

# 3 Ethics

*“Unless the LORD watches over the city, the watchmen stand guard in vain.”*

Psalm 127:1

This biblical quote carries profound implications beyond its religious context. In essence, it suggests that regardless of the number of systems, safeguards, and laws in place, the ultimate protection lies in the shared moral values of the people involved. This is reflected in contemporary anti-corruption papers which increasingly emphasize fostering ‘integrity’ rather than just focusing on preventing and detecting corrupt practices.

In the dynamic field of event management, this approach holds particular relevance. While robust systems and controls are necessary, cultivating a culture of integrity among all stakeholders can be far more effective in maintaining ethical standards. THE shift in focus from mere compliance to the promotion of ethical behaviour aligns well with the complex and fast-paced nature of event management where adaptability and trust are crucial.

Ultimately, corruption is wrong. It is that simple. But if we are discussing the minefield of ethics and morality in the modern world, we must describe why it is wrong. Here we get into a field that goes back to Aristotle’s Ethics, flows through the rise of the worlds religion and cultures and is currently in the area of human rights. The Ancient Greek word was *phthora* meaning the gradual decay of something that was once good. We retain this meaning when we use it to describe food.

For example, corruption poses multiple challenges to governments, including significant loss of potential tax revenue. Corrupt

payments, unlike every other aspect of finance must be hidden from the government. Therefore the loss in taxes as a result of corruption can only be guessed. It certainly one of the drivers of government interest in defeating it. One clear consequence is that honest citizens and businesses bear a disproportionate tax burden, as they effectively subsidize those engaging in corrupt practices. The flow of money and, in particular, the taxes, such as VAT or GST, are a source of information on economic health and a method to forecast future investments and development. The secrecy of corruption skews this information and devalues economic decisions. The long term effect is a sick economy.

Surveying the literature and thinking about corruption, the beginning chapters and paragraphs always start with the consequences of corruption. The two quotes below are typical examples.

*“This document presents a policy statement on why anti-corruption is an issue of concern for investors, and explains how corruption is ultimately detrimental to investor value and financial performance”*

(ICGN, 2020, p. 2)

*“Today, corruption has moved away from its past rudimentary examination as an individual moral concept and is recognized as the main source of policy failure around the world.”*

(Pozsgai-Alvarez, 2020, p. 2)

This is **Consequential Ethics**. That an act or lack of action is wrong because it leads to an undesirable outcome. Hence these statements claim a cause to effect. Fortunately investor value and financial performance are measurable outcomes. What is policy failure? Against what is it measured?

The effect is described as undesirable and therefore the cause is wrong. This moves the definition and may lead to a circular definition. Undesired by whom? Is what is undesired by people the equivalent of it being wrong?