

Importance of the elimination of corruption for the strengthening of Democracy

*Importancia de la eliminación de la corrupción para el
fortalecimiento de la Democracia*

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ABSTRACT: The indexes of crimes against the good functioning of the public administration in Ecuador are alarming. Although every year, there is an increase in efforts to fight corruption, concussion and acts that threaten sovereignty and democracy. These efforts have not provided significant changes despite living a state of emergency worldwide due to the COVID-19 pandemic, which threatens people's health with a high mortality rate, since there are people who only aim at personal enrichment, leaving aside the general interest. These illegal acts generate transaction costs from anti-democratic actions and actions that go against the Ecuadorian positive law since they limit the investment of these resources in the growth of relevant sectors for the evolutionary development of the country, such as the area of health, education, the incentive to sport, the emergence of new technologies. Besides, it is essential to consider the investment to eliminate the crimes that attempt against protected legal assets so that these would be reduced every year, that cost would be destined to the positive evolution of the country. Therefore, this article aims to analyze the

importance of eliminating crimes against the proper functioning of public administration to eliminate the State transaction costs generated and thus strengthen democracy and legal security in the country.

KEYWORDS: illegal cooperations, transaction costs, democracy, crimes, undemocratic acts, legal certainty.

RESUMEN: Los índices de delitos contra la buena marcha de la administración pública en el Ecuador son alarmantes. Si bien cada año aumentan los esfuerzos por la lucha contra la corrupción, la concusión y actos que atentan contra la soberanía y democracia de un país, pero no han proporcionado grandes cambios a pesar de vivir un estado de emergencia a nivel mundial debido a la pandemia por COVID-19, que atenta contra la salud de las personas con un alto índice de mortalidad, ya que existen personas que solo tienen como objetivo el enriquecimiento personal, dejando de lado el interés general. Estos actos ilícitos generan costos de transacción a partir de las acciones antidemocráticas y acciones que van contra el derecho positivo ecuatoriano, puesto que limitan la inversión de esos recursos en el crecimiento de sectores relevantes para el desarrollo evolutivo del país como: el área de salud, la educación, el incentivo al deporte, el surgimiento de nuevas tecnologías; además, es importante considerar la inversión para eliminar los delitos que atentan contra bienes jurídicos protegidos, con el fin de que estos se redujeran cada año, ese costo sería destinado a la evolución positiva del país. Por lo cual, el objetivo del presente artículo es analizar la importancia de la eliminación de los delitos contra la correcta marcha de la administración pública, para eliminar los costos de transacción estatales que se generan, y así fortalecer la democracia y la seguridad jurídica del país.

PALABRAS CLAVE: concusión, costos de transacción, democracia, delitos, actos antidemocráticos, seguridad jurídica.

INTRODUCTION

According to the figures in the Corruption Perception Index of 180 countries published by Transparency International's NGO, Ecuador is in seventh place in Latin America in terms of corruption, with "38 points" (AFP Redacción, 2020).

This figure, considering the countries included in the study, is alarming. Countries such as Chile and Uruguay, with the most extensive territories and populations, occupy the lowest positions in the study, indicating that democracy and the fight against corruption in the country are not effective and are only generating transaction costs than the benefits.

Although the phenomenon noted may be inclined to a myriad of causes, because of the percentages, news items. The most recent jurisprudence, the high indices of corruption are linked to an erroneous application of the economic upsurge, believing that committing crimes such as concussion "the result of a tradition of criminalizing these crimes" (García, 1997, s. p.) will provide economic security that will tarnish the illicit act. This indicates that positive law gradually became a mechanism for evading legal and social responsibility since the norms were interpreted at the convenience of the citizens, regardless of how undemocratic and "transparent" their acts were.

Consequently, as Castro (1999) points out, "by not making available our human practices, the reference to a tradition of ideas or moral beliefs in force" (s. p.), the duty to be a good citizen will not be fulfilled. The people have a right to a dignified life, a right that as a sovereign must prevail over all events in life. The States must guarantee the fulfilment of the rights of the citizens in transparency and granting security to the positive right that governs us.

The complication is that, with time, the criteria and actions used when seeking compliance with the right to a dignified life will not be effective and will end with the hope of thousands of people and children who in a large percentage lose faith and hope in the democratic system, where transparency and commitment of authorities and citizens are supposed to prevail, in the search for social welfare supported by legislation as norms that regulate human behaviour, raising awareness about respect and nationalism for their country, so that in the future they do not violate their dignity, performing corrupt acts that increase the cost of the Ecuadorian legal system.

Therefore, this article will reflect on the importance that should be given to the fulfilment of social transparency to eliminate transaction costs generated by crimes against public administration that, in the future, would serve the evolutionary process of the country in productive sectors. For achieving this result, we will focus first on the transaction costs generated by cases of crimes that attempt against the protected good of the good functioning of the public administration in the country, especially the crime of concussion. Furthermore, we will analyze the Theory of the transaction costs so that finally, these references allow us to consider the criticisms that we must overcome to strengthen the democratic and transparent interest of the country.

1. Corruption

1.1. Limiting factors of democracy

The legal significance that the legal systems give to crimes against the proper functioning of public administration can be seen in different countries around the world from the moment they exalt it to the category of protected legal property

within a crime. As an example, concussion as a crime¹ They are perceived negatively by citizens due to the reprehensible abuse of office by public servants.

Furthermore, as we situate ourselves in a country that declares itself to be democratic, that its legislation supports it as a democratic country, but that has public servants who, instead of serving the country truthfully, dedicate themselves to serving it, affecting the will of the people.

It is worth mentioning that democracy is a form of government of the State, a political doctrine and a form of social organization, that in countries with a democratic form of government, they maintain that power lies with the sovereign and ruling people. According to Dahl (2004), professor of political science at Yale University, in his book “Democracy” he defines democracy as “government of the people” according to its etymological origin: “The etymological origins of the term democracy hint at certain urgent problems that go far beyond semantic issues. Whether to establish a government of the people or by the people - a popular government”.

Democracy is derived from the “Greek demokrati, coined from demos (“people”) and kratos (“government”) in the middle of the 5th century B.C. to denote the political systems then existing in some Greek city-states” (Dahl, 2004, s. p.). Furthermore, in the preamble of the Constitution of the

1 The positive law of Ecuadorians highlights the title of the concussion. In this sense, the Constitution of the Republic of Ecuador (2008) in its article 129, establishes that “the National Assembly can proceed to a political prosecution for crimes of concussion to the principals”. Article 281 of the Comprehensive Criminal Organic Code of Ecuador (2014) states that “Public servants and persons acting under a state authority in any of the state institutions, determined in the Constitution of the Republic, their agents or official dependents who, abusing their position or functions, by themselves or through third parties, order or demand the delivery of rights, quotas, contributions, income, interests, salaries or undue gratuities, shall be punished with a prison sentence of three to five years.”.

Republic of Ecuador (2008) it is added that we are a “society that respects, in all its dimensions, the dignity of persons and collectivities; a democratic country, committed to Latin American integration - a dream of Bolivar and Alfaro - peace and solidarity with all the peoples of the earth”.

Since it is clear that the Constitution establishes that we are a democratic country and that some public servants who work directly with the State commit crimes of concussion and take advantage of subordinates, it can be pointed out that this declaration of “democracy” is not entirely true. Instead, it incurs corruption that is defined as “the use of a public office for one’s benefit or that of third parties and against the interests of the institution or community” (Soto, 2003, s. p.). Constitutional provisions are disregarded from the outset, which indicates that if these principles cannot be met, neither can they be met if they are stipulated in subsequent regulations.

In this sense, the commission of these crimes brutally attacks transparency and can generate individual costs that can destabilize the economy. Enforcement In the system, such as the legal protection that can define and follow guidelines for the protection, avoid the lousy follow-up of the guidelines in the competition policies.

For this reason, one solution may be to propose an improvement in the law for the control of the duties of public servants, which, although national legislation has this regulation in force, it is not applied nor is its content complied with, and despite promoting this “control of duties” it is useless to have ineffective rules that would only represent a high cost of regulation that does not provide for benefits and results.

Article 11 of the Constitution (2008) in its fifth paragraph, adds that:

Public servants and persons acting under state power in any of the institutions of the State, determined in the Constitution of the Republic, their agents or official dependents who, abusing their position or functions, by themselves or through third parties, order or demand the delivery of rights, quotas, contributions, income, interests, salaries or undue gratuities, shall be punished with imprisonment of three to five years.

If the conduct provided for in the preceding paragraph is carried out through violence or threats, the public servant shall be sentenced to five to seven years' imprisonment.

From this and once it has been established that concussion is a crime that limits the exercise of democracy in the country, forgetting the sovereign and executing actions in benefit of the individual favour, it can be maintained that it is preferable to observe long term results to fight corruption, it is necessary to train the personnel of the public sector from a perspective of the protection of legal assets that affect not only the State but also the citizens as relatives of the same servants, since as it has been established "the power lies in the people".

2. Concussion and the theory of transaction costs

The concussion, like other crimes, causes irreversible damage to society; this crime seeks to take advantage of people, extorting them, withholding their income for the appropriation of others by public servants who take advantage of the exercise of their office. Since this crime is contrary to democracy, as are so many other crimes defined by the COIP and the content of the grievances is an issue since, although they are primarily

linked to criminal law, the former derives from and is binding on the State, due to the transaction costs involved.

The Theory of Transaction Costs “is responsible for identifying the sources and dimensions of a transaction. It seeks to coordinate transactions more efficiently and to specify the mechanism of governance”. (Salgado, 2003, s. p.) and when these transactions are coordinated in two ways, they generate a double cost to the State, the first transaction being the legal transaction of the resources:

The set of rules that reduce opportunism in exchanges that extend mutual trust between subjects generating the long-term viability of the execution of contracts, which in the end can save transaction costs. (Arias and Caballero, 2003, p. 119)

Furthermore, the second transaction is the one in which the crime of concussion is committed. In the absence of regulation, or payments to cover up the second transaction mentioned, corruption is a complex task and “there is no general meaning to the term. Different societies generally have different moral, political, and administrative views on what practices are corrupt. (Soto, 2003) which has adverse effects and should be punished according to the level of involvement of the public administration.

However, the meaning indicated for this article is the concept of corruption as “the set of characteristics that characterize corruption is that the exchange is voluntary between both parties-corruptor and corrupt” (Soto, 2003), which increases with unregulated transaction costs.

Transaction costs “have profound implications on the allocation of resources and the structure of economic organization. (Ramirez, 2010) and can be defined as those

“economic sacrifices required to acquire or produce a good or service” (Silva-Culler, 2003, p. 3) and one of them is the regulatory costs that the State incurs in creating standards and the high costs in terms of approving inapplicable standards. It shows that transaction costs have broad implications, which, in the wrong hands, can have serious consequences.

Public servants are the ones who manage resources, according to the position and the state organ to which they correspond; these public servants have duties regulated by national regulations, one of these regulatory norms is the Organic Law of Public Service (LOSEP). This law establishes fundamental duties that public servants must comply with: “(a) To respect, comply with and enforce what the positive law establishes. Seeking the legal security of the country”. (LOSEP, 2010)

Article 22 of LOSEP (2010) states that:

The duties of public servants are a) To respect, comply with and enforce the Constitution of the Republic, laws, regulations and other provisions issued following the law; b) To personally comply with the obligations of their position, with solicitude, efficiency, warmth, solidarity and under the collective good, with the diligence they generally employ in the administration of their activities.

The standards seek to regulate and control the exercise of the functions of public servants, ensuring the transparency of the service, however, in Ecuador there are many cases of conflict that have generated commotion in society and fueled corruption:

Series of corrupt actions. These include open theft, misappropriation of state funds or property, nepotism and obtaining favours from friends or family, and abuse of public authority to obtain personal payments or benefits. Harsch's definition can be extended to include influence peddling, insider trading, accepting gifts and donations, lobbying, and other activities to influence the political system for personal or interest group gain (Soto, 2003, n. p.)

Two highly cited cases were the case of the former Vice President of the Republic of Ecuador, Ms María Alejandra Vicuña Muñoz. As a public servant, she received more than “forty-three thousand dollars (\$43,000) in her accounts from three of her former collaborators between 2011 and 2016, the period in which she served as a national assemblyman” (El Universo, 2020). Vicuña was brought to trial, but during this whole process, the State had to allocate economic resources.

The corruption generated by public officials generates a high transaction cost to the State, as in this case, the Ecuadorian State had to assume the waste of economic resources in the solution of this case, expenses such as the payment to the officials of the judicial function, who are the ones who solve these cases, expenses of effectiveness and time wasted in the solution of these crimes of concussion. Loss of social welfare, since citizens are disappointed with the social contract they have established. Also due to the loss of legal security, when they witness these cases of corruption that generate a cost for the State and civil society.

In Ecuador, the awareness of citizen transparency should be intensified, and a change in thinking should be made concerning serving the country, not using it. That could have been used in productive areas for the country. The transaction costs were affected by corruption, betraying the sovereignty of the people, through undemocratic acts.

The hierarchy or privilege that public servants have in this area is notorious, regarding the management of State funds; if they desire to obtain unjustified money sprouts in them, which should not happen as expressed by Pérez (2012): “Public positions and jobs cannot be a source of economic enrichment and profit, public subjects are due to the nation but not to the appetites and chrematistic greed of their impulses. If this principle of transparency and democracy were followed, the transaction costs generated by corruption in the country would be zero, which would represent a favourable economic and political balance for the country.

Likewise, based on transparency, the States should seek to reduce the expenses caused by corruption. In this sense, the International Organization of Supreme Audit Institutions states that:

Transparency is a powerful force that, when applied consistently, can help fight corruption, improve governance, and promote accountability. The International Organization of Supreme Audit Institutions SAIs operates under different mandates and models. These principles may not apply equally to all SAIs, but they are intended to lead them towards a common goal of transparency and accountability. The notion of transparency refers to public information by the SAI, in a timely, reliable, transparent and relevant manner, on its status, competence, strategy, activities, financial management, performance and activities. It also includes the obligation to report on the results and conclusions of audits and to make information concerning the SAI accessible to the public. Accountability and transparency are two critical elements of good governance. Transparency is a powerful force that, when applied consistently, can help fight corruption, improve governance, and promote accountability. Accountability and transparency cannot be easily separated: they are both about the same

actions. (INTOSAI, 2010, n. p.)

The crime of concussion limits the transparency and fluidity of processes, especially in the public sector:

It is noteworthy that these definitions of corruption involve only situations in which public servants and different groups or individuals in society interact. It would seem to deny that corruption exists in the private sector. It is not the case. (Soto, 2003)

If we do not have transparent servants, the transaction costs will be greater and greater, and the expenditure for the State will increase disproportionately. Democracy and transparency must be promoted, leaving aside the corruption that is the cancer of every society, which hurts the state economically and socially, taking years to regain the confidence of the sovereign in the State.

3. The Social Configuration: Eradicating Corruption and Empowering Democracy

3.1 The Good Living Regime and the reworking of economic institutions as a tool for social configuration. Consecration for the eradication of corruption and democratic growth of the country.

In Ecuador, since 2008, without prejudice, Good Living (Buen Vivir) was proposed as the central axis of the Constitution, and this premise was echoed throughout the country:

Good Living (Buen Vivir) as a structuring principle of the new Constitution implies the recognition of the concepts of sustainability and respect for nature promoted by indigenous societies. More than a constitutional declaration, it is an opportunity to collectively build a new development regime based on

an economy of solidarity. It means moving away from an over-determined economy determined by mercantile relations, promoting a dynamic and constructive relationship between market, state, and society. Good Living (Buen Vivir) is a utopia of a joint life project to be executed by the action of the citizenry. (Acosta, 2008, n. p.)

The third article, paragraph 5 of the Constitution of the Republic of Ecuador (2008) states: “To plan national development, eradicate poverty, promote sustainable development and the equitable redistribution of resources and wealth, in order to access the good life”. Consequently, Article 14 states that: “The right of the population to live in a healthy and ecologically balanced environment that guarantees sustainability and good living, *sumak kawsay*, is recognized” (CRE, 2008).

Under the terms of the Organic Code of Planning and Finance (COPFP) (2010), article 9 establishes:

Development planning - Development planning is oriented towards the fulfilment of constitutional rights, the development regime and the regime of good living, and guarantees territorial ordering. The exercise of public powers must be framed in development planning that will incorporate the approaches of equity, plurinationality and interculturality.

These norms and theories lead us to understand that the social configuration must have the Good Living (Buen Vivir) as a basis for its construction. This is important to look for stability, fluidity and commitment in the areas where we develop; these characteristics will be impregnated in people’s subconscious, which will become subjective characteristics to them, which favours the State since it will lead to a change in the Sovereign’s thinking. This change of thought would help

in all the productive and social sectors of the country, such as education, health, economy, and others.

If society changes from an unprogressive way of thinking to an entrepreneurial way of thinking, which seeks to achieve remarkable goals, without becoming detached from honesty, transparency and rectitude, the costs or losses that the State faces every day due to corruption will be significantly diminished. This percentage reduction of investment by the State in confronting cases of corruption, concussion and embezzlement from the State will generate net income for the innovation of technological tools that will empower the country.

Seeking a general Good Life, which goes beyond development:

Decades ago, development was conceived as continuous economic growth, mediated especially by exports and investment, which would generate effects that would benefit the rest of society. From this perspective, human welfare is reduced to material consumption, and nature must be intensely exploited. (Gudynas, 2011, n. p.)

Based on the provisions of the cited fragment, it is clear that the Good Living is not an alternative mode of life, but the primary mode; and it should be accessed as a configuration tool, as long as its basis is factual in principles of transparency, and is not used as a double-edged sword; while the sovereign believes in the Good Living, a minority group uses it as a mechanism of irregular individual enrichment.

Buen Vivir should not be used as a base for some movement or political party with dubious aims. It should be used as a reminder of social reconstruction, of positive changes, which can only be generated by us as citizens. By increasing

Good Living, we must know how to live well as the ideal of each people, using primary resources as the basis for strengthening their industry, controlling possible damage to nature, allocating funds for studies that allow for more excellent product performance, with less social and environmental impact.

The investment to live well is not low cost. However, suppose we observe its long-term benefit. In that case, we will have a positive balance for the economy, as Cortez (2011) rightly states “The “good living” is the life paradigm towards which “development” should be oriented in order to seek sustainable development in a society we must seek to live well, which implies “a general reordering of what the modern term “development” had intended to express” (Cortez, 2011).

In the era of globalization and development in which the world finds itself, it should not be challenging to find ways of social reconstruction, taking by the hand the waves of modernity that haunt the world “most of the current discussions about the process of globalization are about the increasing intensity and speed with which various networks of social action enable and constrain the capacity for sovereign action” (Iranzo, 1999) if, with the intensity and speed with which we face the world and the conflicts that beset societies, we manage to insert social reconstruction by leaving aside specific historical thoughts, which sought the individualization of resources, the exploitation of the less advantaged “of a rising number of individuals on an ever-increasing geographical scale. “ (Iranzo, 1999), the utopia of total social reconstruction could come close to fulfilment.

The referred author adds that:

The emotions would be “di positional variations” of the neural and hormonal systems, and consequently, also of the motor, respiratory and circulatory systems,

by the effect of a “judgment” on the condition of the body itself, in itself or related to the situation of the environment. Emotions are immediate, holistic bodily reactions to the current state of the body-in-world. Potentially, there are as many emotional variations as there are subjects, physiological states and situations to which they react. However, the “basic universal emotions” characterized by the activation of specific neural and hormonal reactions and processes appear to be five: Joy, Sadness, Anger, Fear and Disgust. (Iranzo, 1999)

The criterion that has been analyzed in the social group by Professor Cruz (2012):

Emotions are not detached from the interpretative frameworks of social movements and in the same way from collective actions; and that on the contrary, collective action could not be understood without accounting for the underlying emotionalities. Emotions enter the spiral of reason, and contribute to the process of reasoning rather than disturb it. Emotions have a direction towards an object. This object has at the same time an intentional description, these two characteristics make emotions not body impulses, but linked to cultural and social frameworks and directly contribute to decision making and influence the argumentative and deliberative processes of social and political action of human beings².

Consequently, the correct handling of emotions contributes to collective actions from reason, intuiting the process of reasoning. If the politicians or rulers start from this premise not only to get to power or to obtain votes, to reach the presidential podium, the prosecution of the masses for social reconstruction would be a resounding success.

² The reason for the emotions social, political and cultural formation of the emotions (Cruz, 2012).

Thus, the reconstruction of a society accustomed to corruption, crimes of a concussion that impoverish the dignity of people and enrich the pockets of the corrupt. Consequently, it will leave in the past the disturbing emotions that delay the process of social change.

In Ecuador, numerous cases afflict the country's democracy, the transparency of the State and the actions of its officials. Some of these events, such as influence-peddling in the Ecuadorian Institute of Social Security (IESS):

In 2012, the IESS Board of Directors, chaired by Ramiro González, recommended the award of the hospital cleaning contract to the company Super Clean, for an amount of USD 2,991,363. The Comptroller's Office found irregularities in the award and the Prosecutor's Office, based on the report, opened an investigation.

On February 28, 2020, the Criminal Court of Pichincha found Carlos Carrión and Wilmer Veloz guilty of the crime of influence peddling, as accomplices to the crime. They will have to serve a six-month prison sentence and pay a fine of USD 459,675.93. (González, 2020, n. p.)

Regarding the Sabatini's case: "in this process, a possible bribe is judged, and one of the judges is the former Secretary of Communication, Fernando Alvarado, one of the strong political cadres of Correa and who is currently on the run" (González, 2020, s. p.).

The public debt, Ina Papers, mismanagement of funds in the Ministry of Public Health during the Pandemic (overpricing of medical supplies):

All the hospitals in Quito are being investigated. All of them are going to be audited". That was the announcement made yesterday by the Minister of

Health, Juan Carlos Zevallos, at a time when the country is experiencing a series of complaints, investigations and audits for alleged acts of corruption, in the midst of the health crisis by COVID-19, in hospitals run by the Ministry of Public Health (MSP) and the Ecuadorian Institute of Social Security (IESS).

According to Zevallos, for some time now, they have been collecting information on cases of irregularity, including information given by doctors that suggest issues to be evaluated.

The General Comptroller of the State informed, last Monday, that about the Ecuadorian capital, he is conducting special exams on hiring processes at the Baca Ortiz children's hospital and the Eugenio Espejo hospital. (El Universo, 2020)

Collection of Tithes by the Former Vice President of the Republic María Alejandra Vicuña (sentenced for the crime of concussion):

Former Ecuadorian Vice President María Alejandra Vicuña was found guilty of concussion in the Diezmos Case. For the crime, she will have to serve one year in prison.

The Criminal Court of the National Court decided that Vicuña will also have to pay a fine of US\$173,180 and the confiscation of a property. This was formed by judges Marco Rodríguez, Daniella Camacho and Wilmer Terán.

Vicuña, an assemblyman for the Alianza PAIS party, was accused of demanding money from two of her collaborators, Angel Sagbay and Carla Obando. They claim to have made deposits into the former vice president's account.

In the case, the Prosecutor's Office argued that Vicuña received bank transfers from three of her advisors for amounts of \$23,300, \$14,650 and \$5,345, respectively, and accused her of being the author of the crime of concussion. (República, 2020, n. p.)

The contracts with the company ODEBRECHT (where an encrypted system "MyWebDay" was used for the payment of bribes):

The construction company used My Web Day and Drousys software to cover up its bribes in 12 countries, including Ecuador. These software programs encrypted communications to avoid justice and kept details of payments by state, work, amount, and beneficiaries. This is how their executives and four supposed intermediaries in the country were identified. (El Telégrafo, 2017, n. p.)

The surcharges for the construction of the Pacific Refinery (PETROECUADOR):

For five strategic projects that started in the government of former president Rafael Correa, USD 4.9 billion were paid, when they should have cost half as much. These are the Esmeraldas and Pacific refineries; the Monteverde maritime terminal; the Pascuales-Cuenca pipeline and the Bajo Alto natural gas plant. The conclusion reached by the audit carried out with the support of the United Nations and announced on the night of January 3, 2019, by President Lenin Moreno, on a national channel. The technical evaluation of these projects was carried out by a Spanish company, one from the USA and one from the UK, contracted under a tender cost of USD 3.3 million. (El Comercio, 2019, n. p.)

The crime of Concussion by Former President Rafael Correa Delgado “Officially, as of April 2020, the Attorney General’s Office is keeping open against Rafael Correa 25 previous investigations for crimes such as embezzlement, procedural fraud, fraud, murder, influence peddling, robbery, organized crime, attempted murder, homicide” (El Universo, 2020), misuse of presidential planes (covered routes to tax havens):

The former president of the Republic, Rafael Correa, adds a new process against him, this time promoted by the General Comptroller of the State. This Thursday, September 12, 2019, the leader of the so-called Citizen’s Revolution confirmed that he was notified with a gloss of USD 9 million for the use of the presidential planes. (García, 2019)

A never-ending list of corruption “corruption, which is often reflected in acts of bribery, is a general term that encompasses the misuse of authority derived from considerations of personal benefit that does not necessarily translate into monetary gain” (Soto, 2003).

Also, corruption always seeks “the diversion of public funds to private purposes” (Soto, 2003). Then, the crimes of concussion by public servants or better known as bureaucrats “corrupt bureaucrat such as the one who uses his public office as a platform to obtain illegal income” (Soto, 2003). These bureaucrats were and are dedicated to using the State. These events and many more that have not been detailed above means a near future in Ecuadorian society, creating a society assiduous with the regulations in force, with minimal hope of regaining confidence in governments.

As far as the evaluation of Ecuadorian society is concerned, it shows a desire for change, tarnished by false leaders, who seek to fill their pockets by impoverishing those

of the sovereign, disrespecting their leaders, and forgetting the principles of transparency and Good Living.

Economic institutions are critical to the social configuration and Good Living. If the economic institutions are restructured, the system of capital management is changed, the transaction costs are modified, and the costs and benefits that each economic institution brings can be analyzed again. With the ABC (Analysis of Costs and Benefits), we will have a much more beneficial decision-making capacity in the economic and personal, legal, social or cultural fields.

With this cost-benefit analysis, we will know which is the best alternative we can choose within the range of possibilities routinely presented to us; if within an economic action the benefit is going to be greater than the cost is the right action, but if the cost is greater than the benefit we will have to discard that possibility in our choices. If the state makes a correct analysis of the cost and benefit of the norms or economic institutions, the monetary waste will be reduced and reinvested as part of a social reconfiguration. One recommendation to revive social development hand in hand with Good Living is “the patient reworking of the institutions that govern the behaviour and relationships between individuals in their daily activities, within companies and the state apparatus. (La Economía de Mercado: virtudes e inconveniences, 2020)

CONCLUSIONS

The importance that the legal systems recognize the duties of citizens and those who work as public servants is evident from the moment they attribute the category of duties. Duties that, from the perspective of the Democracy of the Republic of Ecuador, correspond to the “demos” (people): the people have to respect the processes that strengthen the democracy of the country.

In Ecuador, having a democratic government, there are advantages in hiring professional services for the welfare and satisfaction of the needs of citizens, such as the availability of professionals who attend to the different areas that fall under the jurisdiction of the State, public welfare, efficiency and effectiveness in the various State agencies. Unfortunately, these advantages are overshadowed by corruption in the alteration of contracts, in influence peddling, corruption in the self-assignment of a percentage of a subordinate’s salary for placement in a professional service position (competing in the crime of concussion, violating the principles of integrity, transparency, efficiency and effectiveness.

If we want to reach a deep social reconstruction, we must be clear that corruption is “cancer” that afflicts us as a society and must be mitigated at its root; the elimination of corruption:

Corruption can be interpreted as a failure in the institutional structure of society, particularly in its capacity for governance. If the institutional structure were effective, acts of corruption would be detected and punished as a general rule, while the norms would be adapted expeditiously to inhibit acts of corruption. (Soto, 2003)

It is vital to strengthen democracy, to eliminate corruption; if a country does not have transparency in its transactions, actions, decisions, the future is not enlightening. To reconcile us as a society, “You can say that transparency is more “sustainable” than corruption. Good employment practices are more “sustainable” than exploitative jobs. Philanthropy can contribute to the ‘sustainability’ of a society”. (Porter and Kramer, 2006). With democracy, we must start from necessary actions such as: respecting traffic signs, respecting the order of the lines, paying taxes to the Internal Revenue Service (without making up the income), not having contractual relations with alterations, analyzing the costs of the law, making transaction costs viable, and strengthening citizens’ trust in the current legal system.

Honesty and transparency should be subjective characteristics of individuals so that when these subjects of law create companies and give life to legal persons, these characteristics are transferred.

If citizens understand that democracy is born from home, respecting the rules imposed by the heads of household, without evading or deceiving those who impose them. Then, citizens will understand the political system that we have embraced as a country, the Democratic System, which tirelessly seeks to defend the sovereignty of its leaders. The deterioration that frequently afflicts democracy is corruption, hence the importance of eradicating it to strengthen the exercise of democracy in Ecuador. To eradicate democracy in the country may sound utopian; only if we, the citizens, decide with conviction to change the way we make decisions in our lives and the country will we achieve a total social reconstruction, eliminate transaction costs and save millions of dollars that are currently destined to the fight against corruption.

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