

**A Systematic Approach To Anti-Corruption:**  
**The Case of The Seoul Metropolitan Government**

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Honorable Penuell Maduna, Minister of Justice of South Africa, Dr. Peter Eigen, Chairman of Transparency International, leaders of anti-corruption movements from around the world, distinguished participants, ladies and gentlemen:

It is a great honour and privilege for me to address the 9th International Anti-Corruption Conference. I hope my presentation will contribute to this highly respected forum.

**1. Limitations of Past Anti-Corruption Programs**

**1-1 My Personal Experience**

Through my three decades of public service, I have been a firm believer in the old saying: "You must clean a staircase from the top."

When I was appointed as mayor of Seoul in 1988, I promised city officials that I would fend off any external pressure from political circles. In return I asked them to stand stern against all temptations for compromise. I kept my word at great cost. The presidential office urged me to grant unlawfully a private contractor the right to develop a large housing estate. I refused to yield to the end and was eventually forced to resign.

This developer almost had his way after my resignation. The unlawfulness of the grant was soon exposed, however, and a number of people were prosecuted in the midst of the so called "west Watergate scandal." But not a single official of the Seoul Metropolitan Government was implicated. I am proud of my conduct then and of the resolute city

officials.

In July of last year, I returned to my old office through winning a popular vote. I told the city officials upon assuming my duty: "The promises we made eight years ago remain valid. Let us wage our final battle to root out corruption once and for all."

### **1-2 Characteristics of Corruption in Korean Society**

Transparency International has pointed out that corruption leads to the misallocation of resources. I would like to say that the other way around may also be true, at least in the case of Korea.

Korea achieved the "Miracle of the Han River" on the rubble of war in a short span of 30 years. The past governments, short of disposable capital at hand, directly controlled finance to build up an industrialised economy. In the process, the operations of the free market came to be distorted. The need for illicit funds by the governments lacking political legitimacy further eroded market operations. Collusion between politicians and businessmen became rampant.

Now, Korean society is moving fast toward democracy and a market economy led by the private sector. The chronic alliance of politics and business is disappearing. Korea faces a golden opportunity to effectively destroy its age-old mechanism of corruption. Seizing this opportunity, the "Government of the People" led by President Kim Dae-jung has recently launched a comprehensive anti-corruption program.

## **2. Seoul Metropolitan Government's Systematic Approach to Anti-Corruption Campaign**

Seoul, the capital city of Korea, leads the nation in the war against corruption. We at the municipal government clearly recognise that the issue is no longer one of good will or ethical behaviour on the part of individual officials. Creating an administrative apparatus is an urgent task to efficiently uproot causes of corruption and prevent wrongdoing.

Hence we adopted a systematic approach, simultaneously pursuing four major lines of action: preventive measures, punitive measures, increasing transparency in administration, and enhancing public-private partnership.

### **2-1 Preventive Measures: Clearing Disease-Breeding Stagnant Water**

Under Korea's past authoritarian regimes, bureaucrats wielded enormous power and were offered bribes as a customary practice. Some bribes were meant to be insurance fees to avoid disadvantageous treatment, others were honorariums for favourable treatment, and still others were express fees to facilitate speedy processing. All these stemmed from excessive regulations.

Deregulation was on the top of my agenda while serving as prime minister two years ago. Upon my initiative, the "Basic Deregulation Act" was legislated. Now on the forefront of metropolitan governance, I am actively promoting deregulation in all areas of administration. Some 80 percent of excessive municipal regulations were either abolished or eased during the first year of my office.

As an old saying goes, "stagnant water breeds disease." A public official serving long in one place may develop a patron-customer relationship with those in his or her jurisdiction. This cosy relationship easily creates compromising situations, especially when the official has the power to approve or deny applications for building permit, public procurement, local tax assessment, and so on.

We have introduced two radical measures to eliminate potential collusion. First, the time-old, area-wise jurisdiction was abolished in the fields of permits, approval and inspection. Officials are now assigned on a daily basis to handle applications submitted from different areas. Second, a personnel reshuffle of massive scale was carried out across 25 district offices. Some 4,000 officials were transferred, the largest move in the city's history.

## **2-2 Punitive measures**

In baseball, a batter is called out after three strikes. In Seoul, city officials are punished for every single wrongdoing.

To ensure the principle of 'Zero Tolerance' for corruption, we have introduced a direct reporting system to the mayor. Once every month, return postcards are sent to those who have business with the city government in those fields prone to corruption. They are asked to mail the cards directly back to the mayor with any information of wrongdoing they are aware of. I personally read all the postcards and make sure that each and every wrongdoer is properly punished.

## **2-3 Ensuring Transparency in Administration: Sunshine is the Best Disinfectant**

As it is often said, sunshine is the best disinfectant. The Seoul city has developed an Internet online system that makes completely open and transparent those administrative practices that are prone to corruption.

This system is called OPEN, or the Online Procedures Enhancement for Civil Applications. The OPEN system enables citizens to monitor by computer the entire administrative procedures in the handling of civil applications and important decision making processes.

Let's say a person has applied for a building permit. He or she can check from a PC screen who is handling the case now, how the case is being reviewed, when the final approval is expected, if there are any complications and, if so, why.

The system requires that all concerned officials input the date and time when they handle each application. With real-time information available to everyone, no official can sit on any case without justifiable reasons or make arbitrary decisions. Free access to all stages of administrative procedure eliminates the need for personal contact with officials as well as the paying of "express fees."

OPEN covers 27 fields of city administration. This Internet site has had some 1,500 visits a day since it was opened last April. In a survey, over 80 percent of those who have logged on the site said they believed the system has contributed to transparency in

the city administration. Incidentally, Netscape rated OPEN as one of the best top 10 sites in Korea.

Along with OPEN, we are in the process of introducing the Anti-Corruption Index (ACI). We plan to measure the level of integrity of each administrative unit and make the result public at the end of this year. Whereas Transparency International's Corruption Perception Index is derived from seven international opinion polls, the ACI will be calculated on the multiple basis of opinion polls of those who actually submitted civil applications as well as the statistics of the prosecution of wrongdoing.

#### **2-4 Public-Private Partnership for Fighting Corruption: Enlisting the Civil Society in the war against Corruption**

The city administration actively involves citizens in its various anti-corruption activities. Last year, 4,000 volunteer citizens inspected together with city officials bars, night clubs and Karaoke establishments.

The Seoul city also operates a citizen ombudsman system as well as various channels of direct dialogue between citizens and the mayor. Examples of the latter include: hot lines, e-mails, and the 'Saturday Date with Citizens' program.

### **3. New Co-operation for the New Millennium**

Ladies and gentlemen,

Corruption is a world-wide phenomenon and cannot be eliminated unless all of humanity join hands in a war against it. We are all aware that the path to a world free of corruption is long and hard. But, if we fail to abate corruption around our planet on the threshold of the third millennium, building a world with justice and common prosperity will remain only a dream.

In this regard, I once again congratulate Transparency International and the organisers of this conference for offering an invaluable forum to share our experiences and ideas for our common battle against corruption. I have gained greatly from this conference. I sincerely hope that the case of Seoul will be an inspiration for other participants.