

CONFLICT OF INTEREST AND INTEGRITY IN PUBLIC ADMINISTRATION IN CEE COUNTRIES. COMPARATIVE ANALYSIS

Florin Marius POPA

National University of Political Studies and Public Administration

Bucharest, Romania

popaflorin@snsapa.ro

Abstract: *Corruption is a threat to democracy, to the law's supremacy, to social equity and justice, it erodes the principles of efficient administration, undermines the market economy and endanger the stability of state institutions. Research on corruption has particularly focused on the classification of its various forms in order to operationalize the concept of analytical judgment and practical reasoning. In this context, conflict of interest represent one of the main form of manifestation of corruption in public administration*

Keywords: *Integrity, public administration, corruption, conflict of interest.*

1. DEFINITION OF CORRUPTION – A NECESSARY DELIMITATION

During the past recent years, corruption makes its presence all over the world, and this fact has attracted the attention of the economists and of the public opinion. The awareness of the dramatic effects of corruption on the process of development for a country has led to research incentives on the phenomenon and its various forms he wears in different countries around the world (Sierra D, 2006)

Choosing one single definition of corruption is very difficult. Taking into account a review of existing literature and bibliographic sources on this topic, academic research can be classified using at least the following criteria: in the context of different social sciences, according to the most important debate and discourse, and depending on the discussions that place in various governmental and nongovernmental organizations that have corruption, as their object of investigation. What is to be included and what is to be excluded in these definitions? What are the different types of corruption? What is the difference, if any, between corruption and the pursuit of wealth? (Popa Florin, 2012)

Research on corruption has particularly focused on the classification of its various forms in order to operationalize the concept of analytical judgment and practical reasoning. Therefore, there are many opinions regarding the best way to classify corruption into categories and subcategories. Some researchers have defined corruption as a particular state-society relationship and they make a distinction between 'political' corruption and the 'bureaucratic' one. Another classification is that considering 'functional' corruption and 'dysfunctional' bureaucracy. Other researchers have tried to link corruption with other phenomena or processes. For example, political sciences have

recently tried to place corruption, and the fight against it, on the agenda of democratization process. A strict definition of corruption, limits it to the staff, to certain sectors or to specific transactions (as the case of corruption is defined as a behavioral deviation of the officials) (Popa Florin, 2012).

The decisional role of the state is reflected in most definitions awarded to corruption, which express it as a particular state-society relationship (and, some might say, a corrupt one). Studying corruption has become multidisciplinary and wide, ranging from the efforts of theoretically modeling of a generally met situation towards a detailed description of a single corruption scandal. It was studied as a matter of political, economic, cultural and moral underdevelopment. The fact that corruption very often occurs in complex situations is based on the simplicity of its triggers and motivations. For example, the *Source Book*, published by Transparency International, argues that public administration programs, government reform, law enforcement, public accountability and the creation of institutions to prevent corruption, all of these are only some elements in a long process that needs as much support as possible and involves the change of attitude at all levels. Moreover, it was argued that as countries are improving their modernization stages, reaching higher development levels, corruption does not disappear, but on the contrary, it just takes different forms (Girling, J., 1997: 3).

Samuel Huntington notes that there, where political opportunities are rare, 'corruption occurs when people use their wealth to buy power, and where economic opportunities are scarce, corruption occurs when political power is used to track wealth' (Huntington, S.P., 1968: 59-71). Prospecting different types of transferred resources, there could be made a distinction between corruption in economic terms, and corruption in social terms. Economic corruption is a typical market situation and requires an exchange of cash or goods, which are fundamental to corruption.

The decisive role of the state is reflected in most definitions of corruption, which speak about this phenomenon as a particular state-society relationship. Corruption is conventionally understood and regarded as '*the private conduct in the search of welfare of someone who represents either the state or the public authority*'. It stands for the public authorities' misuse of public resources for personal interests. Encyclopedias and working definitions used by the World Bank, Transparency International and other intervention bodies, show that corruption is '*abuse of public power for private benefit*'. (Amundsen ,I., 1999)

Another widely used definition is that according to which '*corruption is a transaction between private actors and public sector actors, through which collective goods are illegally converted into private property*' (Heidenheimer at al, 1989). This point of view is also emphasized by Rose-Ackerman, who argues that 'the corruption exists at the interface between public and private sectors'. (Rose-Akerman Susan, 1978:35)

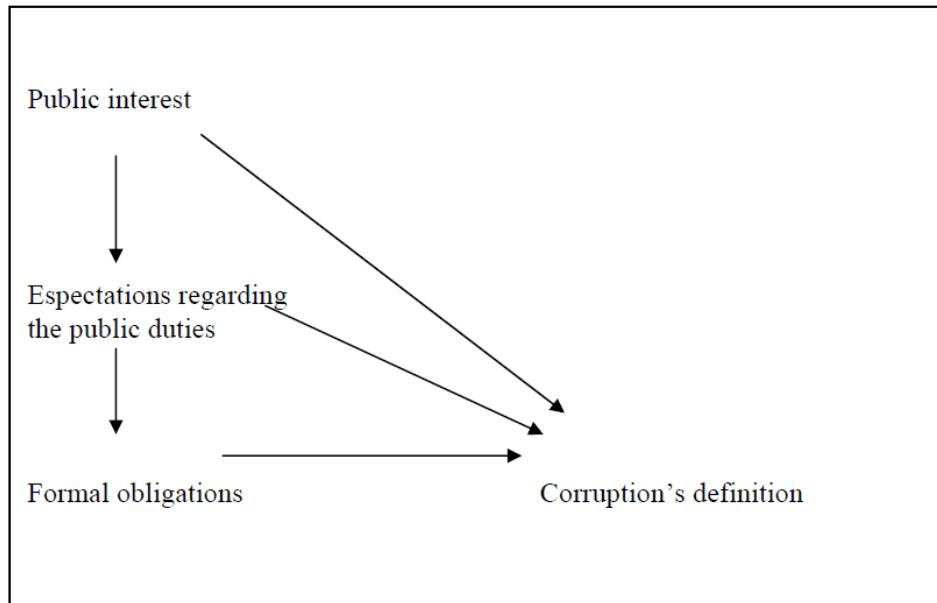
As noted above, the definition of corruption, best suitable to its appearance in the public sector, seems, at least at a first glance, an easy thing to reach: *the misuse of public power for private gains*. The concept of private earnings refers to both receiving money or goods, and the possibility of increasing one's power or social position. Accepting favors or future earnings for relatives or friends can also be regarded as a successful and

assured future income. Regarding the favors for relatives and friends, the most often used terms are those of ‘nepotism’ and ‘favoritism’.

Such an approach is used by Johann Lambsdorff (2006). Continuing his empirical approach, he intrinsically analyzes the definition. Thus, referring to the concept of **public power**, he asserts that it is exercised by bureaucrats, appointed at the public office, or by politicians, elected or employed on their position. The public power is exercised in a variety of sectors, such as public acquisitions and procurement, business regulation, licensing and permits, privatization, foreign trade (including customs, permits for foreign trade, international financial transactions), the taxes and local fees (including granting exemption from payment of fees), police, public utilities and government services (health, education, defense).

As for the concept of **‘improper use’**, this refers to the specific behavior that deviates from the normal duties belonging to the public position (appointed or elected), which is opposed to the informal rules (set off by the public expectations in a standardized way as codes of Conduct). Within a governmental system that works with these types of definitions, there is a merge of them into only one: the public interests transforms into the public’s expectations in regard to the power holders.

Fig.1 The definition of corruption and its coming into being



Source: Lambsdorff, J., (2007), “The Institutional Economics of Corruption and Reform” Cambridge University Press, p. 18

In the national arena, corruption occurs at the interface between state and various non-state actors. On one side there is the corrupt dignitary, on the other side there is the briber, the bribe provider. Authorities may be represented by anyone, from the president and top political leadership (‘political corruption’), down on the hierarchy, to the farthest public servant placed in the local public administration (‘bureaucratic corruption’). Many

theories and conceptualizations of corruption place the accent on those who corrupt the benefits that they earn, those who offer bribes in the first place, whereas other theories emphasize the corrupted persons, those who accepted the offered bribe and their advantages.

Also, at the level of the national institutional arena, at the level of the various state agencies present there, corruption can occur between political institutions and administrative / bureaucratic ones. These relationships have the potential to become corrupted due to political struggles for access to resources, to overlapping and conflicting authority, or due to personal relations of dependence and loyalty.

2. CONFLICT OF INTEREST

The effort of elaborating legislative rules for the definition and explanation and solving of the conflict of interest that occurs in the exercise of public authority and the execution of public functions, in general, is an issue that requires a more careful approach on behalf of the politics (political side) and on that of the society. It is increasingly discussed the need for prevention of conflicts of interest in exercising public functions and, where such conflicts have occurred, their solution. There are referred here certain public positions of authority and other executive public functions. The protection of public interests should form the basis of the execution of public functions, as it is totally unacceptable for the society for them to be improperly used by those who exercise them in order to obtain undue benefits or gains.

2.1. ELEMENTS OF DEFINITION OF THE CONFLICT OF INTERESTS

The essence of conflict of interest is violating the socially acceptable balance between the civil servants' personal interest and the public interest. Most countries do not use the concept of conflict of interest literally, and the legislation usually does not provide a legal definition on conflict of interest. In general, the concept of conflict of interest as a legal term is relatively new. In most countries it has already been introduced in the legislation but mostly through the focus on the fight against corruption.

As a result, the types of conflict of interest recognized in the CEE legislation primarily include holding a public office simultaneously with other private or public jobs or positions ("incompatibilities") or economic conflict of interest. Nevertheless, in the theory of administrative science, there is great demand for a clear legal definition of conflict of interest. (Kudrycka Barbara, 2004:8)

There are three key elements in defining a conflict of interest. The first is the private or personal interest, which may be a financial interest, or may be another kind of interest, for example to provide a particular advantage to the spouse or to a child. The more difficult part occurs when private interest is in conflict with the second element of the definition, 'official duties' of the work placement, the tasks that an official has to execute in accordance with the position they occupy. Any employee has certain official responsibilities, which assumes his/her obligations towards the customers, in respect to other employees or different other persons. These duties are

supposed to take precedence over personal or private interests. Conflict of interests interferes with the professional responsibilities in a specific way, namely, it affects or may affect the objectivity of professional reasoning. One reason why employers and clients appreciate the professionals is the fact that they manage to maintain their objectivity and integrity. Several factors, such as private or personal interests that may alter these two qualities, are a serious concern for those who rely on the professionalism of the staff, be they customers, colleagues or the generic public. It is therefore particularly important to avoid apparent or potential conflicts of interest. An apparent conflict of interest is a situation where a person considers that the employee's judgment might be compromised. A potential conflict of interest implies the existence of a situation that may develop into a conflict of interests. Starting from this distinction, one can speak at least seven types of conflicts of interest:

- *personal interests*: when a person works for the government, for example, uses his official position to conclude a contract with a private consulting firm that is his own.
- *the acceptance of benefits*: substantial bribes and gifts are important examples of this category;
- *traffic of influence*: when an employee, who has influence or let others believe he has that influence on an officer or another person, receives or claims money or other benefits, accept promises, gifts, directly or indirectly for himself or for another person in exchange for using his influence to support the interests of others
- *for personal use of the employer's property*: this is basically similar to stealing office supplies to use them at home (in private)
- *the usage of confidential or secret information*: for example, while a person works for a client, finds out that the client intends to buy land in the region and decides to buy the land on his wife's name just a short time before the client.
- *getting employed in the same sector*: representative for this type of conflict of interest is a situation where a person resigns from a public job and starts another job in the same domain.
- *carrying out activities in parallel with the job*: such as, for example, starting a personal business in direct competition with the employer.

The majority of the states have institutionalized the registration of the official statements on the financial interests of members of Parliament, Government of, or civil servants. This situation of defining ethical standards is necessary along with the need for greater transparency in the government act as opposed to the traditional mechanisms - such as regulations on ineligibility, incompatibility and the financing of political parties and election campaigns - that proved to be not sufficient enough.

2.2. LEGAL REGULATORY MODELS

An analysis of the laws of other states indicates the existence of three regulatory means to model the public functions' problem in respect with the conflict of interest and incompatibilities with other functions of. The *first* model is the *British one*. This model includes not only the states with the British parliamentary tradition (UK, Australia,

Ireland, New Zealand, Canada), but also European countries like Germany or Portugal. The main merit of this model is its ability to rather put emphasis on the potential economic and financial relationships that could affect the integrity and impartiality of officials and civil servants than to stress on risk of unjust enrichment. In conclusion, the key concept is that of transparency.

The second *model* is the *French* one, which had a greater impact in countries with French inspired juridical system (France, Spain, Italy), in the Central European states that are in the process of democratization (Hungary, Romania, Poland, Czech Republic Slovakia) and in some countries in Latin America. The French model is founded on different principles, revealing a greater degree of non-confidence granted to the occupants of positions of public services, than that from the British model. The main concern of this system is that of fighting against corruption, rather than promoting transparency. It is assessed mainly the fact whether those who hold public office during their mandate accumulate 'over normal limits' wealth.

The third *model* used is the *Nordic one*, present in countries such as Sweden, Norway, Denmark, Finland and the Netherlands. In these countries, the registration or the declaration of financial interests, economic or of other nature, are voluntarily and there are no specific punishments, which suggests a greater citizenship credit granted to the individuals that represent the people and a better trust for the public administration system.

3. REGULATION OF CONFLICT OF INTEREST IN DIFFERENT CEE COUNTRIES

In *Bulgaria* the problem of fighting against conflict of interest is regulated by „Conflict of Interest Prevention and Ascertainment Act”. This act determines the rules for the prevention and ascertainment of a conflict of interest of public office holders. A conflict of interest arises where a public office holder has a private interest that may affect the impartial and objective execution of the official powers or duties thereof. **“Private interest”** means any interest which results in a financial or non-financial benefit to a public office holder, or to any persons having close links therewith, including any obligation assumed. **“Benefit”** means any income in money or in property, including acquisition of participating interests or shares, as well as granting, transferring or renouncing rights, receiving a privilege or honors, acquiring goods or services gratuitously or at prices below the market prices, assistance, vote, support or influence, advantage, obtaining or receiving a promise to obtain a job, a position, a gift, a reward or a promise to avoid a loss, liability, sanction or another adverse event. Within the meaning given by this Act, “public office holders” are:

1. the President and the Vice President;
2. the Constitutional Court judges;
3. the National Representatives;
4. the Prime Minister, the Deputy Prime Ministers, the Ministers and the Deputy Ministers;

5. the Presidents of the Supreme Court of Cassation and of the Supreme Administrative Court and the Prosecutor General;
6. the National Ombudsman and the Deputy Ombudsman;
7. the Regional Governors and the Regional Vice Governors;
8. the mayors, the deputy mayors of municipalities and of boroughs;
9. the municipal councilors;
10. the members of the Supreme Judicial Council;
11. the Chief Inspector and the inspectors of the Inspectorate to the Supreme Judicial Council;
12. the President and the members of the National Audit Office;
13. the Governor, the Deputy Governors and the members of the Managing Board of the Bulgarian National Bank;
14. the Governor and the Vice Governor of the National Social Security Institute;
15. the heads of the overseas missions of the Republic of Bulgaria;
16. the administrative heads of the judicial authorities;
17. the single-person authorities, the deputies thereof and the members of the collegial authorities covered under Article 19 (4) of the Administration Act, as well as the members of other collegial authorities established by a law;
18. the heads of public-financed organizations established by a law, by a resolution of the National Assembly or by an act of the Council of Ministers;
19. the members of the Supervisory Board, the Manager of the National Health Insurance Fund and the directors of the regional health insurance funds;
20. the judges, the prosecutors and the investigating magistrates;
21. the recording magistrates and the public enforcement agents;
22. the representatives of the State or the municipalities on the management or supervisory bodies of commercial corporations wherein the State or a municipality holds an interest in the capital or of not-for-profit legal entities;
23. the managers and the members of the management or supervisory bodies of municipal-owned or state-owned enterprises, as well as of other legal persons established by a law, by an act of a state body or of a body of local self-government;
24. the members of the political cabinets and the advisors and experts to the political cabinets; the staff in the Administration of the President, of the legislative, executive and judicial authorities, the staff in the local administration, the staff in the bodies established by a law, with the exception of the staff occupying technical positions.

A public office holder may not hold any other office or perform any activity which, according to the Constitution or a special law, is incompatible with the status thereof. Also a public office holder may not represent the State or a municipality in the cases where the said office holder has a private interest in the taking of a particular decision. He does not have the right, in the execution of the duties thereof, to vote in a private interest. A public office holder shall not have the right to use the official status thereof in order to exert influence in a private interest on other authorities or persons in the preparation, adoption, issuance or rendition of any acts or in the fulfillment of any control or investigating functions.

Public officials in place do not have the right to participate in the preparation, discussion, adoption, issuance or rendition of any acts, to fulfill any control or investigating functions or to impose any sanctions in a private interest. Any such person shall not have the right to conclude any contracts or to perform any other activities in a private interest upon execution of the official powers or duties thereof. It is forbidden for any officials to dispose of any state or public property, to spend any on-budget or off-budget resources, including resources from funds belonging to the European Union or made available by the European Union to the Bulgarian State, to issue any certificates, authorizations or licenses, or to exercise control over any such activities in the interest of any not-for-profit legal entities, commercial corporations or co-operatives wherein the said office holder or any persons having close links therewith are members of a management or supervisory body, managing directors, partners, or holders of interests or shares.

A public office holder shall submit:

1. a declaration of incompatibility;
2. a declaration of private interests;
3. a declaration of occurrence of a change;
4. a declaration of a private interest on a particular occasion.

A public office holder shall submit the declaration referred above within thirty days after the election or appointment thereof. In the said declaration, the person shall state the circumstances which would lead to the occurrence of a conflict of interest, such as:

1. participation in commercial corporations, in management or supervisory bodies of not-for-profit legal entities or of co-operatives, as well as carrying on business as a sole trader at the date of election or appointment and twelve months prior to the date of election or appointment;
2. obligations assumed to credit or financial institutions, as well as to other persons, to a value exceeding BGN 5,000(BGN is the national currency); the person shall state the amount and type of the obligation assumed and the creditor thereof;
3. contracts with any persons who or which carry out any activity in areas related to the decisions made by the public office holder within the range of the official powers or duties thereof;
4. particulars of any persons having close links with the public office holder, in whose activity the public office holder has a private interest; particulars of any persons having close links;

A public office holder shall be obligated to suspend him or herself from the execution of the powers thereof or of an official duty where a private interest exists on a particular occasion. Also the public office holder may alternatively be suspended on a particular occasion from the execution of the powers thereof or of an official duty by a written act by the electing or appointing authority if the said office holder has declared a private interest.

In **Latvia** the problem of conflict of interest is regulated by “Law on Prevention of Conflict of Interest in Activities of Public Officials“

The purpose of this Law is to ensure that the actions of public officials are in the public interest, prevent the influence of a personal or financial interest of any public official, his or her relatives or counterparties upon the actions of the public official, to promote openness regarding the actions of the public officials and their liability to the public, as well as public confidence regarding the actions of public officials. In this sense the law provides for:

- 1) restrictions and prohibitions upon public officials;
- 2) prevention of conflict of interest in actions of public officials; and
- 3) declaration of the financial status of public officials and a mechanism for the verification of the declarations of public officials.

According to the law public officials are the following

- 1) the President;
- 2) members of the *Saeima*;
- 3) the Prime Minister, Deputy Prime Ministers, Ministers, Ministers for Special Assignments, and Parliamentary Secretaries;
- 4) the head of the Chancellery of the President of Latvia and his or her deputy, the Director of the *Saeima* Chancellery and his or her deputy;
- 5) advisors to the President, advisors, consultants and assistants, as well as heads of the Offices of the Prime Minister, Deputy Prime Ministers, Ministers, and Ministers for Special Assignments;
- 6) the Governor of the Bank of Latvia, his or her deputy and members of the Board of Governors of the Bank of Latvia;
- 7) the Auditor General, members of the Council of the State Audit Office, and the sector head of the audit department of the State Audit Office;
- 8) the Chairperson of the Central Electoral Commission, his or her deputy and the Secretary of the Central Electoral Commission;
- 9) the Director of the Constitution Protection Bureau and his or her deputy;
- 10) the head of the Prevention and Combating of Corruption Bureau, his or her deputies, central administration divisional heads and their deputies, heads of territorial offices and investigators;
- 11) the head of the Prevention of the Laundering of Proceeds from Crime Service and his or her deputy;
- 12) the Ombudsman and his or her deputy;
- 13) members of the National Broadcasting Council of Latvia, members of the Council of the Public Utilities Commission, members of the Council of the Finance and Capital Market Commission;
- 14) the chairperson of a self-government council and his or her deputy, the executive director of a self-government and his or her deputy, as well as the head of the administration of a rural territory (or *pagasts*) or town in the municipality self-government;
- 15) councilors of self-government councils;
- 16) heads of State or self-government institutions and their deputies;
- 17) civil servants of the general or specialized State Civil Service;

- 18) members of councils of capital companies who represent the interests of the State or self-governments in a capital company in which the State or self-government share of the equity capital separately or in aggregate exceeds 50 percent;
- 19) members of councils or executive boards of State or self-government capital companies; member of the board of such capital company, in which the share of the equity capital of one or several State or self-government capital companies in aggregate or separately exceeds 50 percent, and such member of the council of such capital company, who represents the interests of the State or self-government capital company;
- 20) representatives of the holder of the State or self-government share of capital and their authorized persons;
- 21) judges, prosecutors, sworn notaries and sworn bailiffs;
- 22) professional service soldiers and military employees of the National Armed Forces;
- 23) member of the Public Procurement Commission; and
- 24) officials with special service ranks of the Ministry of the Interior system institutions and the Prisons Administration.

Persons who in the performance of the duties of office in the State or self-government authorities, in accordance with regulatory enactments, have the right to issue administrative acts, as well as to perform supervision, control, inquiry or punitive functions in relation to persons who are not under their direct or indirect control, or to deal with the property of the State or self-government, including financial resources, shall also be considered to be public officials.

As public officials shall be considered also persons who in fulfilling the duties of office in State security authorities perform at least one of the following activities:

- 1) intelligence;
- 2) counter-intelligence;
- 3) investigatory operations; or
- 4) the processing, analysis or protection of information acquired through intelligence, counter-intelligence or investigatory operations.

They are also provisions in the law for some categories of public official with position similar to the one mentioned before. In this respect public officials shall be considered to be also persons who in fulfilling the duties of office in institutions involved in the management of European Union or foreign financial aid perform at least one of the following activities:

- 1) fulfill supervisory, control or punishment functions in relation to persons who are not directly or indirectly subordinate to them;
- 2) take decisions regarding the submitted project or project application; or
- 3) take such a decision, which affects the use of the granted financial aid.

As public officials shall be considered to be also persons who hold the offices of chairperson of the board of a port, port manager or member of the board of a port. Persons employed in private ports shall be considered to be public officials only if such is provided for in Paragraph three of this Section.

Persons who perform duties of office externally of the State or self-government authorities shall also be considered as public officials if in accordance with the regulatory

enactments the State or self-government has permanently or temporary delegated to them any of the functions referred to in Paragraph two of this Section.

A member of the board of such capital company, in which the share of the equity capital of one or several State or self-government capital companies in aggregate or separately exceeds 50 percent, and such member of the council of such capital company, who represents the interests of the State or self-government capital company, shall not be considered to be a public official, if the relevant capital company is registered in a foreign state. Prevention of conflict of interest in the activities of the board or council members of such capital companies shall be ensured according to the procedures and amount prescribed by regulatory enactments and statutes by the State or self-government capital company, which owns capital shares in the referred to capital company registered in a foreign state.

Public officials are permitted to combine an office of the public official with another office, in the performance of a work-performance contract or authorization if restrictions on the combining of the offices of the public official are not provided for in this Law or other regulatory enactments.

Combining the office of the President with another office is determined by the Constitution of the Republic of Latvia.

Members of the *Saeima*, the Prime Minister, Deputy Prime Ministers, Ministers, Ministers for Special Assignments, and Parliamentary Secretaries are permitted to combine their office as public officials only with:

- 1) offices that they hold in accordance with laws, or international agreements ratified by the *Saeima*;
- 2) offices in a trade union, an association or foundation, a political party, a political party union or a religious organization;
- 3) the work of a teacher, scientist, doctor, professional sportsperson and creative work;
- 4) other offices or work in the *Saeima* or the Cabinet, if such is specified in decisions of the *Saeima* and its institutions, or regulations or orders of the Cabinet; or
- 5) offices that they hold in international organizations and institutions if such has been determined by a decision of the *Saeima*, Cabinet regulations or orders.

The Chief of the State Police and his or her deputy, the Chief of the Security Police and his or her deputy, the Chief of the State Border Guard and his or her deputy, the Chief of the State Fire-fighting and Rescue Service and his or her deputy, the Chief of the Self-government Police and his or her deputy is permitted to combine the office of public official only with:

- 1) offices which they hold in accordance with the Law or international agreements ratified by the *Saeima*, Cabinet regulations and orders; and
- 2) the work of teacher, scientist, professional sportsperson and creative work.

Chairpersons of self-government councils, deputy chairpersons of city councils, executive directors of self-governments and their deputies, heads of State and self-government institutions and their deputies, heads of rural territory (or *pagasts*) or town administration in municipality self-governments, as well as members of executive boards of such State and self-government capital companies, in which the State or self-

government share of the equity capital separately or in aggregate exceeds 50 percent, and members of councils of capital companies who represent the interests of the Latvian State or self-governments in a capital company are permitted to combine their office of public official only with:

- 1) offices which such persons hold in accordance with laws, or Cabinet regulations and orders;
- 2) offices in a trade union, an association or foundation, a political party, a political party union or a religious organization, if it is not prescribed otherwise in Paragraph fourteen of this Section;
- 3) the work of teacher, scientist, doctor, professional sportsperson and creative work;

A person who, after assuming office as a public official, concurrently holds an office the combining of which with the office of public official is not permitted, has a duty within seven days in writing:

- 1) to notify a higher public official or collegial authority of the fact that he or she holds one or more offices (performs a work-performance contract or authorization) the combining of which with the office of public official is prohibited; and
- 2) to submit to the authority in which the person holds an office the combining of which with the office of public official is prohibited a submission requesting the release of him or her from the relevant office.

In **Slovenia** the problem of combating conflict of interest is regulated by “Integrity and Prevention of Corruption Act”. According to this act “*Conflict of interest*” is circumstances in which an official’s personal (in the sense of the document “Official” means persons defined as such in the Penal Code) interest affects or makes an impression of affecting the impartiality and objective provision of his/her public duties. In this sense, art.37 statutes that any officials shall pay attention to any actual or potential conflict of interest and shall make every effort to avoid it. They are prohibited to use office or job to materialize any illegitimate private interest to him/her or anybody else. Unless specified otherwise by another act, an official determining a conflict of interest or a possibility for such a conflict when assuming the job or office or during its performing shall immediately inform his/her superior thereof in writing or the Corruption Prevention Commission in the case of no superior. (S)he shall immediately cease to work on the matter where the conflict of interest has occurred unless any delay would be dangerous. In the case of a probability that official acts of the official contained a conflict of interest, the Commission may initiate the procedure to determine the actual existence of the conflict of interest and its consequences.

4. CONCLUSIONS

Usually we have the tendencies to see corruption mainly as bribery. But fighting corruption represents a challenge because corruption is live organism that adapt to every new medicine. There is no universal panacea. In the field of combating conflict of interest the situation is not different. Every area of conflict of interest, e.g., personal economic interest, duplication of power, nepotism, and cronyism, may be a subject of separate

research. (Kudrycka Barbara, 2004:5). As we can see above each country has a special way to deal with this issue. In the same time, beside several particularities, there is a main core of actions such as interdiction to be in certain positions in the same time, to provide certain services, to fill same declaration of interest and of income.

The present analysis is only the beginning of a bigger research activity with the purpose to offer a general framework to fight against conflict of interest, the general framework containing also indicators to asset the impact of certain regulation.

REFERENCES

1. Amundsen, I., (1999), *Political Corruption: An Introduction to the Issues*, <http://www.cmi.no/publications/1999/wp/wp1999-7.pdf>;
2. Girling, J., (1997), *Corruption, Capitalism, Democracy*, London, Routledge;
3. Huntington, S.,P., (1968), "Modernization and corruption", in *Political order in Changing Societies*, Samuel P. Huntington, New Haven, Connecticut: Yale University Press;
4. Heidenheimer, Arnold J.; M. Johnston and V. T. LeVine (1989), *Political Corruption. A Handbook*" New Brunswick: Transaction Publishers;
5. Lambsdorff, J., Nell, M., (2006), "Corruption - where we stand and where to go" In: *The Corruption Monster: Ethik, Politik und Korruption*, ed. by M. Kreutner, Czernin Verlag;
6. Lambsdorff, J., (2007), *The Institutional Economics of Corruption and Reform*" Cambridge University Press,
7. Kudrycka Barbara, (2004), *Combating conflict of interest in local governments in the CEE countries*", Open Society Institute, Budapest;
8. The National Integrity System, (2005), http://www.transparency.org.ro/files/File/NIS%20%20REPORT_final.pdf
9. Rose-Ackerman, Rose (1978), *Corruption. A Study in Political Economy*" London/New York: Academic Press;
10. Popa Florin Marius (2012), *Integritate publică și corupție. Abordări teoretice și empirice*, Ed. Economică, București;
11. Serra, D., (2006) Empirical determinants of corruption: A sensitivity analysis, *Public Choice* Volume 126, Numbers 1-2;