete with the private sector, where high-ranking employees are highly paid.

It is not a minor task to identify why exactly the notion that high salary prevents corruption, is held. In a 2007 debate on public salary revisions, the topic of corruption was mentioned

² Garry Rodan, "Singapore 'Exceptionalism'? Authoritarian Rule and State Transformation," in *Political transitions in dominant party systems: Learning to lose*, eds. Joseph Wong and Edward Friedman (Oxon: Routledge, 2008), 231-251.

³ Jon ST Quah, "Combating Corruption Singapore-style: Lessons for Other Asian Countries," *Maryland Series in Contemporary Asian Studies*, No. 2, 189 (2007), 56.

⁴ Sue-Ann. Chia, "Pay Package of Top Civil Servants and Ministers down 22%.," The Straits Times, 2009, A6.

almost 50 times – not once was the link to wage explicitly explained.⁵ One may conclude that the lacking willingness to elaborate on the topic relates to the fact that Singapore has indeed curbed corruption before introducing comparatively high salaries – through targeted legislation, an independent anti-corruption task force and driven by sincere political will.⁶ The lack of historical support in Singapore does not, however, disprove the argument.

During the above mentioned 2007 parliamentary debate, the statement closest to an elaboration of the reasoning behind the claimed negative correlation, was that "payment of competitive salaries to those in public service [allows] them to achieve a better standard of living, thus effectively removing the need for corruption". It is thus an argument of need, of needing corruption to achieve a sufficient standard of living, if the need for legitimate income is not met. This reasoning shall henceforth be referred to as the need argument.

A very different argument is given in a paper by Chua Cher Yak⁸, who was head of the Singapore Anti Corruption Agency for 12 years. He draws a link between dignity – for which a high salary is claimed to be needed – and incorruptibility. Yak expresses this dignity argument by citing Bow Crew who connects "enough money" with "dignity", which he claims leads to people being "more likely to regards corruption as beneath them" ⁹.

Both arguments have interesting aspects that are worth a more detailed analysis. The need argument is encountered most frequently and fulfills the fidelity constraint. Alas, a brief consideration reveals that the need argument would have to depend on a definition of need, which could sustain the Claim that less than \$\$1.9 million¹o (roughly €1 million) − a minister's entry-level salary − is not sufficient to cover a minister's need. While it may not be impossible to define need in this way, this does already reveal a considerable weakness of the need argument at the shallowest level of analysis.

Instead, this chapter sheds light on the dignity argument. While the phrasing of this argument requires some interpretation, it provides the high value of offering an explicit political argument on a very private and culture specific dimension of corruption. Claiming

⁵ A Tarmugi, "Parliamentary Debates Singapore - Official Report Monday 9th April 2007," Singapore Parliament Online, 2007.

⁶ Quah, "Combating Corruption Singapore-style."

⁷ Tarmugi, "Parliamentary Debates Singapore."

⁸ Chua Cher Yak, "Corruption Control: More Than Just Structures, Systems and Processes Alone" (Visiting expert paper of UNAFEI Sixth International Training Course on Corruption Control, 2003), 236.

⁹ Ibid.

¹⁰ Chia, "Pay Package," A6.

a relationship between personal dignity and corruption allows for an investigation that touches upon conceptions of dignity, behavioral economics, social expectations of income, social rank as well as social respect – and how all of these are informed by the respective cultural context. With empirical research on the relation between remuneration and corruption being largely inconclusive – different studies report a negative¹¹, positive¹² or no¹³ correlation –, this paper adds value to the topic by shedding light on the potential underlying causal mechanisms from a different perspective.

2 Reconstructing the Dignity Argument

Arguments concerning the link between remuneration and corruption commonly focus on the political, micropolitical and microeconomic factors moderating the influence of remuneration on corrupt behavior. The dignity argument, however, is part of a group of arguments that build on cultural considerations. It claims that relatively low remuneration can lead to a loss of dignity, which in turn makes people corrupt. Following, the Western and Chinese understanding of dignity is discussed. The Analytical Discourse Evaluation ensues.

The dignity argument was first expressed by Bow Crew and was cited by long-time director of the Corrupt Practices Investigation Bureau of Singapore, Chua Cher Yak in 2003:

By giving people their self-respect and enough money in their pockets – by restoring to them, if you like, their dignity and its corresponding integrity of purpose, they are more likely to regard corruption as beneath them and less likely to abandon their public and private consciences; less likely to sell their souls to the devil.¹⁴

- See both Caroline Van Rijckeghem and Beatrice Weder, "Bureaucratic Corruption and the Rate of Temptation: Do Wages in the Civil Service Affect Corruption, and by How Much?," Journal of development economics 65 (2001): 307-331. As well as Vito Tanzi, "Corruption Around the World: Causes, Consequences, Scope, and Cures," International Monetary Fund- Staff Papers 45 (1998): 559-594.
- 12 See both Ursula Giedion, Luis G. Morales, and Olga L. Acosta, "The impact of health reforms on irregularities in Bogotá hospitals," in Diagnosis corruption: fraud in Latin America's public hospitals, eds. Rafael Di Tella and William D. Savedoff (Washington, DC: Inter-American Development Bank, 2001), 163-198, as well as María H. Jaén and Daniel Paravisini, "Wages, capture and penalties in Venezuela's public hospitals," in Diagnosis corruption: fraud in Latin America's public hospitals, eds. Rafael Di Tella and William D. Savedoff (Washington, DC: Inter-American Development Bank, 2001), 57-94.
- 13 Daniel Treisman, "The causes of corruption: a cross-national study," *Journal of public economics* 76, no. 3 (2000): 399-457.
- 14 Yak, "Corruption Control."

To simplify this idea, Crew expresses two core relationships. First, "enough money in pocket" – remuneration – is necessary for people to have dignity. Second, having dignity means people consider corruption "as beneath them" and are less inclined to "abandon their public ... consciences". Crew therefore claims dignity to be necessary for people not to be corrupt. Dissected into Toulmin's premises, we would arrive at this argument:

[Data] High remuneration provides dignity.

[Warrant] People with dignity do not engage in corruption.[Claim] A relatively high remuneration reduces corruption.

If this argument was set in a Western context, it would be unacceptable. Dignity, in its interpretation within the Western culture, is not related to wealth. Rather, dignity is used since the enlightenment in terms of an intrinsic property and inalienable right. This is for instance expressed by Immanuel Kant¹⁵ who explicitly differentiates between entities that can be assessed by value and entities that have dignity. Similarly, the UN Human Rights declaration, sometimes considered a representation of Western values¹⁶, refers to a concept of unconditional 'inherent dignity'¹⁷ for every human. Using the Western interpretation of dignity the Data connecting remuneration to dignity, as well as the Warrant implying that dignity can be had or not, could not be accepted and the argument would have to be rejected.

The dignity argument is, however, not set within the Western culture. Singapore's population consists of 74% ethnic Chinese and only 3% of residents are of non-Asian origin. 18 Chang and colleagues furthermore report that while Singapore has seen some cultural westernization, its culture and government are still strongly influenced by traditional Chinese values. 19 To better understand this argument, it is thus necessary to

¹⁵ Immanuel Kant, Fundamental Principles Of The Metaphysic Of Morals (Merchant Books, 1785), 84.

¹⁶ Indeed, long time prime minister of Singapore Lee Kuan Yew is one of the most famous proponents of a differentiation between Western values and Asian values. Not unrelated to the topic of corruption, Lee stated that "What Asians value may not necessarily be what Americans or Europeans value. Westerners value the freedoms and liberties of the individual. As an Asian of Chinese cultural background, my values are for a government which is honest, effective, and efficient." as cited in Dominic Wong, "Democracy can't guarantee good government." The Straits Times, November 21, 1992, 1.

¹⁷ Vicki C. Jackson, "Constitutional Dialogue and Human Dignity: States and Transnational Constitutional Discourse," *Montana Law Review* 65 (2004): 15-40.

¹⁸ Department of Statistics Singapore, Monthly Digest of Statistics Singapore, Online, 2011, 1-110.

¹⁹ Weining C. Chang, Wing K. Wong and Jessie B. K. Koh, "Chinese values in Singapore: Traditional and modern." *Asian Journal of Social Psychology* 6, no. 1 (2003): 5-29.

reflect on the meaning of dignity in the context a Chinese influenced culture. Dignity means 体面 or tǐmiàn in Mandarin Chinese. Most notably, tǐmiàn is considered a normative and prescriptive — not inherent — virtue. Thus, only a person that does x, y and z has dignity. Furthermore, tǐmiàn refers to a few other concepts besides dignity, which in English we would approximate as face, honor and worth. ²⁰ It is notably negatively framed (loss oriented), i.e. the emphasis lies on preventing the loss of tǐmiàn. The concepts of dignity, tǐmiàn and face find a more detailed elaboration in the analysis of the Data. As this culturally Chinese conception of dignity is normative, therefore not unconditional, it allows for a reinterpretation of the dignity argument. The following analysis is thus based on the assumption that Crew²¹ refers to this culturally Chinese notion of dignity. To emphasize the significantly different understanding of dignity, as well as its close relation to the concepts of honor, worth and most notably face, this chapter hereafter refers to said concept as tǐmiàn, rather than dignity. Accordingly, the ensuing Analytical Discourse Evaluation addresses the relationship between remuneration, corruption and tǐmiàn rather than dignity.

Building on the basis of the understanding of dignity as timian, the individual premises of the dignity argument are after follows presented using the Toulmin framework below. The Claim for this argument states that a relatively low remuneration increases corruption. Its notably negative framing is derived from the loss oriented nature of the timian concept. This Analytical Discourse Evaluation is structured in two parts; the first part analyses Data and Verifiers — approaching the link between remuneration and timian —, whereas the second part scrutinizes the Warrant and Verifiers, which address the link between timian and corruption. Without the Backing premises, the structure of the argument looks as follows. The whole argument, including all premises and their relation towards each other, is illustrated in Figure 4.1.

[Data] A relatively low remuneration causes a loss of timian.

[Warrant] If a relatively low remuneration causes a loss of timian, then a

relatively low remuneration increases corruption.

[Claim] A relatively low remuneration increases corruption.

²⁰ Boping Yuan and Sally Church, The Oxford English-Chinese Chinese-English Minidictionary (Oxford: Oxford University Press, 2004).

²¹ Bob Crew as cited in Yak, "Corruption Control," 236.

Data and Verifiers

For the dignity argument to uphold, it is necessary to make a valid case for how timian can depend on remuneration. This dependency finds consideration through the analysis of the main Data premise, claiming that a relatively low remuneration causes a loss of timian.

As timian is negatively framed and based on social expectations, the core question in terms of what level of remuneration will result in a loss of timian is not so much what the remuneration amounts to – or can afford – in absolute terms, but rather whether the remuneration is lower relative to previously established personal, family and particularly wider social expectations. A relatively low remuneration may thus be considered rather high in absolute terms and still be relatively low if set against high previous expectations. As the dignity argument is designed to support the Claim that high salaries for high public officials are required, the first Data premise set to support the main Data, must claim that Singapore's high public officials and their families are socially expected to maintain a relatively high remuneration. This premise is scrutinized hereafter. Correspondingly, the argumentative structure continues as follows.

[Data\Data] Singapore's high public officials and their families are socially

expected to maintain a relatively high remuneration.

[Data\Warrant] If Singapore's high public officials and their families are socially

expected to maintain a relatively high remuneration, then a relatively

low remuneration causes a loss of timian.

[Data\Claim] A relatively low remuneration causes a loss of timian.

Social Expectations About Income

An important implied part in the dignity argument is the Data premise that Singapore's high public officials and their families are socially expected to maintain a relatively high remuneration. Long-term prime minister and 'Father of Singapore' Lee Kuan Yew, in an attempt to explain why public officials in Singapore need high salaries, mentions both the situation of being used to a wealthy lifestyle and the stakeholders involved in the considerations revolving around remuneration, namely a public official's family and peers:

Ministers' wives and children are normal human beings, who have normal aspirations like the wives and children of their husband's peers. We have to recognize the different social climate after many years of prosperity.²²

Lee Kuan Yew, "Speech by Mr Lee Kuan Yew, senior minister" (speech, Singapore Conference Hall, July 19, 1996), National Trade Union Congress, 4.

This premise adds relevance and understanding to the argument in the context of Singapore: If newly hired public officials and family were used to a simple and low-cost lifestyle, the Singaporean government would – according to the logic of this argument not be required to pay a public sector salary that is designed to compare to the private sector. It is argued, however, that a high remuneration is expected. Is this indeed the case? A possible reason, and the situation Lee refers to in the quote, is private sector comparability, which lies in the nature of the business-like attitude in the public sector in Singapore. The Singaporean public sector orients itself according to the private sector to a further extent than many Western bureaucracies do. It considers itself as a service provider for the economy and both is structured and measures its effectiveness in a business-like manner.²³ The similarity in organizational structure is also reflected in similar approaches to management. This leads to a much higher comparability between the public and private sector, including the comparability amongst high ranking private and public officials, their effectiveness and their incomes. Most importantly for our case, the public sector recruits numerous ministers from the private sector.²⁴ Thus, some high public officials have come directly from a high ranking position in the private sector – here the comparability is most obvious. But even for high public officials that have slowly risen through the ranks of their bureaucracy the comparability could be seen. The businesslike structure and performance metrics as well as the high ranking colleagues recruited from the private sector create a peer group that is socially and structurally linked to high ranking private executives.

As a result, high public servants' incomes are more likely than elsewhere to being compared – both by their social environment and by themselves – to people with salaries of high-ranking private sector executives. Since incomes of private sector executives are famously high – managers in Singapore are as well paid as in most other wealthy nations²⁵, they set a high bar for high public officials to compare themselves with.

Two further factors, again specific to the Singaporean context, may be relevant to consider; the degree of materialism and the level of relative social mobility in Singapore. For this premise, it is assumed that comparability leads to social expectation of a comparable

²³ Nancy C. Jurik, "Imagining Justice: Challenging the Privatization of Public Life," Social Problems 51 (2004): 1-15.

See both Jon S.T. Quah "Paying for the 'best and brightest': Rewards for high public office in Singapore," in Reward for high public office: Asian and Pacific Rim states, eds. Christopher Hood and B. Guy Peters with Grace O.M. Lee (London: Routledge, 2003): 145-162 as well as Lee Kuan Yew, From Third World to First (New York: HarperCollins, 2011).

²⁵ Chang, H. Hwang, "Average Monthly Earnings, Compensation of Employees and Unit Labour Cost: Key Concepts and Data Sources," Statistics Singapore Newsletter, 2009.

(high) remuneration. This link implies that remuneration – or specifically, socially visible expressions of remuneration, such as consumption behavior – is an important social marker that receives attention from a person's social environment. The extent to which this assumption is valid is likely to depend on the degree of materialism in a society. Materialism is defined as "preoccupation with or emphasis on material objects, comforts, and considerations, with a disinterest in or rejection of spiritual, intellectual, or cultural values."26 Singapore has been found to have relatively high materialism – specifically, it has been found to be more materialistic than the USA, England and Germany.²⁷ The second additional factor is the level of relative social mobility, i.e. to what extent a person's income differs from her parent's income. As Singapore scores even below the United States²⁸ and well below other wealthy countries such as Germany and Canada²⁹, it can be seen as a country with very low relative social mobility. Accordingly, a person who has had the resources to reach a position of a high ranking official is likely to have come from an already wealthy family and relate to a social environment of wealthy peers. Again taking into consideration the high materialism, this fact is likely to create additional high expectations concerning income, at least for some individuals.

Both the private sector comparability as well as low relative social mobility in combination with a high degree of materialism support the assumption that there is a social expectation of a high remuneration for high ranking public officials.

Timian is Lost if Social Expectations Cannot be Upheld

To link the above scrutinized Data premise to the main Data premise, the following Warrant is required: If Singapore's high public officials and their families are socially expected to maintain a relatively high remuneration, then a relatively low remuneration causes a loss of timian. Or in short, timian is lost if social expectations cannot be upheld.

^{26 &}quot;Materialism," Random House Webster's Unabridged Dictionary (New York: Random House Reference, 2001).

²⁷ See both William R. Swinyard, Ah-Keng Kau, and Hui-Yin Phua, "Happiness, materialism, and religious experience in the US and Singapore," *Journal of Happiness Studies* 2, no. 1 (2001): 13-32 and Guliz Ger and Russell W. Belk, "Measuring and comparing materialism cross-culturally," *Advances in consumer research* 17 (1990): 186-192.

²⁸ Specifically, scaled inter-generational persistence in income has a lower bound of 0.58 per cent in Singapore, 0.47 in the US; see Irene Ng, "Intergenerational income mobility in Singapore," *The BE Journal of Economic Analysis & Policy* 7, no. 2 (2007): 1-35.

²⁹ Miles Corak, "Do poor children become poor adults? Lessons from a cross-country comparison of generational earnings mobility," in *Dynamics of Inequality and Poverty, ed.* John Creedy and Guyonne Kalb, Vol. 13 (Bingley: Emerald Group Publishing Limited, 2006), 143-188.

This premise therefore leads us to consider the very nature of the Chinese concept of dignity as tǐmiàn. Tīmiàn (体面) is described as "an expression without an exact equivalent in English."30 Literally meaning 'good looking', timian metaphorically refers to social approval: "the social front, the ostensible display of one's social standing to the public. It is both a prerogative and an implicit obligation for the socially prominent to be particular about."31 – timian is translated as and used to refer to dignity, face, honor and worth. The first reason why this chapter refers to 'timian' instead of 'dignity' is to ensure that its use in the original argument by Bow Crew and Chua Cher Yak is properly understood as set in the Chinese cultural realm. The latter employs a starkly contrasting concept of 'dignity' as compared to the Western cultural context. As mentioned, the Western understanding of dignity is that of an inherent, intrinsic property that – often formulated as 'human dignity' – deserves equal respect for every human being.³² By contrast, in Confucian philosophy – which still to a large extent informs contemporary Chinese culture –, 'dignity' is considered a normative concept with prescriptive elements that contribute to a person's moral status. Consequently, not every person has dignity. Rather, dignity infers an explicit differentiation between a gentleman (jūnzǐ) with high dignity and a "mean-spirited 'littleman' (xiǎo rén)"33 with low dignity. While Confucius, 2500 years ago, made the prescriptive elements explicit and referred to specific virtues, the contemporary use of dignity in China is less clear-cut – the word has been described as being "fuzzy"34 – and may in some cases also refer to the western concept of 'human dignity'.

This lack of specificity is the second reason to use timian for our purposes, as this allows us to refer not merely to dignity, but also the closely related concepts covered by the term – most notably face. Face is a fairly specific and highly prescriptive concept that is crucial for understanding social relations and social prestige in Chinese influenced societies, such as Singapore. Numerous scholars³⁵ have noted its dominance in Chinese

- 31 Ibid.
- 32 Jackson, "Constitutional Dialogue," 15-40.
- 33 Zhang Qian, "The Idea of Human Dignity in Classical Chinese Philosophy: A Reconstruction of Confucianism," *Journal of Chinese Philosophy*, 27 (2000): 299-330.
- 34 Jian Junbo, "Wen Pursues the Right to Dignity," Asia Times, March 16, 2010.
- 35 See both Michael Harri Bond, Beyond the Chinese Face, Insights from Psychology (Oxford: Oxford University Press, 1991) as well as Ho, "Face," 241.

³⁰ David Yau-Fai Ho, "Face, social expectations, and conflict avoidance," in Readings in Cross-cultural Psychology; Proceedings of the Inaugural Meeting of the International Association for Cross-Cultural Psychology Held in Hong Kong, August 1972, ed. John Dawson and Walter Lonner (Hong Kong: Hong Kong University Press, 1974), 241.

culture and daily social life. Ho describes keeping face as a highly relevant virtue – if not social requirement – in most Chinese influenced cultures. Keeping face is furthermore a negatively framed concept – the emphasis lies on preventing the loss of face, which can occur in a number of ways, but restoring or improving it is difficult and takes time. Face is so dominant in influencing social behavior that concepts such as worth, honor and dignity can hardly be modeled separately. Face is defined through dignity itself – as "the respect, pride and dignity of an individual as a consequence of his\her social achievement and the practice of it". Interpreting timian as both dignity and face thus provides for a more concrete concept to understand the dignity argument.

Having established the above, this Warrant, claiming in short that timian is lost if social expectations cannot be upheld, can be analyzed. Most fundamentally, considering the prescriptive and non-inherent nature of dignity and face as timian, timian can indeed be lost. For this purpose, the concept of face helps to understand how it can be lost. Face in Chinese culture has two components – social status (mianzi) and moral character (lian). Timian, described as one's social standing to the public, refers to mianzi, described as "a reputation achieved through getting on in life, through success and ostentation". Most relevantly for this purpose, timian can be lost specifically by a "failure to measure up to one's sense of self-esteem or to what is expected by others". 38

The above gives an understanding oft miàn as a considerably different conceptualization of dignity as compared to how it is known in the Western cultural setting, specifically as an attribute that can be had and that can be lost. Since a failure to uphold social expectations is given as the very definition of losing t miàn, this premise can be deemed to be valid.

Warrant and Verifiers

The main Warrant, claiming that if a relatively low remuneration causes a loss of timian then a relatively low remuneration increases corruption, is concerned with establishing the link between a remuneration-based loss of timian and corruption. For the Warrant to be sound, it must be argued that first, corruption is a means to avoid a remuneration-based loss of timian [Warrant\Data] and second, why this fact necessarily leads to the

³⁶ Tho mas K.P. Leung and Ricky Yee-kwong Chan, "Face, favour and positioning—a Chinese power game." European Journal of Marketing 37, no. 11/12 (2003): 1575-1598.

³⁷ Ho, "Face."

³⁸ Shuanfan Huang, "Two studies on prototype semantics: Xiao (filial piety) and mei mianzi (loss of face)," *Journal of Chinese linguistics* 15, no. 1 (1987): 73.

Warrant or specifically, why individuals are motivated to not lose timian [Warrant\ Warrant]. Expressed in its premises, we arrive at the following:

[Warrant\Data] Corruption is a means to avoid remuneration-based loss of timian.

[Warrant\Warrant] If corruption is a means to avoid remuneration-based loss of

timiàn then if a relatively low remuneration causes a loss of timiàn,

a relatively low remuneration increases corruption.

[Warrant\Claim] If a relatively low remuneration causes a loss of timian then a

relatively low remuneration increases corruption.

Corruption is a Means to Avoid Remuneration-based Loss of Timian

Corruption in state officials has seen a range of explanations and diagnoses in economics and politics research. This premise taps into the social and cultural aspect of the debate, by claiming that corruption may result from the threat of losing timian, i.e. losing dignity, face or honor, due to a relatively low remuneration. Considering that illegitimate behavior such as engaging in corruption can hardly be seen as an act of honor and dignity, neither in the Western nor in Chinese cultural realm, the validity of this Claim is not intuitive.

This part of the argument does not claim that corruption itself is an act of timian, or directly contributes to it. Rather, earning less money than before can lead to a loss in timian, as argued in the above section on the Data and Verifiers. This premise essentially claims that corruption can fill the gap caused by the relatively low remuneration: as corrupt behavior can be assumed to provide for additional income, it can help a state employee keep face towards his family and together with his family towards his social environment. Since the actual remuneration is commonly not visible to outsiders – it is merely expressed through consumption behavior and possessions – the social environment can be assumed to direct its expectations not at the specific amount of the official remuneration but more indiscriminately at the visible expressions of wealth.

Corruption is usually a source of monetary income or nonmonetary possessions – it serves as an umbrella term for a range of activities, most of them illegitimate streams of income. This includes bribery, kickbacks, embezzlement and even involvement in organized crime. High state officials, with considerable amounts of power are capable of illegally leveraging on that power to generate high amounts of corruption-based income.³⁹

Thus, corruption may be a means of avoiding the kind of loss of timian whose cause lays in a lower remuneration. This does not mean, however, that corruption could not also cause a loss in timian, if detected. This fact finds further discussion in the evaluation.

³⁹ Jacqueline Coolidge and Susan Rose-Ackerman, *High-level rent-seeking and corruption in African regimes: Theory and cases* (New York: The World Bank, 1997).

If Corruption is a Means to Avoid Remuneration-based Loss of Timian, a Relatively Low Remuneration Increases Corruption

This premise is the verifying Warrant that links the above considered verifying Data with the main Warrant of the argument. It states that if corruption is a means to avoid remuneration-based loss of timian then if a relatively low remuneration causes a loss of timian, a relatively low remuneration increases corruption, or in short if corruption is a means to avoid remuneration-based loss of timian, a relatively low remuneration increases corruption. For this premise to support the argument, it must give a reason for why the assertion that corruption is one way to avoid remuneration-based loss of timian will then actually lead to corrupt behavior, in case of a relatively low remuneration. This premise is therefore concerned with the specific motivation that drives avoidance behavior of a loss of timian – simply put – why do people not want to lose timian? This is a question and premise that may reveal the Western socialization of the author and peers, as an author socialized in a culturally Chinese dominated setting such as Singapore may not consider it necessary to ask this question; maintaining timian and preventing its loss is so selfevident and culturally so deeply ingrained that the reasoning behind it is unlikely to be questioned. It does require explanation for our purposes, however. To not exacerbate the cultural differences, it may be prudent to first assert that also in a Western setting, status considerations can greatly influence behavior. This is claimed inter alia by behavioral economist Robert Frank⁴⁰, who argues – based on data from Western societies – that the judgment of the immediate environment is so relevant to people, that they overconsume, work too much and are unhappy as a result just to not appear poorer than their social environment. This behavior tends to be relatively unconscious in Western cultures.

In the Chinese cultural realm, consciousness of maintaining face as social prestige – miànzi, the second of the two components of face, to which the term timiàn refers – is more explicit, deeper rooted in the culture and arguably more important for an individual's social functioning and integration.⁴¹ Tellingly, there is an expression "miànzi shi qing" – it is a matter of miànzi – describing an action done only to maintain one's miànzi and usually counterproductively so in terms of other factors or personal goals.⁴² An example given by Hu⁴³ for the importance of keeping miànzi is the common practice

⁴⁰ Robert H. Frank, "Should public policy respond to positional externalities?, *Journal of Public Economics* 92, no. 8 (2008): 1777-1786.

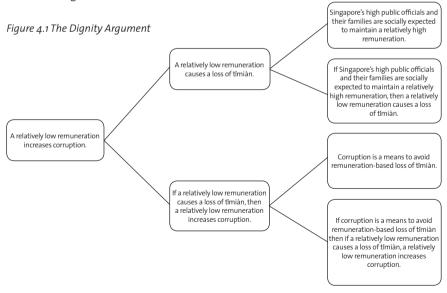
⁴¹ Ho, "Face," 241.

⁴² Hsien C. Hu, "The Chinese concepts of 'face'," *American anthropologist* 46, no. 1 (1944): 45-64.

⁴³ Ibid.

for a father to give as rich a dowry (a status indicator) as possible, often to the extent of incurring debts that may take years to repay. A notable characteristic of keeping face is its reach beyond the individual. Thus, a loss of face always affects the whole extended family and to some degree the larger community. This further increases the stakes when losing face. Particularly relevant for our specific case of high ranking public officials is first, that the loss of miànzi is described as specifically leading to a loss of authority. Second and more importantly, while the first component of face – moral character, or liǎn – matters more equally for every person, maintaining miànzi matters more the higher-ranking and publicly visible a person is.⁴⁴

To conclude, a loss of timian – to which mianzi refers – in a culturally Chinese setting such as Singapore, can be considered to be socially strongly discouraged. High ranking officials must pay particular attention to maintaining it due to their high office, which often entails public prominence. They further could be considered to particularly rely on their authority, which they risk losing, if they lose timian. The motivation to avoid a loss of timian is therefore undoubtedly given. Whether this motivation is strong enough to engage in corruption to cover potential financial gaps resulting from a relatively low remuneration is difficult to predict and likely to depend on other factors, such as the importance the individual assigns to timian and the likelihood to engage in corruption without being detected.



44 Ibid.

3 Evaluating the Dignity Argument

The argument linking corruption to dignity, or its broader Chinese pendant tîmiàn, allows for a different take on the debate of corruption. To begin the evaluation, it may be relevant to address the issue of vagueness in statements on corruption by Singaporean officials – also and especially concerning the dignity argument. Whether the statements were made in the parliamentary debates⁴⁵ or in articles, such as by Yak⁴⁶ or Lee Kuan Yew⁴⁷ – the language is often vague and a large share of the assumptions is left unstated. As a result, most premises of the dignity argument are implicit. Using the tool of Analytical Discourse Evaluation, which is specifically designed to overcome this issue, the implicit premises were made explicit. This was done with the focus first, to adhere as closely as possible to the originally intended meaning and second, within the limitations of the former, to construct an argument that is as valid and acceptable as possible.

Analysis of this argument, which sheds light on the claim of a relationship between dignity and corruption, opens up questions that do not commonly find consideration in writings related to corruption. What makes the argument particularly interesting – its reliance on a certain cultural framework – is also its weakness. Large parts of the argument depend on cultural factors, such as the assumptions and attitudes revolving around remuneration, corruption and dignity as timian. Cultural factors, however, are difficult to falsify through logic and tend to lead to ambiguous outcomes. The dignity argument is thus bound to circumstance and culture. It is not generalizable to other countries and possibly not generalizable across times either: before being Chinesedominated, Singapore used to be Malay-dominated up to the mid-20th century – and is currently becoming increasingly westernized.⁴⁸ This does not mean, however, that its analysis does not provide insights that may be of value to other settings, as shown below.

Dissecting the dignity argument results in seven premises; the main Data and Warrant as well as two premises to support each, plus the final Claim. The main Data, stating that a relatively low remuneration causes a loss in timian, has two supporting premises to establish the link between remuneration and loss in timian. First, the verifying Data claims that Singapore's high public officials and their families are socially expected to receive a relatively high remuneration. Considering especially the linkages to the private

⁴⁵ Tarmugi, "Parliamentary Debates Singapore."

⁴⁶ Yak, "Corruption Control."

⁴⁷ Lee, "From Third World to First."

⁴⁸ Chang, et al., "Chinese Values."

sector as well as the high materialism found in comparative surveys, but potentially also the discussed role of low relative social mobility, this premise can be considered acceptable. What is noticeable is again the focus on the Singaporean context. In a Western liberal democracy, it may be not only unusual but illegal for the prime minister to reach out and recruit private sector executives that she considers appropriate for public office, as Lee⁴⁹ did.

Second, the Warrant verifying the main Data, in short stating that tǐmiàn is lost if social expectations cannot be upheld was first analyzed in terms of its wording. It was first shown that dignity as tǐmiàn in the Chinese cultural setting can indeed be lost since it is a normative concept, as opposed to the Western concept of inherent human dignity. That failing to fulfill social expectations leads to a loss of tǐmiàn, which refers to the 'social status' component of face, is also convincing. The problem of this premise is that serving one's government is often considered a respectable, honorable and patriotic act.⁵⁰ It is conceivable that this honor causes an increase in tǐmiàn towards the social environment and as a result an increase in understanding and acceptance for lower remuneration. While not sufficient to disprove the verifying Warrant – it is impossible to determine for an individual the exact 'tǐmiàn tradeoff' between respect serving the state and having a lower remuneration –, this fact does weaken this premise and as a result the main Data. It can be concluded that the main Data is largely acceptable, but is weakened by its narrow applicability to the Singaporean circumstances as well as the fact that serving the government may enhance a person's tǐmiàn.

The main Warrant, stating that if a relatively low remuneration causes a loss of timian then a relatively low remuneration increases corruption, also has two supporting premises that are concerned with establishing the link between a loss of timian and corruption. First, the verifying Data, stating that corruption is a means to avoid a remuneration-based loss of timian, follows a simple logic. Corruption is a means to enhance income, which could fill the gap caused by a lower remuneration and help maintain timian. The issue with this premise is, however, that its acceptability depends on corruption being practically feasible, i.e. on it being unlikely to be detected. Singapore, however, has had a wide reaching and highly effective anti-corruption strategy⁵¹ that leaves very little opportunity for corrupt activities to go undetected. Notably, Singapore has achieved high detection rates and low corruption before public salaries were raised to their above-international average level of

⁴⁹ Lee, "From Third World to First."

⁵⁰ H. George Frederickson and David K. Hart, "The Public Service and the Patriotism of Benevolence," *Public Administration Review* 45, no. 5 (1985): 547-553.

⁵¹ Yak, "Corruption Control," 236.

today.⁵² Since corruption is hardly feasible in Singapore, it can also not be seen as a viable means to prevent a loss of timian by filling the gap that a relatively low remuneration may leave. Accordingly, this premise has to be rejected.

The second Verifier is a Warrant stating that, in short, if corruption is a means to avoid remuneration-based loss of timian, a relatively low remuneration increases corruption. It is therefore concerned with the motivation behind not losing timian; with conveying the Claim that a loss of timian is socially strongly discouraged. By illuminating the second component of face – mianzi or 'social status', to which timian pertains –, it was shown, that preventing a loss of timian in a culturally Chinese context such as Singapore is indeed very important to maintain social functioning, respect and authority. This premise is accordingly acceptable.

The main Warrant of the argument, supported by the two above evaluated premises, states essentially that if a lower remuneration causes a loss of timian, corruption will increase as people attempt to avoid a loss in timian. It must be rejected not only because its verifying Data is unacceptable. The most important reason for why this Warrant and thus the dignity argument as a whole is not acceptable, does not lie in the second component of face (miànzi; social status) but in the first component (liăn), which is defined as the confidence of the public into a person's moral character. While the income generated in corrupt activities may help bolster miànzi, the activity of corruption itself would, if detected, lead to a complete loss of lian. As detection rates in Singapore are high, the risk of losing liặn is high. It is important to understand that loss of miànzi and loss of liăn are not equal; as the foundation of trust in Chinese dominated societies, risking one's lian means risking "intense humiliation and social isolation"53 losing it is described as "the most severe condemnation that can be made of a person".54 Indeed, having miànzi is dependent on the foundation of being considered as having lian; having moral character. This hierarchy of face is important for the rejection of this argument, as it clearly prioritizes liăn over miànzi, the loss of which is more comparable to hurt pride – as compared to the impairment of social functioning that a loss of lian entails. Extreme cases of loss of lian sometimes lead individuals to commit suicide.⁵⁵ Interestingly, Lee⁵⁶, reports the effect of

⁵² Jon S.T. Quah, "Combating corruption in Singapore: What can be learned?" *Journal of Contingencies and Crisis Management* 9, no. 1 (2001): 29-35.

⁵³ Hu, "The Chinese concepts of 'face'," 45-46.

⁵⁴ Ibid.

⁵⁵ Ibid.

⁵⁶ Bond, "Beyond the Chinese Face."

losing face in two cases where high public officials were publicly alleged to be corrupt in Singapore; one left the country with his family and the other committed suicide.

Considering the high detection rates of corruption, past cases of politicians being put to shame because of corruption, the notably more significant damage done by a loss of liăn as compared to miànzi as well as the impossibility of miànzi to exist without the foundation of liăn, the Warrant claiming that a person concerned about losing their tǐmiàn – their dignity, face – is more likely to engage in corrupt activities, must be rejected. As the soundness of the dignity argument depends on both links – remuneration and tǐmiàn as well as the discredited link between tǐmiàn and corruption – being acceptable, but only the former having been confirmed, the dignity argument as a whole is unacceptable.

4 Conclusion

This chapter takes a different look at the relationship between remuneration and corruption, by analyzing the argument claiming that lower remuneration negatively impacts a person's dignity and thus increases the risk for corruption. The argument had to be rejected on the basis of corruption – particularly in the context of Singapore – bearing the high risk of a complete loss of face and thus timian. This finding is coherent with historical evidence; Quah⁵⁷ names the establishment of a strong, independent external anti-corruption agency in 1959, founded on a deep political commitment to tackle corruption, as the key reason of the steep decline of corruption in Singapore at that time. This decline in corruption was registered almost a decade before remuneration was significantly increased.

By taking a close look at the underlying assumptions and implicit premises of the dignity argument, this analysis provides for a few interesting and uncommon perspectives on the topic of corruption. First, it may be of value to engage in more in-depth research on the role of dignity and face (both as miànzi\timiàn and as liǎn) on corruption in Chinese-influenced cultures. Not only is it interesting that timiàn is given as a possible reason for corruption; there are also indications that the virtue of saving face can help prevent corruption. As mentioned, it was reported that corrupt Singaporean high officials severely and publicly lost face when their illegal activity was uncovered – with some leaving the

⁵⁷ Quah, "Combating Corruption Singapore-style."

country or committing suicide.⁵⁸ This would set a strong signal to not engage in corruption in any culture. However, especially in a culture where keeping face is of such fundamental importance, one may be tempted to hypothesize that this is a sociocultural dynamic that – if properly instrumentalized – could contribute to an anti-corruption strategy. It may be rewarding to pursue research into keeping dignity and face as well as a broader set of values including shame, status, pride and being concerned about the public opinion.

Second, the dignity argument would likely have withstood scrutiny in a setting with an unsuccessful anti-corruption strategy that places a similar value on materialism, hierarchy and keeping face. Thus, subject to the fitting cultural context, people may indeed engage in corrupt activities merely to keep up to materialist social expectations, thus to not lose 'social status'-face (miànzi\timiàn), if they are likely to 'get away with it' and thus not risk losing 'moral character'-face (liǎn). If the likelihood of detection is small to moderate, there may be a trade-off for engaging in corruption, where certainty of keeping miànzi is weighed with the risk of losing the more essential liǎn.

Third and related to the prior point, it may be interesting to further investigate the link between relative social mobility, social expectations and corruption. In this chapter, it was briefly mentioned that low relative social mobility may contribute to the social environment of a person in high office to expect that person to have a high income, as a person in high office is more likely to have come from an already wealthy family (e.g. to afford the likely required high education). While for Singapore's bureaucracy this relationship may not hold as well – Singapore's public service is known to be highly meritocratic and success may thus depend less on parent's income as compared to the national average – this link may again be of interest for research in a different setting.

This leads to the final finding – the right way to tackle corruption is likely to be culture dependent. The acceptability of all premises depends at least to some extent on being placed within the particular conditions of Singapore. It is unlikely, that an evaluation of the same arguments would come to the same result, say if placed in Indonesia. This questions research and policy that attempts to identify and implement a universal, one-size-fits-all, set of rules and institutions designed to bring about good governance independent of local context.

⁵⁸ Lee, "From Third World to First."