

ANTI-CORRUPTION



The Challenge

Combating corruption poses a constant and difficult challenge for political and public service leaders. Corruption is a complex concept and a pervasive practice. Although concern about it tends to focus to a large extent on developing countries, it is also a serious problem in the transitional states of Central and Eastern Europe, in industrialized states, and in international organizations. Poor people in developing countries are especially vulnerable to the adverse effects of low-level corruption and to the use of humanitarian assistance for corrupt purposes.

The preamble to the *United Nations Convention against Corruption* expresses concern that corruption undermines “the institutions and values of democracy, ethical values and justice” and threatens “sustainable development and the rule of law.” The preamble also laments the ties between corruption and other types of crime, including organized crime, and the extent to which corruption threatens political stability and sustainable development in certain states.

The nature, magnitude and management of corruption vary substantially not only among individual countries but among regions of the world as well. Transparency International (TI) found high levels of corruption in 70 of the 159 countries surveyed for its 2005 Corruption Perceptions Index, with especially serious problems in the countries of Asia, Africa and Latin America. The countries with the most rampant corruption – Chad, Bangladesh, Turkmenistan, Myanmar and Haiti – are also among the world’s poorest. TI concluded that corruption was a major cause of poverty and an obstacle to overcoming it.

What Constitutes Corruption?

Corruption can be defined simply as the misuse of public office for private gain. It includes such practices as bribery, fraud, extortion, influence peddling and nepotism. The World Bank has distinguished between two broad categories of corruption. *State capture* refers to actions by individuals, groups or organizations in the public and private sectors to influence policy *formation* to their advantage by illegally transferring private benefits to public officials. *Administrative corruption* refers to the use of the same type of illegal transfers by the same actors to interfere with the proper *implementation* of laws, rules and regulations. Corruption can also be classified as *grand corruption*, involving elected and appointed officials at the top of government, or as *petty corruption*, involving employees further down the governmental hierarchy who may, for example, profit personally from the sale of licences. The remedies for corruption must be carefully tailored to respond to its causes and manifestations in each country.

Causes of Corruption

For many countries, especially in the developing world, corruption is an integral part of their culture and, therefore, a common feature of everyday life. Government decisions on such routine matters as awarding contracts, granting permits, paying taxes and allocating public service jobs are tied to the transfer of benefits to officials. It is wrong to assume that most citizens prefer a corrupt culture. However, it is often difficult for them to subsist if they do not tolerate corruption. They may be subjected to a culture of fear cultivated by those who profit from corrupt practices.



Corruption can be the result of either *greed* or *need* (or both) at all levels of a government. Top-level politicians may accept bribes to enhance their personal fortune or to finance expensive election campaigns. Low-level public servants may accept bribes to pad their bank account or feed their family. Many public servants who receive low wages feel obliged to engage in corruption to earn a decent living. In economies that are highly regulated and have inefficient and unresponsive bureaucracies, business people are tempted to offer bribes to cut through government red tape. It is often argued also that in countries with low levels of education, citizens are less likely to engage in politics and to be able to resist the forces of corruption.

Anti-Corruption Measures

Given the diverse causes of corruption, even within a single state, it is unlikely that any one remedy will be effective on its own. Corruption must be fought with several weapons at the same time and in a vigorous and sustained fashion.

Perhaps the key anti-corruption instrument is honest political and public service leadership dedicated to fighting corruption. Effective leadership is a necessary, but not a sufficient, condition. Individual states and international organizations have developed toolkits for countering corruption, and several international organizations have adopted *conventions* (listed below) that commit their members to preventing and sanctioning corruption. It is easy to compile a long list of anti-corruption measures from which countries can choose according to their needs. The World Bank bases its anti-corruption strategy on five major elements, each of which has several sub-categories. The five elements are

- increasing political accountability;
- strengthening civil society participation;
- creating a competitive private sector;
- imposing institutional restraints on power; and
- improving public sector management.

International Conventions

- [African Union Convention on Preventing and Combating Corruption](#)
- [Council of Europe Criminal Law Convention on Corruption](#)
- [Council of Europe Civil Law Convention on Corruption](#)
- Organization of American States, [Inter-American Convention Against Corruption](#)
- [OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions](#)
- [United Nations Convention Against Corruption](#)

Readings

The following are rich sources of information.

Organisation for Economic Co-operation and Development. Directorate for Public Governance and Territorial Development. *Fighting Corruption in the Public Sector*. Paris: OECD.

http://www.oecd.org/department/0,3355,en_2649_34135_1_1_1_1_1,00.html

Transparency International, *Publications*

<http://www.transparency.org/publications/publications>

The World Bank. *Governance and Anti-Corruption*. Washington, D.C.: The World Bank, 2006.

<http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20040922%7emenuPK:34480%7epagePK:34370%7etheSitePK:4607,00.html>

See, in particular, the Bank's *Literature Survey on Corruption*

<http://www1.worldbank.org/publicsector/anticorrupt/ACLitSurvey.pdf>

See also

Klitgaard, Robert. *Controlling Corruption*. Berkeley: University of California Press, 1988.

Rose-Ackerman, Susan. *Corruption and Government: Causes, Consequences, and Reform*. Cambridge: Cambridge University Press, 1999.

Spector, Bertram, ed. *Fighting Corruption in Developing Countries: Strategies and Analysis*. Bloomfield, Connecticut: Kumarian Press, 2005.



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