INVESTIGATION OF THE EFFECTS OF THE REINFORCEMENT OF CIVIL SOCIETY AND ADMINISTRATIVE AMENDMENTS ON GOOD GOVERNANCE AS WELL AS THE REDUCTION OF ADMINISTRATIVE CORRUPTION (THE CASE OF THE TAX OFFICE OF THE CITY OF ARAK)

INVESTIGAÇÃO DOS EFEITOS DO REFORÇO DA SOCIEDADE CIVIL E DAS ALTERAÇÕES ADMINISTRATIVAS APLICÁVEIS À BOA GOVERNANÇA, BEM COMO À REDUÇÃO DA CORRUPÇÃO ADMINISTRATIVA (O CASO DA SECRETARIA FISCAL DA CIDADE DE ARAK)*

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Abstract: The present study has tried to investigate the effects of reinforcement of civil society and administrative amendments on good governance as well as the reduction of administrative corruption. The population of this study is comprised of the entire employees of the tax office of the city of Arak. In terms of purpose, the present research is considered as an applied study while in terms of methods, it is considered as an objective study and hence, for the purpose of the collection of the required research data the author has practiced several library studies in addition to using a questionnaire form that was distributed among 205 employees. The former questionnaire was found to be of sufficient validity and reliability. It is worthy of mentioning that the research hypotheses of the present study have been analyzed through the application of the LISREL software. Results of the study have shown that: 1) reinforcement of the civil society has a positive effect on good governance; 2) reinforcement of the civil society is of

positive effects on the reduction of administrative corruption; 3) Administrative amendment has a positive effect on goof governance; 4) administrative amendment has a positive effect on the reduction of administrative corruption; 5) good governance has a positive effect on the reduction of administrative corruption.

Keywords: Reduction of administrative corruption. Good governance. Administrative amendments. Reinforcement of civil society.

Resumo: O presente estudo tentou investigar os efeitos do reforço da sociedade civil e as emendas administrativas sobre a boa governança, bem como a redução da corrupção administrativa. A população deste estudo é composta por todos os funcionários da administração fiscal da cidade de Arak. Em termos de finalidade, a presente pesquisa é considerada como um estudo aplicado, enquanto em termos de métodos, é considerada como um estudo objetivo e, portanto, para fins de coleta dos dados de pesquisa necessários, o autor tem praticado diversos estudos bibliográficos em adição. para usar um formulário de questionário que foi distribuído entre 205 funcionários. O questionário anterior foi encontrado com validade e confiabilidade suficientes. Vale ressaltar que as hipóteses de pesquisa do presente estudo foram analisadas através da aplicação do software LISREL. Os resultados do estudo mostraram que: 1) o reforço da sociedade civil tem um efeito positivo na boa governação; 2) o reforço da sociedade civil tem efeitos positivos na redução da corrupção administrativa; 3) A emenda administrativa tem um efeito positivo sobre a goof governance; 4) a alteração administrativa tem um efeito positivo na redução da corrupção administrativa; 5) a boa governança tem um efeito positivo na redução da corrupção administrativa.

Palavras-chave: Redução da corrupção administrativa. Boa governança. Alterações administrativas. Reforço da sociedade civil.

INTRODUCTION

According to the most up to date definition proposed by the Global Bank, Good Governance is reflected in matters including the adoption of foreseen, obvious and explicit policies of the government (which is an indicator of the clarity of governmental activities); clear bureaucracy; responsibility of executive organizations for their activities and; active participation of the public in both social and political affairs as well as equality against the law for everyone. In general it can be stated that good governance is practice of the management of national resources towards reaching the pre-determined goals. This practicing involves solutions and institutions through which people and social groups are made capable of following their interests and legal rights considering the limitations (Wikipedia).

The concept of governance refers to a complex set of values, norms, processes and institutions through which the society both officially and non-officially attends to the administration of the process of development as well as flattening of conflicts. Governance requires the presence of a government and a civil society (social and economic activists, society-based institutions and unstructured groups, media and etc.) that is meaningful in the entire local, national, regional and global levels. Administrative corruption is a concept that has remained as a certain conflict for most people, politicians, economists, scholars, governors and superior managers of communities and researchers interested in social issues during the past few decades. Each of the previously mentioned groups has proposed their own contents with regard to experimental evidence existing theories. This is an indication of the importance of this issue in the personal and social lives of the people; in fact this issue can also have effects beyond the borders of a nation. Considering the definitions and the contexts of formation of this concept, it can be claimed that good governance is a model for reaching developmental goals including a) sustainable development of the human resource; b) providing civil freedoms; and c) helping the vulnerable strata of the society through the provision of equal opportunities and reinforcement of the social capital (Beigi Nia, 2012: 43).

The formation and reinforcement of good governance are the perquisites that not only are expected to reduce administrative corruption, but also the overall sum of their effects can result in a vivacious community that possesses several indicators of welfare and social development; a society in which the people feel happy and resultantly, several social crimes and harms are mitigated (Sadhi, 2013: 23).

Good governance is a model that balances the power between the government and private sector, monitors the government's and citizens' behaviors, clarifies the relationships, facilitates the existing activities of the society and, legitimating the power of both sectors. In fact in its new application, this word no longer includes merely governmental players; rather it also includes the civil society and the private sector as well. on this basis, one may conclude that the emergence of the concept of good governance is the result of debates related to social policy in its general meaning which in turn, elaborates on the determination and analysis of the relationships between the government, the society and the market. Therefore, it is concluded that with a normative value-conscious approach, good governance tries to define the two-tailed

relationship between the government, the private sector and, the society. Hence, it considers a new notion of government that point to a new process in the management of social affairs. It also creates changes in the role of the government while proposing a new method for the administration of the society; ultimately, good governance is a model that is intended for the amendment of the public sector, the reinforcement of the civil society and, the boosting of participation rates of the private sector. One important component of good governance is civil society which reflects the real power of the people in addition to the dynamicity of the inner dynamism of the society. The civil society forms a certain independent domain of social rights of the citizens while preserving their rights against the cruelty of power. Realization of governance requires a mutual action between the state institutions and the institutions of the civil society that emphasizes the truthfulness and reinforcement of the public era. In addition, as a result of participation of various institutions of the civil society in the management and administration of public affairs, it can result in further compatibility between interests while also flattening the conflicts. In the absence of the civil society, the government and the private sector will eventually tend to weaken each other despite their need for each other. Through laying down excessive limiting laws and regulations, through granting of special privileges and through the spread of bureaucracy, the governments can harm and weaken the market. On the other hand, through giving out bribes, practicing pressure for the obtaining of the goals, the private sector also tends to weaken and deconstruct the government. This is where the necessity of existence of a civil society is manifested. The former can play a significant role in terms of creation of a constructive relationship between the government and the private sector. In fact, the civil society is tasked with defending the rights of the citizens while connecting the people to the public territories. Nevertheless, social institutions also provide people with opportunities for development of their capabilities as well as their life (Markazi, 2016: 97).

Good governance itself requires certain processes and institutions that result in the satisfaction of the needs of the society as well as making the best use of the available resources. In fact the very first stage in good governance is having a competent and capable bureaucracy. Having a bureaucracy with a logical proportionality may result in improved state responsiveness and effectiveness. In fact in large bureaucracies, the intensities of state

expenses and administrative corruption are constantly increasing and in repeated loops, this process will result in shortage of state budget and ultimately, will increase inflation. In such bureaucracies, a large portion of the gross domestic production is allocated to state expenses and therefore, the contexts for free activity of non-governmental sectors will become extremely limited. It can be stated that in the context of good governance, amendments and administrative procedures are defined through emphasis on cultural evolution and adoption of a progressive organizational culture, responsiveness towards the people and preserving their rights, practicing meritocracy, proportionating the existing human resources as well as empowering them, establishment of a performance evaluation system as well as amendment of the payment systems in the domain of human resources, rationalization of organizational processes, administrative and financial decentralization, providing new systems and methods for provision of services, making use of suitable methods and technologies in the domain of government structure, reduction of administrative corruption and, emphasis on local managements (Imam Jome Zadeh et al., 2016: 26).

When a senior tax-affairs expert in the Markazi Province was arrested, a two billion Tomans embezzlement case was opened in the Court of the city of Arak regarding a government employee who used to cash the checks of tax payers for him. Until the 2012, this case found more than 260 plaintiffs. The entry of 8 checks to the financial system of the administration, revealed the illegal withdrawals of the delinquent employee. Ahmadreza Ahmadi, the investigator of the investigation branch number 7 of the court of the city of Arak was in charge of investigation of the 2 billion Tomans embezzlement case; regarding the manner of discovery of the former embezzlement, he told the reporter of ILNA that upon the declaration of the tax office regarding finding 8 faked tax receipts with a total sum of 146 Million Rials that were related to three corporations, it was made clear that the corporations had paid their taxes with checks that were never handed over to the tax office. Hence the defendant was summoned to the court and considering his statements, he was put under arrest and prosecuted. Hereby the main question of the present study is that if reinforcement of the civil society and administrative amendments are effective on good governance and reduction of administrative corruption or not?

REVIEW OF LITERATURE

Abdurrahman Afzali (2011) conducted a study and tried to investigate administrative corruption and its effects on development, causes, consequences and solutions of exiting. In this study the author has made efforts to define corruption and administrative corruption which is the main obstacle for development while being the source of other corruptions as well. Afterwards, the author has pointed to the levels, variants and concepts of corruption in international documents. After all, in a short discussion, the factors effective on administrative corruption have been stated. Additionally, a comparative investigation of the status of administrative corruption in Iran and in International levels has been made and the consequences and solutions for resisting against this phenomenon have been proposed.

Malik Mohammadi & Haq Shinas (2013) investigated the policy of resistance against administrative corruption in the Islamic republic of Iran and tried to propose a suitable model. In this article, the processes of policy making towards fighting administrative corruption of the countries of Iran, Turkey and Pakistan have been compared with each other. In this sense, the author has tried to identify the existing obstacles and to propose a suitable model of fighting corruption in Iran. According to the results it has been shown that while Turkey has been trying to create a relatively suitable relationship between its government, private sector and civil society through the reinforcement of the private sector and institutionalization of the activities of political parties as well as institutions of the civil society. As a result Turkey has been able to somehow control its levels of administrative corruption. However, due to various reasons, Iran and Pakistan have not been able to establish a similarly suitable relationship between the previously mentioned three sections. This article's suitable model of fighting corruption is inspired from the good governance model based on the collaboration and participation of private sectors, state sectors and, the civil society in various economic, political, sociocultural and managerial dimensions.

Soleymani and Aryan Far (2014) tried to investigate solutions for promotion of administrative health according to the model of good governance with emphasis on the role of social media. Fighting corruption requires a comprehensive model and the government alone is not able to guarantee administrative health. The interactions between the government, private

sector and the civil society guarantee that more suitable conditions could be obtained. One approach in this context is the model of good governance. According to this model, the previously mentioned three sections have a significant role in making the anti-corruption efforts fruitful. A systematic study of the literature of the subject matter has been conducted. Considering the importance of the role of the civil institution, this paper is concentrated on the activation of the position of the public in the domain of fighting administrative corruption. According to this view, social media are considered as effective factors on the reinforcement of the civil section in the model of good governance.

Gholipoor (2005) carried out a research study and investigated the relationship between administrative corruption and good governance. Results of this study have shown that corruption is the result of the type of the relationship between the government and other sectors. On this basis the model of good governance is considered as a new model intended for the reduction of corruption as well as improvement of administrative health. While investigating the relationship between controlling of corruption and good governance, it is concluded that with an increase or improvement in the goodness of the governance, the corruption level would be controlled accordingly. In other words, corruption control is in a direct relationship with good governance.

Ratbek Dzhumashey (2014) investigated the relationship between the manner of quality of governance and the amounts of public costs and economic development and administrative corruption and economic growth. His analyses have shown the shape of interaction between corruption and the shape of government's exploitation of public costs. In turn, it determined the effects of growth of corruption. In specific terms, improvement in corruption results in economic efficiency when the governments' suitability and desirability are higher. This shows that the growth level cannot be maximized in presence of high levels of corruption. This research has also shown that occurrence of corruption results in reduced economic development. The reason is that when economic development is realized, a higher wage rate would be created and it causes an increase in private costs. This causes a setback in corruption. The concept of main policy states that targeting tax evasion instead of bureaucracy is effective in terms of reduction of corruption and improvement of the potentials for economic growth.

Grant W. Walton (2016) elaborated on the manner of formation of local social communities through anti-corruption industries and political societies. The emergence of the international anti-corruption industry during the past two decades has become a question regarding the manner of effectiveness of leadership on the civil societies of the developing countries. For some academics, the emergence of the anti-corruption industry has resulted in more meaningful local answers. This research focuses on a group of anti-corruption activists in PNG. In PNG, corruption has not been formed due to the existence of an anti-corruption industry and instead, this anti-corruption industry has resulted in more motivations and capacities for the political community, more international talks regarding corruption and talks regarding the manner of treating corruption. These findings show that many of the previously carried out studies in the domain of anti-corruption industry have a great emphasis on the international relationships between organizations.

Caroline Van (2001) investigated the manner of administrative corruption and the rate of temptation. This research elaborates on the payments in civil services towards fighting corruption. First of all it is shown that there exists a relationship between payment of civil services and corruption. Using a new set of data, this subject investigates the effects of income and wage in low-income countries. A significant statistical relationship between the ratio of payment of civil services and corruption shows that there is a need for a huge increase wages in order to be able to fight corruption efficiently.

THEORETICAL FRAMEWORK OF THE STUDY

The theoretical framework of the present study is inspired from the study of Gholipoor (2005). In this mode, the administrative amendments and the reinforcement of the civil society are the independent variables of the study and the variables of good governance and reduction of administrative corruption are considered as the dependent variables. Nonetheless, the hypotheses of the study are as follows:

1-   Reinforcement of the civil society is effective on good governance

2-   Reinforcement of the civil society is effective on the reduction of administrative corruption

3-   Administrative amendment is effective on the reduction of administrative corruption

4-   Administrative amendment is effective on good governance

5-   Good governance is effective on the reduction of administrative corruption
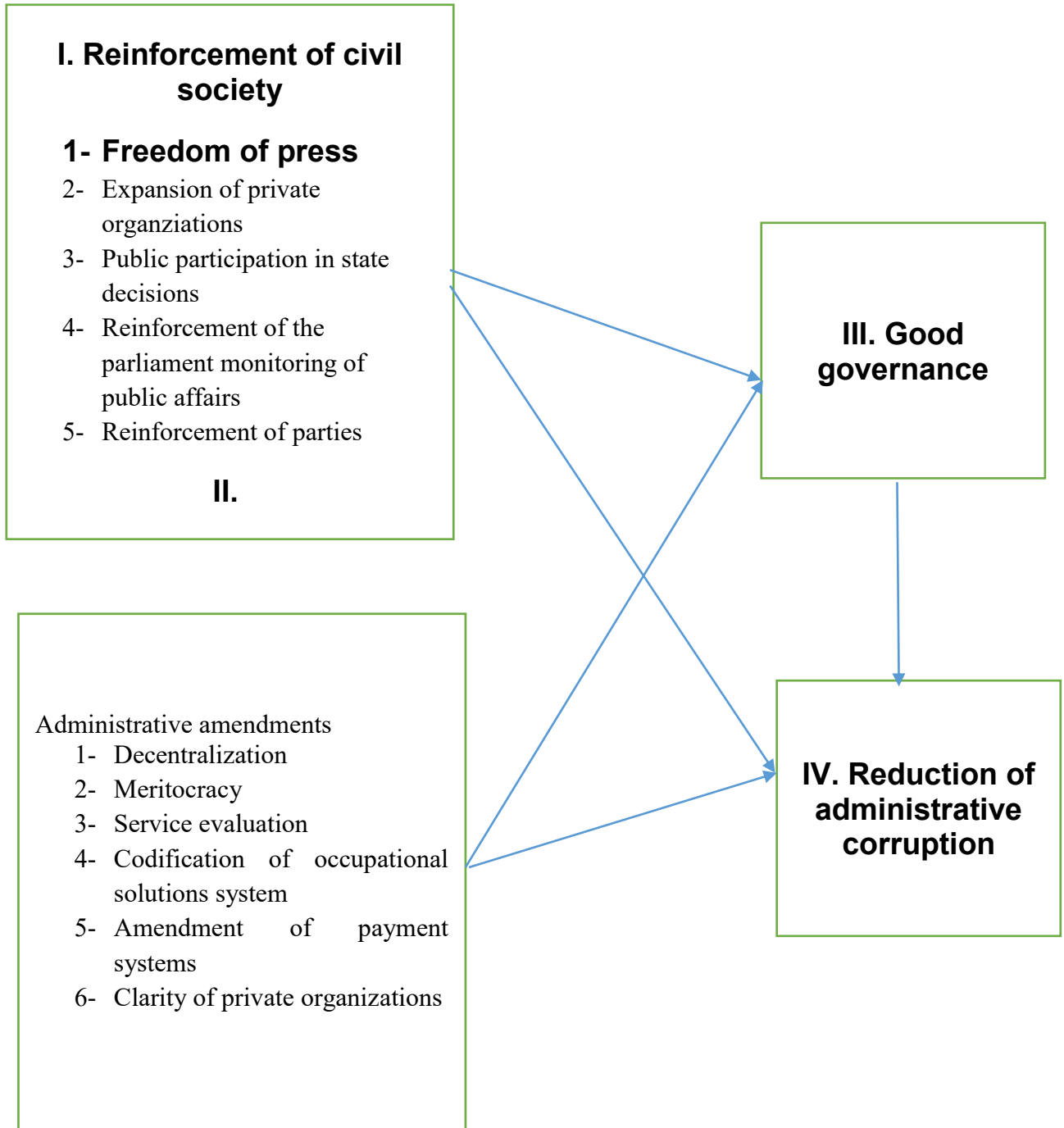
I. Reinforcement of civil society

1- Freedom of press
2- Expansion of private organziations
3- Public participation in state decisions
4- Reinforcement of the parliament monitoring of public affairs
5- Reinforcement of parties

II.

Administrative amendments
1- Decentralization
2- Meritocracy
3- Service evaluation
4- Codification of occupational solutions system
5- Amendment of payment systems
6- Clarity of private organizations

III. Good governance

IV. Reduction of administrative corruption

Figure 1, the conceptual model of the study

METHODS

The present study is considered as an objective study and it benefits from a structural equations modeling structure in addition to the application of the LISREL software. The population of the present study is consisted of the entire 440 employees of the tax office of the city of Arak. According to the Cochran's formula, 205 individuals among the former population have been selected as the samples of the study through the availability sampling method. The required research data have been collected through conduction of library studies in addition to distribution of certain questionnaires among the samples of the study. in order to do so, 4 standard questionnaires based on a 5 point Likert Scale have been used. The validity of the former questionnaires has been approved by certain academics, scholars and professors. In addition, the overall reliability of the questionnaires was approved through the application of the Cronbach's alpha coefficient method and a yielded value of 0.861. the reliability of the questionnaires of reinforcement of civil society, administrative amendments, administrative corruption and good governance have been respectively calculated as 0.823, 0.769, 0.705 and 0.827.

FINDINGS

Through the application of the Structural equations method and the LISREL software, the hypotheses of the study have been investigated and the results have been shown in the following.

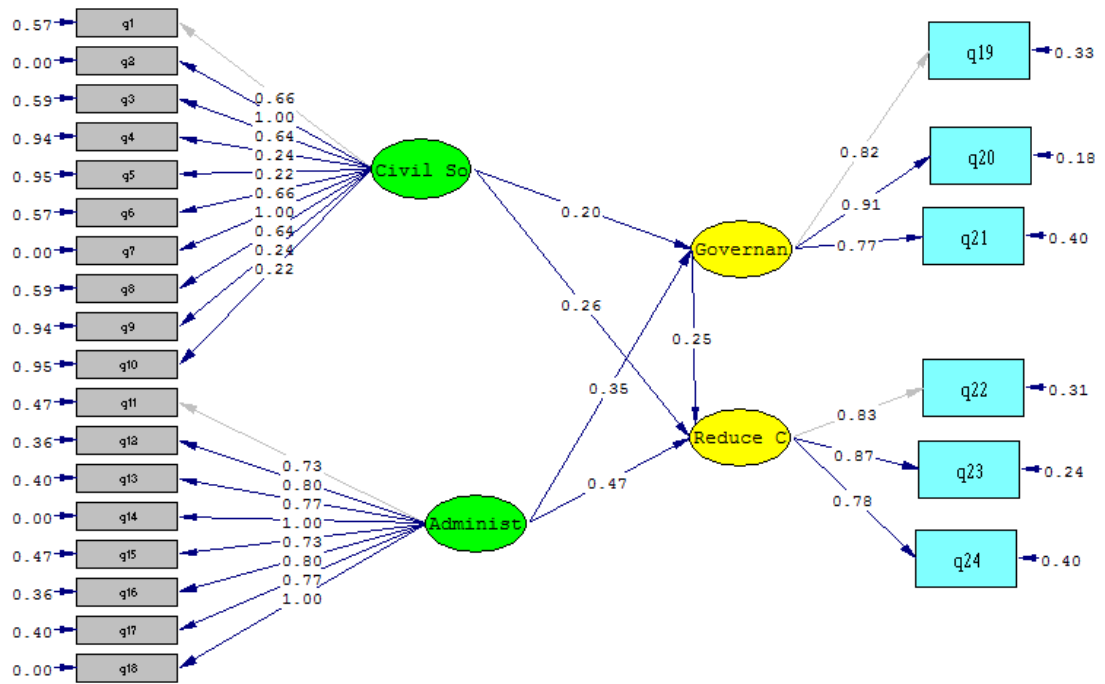Figure 2, factor load and route coefficients
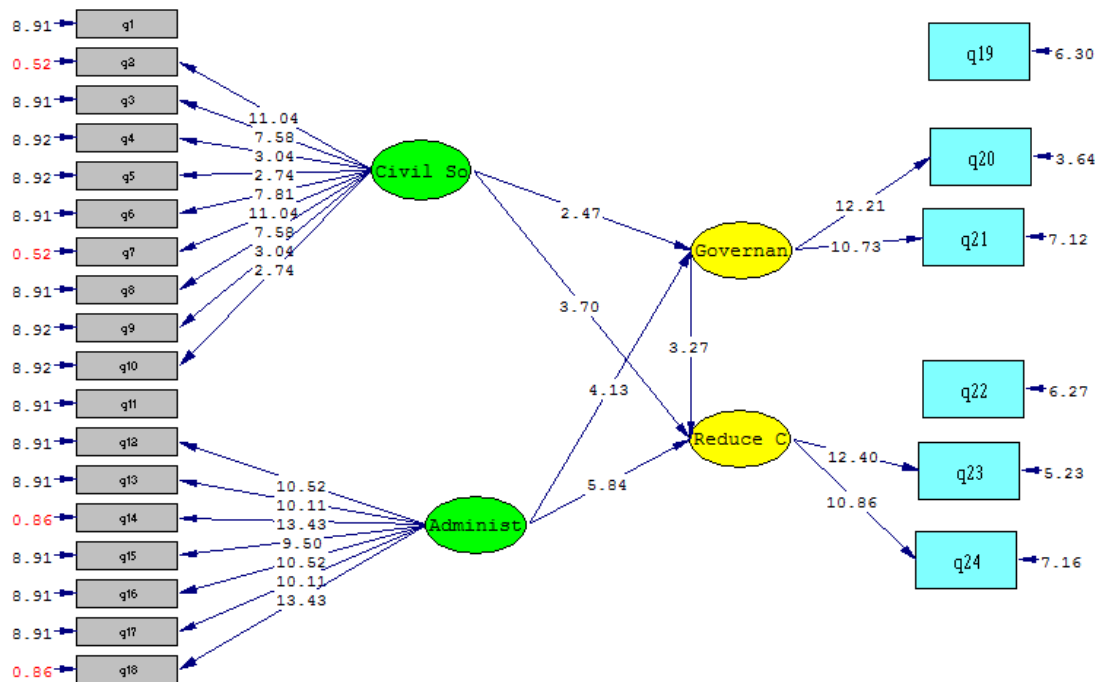
Figure 3, calculation of the t statistic

Table 1, research results

Hypothesis	Route coefficient	T statistic	Result
Reinforcement of the civil society is effective on good governance	0.20	4.47	Accept ed
Reinforcement of the civil society is effective on the reduction of administrative corruption	0.26	3.70	Accept ed
Administrative amendment is effective on the reduction of administrative corruption	0.35	4.13	Accept ed
Administrative amendment is effective on good governance	0.47	5.84	Accept ed
Good governance is effective on the reduction of administrative corruption	0.25	3.27	Accept ed

DISCUSSION AND CONCLUSIONS

Good Governance is reflected in matters including the adoption of foreseen, obvious and explicit policies of the government (which is an indicator of the clarity of governmental activities); clear bureaucracy; responsibility of executive organizations for their activities and; active participation of the public in both social and political affairs as well as equality against the law for everyone. In general it can be stated that good governance is practice of the management of national resources towards reaching the pre-determined goals. This practicing involves solutions and institutions through which people and social groups are made capable of following their interests and legal rights considering the limitations. Legal freedoms and the free flow of information result in the improvement of awareness in addition to improved economic, social and political clarity. One important component of good governance is civil

society which reflects the real power of the people in addition to the dynamicity of the inner dynamism of the society. The civil society forms a certain independent domain of social rights of the citizens while preserving their rights against the cruelty of power. Considering the roles of civil institutions in establishment of interactions between the people, the society and the monitoring of political environments can be an important effective factor on the enforcement of suitable governance as well as sustainable development of human resources. Good governance's primary and initial meaning specifies certain features for governments, however nowadays this notion has stepped further than its initial concept to the extent that it is currently considered as the result of the interaction and communication between the government, non-state organizations, private sector, military organs, religious institutions and other beneficiary groups which are all connected to each other through media. In this regard, good governance is considered as a network of actors of the civil society that provide the society with development and enhancement together. Good governance has eight main indicators (collaborative, collective, responsible, clear, responsive, effective and efficient, fair and legal). This form of governance allows for the maximum reduction in the corruption while also shedding light on the views of the minorities and helping with the effectiveness of the weaker strata of the society in the processes of decision making. Corruption is a function of governance any improvement in the indices of governance will be followed by a reduction in the indices of corruption. Fighting administrative corruption requires a comprehensive model and the governments alone cannot guarantee a suitable administrative health. This is because of the importance of the role of civil institutions in considering for the activation of public's position in the fight against administrative corruption. According to this view, social media are the factors effective on the amplification of the civil aspect of the approach adopted by the model of good governance towards fighting administrative corruption. There is no doubt that a large portion of administrative corruption has roots in the structure, culture and the human resources of governments and in fact, administrative corruption is the result of the manner of application of power in addition to adherence to the guidelines of administrative health by the government. In this sense, scholars believe that there is a statistically significant and positive relationship between good governance and administrative health. In other words, health of governance results in administrative health while defectiveness of the governance results in

corruption of the administrative systems. Making efforts for the improvement of governance and formation of the theory of good governance are bound to this point. In addition, various field studies have approved the validity of this theory. If the entire groups and communities that exist in the civil society have the power, awareness and organized-ness required, the process of development would be faced with the least amounts of incompatibility and corruption while also having higher levels of success. Any weakening of institutions of the civil society results in a government with less efficiency and therefore the community will be faced with lack of development and corruption. A dynamic civil society can prevent corruption while it can improve its monitoring role through making a serious entry into the public sector. In addition in this sense it can improve the participation rates while reviving the effective relationship between the citizens and the government. Administrative corruption is a concept that has remained as a certain conflict for most people, politicians, economists, scholars, governors and superior managers of communities and researchers interested in social issues during the past few decades. Each of the previously mentioned groups has proposed their own contents with regard to experimental evidence existing theories. This is an indication of the importance of this issue in the personal and social lives of the people; in fact this issue can also have effects beyond the borders of a nation. In addition, it shows that there are various different views and ideas each of which are sourced from the theoretical and experimental sources associated with each group. The present paper was not an effort for complete investigation of the state opf administrative corruption in Iran; rather it is only a reflection of the light of the view of good governance on the dark field of administrative corruption. In this regard, a new approach to this issue is adopted. Considering the existence of the media and clarity of information in the model of good governance, the business owners would have the capacity for criticizing the inappropriate economic policies of the government while being able to fight improper changes in rules. In such an environment, investment risks are mitigated and the contexts are provided for more investments; this in turn is followed by improved and increased production. Nevertheless, in such an environment, human capital is improved as well. The former improvement on the one hand is related to higher production levels and on the other hand, it reduces the non-optimal allocation of resources. Clarity and responsiveness in the model of good governance will result in more trust from the citizens while it can also be

effective in terms of national unity. In addition, the awareness of the public is improved through various ways such as media and presence in networks and groups. Organized collaboration provides a society with a sustainable behavioral context that is also foreseeable. Therefore the necessary contexts for the collaboration of people would be provided while also their rights are preserved and their responsibilities are determined. As an answer to the threats and concerns of a society, good governance claims to be working on the reinforcement of public groups that are intended for resistance against corruption in civil institutions of the society including communities, unions, and parties, free and healthy elections. These make the public capable of choosing and removing governments. It is the press and the free flow of information that can work on the various demands of the public while trying to calm the beast of the government. Without adequate and efficient response mechanisms, the supportive relationships between the government and private sector (that is required for the development) will not result in anything other than corruption. In addition, it should be mentioned that administrative amendments result in decentralization of power, development and establishment of a meritocracy system in terms of promotions and hiring, evaluation of service, codification of an occupational solutions system and amendment of the payment systems. These all result in the establishment of good governance and reduction of administrative corruption.

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