

Corruption in kenya essay sample

[Government](#), [Corruption](#)



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The aim of this article is to describe in very simple terms the evil effects of corruption on a nation like Kenya. The aim being to present a simple easy to understand exposition of how corruption can hamper the economic development of a nation While a certain level of corruption goes on in every country, corruption in Kenya is a particular large problem. According to research, the average urban Kenyan has to pay 16 bribes a month to get his regular affairs arranged. This paper contains the facts. According to the 2012 corruption perceptions index, Kenya is ranked 139 out of 174 countries, improving by 15 positions from the last corruption perception index according to the Transparency International (TI).

Though a useful index, this does only measure the perception of corruption in Kenya, rather than the reality of it (as corruption is concealed and hard to measure) Corruption can refer to many different types of illegal actions, though they will usually involve a person abusing their authority for their own benefit, or for the benefit of family (political) friends. This can be government officials using public money for their own personal use or corporate executives improperly awarding contracts or taking other decisions in exchange for bribes. Though legislation against corruption in Kenya has existed since 1956, with the Prevention of Corruption Act, the current anti -corruption agency has only been operating since 2003. n under the Anti-Corruption and Economic Crimes act, the KACC is mandated to fight and prevent corruption through all levels of government and industry.

Corruption affects the economy in the following ways;

High prices to consumers. When entrepreneurs and businessmen are required to pay bribes before necessary permits are issued, they tend to

pass that extra cost to consumers reduced investments leading to reduced goods and services and inflation. The extortion of bribes can be seen as tax which can reduce the incentive to invest. Reduced commitments from donor agencies. Corruption reduces the effectiveness of aid flow through the diversion of funds from their intended projects. Reduced tax revenues. Corruption also brings about loss of tax revenue when it takes the form of tax evasion or the improper use of discretionary tax exemptions. By affecting tax collection there is usually a very big budget deficit. Foreign direct investment (FDI) may still flow to countries in which corruption is systematic but only if bribery is affordable and results are predictable (according to World Bank Development 1997) corruption can have a negative effect on FDI because for most foreign firms corruption is a cost of doing business to be recouped from revenues. Inferior public infrastructure. The allocation of public procurement contracts through a corruption system leads to inferior public infrastructure and services. Poor maintenance of public infrastructure. Because of corruption, maintenance and repairs always takes a back seat to new projects. For fear of being exposed, corrupt officials prefer to approve new projects rather than spend to revamp the old corrupt projects they approved in the first place. Corruption leads to uncertainty of economic transactions. The prevalence of corruption arguably influences the economic environment through the creation significantly higher levels of risks and uncertainty in economic transactions. Uncertainty is present both in context of individual economic transaction and in terms of heightened fears about future developments in the broader economic environment.

Conclusion

From the cumulative force of the above points it is clear that corruption has a strong potential to steal wealth of a nation and impoverish its people. The more corrupt a country is the lower its economic growth.