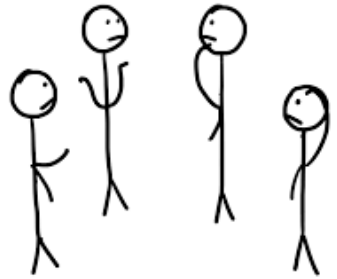

What is corruption - why should we care -and what can we do against it? Conceptualizing and governing corruption

Dr. Ina Kubbe, Tel Aviv University

“I AM CORRUPTION”

On the basis of this, of me being the actual embodiment of corruption, I want you all to get up from your seats and arrange yourselves accordingly to your personal understanding and attitude towards corruption.

Please proceed to whatever part of the room you wish.



Why should we care?



Why should we care?

- Detrimental to economic, social and political development (Mauro 1997; Uslander 2013; Mungiu-Pippidi and Hartmann 2019)
- Large negative effects on overall human well-being
 - undercuts various dimensions of human well-being (e.g. health, education, access to clean water)
 - negatively affects well-being and happiness (Treisman 2007; Holmberg and Rothstein 2012)
- Threat to Democracy (e.g. Johnston 2005)
- Negative consequences are found in both developing and developed countries
- “*Benefits the few at the expense of the many*” (Johnston 2005, p. 1); involves use of wealth and power, as form of influence, requires scarce resources (money, access, expertise)

Not always a problem...



- Until end of Cold War, no interest from international community to tackle corruption
- Scholars and practitioners were relatively oblivious to issues corruption, bad governance
- 1960/1970s, international community ignored problem in newly independent African countries
 - -> Western countries did not engage in open criticism of new African nations (did not want to be accused of political interference; labeled as racists)
- Some economists: with functional impact on economic development; *"grease the wheels"*
 - Beneficial to society; economic development

Corruption as “enabler” of ...

- Revisionists: positive impact on processes of modernization and development (Leff 1964)
- “Necessary cost of business” -> could help to circumvent inefficient regulations at low cost, reduce uncertainty over enforcement, speed up bureaucracy, mediate interest of different political parties
- Some forms of corruption could contribute to political development by helping to strengthen political parties (Huntington 1968)
- Inevitable *by-product of the modernization process*;
 - advocating modernization and anti-corruption measures at the same is self-contradictory (Huntington 1987)



International Anti-Corruption Consensus

- 1977, influenced by Watergate scandal
 - USA enacted Foreign Corrupt Practices Act;
 - First law prohibiting transnational bribery
- 1993, Transparency International was founded
- 1990s, World Bank changed its policy; started to address corruption
- Its 'good governance' agenda, followed by International Monetary Fund



UNITED
AGAINST
CORRUPTION



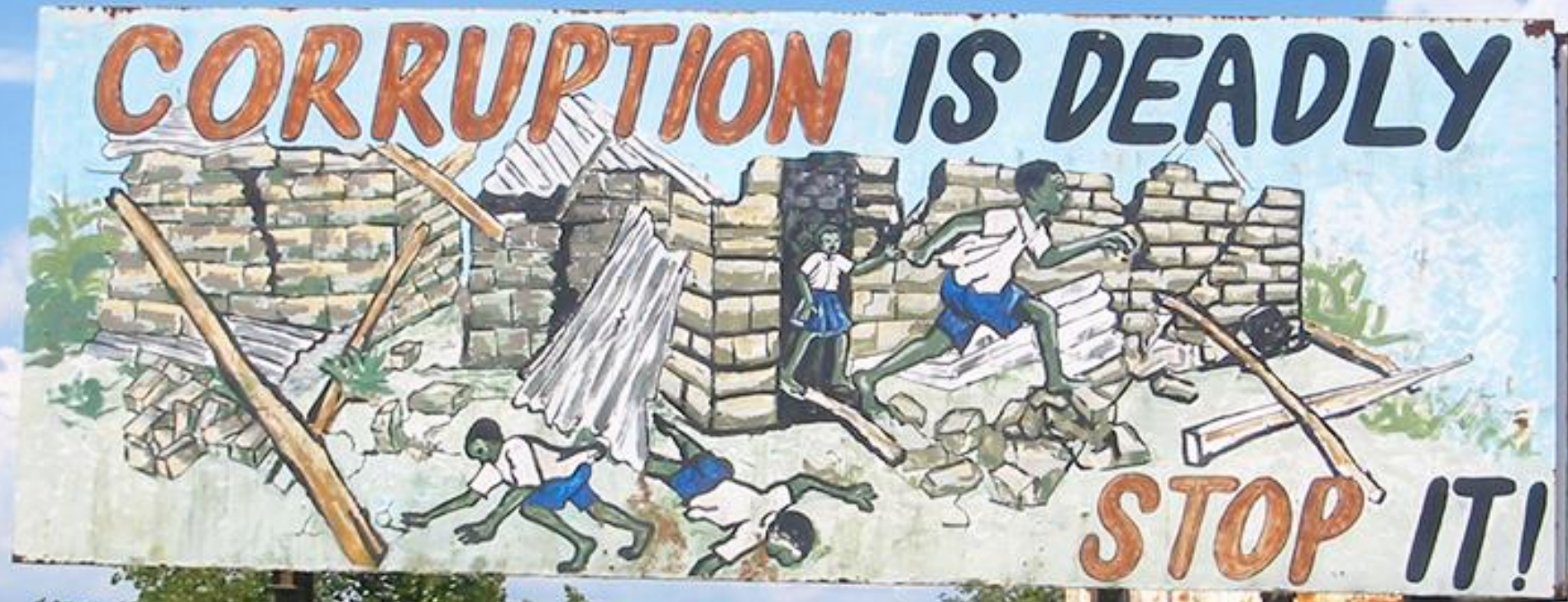
TRANSPARENCY
INTERNATIONAL
the global coalition against corruption



Changing World...



- General trend toward liberalization economic activity
- Withdrawal of state into more limited and technical kinds of functions
- *Transnational dimension of corruption* (e.g. Bukovansky 2006)
- Need for multilateral cooperation in fighting
 - -> explicitly acknowledge in preamble of United Nations Convention Against Corruption assertion that “corruption is no longer a local matter but a transnational phenomenon that affects all societies and economies, making international cooperation to prevent and control it essential” (UN 2003, p. 1)



The evil phenomenon



“Corruption is an insidious plague that has a wide range of corrosive effects on societies. It undermines democracy and the rule of law, leads to violations of human rights, distorts markets, erodes the quality of life and allows organized crime, terrorism and other threats to human security to flourish. This evil phenomenon is found in all countries - big and small, rich and poor - but it is in the developing world that its effects are most destructive. Corruption hurts the poor disproportionately by diverting funds intended for development, undermining a Government’s ability to provide basic services, feeding inequality and injustice and discouraging foreign aid and investment. Corruption is a key element in economic underperformance and a major obstacle to poverty alleviation and development.”

Kofi A. Annan

What is corruption??

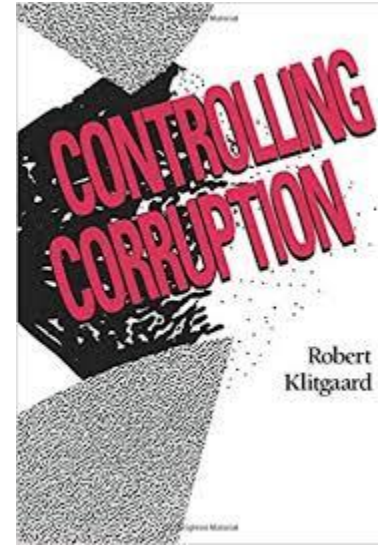
Terms, Concepts, Definitions

- Corruption is endemic in all governments
- Yet, there are differences
 - depends on nature and structure of political system and context in which it occurs
 - varies inversely to degree that power is consensual (Heidenheimer et al. 1989)



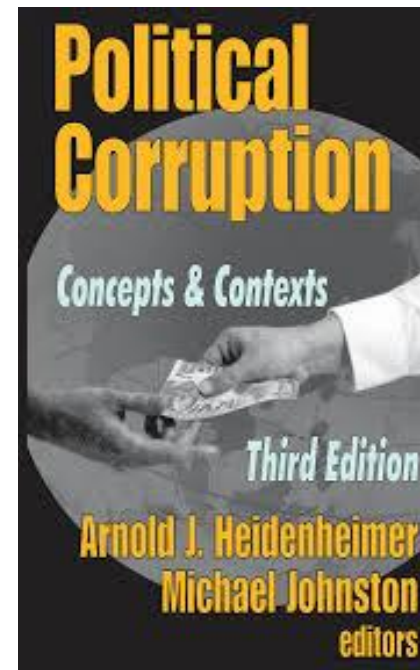
Corruption as a contested concept?

- “*(Deliberate) abuse of entrusted power for private gain*” (Sandholtz and Koetzle 2000; Transparency International 2019)
- “*The abuse of public roles or resources for private benefit*” (Johnston 2005, p. 12)
 - “Abuse”, “public”, “private”, “benefit” as matters of contention; varying degrees of ambiguity
 - certain terms often depends on societal culture; varying interpretations (e.g. Gardiner 2009; Rothstein and Torsello 2013)
- “*Corruption equals Monopoly plus Discretion, minus Accountability*” (Klitgaard 1988, p. 75)



Heidenheimer's distinction (1970)

- standard in corruption, political science literature, offers three broad types of definitions that can be used to demarcate corruption:
 - **Market-centered, public-interest-centered, public-office-centered definitions**
 - not completely clear-cut, but provide orientation in field of corruption; allow researchers to identify its patterns from comparative point of view (e.g. Johnston 2001)



1. Market-Centered Definitions



- or functionalistic definitions; economic perspective
- focus on markets; view corruption as non-legal instrument used by individuals or collective actors to influence politics and administration
- Following rational-choice logic, corruptive civil servants understand their positions to obtain maximum profits (e.g. Klitgaard 1988)
 - *“Corruption is an extralegal institution used by individuals or groups to gain influence over the actions of the bureaucracy. As such the existence of corruption per se indicates only that these groups participate in the decision-making process to a greater extent than would otherwise be the case.”* (Leff 1964, p. 8)

1. Market-Centered Definitions



Typical market-centered definition by Van Klaveren (1957):

“A corrupt civil servant regards his public office as a business, the income of which he will [...] seek to maximize. The office then becomes a ‘maximizing unit’. The size of his income depends [...] upon the market situation and his talents for finding the point of maximal gain on the public's demand curve”.

Critique of Market-Centered Definitions

- Rather describe logic and mechanism of corruptive interactions than term in its proper sense
- Basic assumption: individuals are always self-interested and behave rationally to maximize their utility has to be questioned (Johnston 2001)
- *“overlooks not only the intangible benefits (prestige, promises of political support) that can flow from the abuse of authority, but also varieties that are not quid pro quo exchanges, such as embezzlement.”*
(Johnston 2001, p. 19)



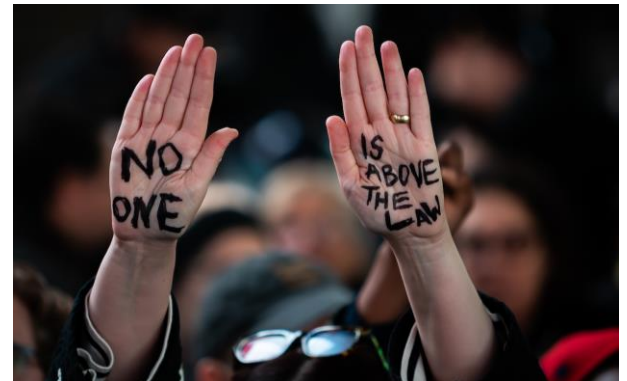
2. Public-Interested-Centered Definitions

- address both the nature of corruption and its consequences; allow, thus, for broader interpretations (Johnston 2001)
- emphasize *moral aspect of corruption*
 - take into account the harm done to public by corruption
 - > corruption seen as *erosion of public interest*
- consider any activities of political or administrative officials as improper when they conflict with public interest



2. Public-Interested-Centered Definitions

“The pattern of corruption can be said to exist whenever a power holder who is charged with doing certain things, i.e., who is a responsible functionary or officeholder, is by monetary or other rewards not legally provided for, induced to take actions which favor whoever provides the rewards and thereby does damage to the public and its interests.” (Friedrich, 1966, p. 74)



Critique of Public-Interested-Centered Definitions

- Lack of clear definition of *public interest* (varies from society to society)
- What is the public interest? How can we operationalize it?
- Definition itself and consequences of corruption (e.g. harm to public) as different issues
 - should be analyzed separately
(e.g. Johnston 2001; Gardiner 2009)



3. Public-Office-Centered Definitions

- Based on bureaucratic ideal types of modern administration (Weber and Parsons 1964), implies to its concept of public office
- Describe corruption in terms of *deviations from the norms*
 - to which professional office holders are usually bound (e.g. Bayley 1966; Nye 1967; Myrdal 1968)
- Standards defining abuse are laws or regulations
- Laws in most countries are more precise and stable than public opinion or conceptions of public interest (Johnston 2005)



3. Public-Office-Centered Definitions



- Concentrates on formal-legal norms, provides best-known example of public-office definitions; describes corruption as

“behavior which deviates from the formal duties of a public role (elective or appointive) because of private-regarding (personal, close family, private clique) wealth or status gains: or violates rules against the exercise of certain types of private-regarding influence.” (Nye 1967, p. 419)

Critique of Public-Office-Centered Definitions



- Corruption is influenced by norms, values that are, in turn, affected by historical developments, cultural changes (Philp 2006; Johnston 2005)
 - Thus, determining where to draw line between legitimate and illegitimate behavior as one of greatest difficulties in effort to formulate definition of corruption
 - Activities that constitute illegal corruption differ depending on country, jurisdiction (e.g. certain political funding practices that are legal in one country may be illegal in another one)
 - in some cases, government officials with broad or poorly defined powers; make it difficult to distinguish between legal and illegal actions
- disregards certain differentiation between active vs. passive corruption, various forms of corruption (e.g. bribery, fraud, extortion or favoritism)

3. Public-Office-Centered Definitions

- Standard in comparative political science studies used by international organizations (WB, TI), basically considering corruption as “*the abuse of entrusted power for private gain*” (e.g. Rose-Ackerman 1999; Treisman 2000; Sandholtz and Koetzle 2000)
- Yet, in this context, private corruption not necessarily excluded, because public sector is often in exchange with private industry, e.g. by awards of contracts (Amundsen 1999)
- Broader definition is appropriate for comparative purposes
- Still, does not meet complexity of corruption



Measurement and Assessment of Corruption

How to measure corruption?



1. Attempts to find “objective” measurements (e.g. conviction rate (Hill 2003; Fiorino et al. 2012))
2. Perceptual and attitudinal surveys such as [Transparency International's Corruption Perceptions Index](#) (CPI), [International Country Risk Guide](#) (ICRG) (experts)
3. [“I paid a bribe”](#); [World Values Survey](#) (citizens)
4. Context analyses (e.g. newspapers, NGO reports over particular time span; press reports (Rehren 1996))
5. Experimental approaches (field, survey, laboratory experiments)
6. Proxy approaches
 - e.g. Golden and Picci (2005): difference between measure of physical quantities of public infrastructure and cumulative price government pays for public capital stocks
 - [Varieties of Democracy](#) (V-Dem): index of executive bribery and embezzlement, public sector bribery, embezzlement, legislative and judicial corruption
 - Public sector diagnostics (measuring strength of government institutions), private sector surveys, multi-country tools -> mix of perception data and information about existing anti-corruption laws

Impossible to measure?



- Takes place “behind closed doors”
- Major shortcomings:
 - variation of corruption “between or within societies”; rather focused on explaining “variations in whole countries’ scores on one-dimensional corruption indices” (Johnston 2005, S. 19)
- Existing measures do not take into consideration different forms, gendered differences, levels of poverty (Hossain et al. 2010)
- Very limited information on exact role corruption plays

Forms and types of corruption



- Grand (“tigers”) and petty (“flies”) corruption
- State capture
- Bribery, Embezzlement, Fraud
- Favoritism (e.g. patronage (partisan loyalty, politics), clientelism (politics), nepotism (family), cronyism (family, friends, enterprise, politics))
- Sextortion



Classifications

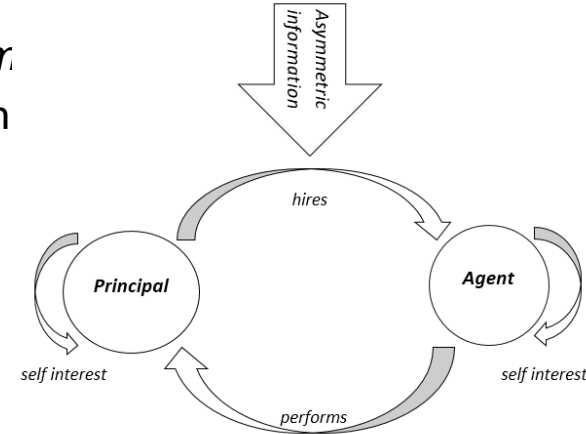
TYPES OF CORRUPTION	Definition	Group of Terms
Bribery	Payment (in money or kind) that is given or taken in corrupt relationship	Kickbacks, gratuities, “commercial” arrangements, baksheesh, sweeteners, pay-offs, speed or grease money
Embezzlement	Theft of resources by people who are put to administer it	Straddling, official theft
Fraud	Economic crime that involves some kind of trickery, swindle or deceit	Involvement in illegal trade networks, counterfeit, racketing, forgery, smuggling
Extortion	Money and other resources extracted by the use of coercion, violence or the threats to use force	Blackmail, protection or security money, informal taxation, sextortion
Favouritism	Mechanism of power abuse implying “privatization” and a highly biased distribution of state resources	Cronyism, nepotism, clientelism, bias, patronage

Corruption and Norms: How Informal Rules Matter

Dr. Ina Kubbe, Tel Aviv University

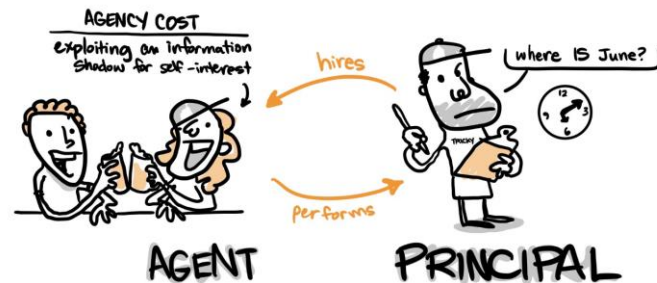
Corruption as a Principal-Agent Problem

- Emerged in 1970s from fields of economics, institutional theory
- Extended to study of corruption (Rose-Ackerman 1978; Klitgaard 1988)
- Shaped most corruption research; international anti-corruption policy (Marquette and Peiffer 2015)
- Corruption in public sector viewed as *agency loss problem* in which agents betray their principals reaping private gain at expense of public interest
- Multiple layers of principal-agent relationships in every political system
 - run from voters to politicians to bureaucrats



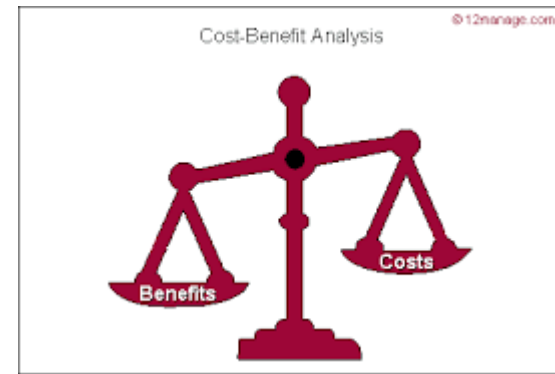
Corruption as Principal-Agent Problem

- Depending on research perspective, who is given role of principal or agent may differ
 - *Political corruption*: voters = principals; elected politicians = agents (Adserà et al. 2003; Besley 2007)
 - *Bureaucratic corruption*: elected politicians = principals; bureaucrats = agents (Van Rijckeghem and Weder 2001; Blackburn et al. 2010)
- Due to information asymmetry, principal is unable to fully monitor agent's actions, allowing agent more discretion to pursue his or her own self-interest
- -> Corruption as form of moral hazard when principal's interests and agent's are not aligned, and agent pursues his or her own self-interest at expense of principal's interest



Rational-Choice Assumption

- Agent will only decide to engage in corruption if expected net benefits outweigh net costs, or the principle of “deterrence” (Becker 1968)
- Rational agent will compare benefits resulting from corruption; e.g. amount of bribe, with the costs -> primarily depend on probability of getting caught and penalized
- Cost-benefit calculation should also consider “*moral cost*” of corruption
 - depends on agent’s own ethical, cultural, religious standards (Klitgaard 1988)



Criticism of the Principal-Agent Theory

- Still, policy interventions based on principal-agent model remain relegated to realm of individual cost benefit manipulation:
 - attempts to raise cost of corruption for agents mainly by expanding monitoring mechanisms by principals, increasing penalties, raising public sector wages
- Problem treated as individual one, while in contexts of systemic corruption *systemic approach* is needed
- Suggests that problem of corruption lies primarily with agent; while agent is constantly tempted to engage in corruption; assumed that principal is not corrupt and willing to enforce integrity rules
 - But what if principal too is corrupt and does not hold agents accountable for corrupt activities because government itself is actually not accountable?





Collective Action Approach

It is simply the way “things work”

- In developing contexts, corruption should rather be viewed as *collective action problem* (Mungiu-Pippidi 2011; Rothstein 2011; Persson et al. 2013)
 - using Ostrom’s (1990) collective action theory as alternative analytical tool
- Corruption as *social dilemma*:
 - where corruption is systemic, becomes *social norm* to which individuals conform rather than diverge—individual behavior is constrained by what is perceived as common practice or institution (World Bank 2014)

The Benefits of Acting Corruptly

The only way to get a service is simply to pay a bribe

It is becoming a culture that people have this idea in their head that if you are going to that office, you have to pay some money to get a service. Everyone has that, even me . . . Maybe I am promoting it, but if you don't do it you will lose. It will be at your own cost.

Bribes are bad but sometimes it is necessary to bribe, especially when you have attempted to get what you wanted and you could not get it. And if someone tells you if you do ABCD you will actually get it. And when you do it and you get it tomorrow it will be the order of the day, the fashion.

. . . bribery still pays off and if it continues to pay off. Like you wouldn't get that service without paying. If that continues then how can you fight corruption?

. . . everybody knows that it is a wrong thing. But there is also the general consensus that it is a system . . . So it's not that people are not willing to participate in eradicating this, but the prevailing environment, the institution, the process that they go through in fighting this thing is in itself more costly than the bribe they give to the policemen.

The Costs of Acting Fairly

There is complacency. Everybody does it, so whether it is bad or good everybody does it anyway. Am I the one who is going to change the world? Those are the kind of things you see in the behavior of people.

A: People see it [and think it is morally wrong] but have nothing to do. They see it as the order of the day. It has become normal. They don't care because they want to access something and if you want to ease the way of getting it you have to involve corruption and you solve your problems. So it is very hard to eliminate it.

B: . . . I feel guilty at the end of the day but it's the society.

A: Exactly. Because ethically we are not supposed to, but the circumstances. . . .

B: Anyway that is life. . . . Anyway, you look at the surroundings, it is the circumstances. . . . It is that feeling that if I don't take it, it is going to be taken by somebody else.

If you have an office but have not stolen—if you have not helped your family—they are actually going to curse you. . . . So there is a pressure from everybody that you should take as much as possible. In fact, we who don't take are abused and told we are useless.

In fact, [people] laugh at you sometimes when they find you are at a certain level and yet you do not have as much money as they would expect you to have.

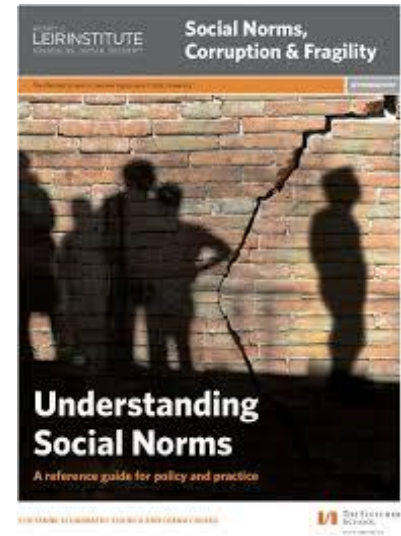
“It’s the rule and not the exception”

- Most anti-corruption interventions take place in contexts of systemic corruption
 - it’s rather rule than exception that political decision makers engage in corruption
- Anti-corruption measures based on principal-agent model are likely to remain ineffective or even with detrimental effects (e.g. if they provide corrupt principals with instruments to use against political opponents)



Whose Norms Set the Criteria?

- Public acceptance of what is commonly understood as corruption varies significantly across societies and contexts
(Heidenheimer and Johnston 2002; Kubbe and Engelbert, 2018)
 - What is considered as bribe in low-level corruption country might be considered gift in high-level corruption country
 - Yet, some activities are present in rich and poor countries, in democratic and non-democratic systems alike such as corruption in police (O'Hara and Sainato 2015) or in sport (Hough and Heaston 2018)
- Which norms are the ones that will be used to distinguish corrupt from non-corrupt acts?
- Different forms of corruption: e.g. bribery with relatively fixed boundaries



Lack of context-specific approaches

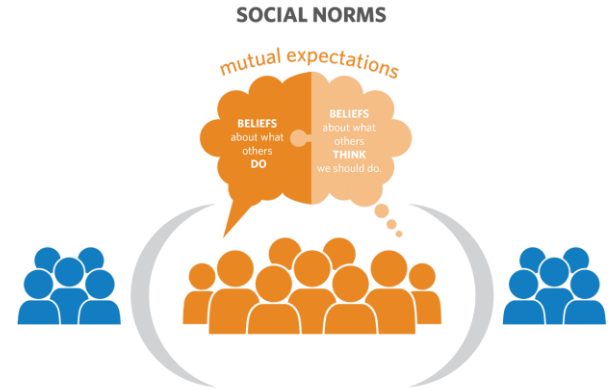


- Prevalent ethnocentrism in scholarship
- Previous theories largely been developed by Western scholars
 - mainly refer to structures, circumstances that are typical in Western societies
 - Leaving out intricacies that matter in non-western settings (Al-Rahami 2008)
 - Neglect character, nature, dynamics, ways in which informal practices, corruption are formed in different region
- -> different countries suffer from different types of corruption
 - Like seeds growing in different soils, corruption (seed), too, takes different shapes in different environments (soils)
- Importance of domestic circumstances matter
- Imperative to design effective anti-corruption policies



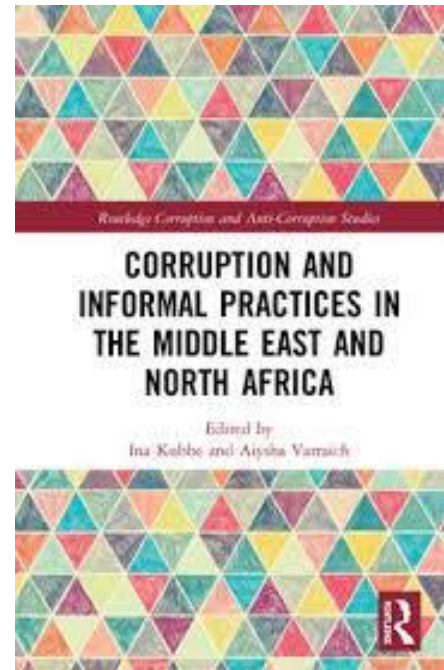
Take into account...

- Corruption often hand in hand with
 - ***Social norms***
 - can provide incentives for individuals to be corrupt and facilitating corruption (Johnston 2012; Kubbe and Engelbert 2018)
 - Property of a reference group (what is typical / appropriate?)
 - such as kinship, social status, hierarchies, affection, reciprocity, reputation
 - ***Informal practice***
 - such as wasta, baksheesh, hamula – as integral parts of daily life in Middle East



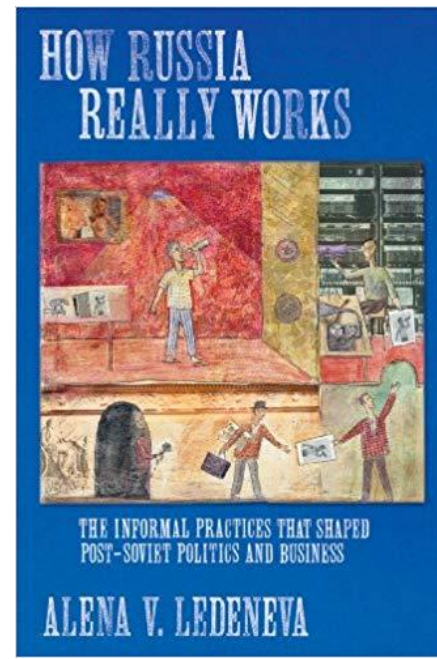
Corruption and Informal Practices

- Overlap between two concepts
- Often treated as one and the same
- Difficulty in separating the two concepts from one another
- Ambiguity is found across literature
 - often painting uniform picture of regions
 - But, immense regional variation
 - Impression that MENA region is monolith suffering from conflict, corruption, plethora of informal practices
- Context of post-communist states; Russia, China, Mexico, Tanzania (e.g. Robinson 2007; Baez-Camargo and Ledeneva 2017)
- Remains limited, underexplored in scholarship on Middle East region



Informal Practices

- Practices that coexist and work in parallel to formal institutions
 - underpinned by social norms (see also Kubbe and Engelbert 2018)
 - *“people’s regular strategies to manipulate or exploit formal rules by enforcing informal norms and personal obligations in formal contexts”* (Ledeneva 2008, p. 119)
 - Still not clear where informal practice start and stop
 - And: where corrupt begins (Baez-Camargo and Ledeneva 2017)
- Can become vehicles of corruption
- Difficult to capture empirically, isolate from formal practices, corrupt acts



Wasta as an informal practice

- Arabic root from “middle” or “medium”)
- Typical traditional practice in Arab or Muslim context (Ramady 2016)
- Rooted in region’s tribal history
- Regular feature of daily lives of many citizens in Middle East
- Considered as necessary part of life; pressure
- Essential supplement needed in order to get things done
- “Vitamin W” or “vitamin Wow”
- Exchange between two people of unequal power
(that power can stem from political power, religion, economic position etc.)



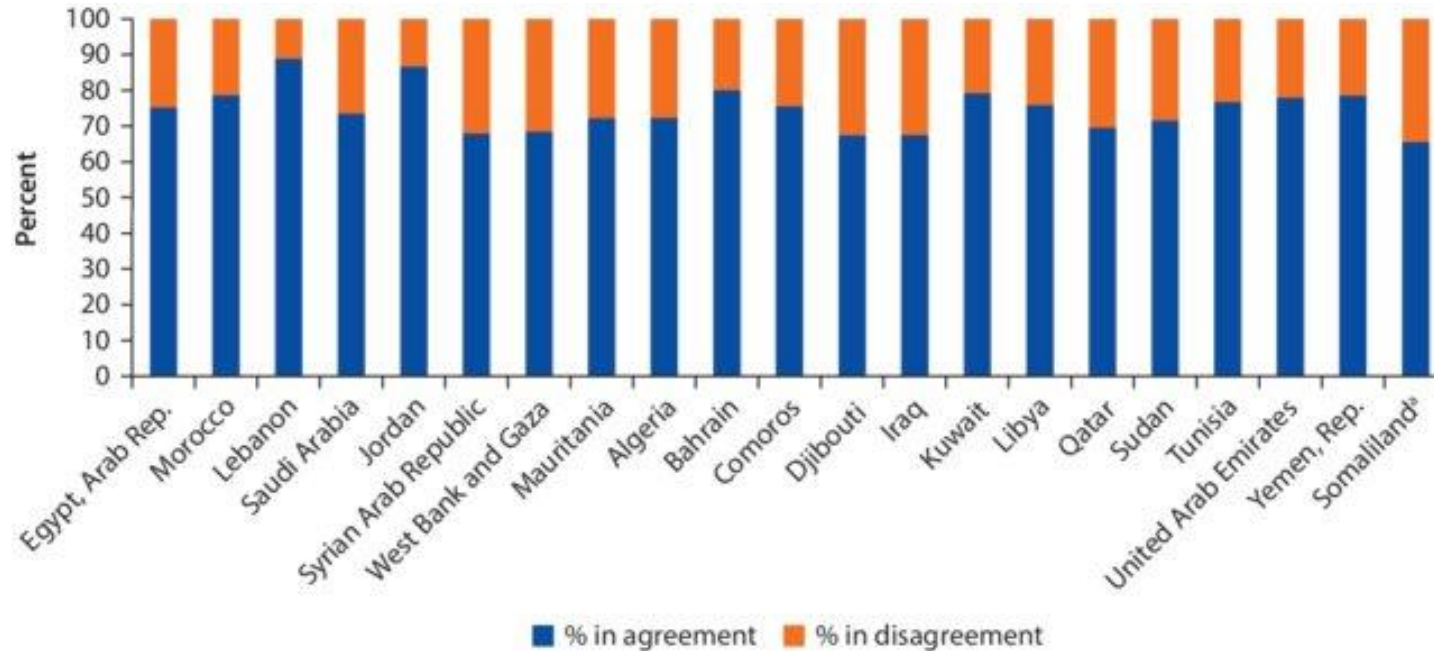
Wasta as form of nepotism

- form of nepotism associated with family and tribe members
- in its simplest form, it means using common connection to receive undue benefits
- referring to one's personal network often used to solve different situations
 - ranging from matters of reducing red tape in bureaucratic processes to gaining visa to emigrate (Osella 2014)
 - to circumvent bureaucracy or bypass the system as a whole (Ramady 2016); like blat (Russia) and guanxi (China)
 - used to cut through lines in government agencies, speed up administrative process
 - to obtain government documents or official approvals, gain access to basic social services, secure a spot in university, or find job
 - most common use is for entry into job market, namely in public administration



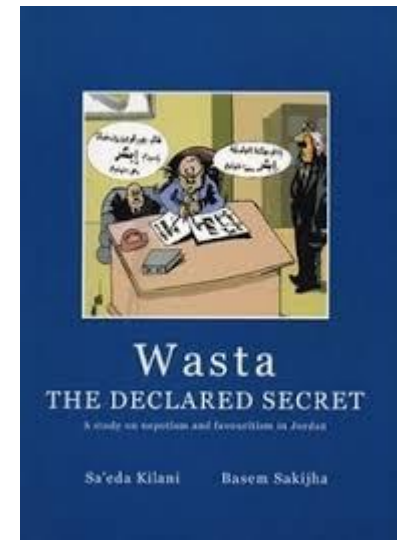
Youth perceptions of the role of Wasta in Getting Jobs

Question: "In general, do you mostly agree or disagree with the following statement?
Knowing people in high positions is critical to getting a job (wasta)."



Wasta as an informal practice

- Originally used as means of conflict resolution
- Although positive origins of wasta has become endemic problem
- many youths cite it as main reason they consider immigration
- term and use have evolved from mediation practiced by tribe leaders to resolve conflicts within and among tribes
 - Mediation, wassata, which continues to be practiced by elders in tribes, clans, at time of transition from loose system of tribes to more institutionalized systems of nation states
 - To secure allegiance of tribes, state-founders would give their leaders stakes in government and administration to distribute to tribe members
 - Tribal leaders became mediators between state and their members, which later became their constituents as they transformed to modern politicians
- Effects can be both positive or negative



Positive Effects of Wasta

- Can be prone to both positive and negative externalities;
- Many shades in between (Ramady 2016)
- Bright side of wasta
 - High level of trust and solidarity between involved actors and/ or network members
 - High level of sociability
 - Reduction of transaction costs
 - Reduction of risk of free-riding of network members
 - Form of government responsiveness and system stabilisation (Benstead et al., 2020)
 - Provide societal stability through link between individual and nation, as its origins lie within family structure



Negative Effects of Wasta

- Play profound role, especially in structuring access to opportunities
- 60% surveyed noted widespread of wasta in obtaining jobs
 - Lebanon (79%) and Jordan (70%)
- For ordinary citizens, who lack connections of elites to top officials, power holders and have limited material resources, wasta in their social and economic systems is exhausting and frustrating
- Still, does not stop them from using wasta when, where they can
- Does not guarantee equal opportunities – if basic services, jobs, administrative paperwork, other key aspects are shaped by wasta -> sense that practice can leave some people “out in the cold” (Khlaile and Navot 2020; Jackson et al. 2020)
 - fulfilling wasta requests can lead to outright corruption
 - Wasta-based interference in administrative practices in Jordan as conduit for widespread nepotism, fraud in procurement processes, selling of public land, miscarriages of justice (Al-Saleh 2016)
- Restricted possibilities for social advancement and overall improved well-being (Lust 2016)
- Appointment of workers based on family relations; not necessarily on merit -> often leads to many senior officials lacking necessary skills, experience and abilities to perform their jobs (Khaile and Navot 2020)

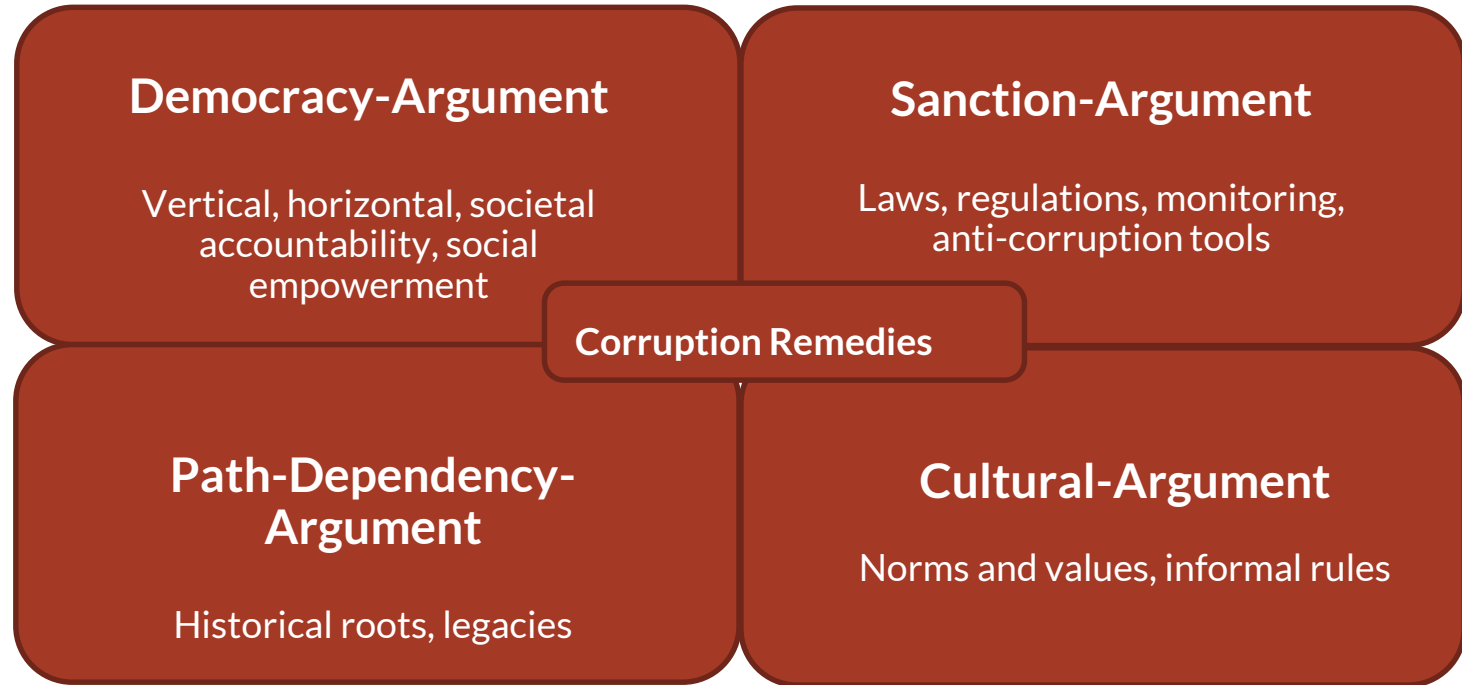


**Why is there still so much
variation in the level of
corruption between
democracies?**

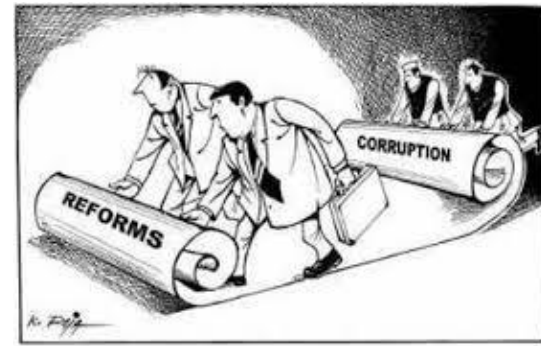
**The link between corruption and
democracy**

Dr. Ina Kubbe, Tel Aviv University

Theoretical and empirical explanations of corruption



Corruption and Democracy



- Well-established democracies with lower corruption levels (moderate-to-low levels) than authoritarian regimes or young democracies (Montinola and Jackman 2002; Warren 2004; Kolstad and Wiig 2016; Alon et al. 2016)
 - Strong civil societies, independent judiciaries, opposition groups, voters' ability to throw out government, vitality of political competition; tend to have mature market economies in which liberalization is largely a fait accompli; where open and competitive politics and markets have been in place for a long time economic and political institutions are likely to be strong (Johnston 2005)
- However, does not guarantee lack of corruption (Uslaner and Rothstein 2016; Kubbe 2017; [Kramer 2018](#))
- Various types of democracy: from liberal to direct democracies or democratic socialist states
- Hence, the different democratic systems could experience different forms and levels of corruption
 - Corruption exists even in most stable, successful democracies ([Transparency International 2019](#))
 - may experience corruption when they lack transparency in political and campaign financing, have outdated laws on freedom of information; provide insufficient protection of whistleblowers

The Democracy-Argument



- Quality of democracy, democratic components (!) (e.g. quality of (fair and free) elections, freedom of expression and association, judicial constraints)
- Conditions and processes (HOW): “democratic responsiveness works” (McMann et al. 2017, p. 21)
- Level of economic development (Charron and Lapuente 2009; Fisman and Golden 2017)
 - Two main channels:
 - 1. formal
 - 2. informal institutions (social norms)

Formal mechanisms of democracies



- Character and design of political system and its institutions with one of strongest effects on country's level of corruption ("institutionalism")
- Separation of powers – including checks and balances, electoral competition, free and fair elections, judicial control – limit and decrease the opportunities to engage in dishonest actions (Dahlström et al. 2012; Holmberg and Rothstein 2015)
- Political elite is horizontally and vertically divided
- Complex relationship between corruption, institutions, political systems, culture, gender (Debski et al. 2018; Stensöta et al. 2015)

Accountability

- Obligation of individual or organization to account for its activities, accept responsibility for them
- Relationship between those entrusted with power and those affected by their actions
- Power-holders are accountable for their conduct and performance
- should be bound to “obey the law and not abuse their powers” and “serve the public interest in an efficient, effective and fair manner” (Malena et al. 2004, p. 2)

Accountability



- **Horizontal accountability:** formal mechanisms; checks and balances within government
- **Vertical accountability:** accountability of government (e.g. elections)
- **Social accountability:** media, free press and civil society

-> democracies (and hybrid systems) give citizens role in choosing their political leaders; elected officials who have been proven to be corrupt can be “punished” by being voted out of office in next election (Abed et al. 2001; Bågenholm and Charron 2015)

Still, “democratic” elections can and have been rigged or adversely affected by oppressive regimes

**Voter's Ignorance" (re-election of corrupt
leaders)**

Voters' ignorance or forgiveness, inconsistency, trade-offs,....



- Different explanations for voters' ignorance or forgiveness (e.g. Vivyan et al. 2012; Zechmeister and Zizumbo-Colunga 2013; Anduiza et al. 2013; Munoz et al. 2016):
 - Range from citizens' political awareness, lack of information about wrongdoings, partisanship, weak institutions, general apathy, voters' inability to effectively monitor, question politicians' actions
- Citizens usually do not fully exploit their rights, do not use elections to express general discontent and "punish" corrupt politicians at the poll (Johnston 2013) -> "seek to actively vote out or remove from office"
 - Citizens mostly express clear rejection of corruption and negatively evaluate politicians involved in corruption
 - BUT: citizens tend to prioritize competent representatives that "get the job done" and "deliver the goods" over honest representatives (Pattie and Johnston 2012; Allen et al. 2018)
- -> Electoral ability to vote out corrupt politicians is limited and contingent on many factors

Information Hypothesis



- one of main explanations; voters support corrupt politicians when they *lack information* about a candidate's involvement in corruption upon which they could have acted at polling booth
 - Klašnja's research (2017): over past several decades, more than 60% of US Congress members who have been involved in corruption scandal have been re-elected
 - voters with greater political awareness are less likely to support corrupt politicians (relative to politicians who have not been accused of corruption) compared to voters with lower attentiveness to politics
 - By contrast, individuals with lowest level of political awareness are no less likely to vote for corrupt incumbents than for clean incumbents
 - -> Link between increased knowledge of incumbents' involvement in corruption and political awareness, with increased likelihood not to re-elect corrupt politicians / regimes
 - Still, partisanship mitigates difference between low- and high-awareness voters, as highly aware tend to be more partisan; strong co-partisans are more willing to forgive corrupt incumbents
 - in line with parties-candidates hypothesis suggesting that voters usually differentiate between parties, candidates

Voters' ignorance or forgiveness

- **Inconsistency-hypothesis:** citizens are not always consistent in voting patterns (i.e. they can split their votes among different parties at different levels of election, e.g. local, regional, national, etc.)
- **Parties-candidates hypothesis:** voters do not only consider candidates' individual skills and performances but that party for which they are running might be more important for their voting decision (party loyalty) (Cobb and Taylor 2015; Anduiza et al. 2013)



Voters' ignorance or forgiveness



- **Trade-off hypothesis:**

- Voters expect that direct and indirect benefits from politician's actions in government will be greater than the costs associated with corruption and other illegal activities;
- Citizens would vote for corrupt but competent politician, rather than for honest but incompetent politician;
- Perceive “trade-off” between anti-corruption reforms and other desirable goals such as increasing local welfare, attracting local investments, security) (Fernández-Vázquez et al. 2016; Zechmeister and Zizumbo-Colunga 2013)

- **Loyalty hypothesis:**

- Right-wing voters are more loyal and faithful than left-wing voters (Jiménez and García 2018)

[illegible]

- Source Pic: https://www.thegpsa.org/Data/gpsa/files/styles/article_main-400_264/public/field/article-image/cloud.png?itok=EObf-Zqf

Societal engagement in Europe



1. Bulgarian anti-corruption protesters, Jan 2018
2. Protesters outside Ukraine's parliament, Oct 2017
3. Anti-corruption rally in Romania, Aug 2018

The Sanction-Argument



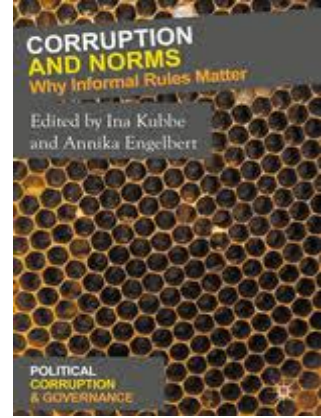
- Stringent laws and anti-corruption tools are decisive, necessary for:
 - monitoring and sanctioning corruption
 - punishing perpetrators
 - creating anti-corruption norms
 - drawing attention to the problem
- Plethora of efficient international anti-corruption programs and agreements (e.g. OECD Anti-Bribery Convention; UN Convention against Corruption)
- Several efficient anti-corruption institutions and conventions in Europe:
 - GRECO (the Group of States against Corruption)
 - Criminal Law Convention on Corruption
 - Civil Law Convention on Corruption
 - OLAF (European Anti-Fraud Office)
 - Copenhagen Criteria



The Path-Dependency (historical)-Argument



- Corrupt practices develop over long periods of time; part of country's culture (Uslaner 2017; Kroeze 2018)
 - Strong relationship between **levels of mass education** in late 19th century and present-day corruption levels (Uslaner and Rothstein 2016)
 - **Duration of democracy** as decisive element that reduces corruption in long-term: older democracies are less corrupt (Treisman 2000)
 - **Legacy of country's communist past:** corruption as widely institutionalized over decades, as cultural heritage; often become internalized (individual, institutions) (Rose et al. 1998; Møller and Skaaning 2009)

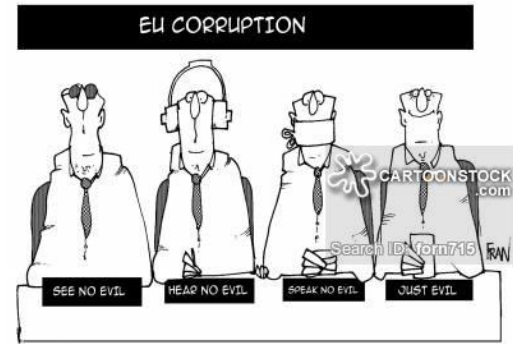


The Cultural-Argument (Informal Rules)

- Social norms can provide incentives for individuals to be corrupt and facilitating corruption (Johnston 2012; Kubbe and Engelbert 2018)
 - **Collective action problem:** corruption as expected behavior and everyone expects everyone else to be corrupt (Mungiu-Pippidi 2013; Persson et al. 2013); can also be applied to institutional corruption (Thompson 2018)
 - **Integration into Western international networks and organizations:** economic and normative pressure (Sandholtz and Koetzle 2000; Sandholtz and Gray 2003; Kostadinova 2012)
 - **“Democratic culture”:** more advanced democratic structures create anti-corruption norms that lead to lower levels of corruption and vice versa (Kubbe 2017)

Corruption in Europe

- “Corruption is the biggest threat to democracy in Europe today” (Council of Europe 2016)
- Immense economic costs
- Still little knowledge about area-specific factors
- Array of corrupt activities, large cross-national and over time differences
- No other region in world where young, well-established democracies as well as authoritarian systems are located so closely to each other
- Continent with longest history of nation-states, rule of law as one of oldest traditional European constitutional principles
- Still looking for effective strategies in fighting corruption (Mungiu-Pippidi 2014)



Democratic Culture in Europe

- Strong, democratic institutions, strong civil society, honest leaders and democratic/anti-corruption norms and values (e.g. fairness, equality, transparency, credible accountability, loyalty, participation, responsibility)
- Factors that affect corruption over time and across European countries
 - Country's contextual conditions such as economic development
 - International integration (EU-membership)
 - Degree of democracy
 - Women's percentage in parliaments
 - Protestantism
 - Duration of democracy, post-communist past
 - Interpersonal trust

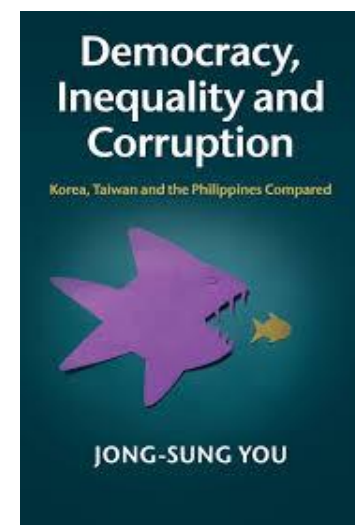


“Myth-making” about male and female nature in corruption research (Goetz 2007, p. 99)

- Differences in how men and women are recruited to political positions (Jha and Sarangi 2018)
- Role of patriarchal power structures, patriarchal roots of gendered socialization (Inglehart and Norris 2003; Alexander et al. 2016; Alexander and Welzel 2015)
 - **Role of liberal democracies:** “Gender equality and government accountability are both great achievements of modern liberal democracy” (Sung 2003, p. 718)
- *Strong norm against corruption*, e.g. in democracies (Esarey and Chirillo 2013; Esarey and Schwindt-Bayer 2017; Barnes and Bealieu 2018)
- *Women push for public goods* to higher degree than men (Chattopadhyay and Duflo 2004; Bauhr et al. 2018; Stensöta et al. 2015) -> health, education, childcare

Democracy as preferable system for tackling corruption

- Countries which recently transitioned to democratic governance often did not develop effective anti-corruption and integrity mechanisms
 - > stuck in cycle of high corruption and low performing democratic institutions
- It's not democracy in general, rather specific political institutions, actors, processes with anti-corruption effect
 - weak democracies are often not better at controlling corruption than authoritarian regimes
 - Corruption tends to increase as countries begin to develop democratic processes
 - Sung (2004): countries become more democratic, levels of corruption first decrease -> increase -> decrease again
 - combination of rising economic opportunities in form of rents to be captured (Menes 2006); inability of government institutions to establish appropriate control, oversight mechanisms over new opportunities (Schneider and Schneider 2005)
 - Andvig (2006): corruption grows in places experiencing “fast change,” as in post-communist countries, rapidly developing economies, or transitioning from authoritarian to democratic government—where institutional needs are changing rapidly and situation-specific incentives include increased uncertainty
 - Over time, as governments develop further, institutions, capacity improve, corruption tends to diminish, although this is not inevitable



“I AM CORRUPTION”

On the basis of this, of me being the actual embodiment of corruption, I want you all to get up from your seats and arrange yourselves accordingly to your personal understanding and attitude towards corruption.

Please proceed to whatever part of the room you wish.

