9 Corruption, outrage and whistleblowing

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Introduction
The opening days of the public hearings on corrupt conduct had sensational revelations. The hearings were in Sydney but the focus was Wollongong, a city of 300,000 inhabitants some 80 kilometres south of Sydney — in particular relations between the local government and property developers.

The hearings, in February 2008, were held by the Independent Commission Against Corruption (ICAC), a government-funded body in the state of New South Wales. ICAC had been conducting covert surveillance for two years into activities in Wollongong. At the hearings, at which witnesses could be compelled to testify, those who were recalcitrant or deceitful could be discredited and embarrassed by evidence from the surveillance.

Beth Morgan, the opening witness, had worked for Wollongong Council, the local government body, as a senior development officer with authority to approve property development applications. She revealed that she had been having sexual affairs with three developers at the time their applications were under consideration. She approved their applications despite the proposals being in violation of council rules. This juicy story generated front-page coverage in the local newspaper, the Illawarra Mercury.¹

There was plenty more to come. The developers had been paying bribes — money and expensive gifts — to Morgan and others. This included some staff members and some of the elected councillors.

Local development is a prime arena for corruption. The web of rules and regulations gives local government planners a great deal of power over the fate of plans, large and small. Those with money and connections like to grease the wheels for their own applications. Varying the rules for developers allows windfall profits.

There was a side story, even more startling. Two men, who had been to prison for fraud, posed as ICAC investigators and approached Morgan and various others offering to turn the Wollongong probe away from them — in exchange for money. Morgan paid them $30,000. Others also paid generously. The two men collected more than $500,000 in bribes to derail the investigation.

The Wollongong corruption story is a nice case study because of the rich evidence available from 800 pages of testimony from the ICAC hearings and from investigative reporting stimulated by the hearings. The Wollongong case illustrates the methods commonly used in corrupt activities to limit scrutiny and reduce public outrage. These can be divided into five categories — the same categories observed in a wide range of injustices (Martin 2007). It is useful to outline these tactics before turning to the role of whistleblowers.

Corruption: tactics to minimize outrage
The first tactic of outrage minimization is cover-up. Beth Morgan kept her liaisons with developers secret. The violations of regulations in the approved applications were secret. Any behaviour that corruption becomes such a cover-up in Wollongong special — accepted — in fact, official. It is vital to reduce the risk of exposure.

The second tactic is do not to oppose corrupt behaviour. Projects of blocking progressive occurred behind the scenes and sidelined.

The third tactic is reverse. It is routine and legitimate a saga. Developers in test phone calls to the council, expressing opinions, no party was claimed to be.

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The fourth tactic to minimize the of legitimacy. In some societies, enabling laws and court systems, corrupt officials ignore the existence of, and to thrive. In yet other system, this tactic is not available.
secret. Any behaviour that is socially disapproved is likely to be hidden. Sometimes corruption becomes such an accepted practice that it can be carried out more openly, but in Wollongong special deals between developers and governments were not publicly accepted – in fact, officially they were illegitimate and did not occur. So cover-up was vital to reduce the risk of public outrage.

The ICAC hearings and media coverage cut through the cover-up and generated enormous community outrage, including the formation of two local citizen anti-corruption groups. If the first tactic of corruption is cover-up, the first tactic of anti-corruption is exposure.

Cover-up and exposure are in relation to audiences. Many people knew informally about the existence of dodgy dealings in property development matters in Wollongong and elsewhere in Australia, but it was mostly at the level of gossip and rumours. The solid evidence from the ICAC hearings and the massive publicity revealed authoritative evidence of corruption to a much wider audience.

The second tactic is denigration of critics, namely of those who operate honestly and try to oppose corrupt behaviour. Pro-development figures accused citizens who opposed projects of blocking progress in Wollongong. However, the more serious denigration occurred behind the scenes within the council, with honest workers being browbeaten and sidelined.

The third tactic is reinterpretation, namely explaining the ways things are done as routine and legitimate and dismissing harmful effects of shady deals. In the Wollongong saga, developers in testimony to ICAC described payments as gifts, not bribes, and phone calls to the council general manager about their development applications as expressing opinions, not applying pressure. Failure to report donations to a political party was claimed to be an oversight.

A key form of reinterpretation is simply to say that something suspicious is actually nothing to worry about. Joe Scimone, a Labor Party power broker named by ICAC as a person of interest, was Wollongong Council's sustainability manager at a salary of A$168,000. He left this job under a cloud of harassment complaints, but general manager Rod Oxley gave him a nice reference and he landed an A$200,000 job at the Maritime Authority, a state government body. This was suspicious because of a Labor Party connection with the minister in charge of the Maritime Authority, Joe Tripodi – who, however, claimed that he was not involved in the appointment decision.

The alternative interpretation is that behaviours are inappropriate. The publicity about the Wollongong shenanigans led to a wider questioning of developer donations to parties, entangling the state Labor government and pushing the state premier, Morris Iemma, to say that a ban on donations was under consideration. This rhetorical move has yet to be followed by any actual change in the law. But the naming of Scimone and the taint over his appointment led to him losing his job at the Maritime Authority.

The fourth tactic to minimize outrage is to use official channels to give the appearance of legitimacy. In some systems, corruption is routine at the highest levels of government, enabling laws and court judgments to give the stamp of approval to operations. In other systems, corrupt officials are not so powerful, but the legislature and courts largely ignore the existence of corruption, thereby giving it tacit approval and allowing it to thrive. In yet other systems, corruption operates outside the radar of top officials, so this tactic is not available.
A significant number of elected officials and high-level Wollongong Council workers were caught in the scandal. This meant that internal reform using the processes of the council itself was unlikely. The developer-government deals were not officially endorsed but nor were they the target of official action: this was a system of tacit approval. Beth Morgan, while she was involved in sex with developers, ran ethics training for other council workers.

The ICAC investigation—another official channel—challenged the corruption culture. But it was a limited challenge. ICAC declined to expand the investigation, declaring that Joe Scimone’s appointment at the Maritime Authority was not of official interest. ICAC then recommended that Wollongong Council be dismissed, a recommendation acted upon with alacrity by Premier Iemma, who appointed administrators to run the council until 2012 even though local elections were scheduled for September 2008. This had the effect of getting rid of honest elected councillors as well as those named by ICAC, and denying voters the chance to elect a new council immediately. A fresh election almost certainly would have thrown Labor out of office; the state Labor government’s action prevented an election defeat in the wake of the scandal.

The dismissal of the elected councillors had the symbolic effect of cleansing the council of corruption, though in practice it removed only a few individuals from the scene. ICAC’s recommendation to dismiss the councillors, combined with the state government’s decision to install administrators for several years, maximized the symbolism of change while limiting the political fallout beyond Wollongong.

The fifth tactic to minimize reactions to corruption is intimidation and bribery, two forms of direct incentives to go along with operations. Intimidation, including threats, harassment, loss of jobs or job opportunities, and physical attacks, can be exercised against anyone who might jeopardize operations. Council workers who opposed dodgy approvals or who spoke up for proper procedures were bullied and sidelined. They knew their career would suffer. Citizen opponents of corruption have received death threats. Meanwhile, cooperation or support for shady operations can lead to payoffs, promotions and plum jobs. Beth Morgan was doing quite well until exposed by ICAC.

In summary, corrupt operators can use five tactics to minimize public outrage: cover-up, denigration of critics, reinterpretation, use of official channels for legitimation, and intimidation and bribery. Whether and how individual tactics are used depends on the circumstances.

For example, some forms of institutionalized corruption, such as the mafia in Italy, involve extreme forms of intimidation, including maiming and murder. This may give the impression that brutality is inherent to corruption. However, brutality is simply one tactic, used when the capacity and need exists. Some forms of corruption can occur and persist without intimidation, for example skimming bank transactions through modifying computer codes, with cover-up being the main tactic used.

If there are five tactics to minimize outrage from corruption, then increasing outrage involves five sets of counter-tactics. The counter to cover-up is exposure, widely seen as a cleansing process. The counter to denigration is validation, which means lauding those who challenge corruption. The counter to reinterpretation is interpreting actions as inappropriate, illegal, unfair – or corrupt. The counter to official channels is to discredit ineffectual official channels or to avoid them and instead mobilize popular action against corruption. The counter to intimidation is resistance, which can be aided by exposing and discrediting the intimidation.

This framework of tactics is the so-called "fire model" (Martin 2007). It is predictable that powerful people will react with outrage. This pattern is seen in promotion, job dismissals, denigration, cover-up, and even death threats. When these tactics fail, the actions of corruption are exposed, as happened with King by the Los Angeles Times, or by Indonesian troops, but usually by gatekeepers or by the public against injustice, incitement, or supine government.

The next step is to apply the process to the political system.

Recommendations for whistle-blowers

A whistleblower is someone who, as Putman (1989; Miceli and Near 1992), reports to be more in the public interest than the interests of the politician or corporation. Therefore, it is reasonable to expect that whistle-blowers will bear the costs of whistle-blowing.

There is a complication, however, with regard to the corrupt behaviour of politicians and enablers in relation to the treatment of whistle-blowers. Politicians are well placed before dealing with all their agents, advisors, and enablers. This is why the usual recommendations for whistle-blowers are to be cautious with enablers (Lennane 1996).

Collect large amounts of hard evidence

This is a recurring theme in whistle-blowing. First, the documentation needs to be collected and collated. Second, because perpetrators try to hide the evidence, or discredit it by denigration.

Suppose, at a meeting with other staff of a government department, a naive staff member is vital to the meeting through his/her presence in the meeting—surreptitiously recording it. The boss, in reply, says that the staff member is no longer needed and that everyone usually keeps a copy of the email and that everyone should check it.

Beth Morgan said she could live with the inevitable betrayals of relationships but one day she woke up. Whistle-blowers routinely come in the form of the messenger. Rumours

Document your own pepy
This framework of tactics and counter-tactics is taken from what is called the ‘backfire model’ (Martin 2007). Actions perceived as unjust can lead to public outrage, so it is predictable that powerful perpetrators will use one or more of the five tactics to inhibit outrage. This pattern is seen in a wide range of injustices, including censorship, sexual harassment, job dismissals, police beatings, massacres, torture and genocide. However, when these tactics fail, the action can backfire on the perpetrators, as in the beating of Rodney King by the Los Angeles Police or the massacre of peaceful protesters in Dili, East Timor by Indonesian troops, both in 1991. The five counter-tactics can be seen as part of a strategy against injustice, increasing the chance of backfire and hence deterring unjust actions.

The next step is to apply this framework to whistleblowers.

**Recommendations for whistleblowers**

A whistleblower is someone who speaks out in the public interest (Glazer and Glazer 1989; Miceli and Near 1992; Hunt 1995, 1998; Miethe 1999; Alford 2001). What could be more in the public interest than exposing crime and corruption? If the first tactic of corruption is cover-up, then a whistleblower is a dire threat to corrupt operations. Therefore, it is reasonable to expect that all the tactics of corruption will be brought to bear against whistleblowers. That is exactly what is observed.

There is a complication here. The tactics of minimizing outrage can be used in relation to the corrupt behaviour, for example cover-up of illegal payoffs. They can also be used in relation to the treatment of whistleblowers, for example cover-up of reprisals. But before dealing with all the problems that whistleblowers encounter, it is worth describing the usual recommendations for whistleblowers, as given by experienced whistleblower advisers (Lennane 1996; Devine 1997; Martin 1999).

**Collect large amounts of documentation of the problem**

This is a recurring theme. Reports, correspondence, witness accounts, photos, recordings – the documentation needs to be voluminous and revealing. Why? First, because perpetrators try to hide their operations. Documentation is needed to counter cover-up. Second, because perpetrators will try to deny, discredit or explain away the events and the evidence, or discredit the messenger. These are the tactics of reinterpretation and denigration.

Suppose, at a meeting of a dozen staff, the boss clearly states that donations are not to be recorded. A naive whistleblower reports this to the board, expecting to be backed up by other staff at the meeting, only to find none of them willing to testify and the boss claiming that he/she had said the exact opposite. A more careful whistleblower records the meeting – surreptitiously – and, even better, saves an email spelling out the policy. The boss, in reply, says it was a slip of the tongue or a careless mistake in drafting the email and that everyone knows that donations have to be recorded.

Beth Morgan said she had sex with three developers. Two of them admitted the relationships but one denied it. They might all have denied the relationships except for revealing emails and phone calls recorded by ICAC.

**Document your own performance and behave in an exemplary fashion**

Whistleblowers routinely come under attack, a phenomenon commonly called ‘shooting the messenger’. Rumours are spread, adverse claims asserted and derogatory comments
are made. For example, whistleblowers might be told that their work is substandard, their commitment deficient, or they have mental problems. Hence, anyone thinking of blowing the whistle is wise to document their performance by saving citations of good work, obtaining statements from supervisors and co-workers, or collecting data on output and outcomes. Then, when claims are made about substandard work, the data can be used in defence. Typically, claims about bad work are only made after someone blows the whistle. It is very useful to be able to document good performance over a period of time and in relation to co-workers, revealing a double standard when criticisms are made only of the whistleblower.

Rumours are harder to counter. Tales might be spread about sexual activity, drug habits, laziness and – ironically – illegal actions such as stealing or accepting bribes. The best counter to this is documentation of a good work history, respect from co-workers as a result of good work and good relations, and good behaviour.

Whistleblowers come in all shapes and sizes, including those who are lazy workers, nasty colleagues and those who have a history of dubious behaviour. Some who speak out are easy to discredit even though their claims, on their own, might be worthy. The tactic of denigration is less likely to be effective against workers who are conscientious, productive and collegial.

However, even a spotless record is not a guarantee against having one’s reputation smeared. In one case, a teacher who spoke out was confronted by a record of a student complaint – from five years earlier, and not previously revealed to her. Employers will go through a worker’s file looking for dirt or anything that can be construed negatively. Sometimes documents will be altered or forged to discredit a whistleblower.

Whistleblowers routinely come under attack, being ostracized, harassed, given empty or impossible assignments, reprimanded, demoted, transferred, dismissed or blacklisted. These fit the tactic of intimidation, but they also have a devaluing function. When a worker is instructed to attend a psychiatric examination – a common reprisal – this serves to discredit as well as intimidate the worker.

An employee who has spoken out and suffers reprisals is under immense stress, especially when there is no one around to offer support or explain why it is happening. Many whistleblowers start believing the lies said about them and crack under the strain. Their work performance suffers, they experience depression or mood swings and they adopt unhealthy habits such as heavy drinking. Such responses, while understandable, serve to justify the derogatory claims made about them. To be highly effective, whistleblowers should aim to continue working as well or better than before, showing through behaviour that claims and rumours are wrong.

Some targets of harassment respond by weeping, shouting or making accusations. Emotional displays may be understandable but they all too easily give credibility to derogatory claims. It is far better to control one’s emotions and be seen as a solid, well-balanced worker, though this is easier said than done when the stresses are enormous.

**Be wary of official channels**

Whistleblowers often assume that the problem they have discovered is a local deviation that can easily be rectified by those in authority or by official bodies. So they report the problem to their boss, not realizing that the boss might be involved directly. Alternatively, the boss might not be personally involved but nevertheless be aware of what is going on and he might be afraid to tackle it, or the organization from beyond the perimeter might be far safer. The employee making the whistle, it is simply a matter of time before it is investigated, and those in authority will know who did it and the issue will be addressed.

When bosses fail to act or take evasive action, for the hierarchy nearly always happens, the employee must go outside the organization. Court or other agencies, such as channels provide just enough redress for these of agencies, from the psychological study (De Maria 1999) of one out of ten approaches. Devine, a highly experienced psychologist, Survival Guide (1997) gives advice. Through hotlines, he says are work quite well at times, but still don’t work very well. Devine (2004) also gives out that nearly all of them go against the grain.

The message from the study is that whistleblowers are nearly as often or as reluctantly as before. Reporting to agencies, check their track record, outcomes, certainly not in the face of complaint. In that case, it is written in Devine’s book.

**Be prepared for reprisals.**

The fifth tactic of corruption is the spreading of rumours, that the whistleblower is a threat, that his dismissal, is a threat, blacklisting is a threat, that he is threatening the solidity of the organization, that he is a threat to the organization, that he is a threat to the morale of the organization, that he is a threat to the image of the organization.

These sorts of attacks are generally aimed at outsiders. Even the serious distress (Williams 1999) may happen. They may lead to a situation where co-workers turn on themselves while casting worse to do. Co-workers might avoid the whistleblower because they fear that a revelation might come too.
Corruption, outrage and whistleblowing

For work is substandard, in the workplace, anyone thinking of having citations of good or collecting data on it. On substandard work, the data may be made after someone had a good performance over a long period. Viral when criticisms
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tion of official bodies. So they might not be involved directly. It is nevertheless be aware of
what is going on and hence culpably negligent for not having taken any action. The boss might be afraid to tackle a powerful clique, or want to protect the reputation of the unit or organization from bad publicity – and what could be worse than wider awareness of corruption? Someone’s head might have to roll, and it might be the boss’s. Doing nothing is far safer.

The employee making the disclosure sees things differently, of course. For the whistleblower, it is simply a matter of truth and honesty. If something seems wrong, it should be investigated, and those in authority are the ones who can investigate. So let them know and the issue will be addressed. If only it were so simple.

When bosses fail to act, employees may go to their boss’s boss, not aware that support for the hierarchy nearly always takes precedence over fixing problems. When nothing happens, the employee may go outside, to an ombudsman, anti-corruption agency, politician, court or other agency. Once again, the whistleblower assumes that these official channels provide justice. Once again, they are regularly disappointed. The track record of agencies, from the point of view of whistleblowers, is abysmal. A major Australian study (De Maria 1999) found that whistleblowers reported obtaining help in less than one out of ten approaches to agencies, and sometimes reported being worse off. Tom Devine, a highly experienced whistleblower adviser, in his book The Whistleblower’s Survival Guide (1997) gives advice about numerous official channels in the US. Some, like hotlines, he says are worse than useless, whereas others, like the False Claims Act, can be effective at times, but still have many shortcomings from the viewpoint of whistleblowers. Devine (2004) also points to statistics about court appeals using whistleblower laws: nearly all of them go against whistleblowers.

The message from this is to be wary. Official channels do sometimes work, but not nearly as often or as reliably as most people assume. That means that it is wise to investigate before acting. Rather than reporting immediately to the boss, check with experienced organization members about the way the boss usually reacts to disclosures, and likewise for reporting to higher levels within the organization. When going to outside agencies, check their track record first. However, many agencies do not publish figures on outcomes, certainly not in the detail needed to assess whether to make a formal complaint. In that case, it is wise to consult with several independent sources, such as Devine’s book.

Be prepared for reprisals

The fifth tactic of corruption is intimidation (and bribery), so it is no surprise that whistleblowers are a prime target. Reprisals include ostracism, harassment, threats, spreading of rumours, reprimands, referral to psychiatrists, demotions, forced transfers, dismissal and blacklisting.

These sorts of attack are incredibly damaging, far more than can be imagined by outsiders. Even the seemingly innocuous action of ostracism can be sufficient to cause serious distress (Williams 2001). Workers who used to say hello now look away; they may stay away during lunch and tea breaks, though they might whisper among themselves while casting worried glances at the target. Seldom is ostracism a conscious policy. Co-workers might avoid contact because they believe the claims of management or because they fear that any association with the whistleblower might result in them being targeted too.

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Many reprisals have a dual function, both frightening and discrediting the whistleblower. Referral to psychiatrists sends the message that the whistleblower might be insane.

Reprisals are especially damaging to those workers who believe that the system works and hence report problems in the expectation that there will be an investigation and impartial assessment. Such workers do not think of themselves as whistleblowers. When reprisals begin — sometimes subtle measures such as not being invited to meetings, being given inconvenient shifts or inappropriate assignments, or being criticized for poor work — they cannot understand what is happening. They blame themselves, accepting the derogatory things said about them. Their work suffers, seemingly vindicating their critics.

Researchers on whistleblowing have different assessments of the prevalence of reprisals. In some large-scale surveys, only a minority of workers who say they have spoken out at work report suffering any reprisals (Miceli and Near 1992). On the other hand, some researchers, by the emphasis of their studies, imply that speaking out without reprisals hardly counts as whistleblowing. For the purposes here, there is no need to reconcile these assessments, because all researchers agree that a sizeable number of whistleblowers do experience reprisals and that these reprisals can be incredibly damaging.

How damaging? Many whistleblowers lose their job. Sometimes their career is destroyed. Many of them have health problems and suffer relationship breakdowns (Lennane 1993). Their belief systems — in particular, their trust in the system — are undermined (Alford 2001).

To make things worse, few whistleblowers seem to have any effect on the problems they speak out about. They are harassed and expelled and the corrupt operations continue as before. This is the ultimate failure of whistleblowing.

So: reprisals should be expected. Prior awareness is extremely helpful in being effective. Rather than blaming themselves, workers instead can recognize the tactics of intimidation and discrediting and devise means of surviving and, indeed, making the attack backfire. Documenting and exposing reprisals is quite powerful, often creating outrage.

What to do?
The track record of whistleblowers is poor. On small matters, there is less danger in speaking out. But when serious crimes are involved and corruption is entrenched, it is hard to make a difference. Many whistleblowers suffer reprisals, and some have their career destroyed. Is speaking out worth the risk when, so often, the problems remain entrenched?

Many whistleblowers say yes. They would do it again despite the damaging consequences, because they know they have done the right thing. But there is another way to look at the matter: is it possible to obtain some of the positives of whistleblowing while minimizing the negatives? In other words, are there better options than speaking out?

To approach this question, it is useful to return to tactics for minimizing outrage, noting the counter-tactics that whistleblowing involves:

- Cover-up: whistleblowers challenge this directly with the counter-tactic of exposure. Indeed, this is the central rationale of whistleblowing.
- Devaluation of critics and challengers to corruption: whistleblowers challenge this to the extent that they themselves have credibility and a good record.
Reinterpretation, including lying, minimizing and blaming: whistleblowers offer a different story.

- Official channels to give an appearance of justice: whistleblowers usually believe in official channels; they make their reports through the chain of command or to outside regulatory bodies.

- Intimidation: whistleblowers speak out in the face of threats and reprisals; however, the way they are treated sends a message to other workers about what lies in store should they too speak out.

In summary, whistleblowing's key strengths are exposing and naming behaviours as crime and corruption. Its key weaknesses are relying on official channels and exposing whistleblowers to reprisals and discrediting. Is there a way to retain the strengths while minimizing the weaknesses?

Leaking

One option is leaking: anonymously providing information and documents to others who can expose problems and act. Leaking is sometimes categorized as a form of whistleblowing, but for the purposes here it is useful to distinguish between them, with whistleblowing involving openness about one's identity.

Leaking can challenge cover-up: it is a means to accomplish the key goal of exposure. Compared to whistleblowing, it greatly reduces the risk of reprisals. Furthermore, it sidesteps the often-ineffective option of official channels.

Leaking can be thought of as a communication process in which the sender is the leaker, an insider with information, and the receiver is an outsider, someone who can make use of the information. There are two main types of recipients: journalists and activists. Journalists can use the information to produce stories that expose problems and generate community outrage. Activists can use the information to mobilize supporters and take more effective action. Often there is a synergy between media coverage and activism, with media stories stimulating campaigns and actions becoming the basis for media coverage.

There are some other ways that leaks can support resistance. One is through direct communication to other workers. A dissident employee, or sometimes a group, can produce a newsletter and distribute it anonymously through leaflets or emails. Maintaining anonymity requires extra care.

A leaflet can be tracked from the source computer, a photocopier or the distribution process, including fingerprints. If managers suspect that an employee is involved with a leaflet, they might monitor the employee's work computer, confiscate, steal or monitor the employee's home computer or intercept correspondence, among other methods. So it would be wise to do all the work at a location totally unconnected with the workplace, for example doing the word processing on a relative's computer, doing the photocopying at an off-site photocopier and circulating the leaflet when no one is around - while wearing gloves, of course!

Anonymous email distribution is far easier. By using remailers, the origin of a message can be disguised, though it is still wise to use a distant cybercafe for sending messages. It is also possible to upload anonymous websites.

Leakers and anonymous dissidents can also be identified on the basis of characteristic
language and writing styles and according to who would know the information revealed. Therefore great care is needed in crafting messages.

Employers will go to extraordinary lengths to track down leakers, using all sorts of tools for detection, such as installing photocopying that add an identifying mark to each copy or making subtle changes in versions of documents given to different workers, so a leaker can be identified through the version leaked. There are counter-tactics too, such as external photocopying of documents to eliminate identifying marks, or retyping documents entirely.

One of the nastiest responses to leaking is for managers to take reprisals, for example transfer or dismissal, against an arbitrary worker – not usually the leaker. This may make the actual leaker feel so bad as to own up to the act. Arbitrary reprisals send a message to all employees that severe sanctions will be imposed. On the other hand, punishing an innocent worker can cause resentment.

Why is leaking such a threat to managers? Leaking accomplishes the same goal as whistleblowing, namely exposing problems. In addition, leaking enables reprisals to be avoided or reduced: intimidation is less effective. Furthermore, the leaker remains in the job, able to leak more information down the track. This is a crucial difference. Whistleblowers, in contrast, by revealing their identity, are immediately removed from the loop for sensitive information, often isolated through ostracism or removed entirely through dismissal.

Leaking is also a great threat because it maintains a channel between knowledgeable insiders and concerned outsiders. The outsiders – journalists and activists – are able to act without much concern about reprisals. (On alliances between whistleblowers and protesters, see Martin 1999; De Maria 2008).

Looking at the tactics of outrage reduction, an insider-outsider alliance enables most of the major anti-corruption counter-tactics: exposure of problems, reframing the activity as criminal, avoidance of official channels, and resistance to intimidation. The one disadvantage of leaking, from the point of view of tactics, is that there is no person who, by speaking openly, adds credibility to the message. On the other hand, anonymity restricts use of the tactics of devaluation.

In the case of Wollongong, there is no information about leaks. But for ICAC to initiate a major investigation, some information must have been available. Curiously, one person complained that he had earlier reported problems to ICAC but had been ignored. In the wake of the publicity about corruption in Wollongong, two citizens’ groups were formed to push for changes.

Options

The key message here is to carefully consider options before acting. Whistleblowing and leaking are two options worth considering, but there are others:

- Do nothing – for the time being. Sometimes it is wise to lie low, gather information, and wait for a suitable opportunity to act. Timing is crucial in acting against social problems, and it may be useful to wait months or years until conditions are right. This might mean waiting for an election, a local crisis, the emergence of a citizens’ group or finding a sympathetic journalist or a crusading editor.
- Blow the whistle. This is a risky strategy, according to all the evidence, especially when dealing with high-level crimes or systemic corruption. Blowing the whistle effectively requires a strategy, ensuring:
  - Lots of preparation
  - Leak. This can be handled by journalists or activists
  - Organize on the outside. The challenge is to bring the press in. It can be risky: some may not inform those who are needed in finding the existence of opposition

Union officials, different or part of the internal auditors.

If a group can make a whistleblower case and can provide proof, the number of workers can be large.

- Leave and suppose: there are risks of being cloned and way to blow the whistle in smuggling a former co-worker out of the group.

The key message is to be aware of rejection.

All too often, workers are rejected at the boss. If it is a group of low-level workers, they may be involved in the fraud, and the boss may be met with reprisals or resistance.

Whistleblower support have already blown the whistle, when they are thinking of experienced advisers can be whistleblowers should consider the effectiveness. Those organizing co-workers are usually admired. They are the most effective. Speaking out can be challenging in the right time and place.

Whistleblowers often find that the problem is not very entrenched corruption, or the bringing about changes
effectively requires gathering masses of information, developing a communication strategy, ensuring support from relatives and friends and preparing for reprisals. Lots of preparation will increase the chance of having an impact.

- **Leak.** This can be quite effective, especially if there are suitable recipients, typically journalists or action groups.
- **Organize on the job.** In opposing corruption, there is strength in numbers. The challenge is to build the numbers. Finding others who are willing to do something can be risky; some prospective allies might be part of corrupt operations, might inform those who are or simply be indiscreet or unreliable. Hence great care is needed in finding allies and developing a strategy; premature action can reveal the existence of opposition and lead to a witch-hunt.

Union officials can sometimes be powerful allies, but just as often they are indifferent or part of the problem. The same applies to professional associations and internal auditors.

If a group can be organized, then actions can be far more powerful. A single whistleblower can be ignored or discredited; half a dozen will have far more impact and can provide support for one another. A leaking operation involving a network of workers can be far more effective than a lone leaker (Flynn 2006).

- **Leave and support activists.** Sometimes the wisest option is to leave, especially if there are risks of being assaulted or framed for criminal actions. By far the safest way to blow the whistle is to get another job first – preferably one where corrupt former co-workers have no leverage – and then speak out. Other options after leaving are to offer confidential advice to activists or to help set up an action group.

The key message is to consider options carefully and prepare thoroughly before acting. All too often, workers discover something that suggests fraud and immediately report it to the boss. If it is a minor matter, or a misunderstanding, or just involves one or two low-level workers, then reporting to the boss will be effective. But if the boss happens to be involved in the fraud, or has willingly ignored evidence of it, then reporting is likely to be met with reprisals or just shunting aside the worker who made the report.

Whistleblower support groups commonly report that most of those who come to them have already blown the whistle and suffered reprisals. For those few who make contact when they are thinking of blowing the whistle, the prospects are far better, because experienced advisers can help select effective options.

Whistleblowers should be admired. They are courageous and often suffer enormously for standing up for their principles. Unfortunately, courage does not always translate into effectiveness. Those who operate quietly behind the scenes, collecting information, organizing co-workers and feeding information to those who can act, also should be admired. They are the unsung heroes of many a campaign against corruption.

Speaking out can be a tool against corruption, but to be effective it needs to be done in the right time and place.

Whistleblowers often believe in telling the truth to those in power. This can work when the problem is not very serious or systematic, but when confronting high-level crime or entrenched corruption, the truth on its own is seldom very effective. To have a chance of bringing about change, the truth needs to be combined with a mobilized public, whether
workers, local communities or international audiences. Publicity, within an organization or more widely, can provide a blowtorch for implementing good practice.

This seems to have happened at Wollongong council, at least in the short term. Because of the extensive publicity, within Australia the very word 'Wollongong' has come to signify local government corruption. The result has been a turnaround for council staff, with intense and ongoing attention to ethical practices and a large turnover of personnel, bringing in many with no connection to previous practices. The price in careers has been enormous. However, it is far more promising than the previous regime, in which honest workers were regularly sidelined.

That Wollongong became a story of corruption is a matter of chance. There are myriad other local government bodies with entrenched corrupt practices that have escaped scrutiny. For anyone who wants to help challenge these, by whistleblowing or other means, there is plenty to do.

Note

References

10 Organization and corporate crime
Vikas Anand, Mahendra Jha

I think this antitrust feature story is well-timed.
Excerpted from a letter to the editor.

Introduction
Exposure of corporate crime is a feature of the modern world of intense media scrutiny. Organizations that involve legal impropriety that involve legal impropriety are typically led to crises. Organizations are typically led to crises. Organizations that involve business or political opportunities and by organization reputation, they have found that organizations experience an increase in the number of allegations of impropriety well before any major scandals.

An organization's reputation can decrease for a number of reasons. First, the nature of a corporation's reputation can deteriorate. Second, instances exist where organizations fail to protect the company's key customers, local community and community groups. Third, an organization's reputation can decrease because of the failure of management to monitor and control their brand's reputation. For example, Nestlé, was accused of not checking the water and nutritionally beyond their control, blaming it on the national and regional violations. After being widely accused of being guilty, but not being held to account, the company's sales of over $25 million in the first quarter of 2006, the final resolution reached was that the company was accused of a number of violations.

Finally, as Ashforth and Cullen noted in their study, the company was accused of a number of violations.
Research Companion to Corruption in Organizations

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NEW HORIZONS IN MANAGEMENT

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