

Workshop 2 “ The International Anti-Corruption Movement” , ECPR Joint Sessions, Nicosia 2006

Workshop directors: Luís de Sousa (CIES-ISCTE, Portugal) and Barry Hindess (ANU, Australia)

OUTLINE

Corruption is a longstanding concern in domestic politics, and governments have often set up anti-corruption agencies after crises or scandals. However, there has been an explosion of international interest in anti-corruption activity since the early 1990s. Governments and international organisations reacted to corruption, and so did civil society.

The international anti-corruption movement has a few particularities:

- *it is constituted of traditional and new anti-corruption actors, such as Transparency International, an INGO based in Berlin whose primary mission is ‘to work to create change towards a world free of corruption’;*
- *it aggregates the efforts of governmental and non-governmental organizations;*
- *it marries global and local initiatives;*
- *it is both a movement of global awareness raising and a network of policy transfer and institutional mimetism.*

Anti-corruption activity now takes place in a wider context of international insistence on good governance, not only among developing and formerly socialist countries but also in the prosperous countries of the OECD. Anti-corruption reforms are now sometimes required as a condition for loans, or requirement for accession to the EU. A small industry of training and technical assistance has grown up to ensure compliance.

The purpose of the workshop is to understand the rise, future, and implications of the global anti-corruption movement and the way it has constructed ‘corruption’ as a problem: the international spread of doctrine and models; the international linkages between government anti-corruption agencies; the relationship between governmental and ‘civil society’ actors; and the relationship between corruption, anti-corruption and democratic politics.

– Participants, Titles and Abstracts –

Christian Göbel, Institute of Political Science, University of Duisburg-Essen, Germany
goebel@uni-duisburg.de

Title: “*The remnants of authoritarianism: a path-dependence approach to the analysis of corruption and anti-corruption efforts in Taiwan*”

Abstract

With the first direct presidential elections in 1996, Taiwan became a democracy, but one of low quality. The paramount obstacle to democratic consolidation proved to be the large influence of grassroots-based clientelist groups, organized crime and powerful business interests in the political process. All of these were seen as being linked to, or even orchestrated by, the authoritarian-turned-democratic ruling party *Kuomintang* (KMT). The *Democratic Progressive Party* (DPP), while still in opposition, made the fight against corruption a major issue on its campaign platforms and vowed to eliminate these groups’ distortion of popular representation.

Based on a new institutionalist approach, this paper regards the electoral victory of DPP candidate Chen Shui-bian in the presidential elections of March 2000 as a “critical juncture” and examines his administration’s efforts to set Taiwan’s politics on a fundamentally different developmental pathway while being impeded by major institutional constraints. It first sketches the afore-mentioned informal networks that distorted democratic representation and the politico-institutional arrangements which helped sustain them. In a second step, it identifies two strategies of the DPP administration to honour its campaign promises: the implementation of the high-profile, but merely symptom-oriented “sweep out corruption”- program, and more substantial attempts to change the very structures that impeded political reform, namely the Constitution, the electoral law and parliamentary process laws. Both strategies had long been of only limited success, which demonstrates the remarkable path dependence of corruption in Taiwan.

Focussing on the relationship between corruption, anti-corruption and democratic politics as well as the issues of internal governance of governmental organisations and policy design, the paper addresses several areas of interest to the workshop. The paper helps understand the determinants of corruption in an East Asian country, a region often associated with cultural values that foster crony capitalism and corruption. As the author currently engages in research on corruption in South Korea and on local governance in Mainland China, he hopes to contribute to the understanding of these cases as well.

Kalin Ivanov, University of Oxford, UK
kalin.ivanov@politics-and-international-relations.oxford.ac.uk

Title: “*Anti-Corruption NGOs and the Quality of Democracy in Bulgaria*”

Abstract

Since 1997, a coalition of Bulgarian NGOs has been raising awareness about corruption. Funded and inspired by the global anti-corruption agenda, the coalition views corruption as a measurable problem to be remedied through a ‘multipronged’ approach. Civil society activism against corruption is widely assumed to improve the quality of democracy.

The anticorruption campaign initially benefited from popular support. However, the lack of convicted officials eventually led to public disillusionment, and deepened cynicism about the democratic process. Anticorruption rhetoric contributed to the degeneration of political debate into mutual incriminations. The effects on the quality of democracy have been more ambiguous than expected.

At the root of the problem is a misunderstanding between Western donors and Bulgarian citizens about the nature of corruption. The global agenda focuses on institutional and market reforms to prevent future corruption. By contrast, local Bulgarian understandings of corruption are based on egalitarian norms (inherited from communism), and on demands for the punishment of *nouveau riche* politicians and bureaucrats. It was the vague and emotive term 'corruption' that allowed the NGO campaign to gain popularity initially.

Paul Heywood and Staffan Andersson, University of Nottingham, UK

paul.heywood@nottingham.ac.uk

staffan.andersson@nottingham.ac.uk

Title: *"Corruption and democratic stability: on the unintended consequences of international anti-corruption campaigns"*

Abstract

The issue of corruption and how to fight it has assumed ever more importance in recent years. Not only has there been a significant growth in academic research on corruption, but media attention has also focused far more on corruption scandals, and governments, international financial institutions and non-governmental organisations have devoted increasing resources to fighting corruption. The formation of Transparency International in 1993, and the publication of its annual Corruption Perception Index (CPI) since 1995, have been hugely influential in sharpening the focus on corruption. Also significant have been the many corruption scandals revealed in the 1980s and 1990s in West European democracies. Such scandals made it difficult to sustain the former notion of established democracies as being essentially free of high-level political and administrative corruption. Before the 1980s, such corruption had been regarded as almost solely a concern for developing countries. Today, however, whether discussing issues such as trust in political parties and politicians in democracies, barriers to international trade, or support for development and poverty reduction, corruption has become a central concern. The OECD was an early advocate of putting more focus on fighting corruption, most notably because of its impact on fair competition in foreign trade. But following the OECD lead, other international organisations – such as the UN, the European Union and the World Bank and its regional development banks -- also made the fight against corruption a priority. Notably, in discussions of how to improve the possibilities of development in poor countries, the fight against corruption has come to the forefront, as evidenced by the recently established Commission for Africa. Both in multilateral and bilateral aid today, fighting corruption and establishing 'good governance' is seen as a necessary part of supporting sustainable development. That corruption damages society is something that few would seriously argue against. Extensive research has highlighted its negative impacts on institutional performance, integrity and political and economic development. So it would not be reasonable to argue against combating corruption. However, the fact that corruption is harmful to society does not necessarily mean that the growing focus on anti-corruption strategies can only bring benefits. On the contrary, there may also be some serious drawbacks to such a focus. In this paper, we will argue that current approaches to understanding and fighting corruption can in fact sometimes constitute a risk to democracy

and democratic stability. The risk lies in the sense being generated of politicians and political institutions being irredeemably corrupt, in turn promoting disaffection and disillusionment – an ideal breeding ground for the growth of populist protest. Moreover, political debate can become distorted through a growing obsession with ‘cleanliness’ rather than policy debates, as has arguably happened in many of the former communist countries of eastern and east-central Europe, leading to a de-politicisation of policy choices in favour of an emphasis on moral propriety. Risks also exist in the communist countries in Asia. Despite donor agencies identifying a window of opportunity to use the fight against corruption as a means to push for increased accountability, transparency, and empowerment of citizens, there are additional pitfalls if anti-corruption is seen as tantamount to democratisation. Not only may the promotion of democracy be met with scepticism if corruption prevails, but also non-democratic regimes may use the pretext of fighting corruption to crack down repressively on opponents rather than supporting genuine transparency and accountability. In such situations, anti-corruption programmes may risk cementing existing regimes’ grip on power rather than promoting democracy. In the paper we explore these issues by discussing first how the international anti-corruption movement uses the notion of corruption, and relating that to contemporary political debates about the meaning of corruption. This will be followed by a discussion about how corruption is measured and, in particular, the impact of the approaches which currently dominate the discourse on corruption. We will show how the mainstream approaches and definitions link into anti-corruption initiatives at the international level, through a focus on the impact of the ‘good governance’ debate and related anti-corruption measures. By reference to empirical examples drawn from Europe and Asia, we will look at the driving forces behind anti-corruption campaigns and also demonstrate how, in some cases, such campaigns may have unintended consequences which can damage, rather than support, democratic stability and development.

Namawu Alhassan Alolo, University of Birmingham, UK
NXA320@bham.ac.uk

Title: “*International focus on gender mainstreaming as an anti-corruption remedy: another development rhetoric?*”

Abstract

In the quest to find a sustainable anti-corruption strategy, the development community have advised a plethora of initiatives in the public sector of many sub-Saharan African (SSA) countries. These strategies, spearheaded by the World Bank, have woefully failed to mitigate corruption, as current data reveals an entrenched corruption in many African countries (Lambsdorff, 2002). In recent years, failure of previous anti-corruption strategies has led to the promotion of gender mainstreaming as a potent tool to curbing public sector corruption, albeit currently on a small scale (World Bank, 2001). In particular, the World Bank is advocating for increased participation of women in the public sector as a sustainable anti-corruption remedy (World Bank, 2001). This nascent gender-corruption debate arises from perceptions that incorporating gender analysis into governance initiatives is critical for good governance. Considering the broad acceptance of mainstreaming gender into both good governance and sustainable development discourse, it seems logical that attempts at eradicating corruption in African public institutions should pay critical attention to the place and role(s) of women in the public sector. Spawned by the World Bank, and gradually gaining currency among anti-corruption movements, such as Transparency International (TI 2002), gender mainstreaming, as a

means of combating corruption and promoting good governance- has become crucial for development assistance (World Bank, 2001).

However, recalling that previous anti-corruption strategies in SSA have registered little success, the new gender sensitive approach to anti-corruption begs legitimate questions: Would gender mainstreaming work as a panacea to public sector corruption in SSA or would it reflect another false start in the donor-driven anti corruption campaign? Would an increase in the presence of women, in African public sectors, reduce corruption in environments otherwise characterized by corrupt opportunities and networks? Would gender mainstreaming, as an anti-corruption remedy, represent another development rhetoric? As these reflect fundamental questions in the battle against corruption, I propose to present a paper on the gender-corruption nexus vis-à-vis international pressure to mainstream women into the public sector as a potent anti-corruption remedy. The paper will be culled from my PhD thesis which empirically explores the impact of gender on corruption in the public sector of Ghana. My thesis engaged with three research philosophies- positivism, interpretivism and feminism- to collect and analyze quantitative and qualitative data on the gender dynamics of corruption. As such, my presentation at the Workshop will draw on these varied sources of empirical data to demonstrate the fact that gender mainstreaming reflects another international spread of doctrine which is likely to be unsuccessful, unless opportunities and networks of corruption are restrained in the public sector. The paper will also demonstrate that unless societal systems in SSA are addressed, this gender mainstreaming paradigm is likely to fail, as certain aspects of these systems nurture and perpetuate corruption in the public realm of most African countries.

Tero Erkkilä, University of Helsinki, Finland
tero.erkkila@helsinki.fi

Title: “*Transparency International and Instruments of Normative Power: Ranking and Standardising Performance in Administrative Ethics*”

Abstract

Recently, there have been international attempts to compare and rank countries on basis of their performance in administrative ethics. Perhaps the most apparent indicator for this has been Transparency International’s Corruption Perception Index. Finland has ranked high in these comparisons, which has made (low) corruption – an issue formerly little debated – a topic of wide media coverage in the country. This has coincided with numerous other well reported country comparisons where Finland has also excelled making it allegedly the most competitive country in the world with “best” governance (World Banks ‘Good Governance’ indicators), least corrupt civil servants (TI’s Corruption Perception Index) and outstanding education system (Pisa Ranking).

My paper aims to critically assess the numeric and conceptual objectifications of administrative virtues. I will analyse international anti-corruption work against the recent attempts at standardising ‘good governance’ internationally. In this respect, the Transparency Perception Index will be assessed as part of a recent surge of numerous rankings and country comparisons on a global level. What end do these serve and what are the motives and ideological sentiments behind the rankings? The argument is made that the country rankings of Transparency International can be linked to a process of creating instruments for global governance in which performance is seen as central value.

Pierre Lascoumes and Odette Hatto, CEVIPOF, Science-Po Paris, France

pierre.lascoumes@sciences-po.fr

odette.hatto@sciences-po.fr

Title: “*Political profession, corruption and democracy in France*”

Abstract

The aim of our work is to present the results of a quantitative research (a sample of 2000 people) realized together with a French Survey Institute on the perceptions of the political corruption and the tools to fight against it (justice, specialized organizations, whistleblowers). From this point of view we believe that our work perfectly fits into the general theme of the workshop – “The International Anti-Corruption Movement”.

All Western democracies are confronted today with an increasing phenomena of distrust towards the political profession, its rules and its actors. These observations may be interpreted from three principal angles. Firstly, as a sign of decrease in confidence that causes a democratic disenchantment and a crisis of the political representation (Della Porta & Mény 1995; Neild 2002). Secondly, as a consequence of the rise of modern individualism which transforms the meaning of the collective life (Inglehart 1990, 1999). Thirdly, as a change in the individuals’ social capital, of their mode of political participation and a decrease of the civic culture (Putnam 2000).

Our work is based on a range of political sociology studies applied to the perception of the political corruption (from Heidenheimer 1970 to Pharr 2000) and on the results of 2 major European surveys: "European Values Survey and European Social Survey". The aim of the project is to verify the various assumptions concerning the relations between the main norms and values of the people, the way they understand the political profession and their judgments on corrupted and corrupting behaviors. The main hypothesis focuses on the existence of normative conflicts between some dimensions of political moral, legal rules, cultural models and economic arguments.

A first qualitative research allowed us to specify the main axis of the research by studying:

- 1- the various forms of relations between the voters and their elected officials in three electoral districts (2 cities where corrupted mayors were condemned and re-elected, 1 "neutral" city, an area where no corruption business was registered).
- 2- the variations in perceptions of the gravity of the illicit acts committed by the elected officials. This part of the research is based on discussions with "focus groups" using the presentation of scenarios concerning situations where the elected politicians granted favors or took advantage from their function, but also of cases where the citizens requested preferential treatments.

The goal of the quantitative investigation is to connect three types of variables/data:

- the systems of values and norms specific to the social groups;
- attitudes regarding the political profession: the interest related to politics (degree and form of participation) and the representations of the political profession (expected qualities of the elected representatives, the constraints they are facing, the confidence);
- judgments of the transgressive activities related to the exercise of the political profession. We are also trying to evaluate citizens’ degree of knowledge concerning these practices, their classification in terms of importance and the

type of expected sanctions. We are also evaluating citizens opinions and judgments regarding the most efficient tools to fight against the corruption.

Our paper will also provide an overview concerning "the crisis of the democracy", i.e. and a better knowledge of the relations between citizens and the political leaders and the political institutions and it will evaluate the impact of the moral and normative dimensions on the judgments carried out.

George Larbi, University of Birmingham, UK

G.A.Larbi@bham.ac.uk

kwakularbi@aol.com

Title: *"Towards a joined-up approach to controlling corruption: a comparison of two models"*

Abstract

Corruption is now a global concern, with international donor agencies, governments and civil society paying more attention to the problem than before. What was once an embarrassing subject to discuss within governments, and between governments and international agencies is now openly discussed and debated and receives wide media coverage. Multilateral agencies such as the United Nations, the Organisation for Economic Co-operation and Development the European Union, and the World Bank have put anti-corruption programmes at the centre of their good governance and development efforts. In sum there is now a more joined-up and networked approach to combat corruption than a decade or so ago.

There are two models of systems for controlling corruption – the Transparency International's (TI) National Integrity System (NIS) and OECD's Ethics Infrastructure. This paper will critically analyse the key features of the two models highlighting their similarities and differences. It argues that the two models share similar elements with only minor differences in emphasis. Drawing on examples from developing countries the paper argues that the effectiveness of control mechanisms depends greatly on the consistency and complementarity among the various elements. It argues for a joined-up approach in the fight against corruption.

The paper hopes to contribute to the workshop by highlighting both the construction of corruption and the resulting models for controlling it.

Heather Marquette, University of Birmingham, UK

H.A.Marquette@bham.ac.uk

Title: *"Civic Education for Combating Corruption and Consolidating Democracy: Opportunities and Challenges for Donor-funded Strategies"*

Abstract

It has become increasingly apparent that current anti-corruption strategies in many developing countries, donor-funded or otherwise, are unlikely to prove effective without civic education to back up reforms. The current emphasis on institutional reform has not taken into account the role that political and social culture plays in supporting corrupt systems. Civic education at both the school and adult levels – a key component of the

successful Hong Kong model – is said to make people aware of corruption issues and to teach people how to hold public officials and politicians to account.

Research from USAID suggests, however, that this has not necessarily been the outcome of its own civic education projects . Instead of an invigorated and active citizenry, USAID-funded civic education has, in some cases, led to a further breakdown in trust and withdrawal from the political process. This is significant as the World Bank, DfID, Danida, GTZ and others have recently expressed increased interest in funding civic education in a number of developing countries.

This paper looks at experience of civic education as part of successful anti-corruption strategies, and discusses the likely opportunities and challenges for donors wishing to fund projects in this area.

Mari-Liis Liiv, University of Tartu, Estonia
mari-liis.liiv@just.ee

Title: “*Institutional capacity of the Estonian law enforcement authorities to fight corruption – lessons learned*”

Abstract

No matter how much emphasis is put on prevention of corruption, the capacity of the law enforcement authorities in investigating corruption and related crimes is crucial. Ades & Di Tella (1997: 514) argue that dependent and underdeveloped judicial institutions foster corruption. Theoretical models suggest that the probability of being caught is an important variable determining the relative attractiveness of corruption (Moene & Andvig, 1990 in Herzfeld & Weiss, 2003: 622-623).

The aim of my presentation is to critically assess the ability of the Estonian law enforcement authorities (prosecutor’s offices, police authorities, tax and customs authority, and border guard authority) to combat corruption. The presentation is based on a qualitative study (2005) “Anti-Corruption Activities in Agencies responsible for Legal Protection” (in-depth interviews with top managers, middle managers and specialists from institutions concerned). The study reveals prevailing attitudes among top managers as regards corruption and other related issues. The broader aim of the paper is to prompt discussion on the similarities and dissimilarities of the issues in different countries, and to draw policy recommendations.

The paper will focus on four main issues:

- 1) The way corruption is defined, and to whom the causes of corruption are ascribed;
- 2) The mechanisms in place in order to fight systematic corruption as well as to combat corruption systematically;
- 3) The capability of co-operation and information sharing between law enforcement authorities and other agencies;
- 4) The supporting institutions and structures for investigating corruption.

Diana Schmidt, Queen's University Belfast, N. Ireland
d.schmidt@qub.ac.uk

Title: *"Anti-Corruption Advocacy - in Contemporary Russia? Domestic NGOs between the International Community and the State"*

Abstract

Anti-corruption initiatives have experienced a boom over the last decade. Two fundamental transformations gave additional impetus to the emergence of a transnational advocacy network (TAN) against corruption since the end of the Cold War: the comparatively high levels of corruption in post-Soviet countries and the emergence of civil society organisations (CSOs) throughout Eastern Europe. Much attention of anti-corruption advocacy is thus paid to the post-Soviet world, and Russia in particular, as well as to fostering civil society involvement. In Russia, however, authoritarian governance affects both a) civil society development in general, and b) the anti-corruption potential of CSOs. While this impact is clearly negative concerning the former aspect, it is a most contradictory matter concerning the latter.

The paper explores the problem of involving local CSOs in anti-corruption concerns that are highly relevant to both international and governmental actors. It examines the changing behaviour and identities of Russian civil society organisations that are participating in anti-corruption initiatives, in their position between the international community promoting good governance, on the one hand, and the authoritarian Putin administration, on the other. It adopts a wider perspective towards CSOs not only in their role as promoters of the anti-corruption idea but also as being affected by such involvement. Theoretically, the study builds on, and contributes to, political science literatures on TANs and on anti-corruption as well the literature on contemporary Russia, in particular anti-/corruption efforts and civil society development. Empirically, it includes case studies from three municipalities in different Russian regions: Moscow, St. Petersburg, and Irkutsk. Data have been collected through extensive field research, including interviews, library research and participant observation in a range of relevant local events. In addition, interviews have been conducted with anti-corruption advocacy groups and donors in Berlin and Brussels.

As a contribution to the workshop, the paper addresses a range of questions relevant to studying transnational anti-corruption activities that reach into domestic contexts of post-Soviet non-democratic nature. This includes a view on the anti-corruption incentives and potentials of local civil society actors, the roles of foreign partners and donors, or instrumentalisation of the anti-corruption idea by the government. Drawing on several years of field research in Russia as well as on anti-/corruption in general, both empirical and conceptual insights beyond the paper may be contributed to the workshop discussions.

Alan R. Doig, University of Teeside, UK
R.A.Doig@tees.ac.uk

Title: *"Measuring Corruption"*

Abstract

The paper is concerned with three issues: the convergence of donors over a shared development agenda, on why dealing with corruption is seen as a key aspect of the

agenda, and the means to assess levels of corruption within the context of monitoring development progress. The paper reviews the genesis of the agenda, what role the means play in assessing types and levels of corruption before considering procedural and interpretative issues relating to what the article terms quantitative indicators and qualitative descriptors. It suggests that the emphasis on the former is predicated on a particular developmental path and fails to address, in the way that descriptors can, the underlying trends associated with the evolving nature of that path, including corruption. The paper concludes that donors and practitioners should rely on the latter rather than former for policy reform and aid initiatives but then considers whether or not Transparency International is the most effective agency to develop and deliver the most noticeable qualitative descriptor, the National Integrity System studies.

Svetlozar Andreev, Sofia University, Bulgaria
Svetlozar.Andreev@IUE.it

Title: “*Corruption, Legitimacy and the Quality of Democracy in Latin America and Central and Eastern Europe*”

Abstract

Today, it is universally accepted that corruption, in virtually all its forms and manifestations, presents a serious problem for all non-consolidated political systems. The problem seems even bigger for regimes attempting to become democracies, as they are not only exposed to the scrutiny and criticism from domestic and international elites, but also from the citizens and civil society, which have, in turn, been empowered by the political changes.

In this paper, I study the link between the overall perception of the level of corruption and that of the quality of the ruling regime. I choose to analyse a particular subset of regimes – the *neo-democracies* from Latin America (LA) and Central and Eastern Europe (CEE).

The principal thesis advanced here is that corruption affects negatively the quality of neo-democracy. However, the current research tries also to discover the specific mechanism by which this is achieved in practice. It is hypothesised that legitimacy, or, better, the particular way of legitimising the fledgling democracies, is the key. Legitimation is mainly about the support granted to a specific policy and the regime as a whole. It has been demonstrated that the entire process has an *input* and *output* side. It is presumed that, during transition to democracy and its eventual consolidation, on the input side, both the opportunity structures (political institutions, legal tools and different kinds of both formal and informal practices) for citizens’ participation and control of the ruling elites are created, while, on the output side, legitimacy is achieved by producing concrete results regarding, for instance, the fight against corruption as well as the provision of a whole range of public goods, which enshrine the common aspirations of the majority of the population about democracy and human rights.

This paper is structured as follows: first, the concept of the QoD is extensively described. Second, the political regimes from LA and CEE are compared and contrasted with respect to their overall ranking regarding corruption and the QoD. Thirdly, the issue of the legitimacy of the new democracies from both regions is discussed. Fourthly, an attempt is made to explain the allegedly negative effects of corruption on the quality of neo-democracies by linking both phenomena to the legitimisation of transitional and non-consolidated regimes. Finally, conclusions are drawn regarding the future of democracy and the fight against corruption both regionally (in LA and CEE) and globally.

Michael Woodiwiss, University of the West of England, UK
Michael.Woodiwiss@uwe.ac.uk

Title: “*Progressivism and the Americanization of International Efforts against Corruption*”

Abstract

Concern about corruption in the United States pervaded the Progressive movement of the first two decades of the twentieth century. Newspapers, magazines, government leaders, and pressure groups exposed corrupt practices in business and politics and joined reform efforts at local, state, national and even international levels. Fraud, larceny, bribery, and exploitation were revealed on an immense scale in many businesses including oil, meat, sugar, railroads, and life insurance. Many Americans also believed that the problem of ‘graft’ in politics was endemic. Presidents Theodore Roosevelt, William Howard Taft and Woodrow Wilson led a response to this avalanche of disclosure but there were limits to the effectiveness of this response and in some areas such as alcohol prohibition the problem of corruption in the US was actually exacerbated by progressive reform efforts. This paper examines the creation of a distinctly American response to corruption and assesses the extent to which it has influenced the international initiatives of recent decades.

Frank Anechiarico, Hamilton College NY, US
fanechia@hamilton.edu

Title: “*The Costs of Corruption Control: An Agenda for Reform*”

Abstract

The history of attempts to fight and even eliminate corruption is embedded in legislative enactments, institutional missions, and in every category of municipal regulation. This was more or less the case in most large polities by the end of the 20th century. It was clearly true in New York City and State to the point that the production and delivery of services were sacrificed to the "anticorruption project". A reform agenda began to take shape in the late 1990s in New York City particularly, but in other jurisdictions around the world, as well. This paper will analyze the costs of the project and assess the prospects for several reforms, particular in procurement policy.

Matilda Dahl, Södertörn University College, Sweden
matilda.dahl@sh.se

Titles: “*How do international organizations construct transforming states? - The case of Transparency International in the Baltic States*”

Abstract

In the process of consolidating pluralist democracies and market economies, the lack of public transparency has been of great concern in Central and Eastern Europe (CEE). Corruption, in particular, has been seen as a major obstacle to democratic transitions, market economy and development in general. Or as put by the Estonian former Prime minister Mart Laar during as visit to Washington “you cannot make transition if you have corruption” (Hiatt, 1999). To show that they take on measures against corruption has in fact been one of the most critical challenges for the former eastern bloc countries in order

to live up to the “political criteria” of EU-membership. Before becoming members of the EU the Baltic States, among others, became the objects of an intense scrutiny performed by the international community. International organizations produced various accounts on the progress of these states. Transparency International (TI) was one of the most cited organization with regard to anti-corruption in the EU accession process of the CEE.

The paper describes how TI reports on corruption (Global Corruption Report, GCR), measures corruption perception (the Corruption Perception Index, CPI) and argues for anti-corruption activities, respectively. It is based on interviews (2002-2005) with project managers in Estonia, Latvia and Lithuania and with officers at the head office in Berlin, and on documents produced by and about TI. The “output” in terms of indexes and reports by the organization are seen as accounts for the performance of states. These accounts are viewed as on the one hand reflecting the world and on the other hand constructing the world. Taking on the second perspective, it becomes important to investigate how such accounts are produced and how they are argued for by the organization that creates them.

The primary focus is not on the construction of corruption, but rather on the construction of the transforming (or non-transforming) state – the object towards which the anti-corruption activities are directed. However, the two are clearly dependent on each other. In order to have an audience for its solutions (for instance integrity systems), TI first needs to be able to convince us that there is a problem. At the same time, the problem might very well be defined in cooperation with the object in need of “cure”. TI project managers might for instance approach public officials, inviting them to a workshop in order to discuss the (corruption related) problems of their “system”. Upon this a project might be created, and hopefully also funded. Eventually the targeted organization or institution will be proposed a “solution”. The perception of corruption and of the country in question is in its turn influenced by different types of accounts; measures such as the CPI, and of expert opinions published in the GCR.

Taking a theoretical point of departure in new institutional organization theory (cf. Meyer J., Powell W. and DiMaggio P.) as well as accounting theories to a certain extent (cf. Power, M., Hopwood A. and Miller P.), this paper describes and discusses how we might understand TI as an organization that through its outputs and argumentation, constructs transforming states. The paper has the potential of contributing to the purpose of the workshop on two counts. First, by its empirical description of one of the most important actors in the anti-corruption movement. Second, by laying the ground for an analysis of how the objects under scrutiny (the states) are constructed. This is of relevance in order to gain a richer understanding of the construction of corruption as a problem, since the construction of the problem is dependent on that there is something that can be measured as “corrupt”. Being constructed as measurable states may also become “curable”, or “progressing” according to the measurement.

Brigitte Hamm and Thorsten Nilges, Institute for Development and Peace, University of Duisburg-Essen, Germany

hamm@uni-duisburg.de

thorsten.nilges@gmx.de

Title: “*Anti-corruption policies of bilateral and multilateral donors - commonalities and differences*”

Abstract

Corruption has turned into a major of the development discussion and donor policies on the bilateral and the multilateral level. Thereby, prevention and the fight against corruption are seen in the context of Good Governance.

In the paper, we analyze the activities and strategies in the fight against corruption of important donors: DANIDA, DFID\ODI, USAID and UNDP. Questions asked as basis of the analysis are:

- Do the various donors reflect their own role in the corruption context?
- What are commonalities, differences among the donor policies to fight corruption?
- How are recipient countries included in the fight against corruption? Is there a chance of ownership?
- Who are the major actors addressed?

Peter Larmour, Australian National University, Australia
peter.larmour@anu.edu.au

Title: “*Types of corruption and the concept of ‘culture’ in the Pacific Islands*”

Abstract

Using a Transparency International survey of national integrity systems in the Pacific Islands, the paper identifies several broad types of corruption (for example corruption associated with the absence of political parties, with foreign aid, or with the trade in tokens of sovereignty, like passports). It goes on to consider the role played by ‘culture’, variously understood, as explanation or excuse for corruption in the region.

John Warburton, University of Sidney, Australia
John.Warburton@warringah.nsw.gov.au
johnwarburton@tpg.com.au

Title: “*Paddling a canoe without a paddle. Finding a theory of corruption for international development institutions.*”

Abstract

The International Anti-Corruption Movement and particularly international institutions such as the World Bank and the IMF, have adopted a neo-classical economics (market centred) understanding of corruption as the fundamental theoretical basis for their work in this area. While this approach does have application, particularly in macroeconomic assessment of the affects of corruption, I would argue that the neoclassical approach to corruption has been applied too widely and in fact can hinder understanding of the operation of corruption at the local level. This is particularly the case in relation to the most serious forms of corruption that affect less developed countries where networks of corrupt power holders control key institutional and governmental structures.

Eric Uslaner, University of Maryland, US
euslaner@gvpt.umd.edu

Title: “*The Bulging Pocket and the Rule of Law*”

Abstract

I estimate a set of simultaneous equations cross-nationally and show that there is strong support for the linkage from high inequality to low generalized trust to high levels of corruption—and then back to higher levels of inequality, leading to an "inequality trap". In contrast, there are few institutional determinants of corruption.

I also propose a new measure of *government effectiveness*, based upon survey responses by business executives to the World Economic Forum's 2004 Executive Opinion Survey based upon responses to questions on the independence and efficiency of the judiciary, the efficiency of the legislature, the wastefulness of government spending, favoritism in government decision-making, and the transparency of government decision-making. This new measure is formulated independently of corruption, but is clearly affected by it. As with corruption, the foundations of effective government are more closely connected to social strains within the society (especially trust) rather than structural features of the polity.

There is one key institutional factor that matters mightily for both corruption and the strangling regulation that leads to corruption: the fairness of the legal system. Here I use a measure of legal fairness that is also formulated independently of corruption—the legal fairness index of the Executive Intelligence Unit.

Economic inequality provides a fertile breeding ground for corruption—and, in turn, it leads to further inequalities. Most of the models of corruption focus on the institutional determinants of government dishonesty. However, such accounts are problematic. Corruption is remarkably sticky over time. There is a very powerful correlation between cross-national measures corruption in 1980 and in 2004. In contrast, measures of democracy such as the Freedom House scores are not so strongly correlated over time—and changes in corruption are unrelated to changes in institutional design. On the other hand, inequality and trust—like corruption—are also sticky over time.

The connection between inequality and the quality of government is not necessarily so simple: As the former Communist nations of Central and Eastern Europe show, you can have plenty of corruption without economic inequality. The aggregate relationships between inequality and corruption are not strong. The path from inequality to corruption may be indirect—through generalized trust—but the connection is key to understanding why some societies are more corrupt than others.

Julie Bajolle, Transcrime, Università Cattolica del Sacro Cuore and Università degli Studi di Trento

Juba1500@aol.com

Title: “*The origins and motivations of the current emphasis on corruption: the case of Transparency International*”

Abstract

“No longer business as usual”. This title of a recent OECD publication¹ on fighting corruption and bribery reveals a longing for a new way of doing business that would be more respectful of basic principles of ethics and accountability. Corruption, broadly characterized as the “abuse of power for private gain”, is a notion whose legal parameters vary from system to system. Although the phenomenon itself is present in both the private and public spheres, some legal systems criminalize private sector corruption with the

same laws and standards applicable to public officials while others prefer to resort to other types of offences such as fraud, theft or breach of trust. Internal corruption has been traditionally prohibited in most countries while corruption in international trade was until recently a generally admitted business practice. The term 'bribery', often used as a synonym for corruption, places the emphasis on the offer side, i.e. the giving of some advantage to "facilitate" a transaction. Extortion, on the other hand, refers to an active role from the demand side such as the behaviour of the official who refuses to consider a company's bid unless a bribe is paid. Corruption is frequently associated with other forms of economic crime such as fraud, money laundering, embezzlement and trading in influence.

Corrupt exchanges vary in their dimension. At one end is the 'petty corruption' suffered by citizens in their day-to-day dealings with public officials. At the other end is what has been called 'grand corruption' which typically takes place in large-scale transnational contracts. Milos Zeman, former Prime Minister of the Czech Republic, expressed one of the most problematic aspects of the phenomenon when he declared at the 10th International Anti-Corruption Conference that "corruption is the only crime that is advantageous for both sides". Indeed, both the bribe payer and the recipient benefit from the deal. Corruption generally profits the most powerful -the biggest companies able to pay bribes to gain new contracts and government officials who personally enrich themselves or are elected thanks to illegal contributions- making the emergence of an anticorruption movement all the more difficult. The victims, because in such transactions they often take the form of a diffuse third party, are harder to identify and may not be aware of their plight. Corruption may hurt shareholders, investors and competing companies. It can affect the citizenry as a whole in a number of ways: poor services due to corrupt contracting practices, distorted processes within the administration, the judiciary and the police, and even economic or political instability of the countries when the phenomenon is too pervasive.

Recent years have seen an outburst of anticorruption rhetoric and activity. At the normative level, production of anticorruption legislation has developed both domestically and internationally. Within civil society, groups have formed and initiatives have been launched to tackle the phenomenon. In the political debate, anticorruption programmes are presented as a token of democracy and good governance while allegations of corruption can be used behind the scenes as weapons against rivals.

Corporate discourse is now inconceivable without recurrent references to integrity and business ethics. In the news, corruption makes for good headlines. Anechiarico and Jacobs 4 speak of "the politics of scandal and reform" and explain that "the media play a crucial role in the politics of corruption reform. Corruption sells".

As with everything, this generalized frenzy around corruption and ethics can be best understood when placed in context. In this research, I set out to investigate the historical and motivational aspects of the current emphasis on corruption. The discussion is divided in two parts figuring two different approaches. The first part gives an overview of the progressive raising of awareness over corruption issues and the elaboration of anticorruption measures. As such, it is based on a review of literature including newspaper articles as well as academic and official publications. The second part considers the case of the anticorruption non-governmental organization (NGO) Transparency International. It makes use of secondary sources as described above but also rests on interviews I carried out in June, July and August 2005 with Transparency International members, ex-members and other people involved in the anticorruption movement. The choice of Transparency International as an object of study has been made as the result of several interconnected

reasons. First, the organization has carried out an impressive amount of work and is noted for its great ability to focus media attention on the issue of corruption. But unlike what often happens with public institutions and other non-governmental organizations, a review of the existing literature did not bring out much comprehensive and independent analysis of Transparency International. Finally, a preliminary research had revealed elements which supported the case for a deeper inquiry.

A point must be addressed before I go any further: I only became aware as I was conducting my research that the publication of this article would coincide with the election campaign for a new president for Transparency International. My intention was, and still is, to open a debate that I think has been neglected for too long. I believe that decisions are best made when they are taken under public scrutiny after an extensive discussion involving those they will affect. Corruption and the way it is fought have implications for all of us, directly or indirectly. They also tell a lot about our vision of the world and our approach to resolving its problems and preventing new ones from arising. Therefore, it is my hope that this paper will contribute to enlightening an important reflection at a critical time.