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Economic Analysis on Corruption and Illegality Environmental

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ABSTRACT

The essay deals with the economic consequences of corruption on the basis of data provided by the International transparecy index (CIP). We evaluate the trends of the phenomenon in Italy in particular the case of waste. They have depth at the level of individual countries worldwide. The phenomenon of corruption is evaluated by examining assumptions common in the literature.

KEYWORDS corruption, indices measuring corruption, economy, environmental sustainability, lawlessness environmental, waste management.

1.Introduction

This paper examines the dynamics of corruption through the analysis of data provided by countries transparecy International index. The purpose is to identify the economic systems less corrupt and, where possible, take the best economic opportunities, highlighting the countries that have more chance to support economic development. In Section 2 presents the analysis of corruption in view of literature. The case of illegal waste in Italy in section 3. In section 4 deepens the phenomenon in world economies: Japan. Somalia. Paragraph 5. It focuses on strategies undertaken worldwide to fight corruption. Section 6 concludes.

2. Corruption in literature

Economic theory defines corruption as «illicit exchange between an act of power to a member of an organization in favor of another person, cash benefit or other personal benefit» (Centorrino, Lisciandra, 2010). It ‹clear that corruption emerges if one is in the presence of asymmetric information.

Corruption emerges from opportunistic behavior, hired by the actors who have to operate in the public or private organizations. The consequence of this will be the bad operation of the organization.

It is a phenomenon that has negative developments in terms of ethical, legal and economic. In particular, from the economic point of view, different distorts economic incentives.

Corruption is a phenomenon that should not be limited only to poor countries, but is also present in the rich countries, in democracies States law. Let alone be seen as a phenomenon that has only feedback ethical, legal, because it affects negatively some economic variables.

Corruption is divided into:

Public-public
Private-private
Public-private

Still stands corruption:

administrative corruption or abuse of power by those in charge of a public service to obtain private benefits;

corruption legislation, or, when private agents (lobby) take over the exercise of decision-making power of the agent of the public to gain economic rents (rent-seeking behavior).

The elements that characterize corruption are:

1) discretion, which is exercised by a person who makes the rules or applies;
2) profit or income;
3) the possibility that corruption is discovered, this element plays a deterrent of the phenomenon, because once discovered it undergoes heavy penalties.

From the economic point of view the causes of corruption are:

The high level of taxation;
The excessive bureaucracy;
The high public spending.

The excessive tax burden has the effect of de locate companies in tax havens. Excessive bureaucracy, refers to the slow and cumbersome bureaucratic procedures, which encourages corruption. In this regard, some authors (Rose- Ackerman, 1978; Schlefer, 1999; Bordhon, 1992) have shown how the excessive bureaucratization of the administrative system feeds the "bribes" .It believes, therefore, that the presence of the state in the economy promotes corruption (Tanzi 2002). As for the policies of deterrence, it is believed that feed corruption, as push to improve "technical corrupt". The state tries to react by tightening up the penis and this can mean, and most likely to be discovered.

According to some authors (Kligaard, 1988; Chand and Moene 1997; Rjikeghem and Weder, 2001), there is a negative correlation between wages and corruption of economic agents: the lower the wage is high corruption and vice versa.

Although corruption involves costs on economic systems, however, we must also consider the benefits: the case in which payment of a bribe facilitates overcoming a slow and cumbersome bureaucracy, giving, thus, the possibility of investment projects. This is, of course, the vision of a part of the literature, which was refuted by empirical studies (Ades and Di tella 1992).

The negative effects of corruption are manifold. It feeds the poor functioning of the prices and brakes, therefore, free competition; has discursive effects on the labor market, since it encourages the greater presence of workforce with little preparation and professionalism, creating negative effects on productivity and human capital, which prefers more rent-seeking activities; promotes the closure of healthy companies and slows the opening of new businesses. Negate the positive effects of public spending, which becomes ineffective for corruption present in public investment. The high corruption leads to neglect productive investments and to prefer investments of rent seeking. E 'shown that countries with high rates

of corruption have a low rate of private investment, which are an important component of GDP (Bhgwati, 1982; Mauro, 1995; Wei, 1997), and very high public spending geared especially towards public works, defense, healthcare, immigration. Corruption is also due to social inequality, poverty and creating an unequal distribution of income (Gija et al 1998).

Corruption is also due to an asymmetry of information, and therefore, to a problem of adverse selection and moral hazard.

To solve the adverse selection select agents, considering the degree of morality that presents. Another element is the selection policy. Often we readers do not choose our representatives, as are selected by the same politicians. To stamp out corruption should elevate the moral virtues, this is possible through civic education, improving justice, invest in schools and universities. Corruption has a negative impact on the economy, because it affects investment, does not promote free competition and create an economic system enefficiente. The negative impact of corruption has been, in recent times, analyzed by the World Bank (page 40). Quest 'empirical analysis has shown that a reduction in corruption leads to an increase in income over the medium to long term. Regarding the effects of corruption on the small and medium enterprises, it affects corporate governance and therefore limits the economic growth. Businesses are facing losses, also linked to the payment of bribes (p. 42).

3.La corruption in Italy

According to research conducted by the European Commission on the issue of corruption in EU countries showed that corruption has a strong presence in Italy. Placing, in the ranking Italy among the first countries that have this problem, followed by Greece, Romania and Bulgaria. The Italian government has tried to combat corruption, introducing the law N190 of 6 November 2012. In the law there are "provisions for the presence and the regression of corruption and lawlessness in Public Administration" (Page 37). The key points of the law are: 1) prevention, ie, identify the areas most at risk E 'should therefore draw up plans that involve solutions. Propose policies and prevention tools;

2) Introduce measures that are able to ensure the integrity of public officials;
3) Greater transparency;
4) protect, Whisteblowing.

The effectiveness of these innovations depends on the degree of awareness of public employees and stake Horder the phenomenon of corruption.

According to the data provided by Transparency International. Italy is at the sixty-ninth place, near Greece, Romania.

The areas most vulnerable to climate change are: justice, health and public spending.

(Illegality of waste)

A problem felt in Italy is illegal waste. It 'a problem that is connected to waste management, namely, policies, methodologies for the management of the entire process of waste from their production to their final destination, involving, therefore, the phase of collection, transportation and treatment, up the use of waste materials.

The Consolidated environment, Part Four, describes the priorities in terms of waste management. However, it should be stressed that the prevention of waste is considered a priority action within the cycle of waste management. By the decree of October 7, 2013, the Ministry of Environment has adopted the National Programme for waste prevention. The objectives of the program are: 5% reduction of municipal waste production (GDP); 10% reduction in production waste periolosi (GDP); 5% reduction in the production of non-hazardous waste (GDP). Among the general measures of the program include the sustainable production, the Green Public Procurement. Though Italy you are working to bring forth a sustainable waste management, however, is not immune from illegal traffic of waste. It is an illegal activity of mafia-type criminal organizations. League environment, Italian environmental association has coined the term "ecomafia". The report presented by ecomafia alloy environment, in 2007, spoke of a turnover in the waste cycle of about 23 billion Euros per year. The Report of 2009 alloy environment highlights how in Italy 20% of turnover Mafia refers to environmental crimes. The regions most affected by the problem are:

Campania, Puglia, Calabria, Sicily.

The illegal disposal of toxic waste involved, in particular, the Campania, hit by the global waste that occurred from 1994 to 2009. Some parts of the region were known as: triangle of death (includes Acerra, Nola, Marigliano); land of fires (area located between the provinces of Naples and Caserta). These are areas in which it presents the dioxin pollution in soils, which introduces toxic substances in the food chain of animals and can even reach the man.

In general, according to the data emerging from the Report ecomafia League environment of 2013, around the illegal waste in Italy is 4, 1 billion euro per year of which 3.1 are derived from waste and one billion from contracts in the management of municipal solid waste in Campania, Calabria, Sicily, Puglia. The environmental offenses established in Italy in 2013 amounted to 34 120 (93.5 crimes per day, 4 crimes per hour) (Legambiente, ecomafia, 2013)

4. Corruption in Somalia and Japan

Somalia is the first country to state fragility (Fund for Peace, 2012). Political instability are to be found in the history of the country: the first colony, then torn by civil war for more than 20 years. The institutional vacuum has fostered corruption in all spheres of society. There is a strong link between poverty-corruption-state fragility.

The Transitional Federal Institutions have finished their mandate on 1 August 2012. The approval of a new Constitution, which was followed by the appointment of a new parliament of 275 members and the election of Mohammed Hassan sheikn should encourage, albeit slowly , to initiate socio-economic reforms and fighting corruption one of the plagues of the country. From the economic point of view Somalia is among the five poorest countries in the world and depends almost entirely by international humanitarian aid. The main activity is the sugar industry, operating at Giohar, following the processing of hides and leather and meat preservation. We have oil mills, soap factories, dairy farms, fish canneries, steel plants and mechanical, as well as an oil refinery established in Mogadishu in 1979. The country can also count on the saline Gesira at Mogadishu. From the point of view we can say that the infrastructure are non-existent highways and railways.

In 2014 the country has faced a severe famine. Humanitarian aid are few, in fact, the UN had requested for 2014, $ 933 million, actually Somalia has received only IL15%. The lack of international aid means hardship for the poorest people.

(Corruption in Japan)

IL Japan is the eighteenth least corrupt country out of 177 (Corruption perception index-CIP).

Japanese companies are the fourth in the ranking of those less inclined to pay tangentiT. The Global Integrity has determined that the overall measures taken by Japan to curb corruption are solid. However, corruption perceived by the population is high. This spike with the fact that the economic boom, which began after the Second World War, was built through an "iron triangle", an alliance of companies, politicians (LDP) and bureaucratic elites. Not by chance, in fact,

public opinion was shaken by numerous scandals of the 90s. It is a corruption that is based on close ties between politicians, industry, universities, government organizations. There is talk of "institutionalized corruption", which goes to affect the contracts and, therefore, results in a considerable increase in the cost of construction projects and public spending, because I do not choose the most efficient firms. Another common practice is the Amakudari- "descent from heaven". It is a practice in which public servants retire from the role to occupy lucrative positions of prestige in the areas that they regulated. From 2007 to 2008 well 1757 bureaucrats have got a place in organizations and industries from which they received subsidies. The 2012 report of the US State Department (Investment Climate Statement-Japan) believes that the Japanese economy is over-regulated. This is cause for settlement of corruption. The Japanese organized crime (The Yakuza), has offices, business cards, magazines and a union. Combines legal activities (offer jobs in offering) to those illegal (extortion, tax fraud, bribery). Members are 79 000, divided into 22 groups throughout the country (the Yamaguchi-gumi is composed of 39,000 members).

The government is trying in every way to ensure the legality and combat illegal activities. The police, prosecutor, the Exchange Surveillance Commission and agencies work together in a narrow to share information related to corruption and bribery. In 2006, some changes were introduced at the time of elimination and prevention of Bid-Rigging and take further measures against the monopoly and to increase transparency and fight corruption institutionalized.

5. Strategies to fight corruption

The OECD in 1997 was promoted to the Convention Against combating bribery of public officials, namely: the Convention on Bribery of Foreign Public Official Combacting in International Business Transactions.

In 1999 he promoted the Criminal Law Convention. Europe, too, through the Council of Europe has introduced the strategy of dealing with corruption. It includes: definition of legal principles soft law, monitoring of the progress made by the various States, cooperation programs and technical assistance. In 1999 the Council of Europe, has decided to establish the Group of States Against Corruption (GREEK), are part of not only all States of the European Union, but also the OECD and the United Nations as observers. It aims to highlight the shortcomings and limitations of the strategies that different countries adopt national. Also in 1999, the EU established the anti -frode office (OLAF). In 2003 the Commission published a paper on the Union›s overall policy, to combat corruption. In 2011 he joined the United Nations Convention of Merida. It has set up an anti-corruption package in 2011, became operational in 2013, through the EU Anti-Corruption Report.

The OECD since 2008, has been promoting initiatives to improve the ‹ethics in the public sectors most vulnerable to corruption. Recall for example the Principles for Enhancing Integrity in Public Procurement and the Recommendation of the Council on Enhancing Integrity in Public Procurement. The OECD, in order to safeguard the transparency of the public sector, in 2010, approved the Recommendation on Principles for Transparency and Integrity in Lobbying. Even the UN for its part tries to fight corruption, in fact, in 2003firma the Merida Convention, which entered into force in 2005. The Convention is based on an extension of international law, seeing corruption as a transnational phenomenon. The main points of the Convention are: preventive measures, criminalization, international cooperation, asset recovery of illicit proceeds (asset recovery) and technical assistance.

Conclusions

Nell 'article we analyzed the negative impact that corruption has on the economic development of rich and poor countries. The causes of corruption are the high tax burden, the excessive regulatory activities, the high public spending, low wages of bureaucrats, but also economic development. Not to mention the negative effects on the political and social. In particular, we focused on the traffic of illegal waste in Italy and how they have been due to high levels of pollution, especially in areas of the south of the country.

To fight corruption is essential to undertake socio-economic reforms, but also ensure the legality. In this respect it should be said that it is a great form of active international cooperation.

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