

Corruption

A Selected and Annotated Bibliography

Inge Amundsen and Odd-Helge Fjeldstad

Commissioned by NORAD



CORRUPTION

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Introduction

This annotated bibliography on “corruption” is commissioned by the *Norwegian Agency for Development Cooperation*, NORAD. It has been compiled from a number of sources, from books and articles, library searches, Internet sources (like *Transparency International* and the *World Bank* bibliographies), and from conferences and colleagues. The bibliography is not meant to be comprehensive; we have aimed at a balanced, assorted, and what we consider an interesting selection. It is organised as follows:

Part 1 is an extensive and updated list of the general corruption-related literature. It draws upon most social science disciplines, including economics, political science, sociology, anthropology, as well as law, history and philosophy. This part is divided into one section listing books and one section on articles/reports/working papers. Most of these publications should be easily accessible through a well-equipped library.

Part 2 is a less extensive list of corruption-related literature from Norway’s priority partner countries and other partner countries. It is geographically listed, based on regions and specific countries. To some extent, the imbalanced number of items for the various countries is indicative of what is to be found in each country. Some of this literature is in the form of books and journals, while others are “grey” and may be less easily available. The full Internet address is given wherever possible.

Part 3 is a list of the Internet-sites of various anti-corruption organisations. This is a rich tool for updated information, new publications, news, and for in-depth searches on particular topics and countries.

We hope that the bibliography will be considered useful – and used – by aid officials, development practitioners, and researchers.

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General literature on corruption

1.1 Books

Anechiarico, Frank & Jacobs, James, B.

The Pursuit of Absolute Integrity. How Corruption Control Makes Government Ineffective

Chicago, 1996, The University of Chicago Press.

This is a comprehensive and controversial case study of American anti-corruption efforts. It offers a sceptical assessment of the effectiveness of these. The authors argue that the proliferating regulations and oversight mechanisms designed to prevent or root out corruption seriously undermine our ability to govern. By constraining decision-makers discretion, shaping priorities, and causing delays, corruption control – no less than corruption itself – undermines efficiency and thereby contributes to the contemporary crisis in public administration.

Bibalos, Jeffrey P. & Hussain, Gregory

The Foreign Corrupt Practices Act: Coping with Corruption in Transitional Economies

Dobbs Ferry/N.Y., 1997, Oceana Publications Inc.

Through the Foreign Corrupt Practices Act (FCPA) of 1977, the USA made it a crime to bribe foreign government officials. Foreign competitors are in most cases allowed to bribe foreigners, and even entitled to tax deductions on this. The book describes the corrupt “environment” in transitional economies like Russia and China, reviews the provisions of the FCPA, and argues that the insecurity and risks can actually be reduced through the FCPA and other anti-corruption initiatives. Finally, the argument is that FCPA can help purge corruption in transitional economies. Numerous references to news articles on corruption in the USA, Europe, Asia and Latin America.

Cars, Torsten

Mutbrott, bestickning och korruptiv marknadsföring

Stockholm, 1996, Juristförlaget.

This juridical outline of Swedish legislation (civil law and tax law) on corruption, bribery and corrupt marketing focuses on actors (corrupted and corrupters in public and private sector), the corrupt act, the bribe, corrupt marketing, sanctions in Swedish penal codes, international relations, and court rulings. (In Swedish with summary in English).

Clark, Gordon

Accountability and Corruption

Sydney, 1998, Allen & Unwin Pty Ltd.

This work addresses ethical standards in the public service, the relationships between officials, their advisors and the public, as well as their interplay between politics and personal behaviour. Suggestions are offered as to what can be done about corruption in public service.

deLeon, Peter

Thinking About Political Corruption
New York, 1993, M.E.Sharpe Inc.

On political corruption in the United States during the Reagan administration, with five cases of national and international corruption. With a strong US-oriented perspective, this book gives detailed examples but offers little analytical insight (on for instance whether political corruption in the US is personal or systemic in nature).

Della Porta, Donatella & Mény, Ives

Democracy and Corruption in Europe
London, 1997, Pinter.

This book offers first-rate definitions on corruption. Authors argue that corruption is central to the “vicious circles” that sustain clientelism, electoral fraud, administrative inefficiency and criminal activities. Includes general articles like Jean Cartier-Bresson, “The Economics of Corruption” (which outlines a broad range of economic theories and shows how their precepts may enrich the study of corruption in democratic governments), a few European case studies and Jean-François Médard: “France-Africa: Within the Family”.

Doig, Alan & Theobald, Robin (eds)

Corruption and Democratisation
London, 2000, Frank Cass Eds.

This concise edited work deals with the enigmatic relationship between corruption and democracy. On the one hand, democratic power-sharing formulas, institutions and procedures are to a large degree the same as the recommended mechanisms for curbing corruption. On the other hand, political authoritarianism combined with economic controls has been efficient in several third world countries. The book contains three overview articles plus case studies on Uganda, Mozambique, Hong Kong, Botswana, and Australia.

Gaetner, Gilles

L’argent facile. Dictionnaire de la corruption en France
Paris, 1992, Éditions Stock.

A journalist’s polemic on corruption in France arranged as a dictionary. Names the places, the individuals (“names-dropping”), the scandals (“affaires”), the institutions (like the cover-up “associations” and the role of public auditing and control bodies) and the sectors affected by corruption (public works, health, sport, justice, politics, journalism, finance, etc). (In French).

Gambetta, Diego

The Sicilian Mafia. The Business of Private Protection
Cambridge/MASS, 1993, Harvard University Press.

Drawing on the confessions of eight Mafiosi, Gambetta develops an analysis of the economic and political role of the Sicilian Mafia. Illustrative of the corruption in the form of “extortion”, in which the state is not necessarily involved directly.

Girling, John

Corruption, Capitalism and Democracy
London, 1997, Routledge.

With a short and concise introduction to corruption and democracy (definitions, analyses and development), the book proceeds to examples of functional corruption (Southeast Asia), dysfunctional corruption (France, Third Republic) and the historical “offsetting” of functional norms (Victorian Britain). Author emphasises the normative dimension (personal moral obligations and symbolic ideas) necessary to eradicate corruption from public life. In this study the author aims to demonstrate that corruption does not disappear as countries develop and modernise, but rather that corruption takes on new forms.

Heidenheimer, Arnold J.; Johnston, Michael & LeVine, Victor T. (eds)

Political Corruption: A Handbook
New Brunswick, 1989, Transaction Publishers.

This book is a compilation of 56 classic studies on corruption drawn from academic journals and books, including the pioneer articles by Samuel P. Huntington: “Modernization and corruption” and Gunnar Myrdal: “Corruption as a hindrance to modernization in South Asia” and “Corruption: Its causes and effects”. It is particularly useful for its interdisciplinary approach.

Heywood, Paul (ed.)

Political Corruption
Oxford, 1997, Blackwell Publishers.

Drawing on insights from the fields of political science, game theory, economics, sociology and law, this book provides a framework for the analysis of political corruption. It examines how political corruption can be defined and how it operates in practice.

Jain, Arvind K. (ed)

Economics of Corruption
Norwell, Massachusetts, 1998, Kluwer Academic Publishers.

The political economy of corruption is examined, focusing on causes and consequences of corruption, and measures to curb corruption. A shift in the focus of studies on corruption is proposed, - away from bribery-type activities to corruption that results in distortion of economic policies.

Kimberley, Ann Elliott (ed)

Corruption and the Global Economy
Washington DC, 1997, The Institute for International Economics.

Views of different analysts are represented in this concise book, which is the outcome of a conference on corruption hosted by the Institute for International Finance in April 1996. Theorists, economists, lawyers, and even an insightful detective present arguments. Includes the chapter by Michael Johnston: “Public Officials, Private Interests, and Sustainable Democracy: When Politics and Corruption Meet”, that argues forcefully that any assessment of corruption must take a country's political dimensions into account. To make this argument, Johnston asserts that it is critical to understand who decides on corrupt distributions and who gets what from corruption. He concludes that to

combat corruption an analysis of the distribution of benefits is necessary to formulate a feasible, multi-dimensional effort. Also includes the chapter by Glyn/Kobrin/Naim: "The Globalization of Corruption" on how and why corruption erupts worldwide, and the chapter by Michael Johnston: "Public Officials, Public Interests and Sustainable Democracy: When Politics and Corruption Meets".

Klitgaard, Robert

Controlling Corruption

Berkeley, 1988, University of California Press.

Corruption is increasingly recognised as a pre-eminent problem in the developing world. This seminal book on the subject has shaped much of the thinking about corruption for students and practitioners since its publication. Bribery, extortion, fraud, kickbacks, and collusion have resulted in retarded economies, predator elites, and political instability. In this book, Klitgaard provides a framework for designing anti-corruption policies, and describes through various case studies how courageous policymakers were able to control corruption. The book uses various case samples including the Philippines, Singapore, and Hong Kong. Among the lessons the book contributes to thinking about corruption is the notion that the costs of eliminating corruption are excessively high and an optimal level of control is possible.

Kofele-Kale, Ndiva

International Law of Responsibility for Economic Crimes. Holding Heads of State and Other High Ranking State Officials Individually Liable for Acts of Fraudulent Enrichment

The Hague, 1995, Kluwer Law International.

Addressing the problem of indigenous spoliation (plunder) by heads of states and other high-ranking officials of the wealth of the states, which they are temporarily the custodians, Kofele-Kale argues that indigenous spoliation can be made a crime according to international law. International law is weak, however, and limited in addressing the economic crimes and pursuing the assets of local (and exiled) dictators. Some excellent examples of grand corruption is given.

Ledeneva, Alena V.

Russia's Economy of Favours. *Blat*, Networking and Informal Change

Cambridge, 1998, Cambridge University Press.

"Blat" is the informal contacts-, barter and network system used to obtain goods and services under the rationing in the former Soviet Union, an "economy of favours". The book deals at lengths with the Soviet "blat" system, comparing it to clientelism and corruption, and adds a chapter on the implications of this system of networking on modern Russia.

Levi, Michael & Nelken, David

The Corruption of Politics and the Politics of Corruption

Oxford, 1996, Blackwell Publishers.

This work aims to bring out specific and general elements of the social and legal control of corruption. It looks at the socio-economic-political-pressure group influences around communities and shifts, for example, what is called

the politics of corruption. Thus, the primary orientation is not the forms of corrupt behaviour or their explanation, but forms and "causes" which are salient to socio-legal reaction and its effects.

McChesney, Fred S.

Money for Nothing. Politicians, Rent Extraction, and Political Extortion

Cambridge/MASS, 1997, Harvard University Press.

On lobbying, campaign contributions, and corruption in the USA. According to the author, payments to politicians are made not only to gain political favours, but also to avoid political disfavours, that is, as part of a system of political extortion or "rent extraction". Thus the basic notion of rent extraction as "money for nothing": money paid in exchange for politicians' inaction. This book illustrates some patterns of legal extortion underlying the current fabric of interest-group politics.

Moody-Stuart, George

Grand Corruption: How Business Bribes Damage Developing Countries

Oxford, 1997, World View Publishing.

A most readable popular manual of the way in which grand/high-level corruption works, and how business and government leaders feed off each other in a mutual dance of bribe and extortion. Author suggests the use of moral pressure and institutional oversight to check the cycle of abuse.

Ofusu-Amaah, W.; Paatii, Raj Soopramanien & Uprety, Kishor

Combating Corruption. A Comparative Review of Selected Legal Aspects of State Practice and major International Initiatives

Washington DC, 1999, The World Bank.

This study discusses how corruption is investigated and reviews anti-corruption legislation, sanctions and penalties, using examples of best practice from several jurisdictions. Furthermore, it examines the national laws relative to financial management, political campaign finance, and public procurement. Finally, international efforts against corruption are discussed, emphasising the UN and the OECD initiatives, and regional efforts within the Council of Europe, the Organisation of American States and the African initiative.

Perry, Peter J..

Political Corruption and Political Geography

Aldershot, 1997, Ashgate Publishing Group.

This work aims to define, describe, and to expose political corruption in the context of global politics. The author also suggests "cures and controls" for corruption at varying levels, and offers afterthoughts on the future of political corruption.

Pope, J. (ed.)

National Integrity Systems: The TI Source Book

Washington DC, 1997 (Second Ed.), Transparency International & EDI/World Bank.

This sourcebook on integrity emphasises accountability measures and attitude changes over the reform of substantive programs to reduce corrupt incentives. Five main areas of reform on the road to the implementation of an anti-corruption system are flagged: public programs, government reorganisation,

law enforcement, public awareness, and the creation of institutions to prevent corruption. It is pointed out that one must remember that anti-corruption is a long-term process that needs to be openly supported from the top and one where attitudes and conduct must be taught and reinforced at all levels.

Rider, Barry (ed.)

Corruption: The Enemy Within
The Hague, 1997, Kluwer.

Includes papers from the 14th International Symposium on Economic Crime, Cambridge 1996, where corruption is seen mainly from a Western perspective, as serious economic crime and legal and financial offences. The first part identifies corruption as an antisocial activity in developing and transitional economies, and its implications. The second part addresses the relationship of corruption to organised crime. The third part takes up the issue of public sector corruption, and particularly the finance sector. The fourth part focuses on aspects of prevention and enforcement (strategies in the US and UK) and the fifth part is on international initiatives (role of the World Bank, criminalisation of foreign bribes, Interpol and the EU).

Robinson, Mark (ed.)

Corruption and Development
London, 1998, Frank Cass.

This edited volume is inter-disciplinary in its approach to analysing corruption. The message conveyed is that corruption is a complex, multi-faceted phenomenon that pervades all societies to varying degrees, which is not amenable to quick-fix solutions. Contributors include Mushtaq Khan, Johann Lambsdorff, John Toye and Mick Moore, Fredrik Galtung and Stephen Riley.

Rose-Ackerman, Susan

The Political Economy of Corruption
New York, 1978, Academic Press.

This seminal book from 1978 on the political economy of corruption presents the idea that corruption exists at the interface of public and private sectors. The central argument is that corruption cannot be entirely eliminated; the cost of doing so would be excessively high. However, corruption may be reduced to a level that controls its costs and does not harm an economy. It is a statement that has influenced a significant number of subsequent studies on corruption and is therefore critical for anyone who wishes to understand the subject in any depth.

Rose-Ackerman, Susan

Corruption and Government. Causes, Consequences and Reform
Cambridge, 1999, Cambridge University Press.

This is a major reference work on corruption. It looks at governmental corruption as an economic, cultural and political problem that limits investment and growth and leads to ineffective government. The book includes chapters on the role of international actors both as possible corrupters and as reform supporters in international politics and through development co-operation and aid.

Schedler, Andreas; Diamond, Larry & Plattner, Marc F. (eds)

The Self-restraining State. Power and Accountability in New Democracies
London, 1999, Lynne Rienner Publishers.

This edited volume is based on papers presented to the conference “Institutionalising horizontal accountability: How democracies can fight corruption and the abuse of power”, held in Vienna in 1997. Liberal democracies require governments that are not only accountable to their citizens but also subject to restraint and oversight by other public agencies. These are referred to as institutions of “horizontal” accountability, and refer to the capacity of state institutions to check abuses by other public agencies and branches of government. Instead of analysing the role of parliaments in overseeing the executive, this book focuses on independent, non-elective, specialised bodies of oversight, including electoral administrations, judicial systems, anticorruption bodies and central banks. These autonomous institutions of accountability are typically insulated from state officials and from the people as well. As long as they are unaccountable themselves, agencies of accountability are therefore vulnerable to charges that they are undemocratic. A key question raised is: Who shall guard the guardians?

Shleifer, Andrei & Vishny, Robert W.

The Grabbing Hand. Government Pathologies and Their Cures
Cambridge, Mass., 1998, Harvard University Press.

This collection of essays by the two economists describe many public sector interventions in economic life as predatory: heavy and arbitrary taxes retard investment, regulations enrich bureaucrats, state firms consume national wealth, and the most talented people turn to rent-seeking rather than productive activities. With some examples drawn from medieval Europe and transition economies, this contribution to economic theory has a historic and comparative approach to corruption.

Scott, James C.

Comparative Political Corruption
Englewood Cliffs/NJ, 1972, Prentice-Hall.

This (old) contribution looks at corruption as a channel of political demands, and argues that patterns of exclusion in the formal political apparatus lead groups to resort to corruption or violence. Main focus is on electoral corruption in the form of political “machines”, through which for instance the bourgeoisie buys political influence. Includes comparative studies from Early Stuart England, Thailand, Haiti and the USA, India.

Stapenhurst, Rick and Sahr J. Kpundeh (eds)

Curbing Corruption. Toward a Model for Building National Integrity
EDI Development Studies. Washington DC, 1999, World Bank.

This volume contains theoretical and applied studies of governance work. The book is organised in three parts. Part I presents lessons of experience, highlighting the interaction between corruption and economic performance. Examples of good practice are illustrated by the experiences of Hong Kong, Singapore and Bolivia. Part II focuses on economic and institutional approaches to anti-corruption efforts, paying particular attention to the public sector and civil society (including media). Part III presents three country case

studies – Sierra Leone, Tanzania and Uganda. Surprisingly, and very unconvincing, Tanzania and Uganda are presented as success stories in curbing corruption.

Theobald, Robin (ed.)

Corruption, Development and Inequality: Soft touch or hard graft?

London, 1990, Macmillan.

The basic argument of this book is that the phenomenon of political corruption can be understood only against a background of social and economic change. Both the negative and positive sides of corruption are listed and reviewed. Theobald also identifies a number of remedial measures to control corruption although arguing that its elimination cannot be realistically anticipated until certain fundamental changes have taken place. The most important of these are the rise of predominance of universalistic norms, the emergence of new centres of power outside the bureaucracy and the development of competitive party politics. Such changes, however, can come about only after a long period of social and economic development.

Ward, Peter M.

Corruption, Development and Inequality

London, 1989, Routledge.

There is vigorously debated whether corruption in all cases is detrimental to the interests of the poor or whether, in some cases, corruption might actually facilitate development. Many people argue, sensibly, that the 'informal sector' is a good thing for employment and housing; but there is more disagreement about corruption and the black economy. This book explores this debate and presents much new evidence and thinking connected with the topic. It considers corruption in a wide range of international examples from the USSR to Ecuador and India, thereby demonstrating its extent, its many different manifestations, the roles it fulfils and its consequences, which, the book argues, are in most cases decidedly adverse.

Webber, Carolyn & Wildavsky, Aaron

A History of Taxation and Expenditure in the Western World

New York, 1986, Simon and Schuster.

This seminal book illuminates the field of government taxation and expenditure from ancient Mesopotamia to today. The historical analysis relates fiscal systems to the societies and political regimes in which they were embedded and to the development of governments' administrative capacities.

1.2 Articles, reports, working papers

Ades, Alberto and Rafael Di Tella

“Causes and Consequences of Corruption: A Review of Empirical Contributions”

IDS Bulletin, vol.27, no.2, April 1996, pp.6-11.

This paper reviews the empirical literature on corruption to show how new data sets are contributing to robust studies and testing of hypotheses.

Alam, M.S.

“Some Economic Costs of Corruption”

Journal of Development Studies, vol.27, no.1, October 1990, pp.89-97.

This article argues that bribery cannot improve a country's economic efficiency through the creation of auction-like conditions. It takes the position that the patrimonial/clientelist character of many developing countries restricts access to bribery and reduces the possibilities of detection.

Alesina, Alberto & Weder, Beatrice

“Do Corrupt Governments Receive Less Foreign Aid?”

National Bureau of Economic Research (NBER), Working Paper no.7108, 1999.

Critics of foreign aid programs argue that these funds often support corrupt governments and inefficient bureaucracies. Supporters argue that foreign aid can be used to reward good governments. This paper documents that there is no evidence that less corrupt governments receive more foreign aid. On the contrary, according to some measures of corruption, more corrupt governments receive more aid. Also, we could not find any evidence that an increase in foreign aid reduces corruption. In summary, the answer to the question posed in the title is ‘no’.

Amundsen, Inge

“Political Corruption: An Introduction to the Issues”

Bergen, 1999, Chr. Michelsen Institute, Working Paper 1999:7.

Political corruption is here defined as corruption in which the political decision-makers are involved. In addition to a review of the various definitions of corruption and a classification of the various forms of corruption (bribery, embezzlement, fraud and extortion), this paper presents two alternative theories on corruption (“extractive” and “redistributive”), and some of the causes and effects of corruption. Finally, the various sources of anti-corruption initiatives and endowments are discussed. The basic argument is that political corruption can only be checked and reduced by further democratisation and concerted efforts.

Andvig, Jens Chr.

Korrupsjon i utviklingsland. En økonomisk tilnærming. Del 1: Begrepsavklaring.

Politisk korrupsjon

Oslo, 1982, NUPI notat nr.249.

Definitions and core aspects/conceptualisations of political corruption: “traditional” corruption, market corruption, principal-agent theory, rent seeking, bureaucratic/political corruption, kleptocracy. (In Norwegian).

Andvig, Jens Christopher & Moene, Karl Ove

“How Corruption May Corrupt”

Journal of Economic Behavior and Organization, no13, 1990, pp.63-76

(NUPI rapport no.134, 1989).

This article presents the argument that the same socio-economic structures can result in different levels of corruption. The authors develop the economic hypothesis that the same socio-economic structure can give rise to different levels of corruption, in other words that multiple self-fulfilling equilibria levels are possible.

Andvig, Jens Christopher

“The Economics of Corruption: A Survey”

Studi economici, vol.46, no.4-3, 1991.

This literature review concentrates primarily on the literature in economics. The author divides the literature into themes of situational analysis, public contracts, queues, status of agents, institutional explanations, cultural differences or norm-based explanations, specific models of multiple equilibrium models of corruption, the welfare economics of corruption, and empirical investigations of corruption.

Andvig, Jens Christopher

“Economic Analysis of Corruption”

Arve Ofstad & Arne Wiig (eds): Development theory: Recent Trends. Proceedings of the NFU Annual Conference 1992. CMI (Chr. Michelsen Institute) Report R 1993:6, chapter 12, pp.228-253.

After reviewing the general explanations for variations in the level of corruption according to variations between political systems, levels of economic development, cultural patterns, this article looks into the economic explanations of corruption: situational analysis, incentives, and the Shelling diagram.

Andvig, Jens Christopher

“Corruption in the North Sea Oil Industry. Issues and Assessment”

Crime, Law and Social Change, 1995, pp. 289-313.

The report explores the issue of economically motivated bribery in the Norwegian (and British) oil industry directed at middle-level management. Focuses on the sealed bid auction system, and information brokers. Important as it illustrates some mechanisms of corruption in high-value raw-material production, and illuminates incentive problems in tender-systems, which are also relevant when analysing public procurement.

Banerjee, Abhijit V.

“A Theory of Misgovernance”

Quarterly Journal of Economics, vol.112, no.4, 1997, pp.1289-1332.

The paper develops a theoretical model to explain why government bureaucracies are often associated with red tape, corruption and lack of incentives. The model identifies two specific ingredients that together can provide an explanation: (1) The fact that governments often act precisely in situations where markets fail, and (2) the presence of agency problems within the government. It is shown that these problems are exacerbated at low levels of development and in bureaucracies dealing with poor people.

Bardhan, Pranab

“Corruption and Development: A Review of Issues”

Journal of Economic Literature, vol.35, (Sept) 1997, pp.1320-1346.

This article is a useful review of the economic literature on corruption. It divides the literature among five general issues: corruption and efficiency, corruption and growth, national differences in corruption, policy issues in reducing corruption, and incentives for reducing corruption. Task managers will find this article to be an excellent introduction into a large and highly varied literature on the subject.

Becker, Gary S.

“Crime and Punishment: An Economic Approach”

Journal of Political Economy, vol.76, no.2, March-April 1968, pp.169-217.

This classic article analyses the relationship between punishment and an individual's willingness to engage in an illegal act. It asks what is the optimal level of punishment to deter crime. The optimal level of punishment is largely a function of the cost of enforcement, investigation, and punishment. It concludes that the optimal levels of sanction depend upon the overall cost of enforcement.

Bhagwati, Jagdish N.

“Directly Unproductive Profit-seeking (DUP) Activities”

Journal of Political Economy, vol.90, no.5, 1982, pp.988-1002.

This paper provides taxonomy of DUP activities. These activities include the use of funds for lobbying for protection, market share, licenses, and monopolistic barriers to market. The basic characteristic is that DUP activities use funds to for rent seeking and bribery with an aim of making a profit.

Bliss, Christopher and Rafael Di Tella

“Does Competition Kill Corruption?”

Journal of Political Economy, vol.105, no.51, October 1997, pp.1001-1023.

This article is useful for staff who wants to understand the relationship between corruption and competition. It offers an explanation of under what circumstances competition may limit the costs of corruption.

Busch, Gary K.

“Crime and Corruption: One View of a Parallel System”

1992, Mimeo, Transparency International.

This paper looks at the internationalisation of corruption and crime. It looks specifically at four fields: fraud in construction, maritime fraud, money laundering, and 'parlour-room crime' (fake antiquities, art, etc.).

Campos, J. Edgardo & Line, Donald

“The Impact of Corruption on Investment: Predictability Matters”

World Development, vol.27, no.6, 1999, pp.1059-1067.

The paper argues and provides empirical evidence that it is not only the level of corruption that affects investment but also the nature of corruption. Different corruption regimes have different effects on investment. Corruption regimes that are more predictable have less negative impact on investment than those that are less predictable. The level of corruption also matters.

Cartier-Bresson, Jean

“Corruption Networks, Transaction Security and Illegal Social Exchange”

Political Studies, no.65, 1997, pp.463-476.

This article argues that most studies of corruption concentrate on occasional and unorganised behaviour. It analyses instead networks of corrupt actors who interact in regular, organised corruption. The article concludes that the study of networks has more to offer for an understanding of corruption than the classic political economy approach.

Carvajal, Raúl

“Large-scale Corruption: Definition, Causes, and Cures”

Systemic Practice and Action Research, vol.12, nr.4, 1999, pp.335-353.

Through a review of the literature, the author derives a definition of corruption, and argues that the same governing factors that sustain large-scale corruption are in direct opposition to efforts to promote development. By reviewing the history and evolution of a government agency for small farmers in a developing country, author shows that while extracting wealth, corrupt power networks generated waste, reduced production, and caused acrimony on the part of the victims. The ability to detect and neutralise corrupt networks is essential to development.

Chand, Sheetal & Moene, Karl O.

“Controlling Fiscal Corruption”

World Development, vol.27, no.7, July1999, pp.1129-1140.

This paper examines the issue of how to control fiscal corruption by providing incentives to fiscal officers. A model is developed to portray the incentive effects. The results indicate that simply providing bonuses is not enough. Corruption at higher levels of management has to be contained so as to allow bonuses to become more effective, and thereby to initiate a “virtuous circle”. These findings are supported by a case study of a successful attack on fiscal corruption in Ghana.

Cooksey, Brian

“Does Aid Cause Corruption?”

East African Alternatives, no.2, January-February 1999 (Nairobi).

The author argues that aid has fuelled corruption in recipient countries, and allowed incumbent ruling elites to buttress themselves against the logic of market reform political pluralism.

de Sardan, J.P. Olivier

”L’économie morale de la corruption en Afrique”

Politique Africaine, no.63, October 1996, pp.97-116.

This French anthropologist explores the cultural “embeddedness” of corruption in Africa, arguing that corruption includes a broad range of power abuse and illegal enrichment that is generalised and commonplace. He notes the inconsistency between outspoken condemnation of corruption and the widespread practice in Africa, noting that people who take part in the practice believe it is legitimate or denies that their practice is corruption.

Dye, K. & Stapenhurst, R.

“Pillars of Integrity: The Importance of Supreme Audit Institutions in Curbing Corruption”

Washington DC, 1998, World Bank Institute Working Paper.

Building strong institutions is a central challenge of development and is key to controlling corruption. Among public institutions, the Supreme Audit Institutions (SAIs) may play a critical role, as they help promote sound financial management and thus accountable and transparent government. However, the authors argue that the full potential of the SAI to address corruption has not been exploited, in part because of the lack of understanding of the overall capacity of the SAI. This paper discusses the role

of SAIs in promoting accountability and transparency within government. Furthermore, it considers some of the factors making for effective SAIs and highlights the linkages between the audit institutions and other "pillars of integrity", notably the media and Parliament.

Eskeland, Gunnar & Thiele, Henrik

“Corruption under Moral Hazard”

Washington DC, 1999, World Bank, Policy Research Working Paper 2204.

This is theoretical analysis based on the principal-agent framework. The model shows that attempts to reduce corruption within an institution need to address the constraints facing managers in setting rewards and penalties. Raising salaries without raising expected penalties will have higher costs than benefits.

Evans, Peter B. & Rausch, James E.

“Bureaucratic Structures and Economic Performance in Less Developed Countries”

IRIS (Center for Institutional Reform and the Informal Sector, University of Maryland), Working Paper No. 175, August 1995.

This study assesses the extent to which internal promotion and meritocratic recruitment improve the functioning of a bureaucracy. It concludes that a better performing public sector, with rational promotion and recruitment, has less corruption.

Fjeldstad, Odd-Helge

“Korrupsjon”, chapter 13 in

Rune J. Hagen & Karl R. Pedersen (eds): Fordeling og vekst i fattige land, Bergen, 1998, Fagbokforlaget.

This paper discusses the causes and consequences of corruption in developing countries, and possible means of reducing corruption in the public sector. Principal-agent theory (incentive theory) is used as a point of departure. The impact of corruption on economic performance is also discussed. By comparing corruption and economic performance in African and Asian countries, the paper argues that the corruption-growth relationship depends not only on the scope but also on the form of corruption. This suggests that high levels of corruption can coexist with either high or low rates of growth, depending on how corruption is organised and how the money is used. (In Norwegian).

Friedman, E.; Johnson, S.; Kaufmann, D. & Zoido-Lobaton, P.

“Dodging the Grabbing Hand: The Determinants of Unofficial Activity in 69 Countries”

Washington DC, 1999, World Bank Institute Working Paper.

Based on data from 69 countries, it is found that entrepreneurs go underground not to avoid official taxes but to reduce the burden of bureaucracy and corruption. Dodging the "Grabbing Hand" in this way reduces tax revenues as a percent of both official and total GDP. As a result, corrupt governments become small governments.

Gillespie, Kate and Gwenn Okruhlik

“The Political Dimensions of Corruption Cleanups: A Framework for Analysis”
Comparative Politics, October 1991, pp.77-95.

This article provides a conceptual framework to analyse anti-corruption campaigns within governments and across states. It explores the political variables involved in anti-corruption campaigns and is useful for understanding the politics of reducing official venality.

Global Forum on Fighting Corruption

“Safeguarding Integrity Among Justice and Security Officials”

Department of State, Publication 10600, Washington DC, 1999.

This report is summarising a conference organised by the Global Forum on Fighting Corruption, hosted by Vice President Al Gore, Washington D.C. February 24-26. (Internet site: <http://www.usia.gov/topical/econ/integrity>). The conference, with participants from 90 governments, focused on causes of corruption and practices to prevent or fight it. A list of twelve general principles was assembled into the document “Guiding principles for fighting corruption and safeguarding integrity among justice and security officials” which is included in this report.

Gray, Cheryl W. & Kaufmann, Daniel

“Corruption and Development”

Finance and Development, March 1998, pp.7-10.

A short and concise article on the principal causes of corruption. The article makes some suggestions of specific ways to enhance anti-corruption efforts in developing and transition economies.

Gupta, Sanjeev; Davoodi, Hamid & Alonso-Terme, Rosa

“Does Corruption Affect Income Inequality and Poverty?”

IMF Working paper, 98/76.

Washington, May 1998, International Monetary Fund, Fiscal Affairs Dept.

This paper demonstrates that high and rising corruption increases income inequality and poverty by reducing economic growth, the progressivity of the tax system, the level of effectiveness of social spending, and the formation of human capital. These findings hold for countries with different growth experiences, at different stages of development, and using various indices of corruption. An important implication of these results is that policies that reduce corruption will also lower income inequality and poverty.

Hampton, Mark P.

“Where Current Meets: The Offshore Interface between Corruption, Offshore Finance Centres and Economic Development”

IDS Bulletin, vol.27, no.2, April 1996, pp.78-87.

This is a preliminary step to analyse the possible impact on economic development of the linkage between offshore interface (finance centres & tax heavens) and corruption. Moral outrage at the “cancer of corruption” needs to be considered alongside the double standards of Western companies that routinely supply bribes to win contracts in poor countries, thus prolonging rent-seeking behaviour. It is argued that the growth of offshore interface may be outpacing any attempts at regulation, whether by the business communities or governments.

Holloway, Richard

“NGOs: Loosing the Moral High Ground-Corruption and Misrepresentation”

Paper presented at the 8th IACC, Lima, Peru, 1997.

This paper looks at corruption in NGOs, and argues that the NGO sector, which we expect to have high moral values, and to occupy the moral high ground, has started to have increasing numbers of crooks, charlatans and impostors within its ranks. Thus, the author argues that there is a need for a more sceptical, objective view of the NGO-sector without both romanticism on the one hand, or cynicism on the other - a clear appreciation of its strengths and weaknesses.

Heidenheimer, Arnold J.

“The Topography of Corruption: Explorations in a Comparative Perspective”

International Social Science Journal, vol.48, no.3, September 1996, pp.338-347.

The article analyses how corruption is linked to scandalisation in the traditions of European countries and how this has helped shape contemporary perceptions. Britain and Italy are contrasted in how they maintained or transmuted patron-client relationships and monitored distinctions between social, economic and political exchange. The comparative analysis is extended to encompass regional variations within Italy, as manifested by differing levels of trust and tolerance of deviations from public office obligations. Different patterns of monitoring bureaucratic behaviour help explain why low-level corruption is less prevalent in France than in Italy, but also why problem consciousness has developed more among Italians. The topographic scope of the survey is then extended beyond national borders with reference to whether and how European governments responded to international pressures to monitor the bribery of official's abroad. Supplementary indicators of national tendencies to combat corruption are extrapolated from data about the willingness of national elites to control practices by representatives of their companies in developing countries. With some notes on international legislation against corruption (including Transparency International and OECD efforts).

Jamieson, Alison

“Political Corruption in Western Europe. Judiciary and Executive in Conflict”

Conflict Studies, no.128, 1996

Research Institute for the Study of Conflict and Terrorism. London, 1996, RISCT.

Short essay on the problem of autonomy of the judiciary and the personal risks of investigating magistrates confronted with increasing corruption and organised crime in Europe, with case studies of Italy, France, Spain and others.

Johnson, Simon, Daniel Kaufmann and Paplo Zoido-Lóbaton

“Corruption, public finances, and the Unofficial Economy”

Policy Research Working Paper 2169

Washington DC, 1999, World Bank, World Bank Institute.

Based on data from 49 Latin American, OECD, and transition economies, the study explores the impacts of taxation and bribery on the size of the unofficial economy. The study finds that it is the effective and discretionary administration of tax and regulatory regimes, not higher taxes alone, as well

as corruption, which increases the size of the unofficial economy. Furthermore, countries with a larger unofficial economy tend to grow more slowly.

Johnston, Michael

“The Search for Definitions: The Vitality of Politics and the Issue of Corruption”
International Social Science Journal, no.149, September 1996, pp.321-336.

This article explores the multiple problems that confront efforts to define corruption in a meaningful fashion. It is useful for understanding the complexity of defining corrupt behaviour.

Johnston, Michael

“Public Officials, Private Interests, and Sustainable Democracy: When Politics and Corruption Meet” in Kimberley, Ann Elliott (ed) 1997.

This chapter argues that any assessment of corruption must take a country's political dimensions into account. To make this argument, Johnston asserts that it is critical to understand who decides on corrupt distributions and who gets what from corruption. He concludes that to combat corruption an analysis of the distribution of benefits is necessary to formulate a feasible, multi-dimensional effort.

Kaufmann, Daniel & Siegelbaum, Paul

“Privatisation and Corruption in Transition Economies”

Journal of International Affairs, vol.50, no.2, winter 1995, pp.419-458.

Privatisation was effectively forced upon the transition economies after the break-up of the Soviet Union. This paper presents an analysis of different privatisation techniques and how those methods have affected the incidence of corruption. It concludes that despite the incidence of corruption that followed privatisation, the policies were positive for the transition economies.

Kaufmann, Daniel

“Corruption: the Facts”

Foreign Policy, no.107, summer 1997, pp.114-131.

This paper explains the costs of corruption, rejecting arguments that corruption "greases" development, that reforms breed bribery, and that corruption cannot be controlled. Having exposed the "myths" about corruption, the paper argues that reducing venal behaviour requires the involvement of civil society and a mix of programs including liberalisation, deregulation, and tax, budget, institutional, civil service, and legal reforms.

Kaufmann, Daniel

“Challenges in the Next Stage of Anti-Corruption”

Washington DC, 1998, World Bank Institute Working Paper.

The paper argues that corruption flourishes where policies provide incentives for it and restraining institutions are weak. Diagnosing corruption may thus help a country understand the shortcomings in its policies and institutions, and on that basis design a strategy to strengthen the state's performance.

Kaufmann, D.; Kraay, A. & Zoido-Lobaton, P.

“Governance Matters”

Washington DC, 1999, World Bank Institute Working Paper.

This paper describes a new database containing over 300 governance indicators compiled from a variety of sources. The paper provides a detailed description of each of these indicators and sources, and constructs six aggregate indicators corresponding to six basic governance concepts. It is found that governance, as measured by these indicators, matters. In a cross-section of over 150 countries, new empirical evidence is provided of a strong causal relationship between better governance and better development outcomes.

Kaufmann, Daniel & Shang-Jin Wei

“Does ‘Grease Money’ Speed Up the Wheels of Commerce?”

National Bureau of Economic Research (NBER), Working Paper No. 7093, 1999.

Using data from three worldwide firm-level surveys, the paper examines the relationship between bribe payment, management time wasted with bureaucrats, and cost of capital. It is found that firms that pay more bribes are also likely to spend more, not less, management time with bureaucrats negotiating regulations, and face higher, not lower, cost of capital.

Khan, Mushtaq H.

“A Typology of Corrupt Transactions in Developing Countries”

IDS Bulletin, vol.27, no.2, 1996, pp.12-21.

Defining corruption in behavioural terms as deviations from legal norms, the article analyses the economic effects of corruption in terms of patrimonial and clientelist relationships, rent seeking, agency structures and the distribution of political power. The argument is that some forms of “controlled” corruption may be economically efficient.

Klitgaard, Robert

“Cleaning up and Invigorating the Civil Service”

Public Administration and Development, no.17, 1997, pp.487–509.

The development agenda is moving from policy-based reform to institutional reform. The paper asserts that a reform of incentives and information, implicit in civil service reform, will decrease the incidence of corruption in developing economies.

Klitgaard, Robert

“Unanticipated Consequences' in Anti-Poverty Programs”

World Development, no.25, vol.12, December 1997, pp.1963-1972.

This article examines unanticipated effects of anti-poverty programmes conducted by multilateral donors. It asserts that the unexpected effects may include a variety of distortions, including increased corruption. When an official acquires discretionary power over a good or service, corruption may result as a consequence of diminished accountability.

Klitgaard, Robert

“International Cooperation Against Corruption”

Paper presented at the International Conference “Democracy, Market Economy and Development”, 26-27 February 1999, Seoul, South Korea.

Why don't countries take more steps to reduce corruption? If countries have trouble fighting corruption, it may be because they lack sufficient will or sufficient local capacities, such as proper strategies and structures (including incentives), to prevent corruption. In some instances, local capacities are constrained by costs, in others by a lack of know-how, and in still others by insufficient efforts to devise strategies to combat corruption. It is argued that international co-operation can help individual countries to develop the necessary will and capacities. The article proposes several new initiatives in which international co-operation could play crucial roles in combating corruption. One is the sponsorship of regional diagnostic studies. These studies would help identify systematic improvements that might be made and suggest how to ensure the permanence of improvements through monitoring.

Kofele-Kale, Ndiva

“Partimonicide: The International Economic Crime of Indigenous Spoilation” in Vanderbilt Journal of Transnational Law, vol.28, no.45, 1995, pp.45-118.

Author claims that massive corruption and presidential graft can and should be named “patrimonicide” (along with “genocide”) or “indigenous spoilation”, and that international legislation should be developed to overcome this problem. Much legal technicalities here, but also with some excellent examples of presidential graft, leaders' economic predation, corruption and primitive extraction (mainly from Africa).

Kpundeh, Sahr J.

“Political Will in Fighting Corruption”

Corruption & Integrity Improvement Initiatives in Developing Countries

Seminar paper, UNDP, October 1997.

<http://magnet.undp.org/Docs/efa/corruption/Chapter06.pdf>

Author argues that political actors or leaders can rely on an arsenal of resources to develop and implement sustainable economic reform and anti-corruption strategies. The necessary political will among political leaders nevertheless depends on the types and levels of corruption, leaders' security, democratic checks and balances, public constituencies and participation, an independent press, and transparent accountable government.

Krueger, Anne O.

“The Political Economy of the Rent-Seeking Society”

American Economic Review, no.64, vol.3, June 1974, pp.291-303.

This seminal article introduces the concept of rents that are present in government monopolies. Competitive rent seeking is a factor in societies where governments control sectors of the economy. The article analyses the opportunities created through state-owned enterprises, quantitative restrictions, and tariffs that lead to rent seeking.

Kurer, Oskar

“Clientelism, Corruption, and the Allocation of Resources”

Public Choice, vol.77, no.2, 1993, pp.259-273.

This article shows the errors of what Kurer calls the “revisionist approach” to corruption. The revisionist approach – notably Leff, Nye, and others – argues that corruption enhances market efficiency. The author argues convincingly that the revisionist approach is misleading and that corruption carries high costs, especially for developing economies.

Kurer, Oskar

“The Political Foundations of Economic Development Policies”

Journal of development studies, vol.32, nr.5, 1996, pp.645-668.

The article argues that the adoption and persistence of many failed development strategies can be attributed to political clientelism, factionalism, corruption and the exchange of material benefits for political support. A political economy theoretical contribution on predatory states, extraction and clientelism, with no examples.

Lambsdorff, Johan Graf

“Corruption in Empirical Research – A Review”

Paper presented at the 9th International Anti-Corruption Conference, Durban, 10-15 October 1999.

This paper reviews a large variety of studies on causes and consequences of corruption. Research on the causes of corruption focuses on the absence of competition, policy distortions, political systems, and public salaries as well as an examination of colonialism and gender. The studies on the consequences of corruption include research on the impact of corruption on investment, economic growth, institutional quality, government expenditure, poverty and international flows of capital, goods and aid.

Langseth, P.; Stapenhurst, R. & Pope, J.

“The Role of a National Integrity System in Fighting Corruption”

Washington DC, 1997, EDI/World Bank.

This paper argues that while each country or region is unique in its own history and culture, its political systems, and its stage of economic and social development, similarities do exist and that experience and lessons are often transferable. A "national integrity system" is proposed as a comprehensive method of fighting corruption. It comprises eight pillars (public awareness, public anti-corruption strategies, public participation, "watchdog" agencies, the judiciary, the media, the private sector, and international co-operation) which are interdependent. Establishing and strengthening such an integrity system requires identifying opportunities for reinforcing and utilising each of these pillars in the fight against corruption.

Langseth, P. & Stapenhurst, R.

“National Integrity System Country Studies”

Washington DC, 1997, World Bank Institute Working Paper.

This paper builds on the paper "The Role of a National Integrity System in Fighting Corruption", which argues that while each country or region is unique in its own history and culture, its political systems, and its stage of economic and social development, similarities with regard to the extent and

costs of corruption do exist and that experience and lessons are often transferable. The paper presents two country studies, those of Uganda and Tanzania, highlighting the problem of corruption in those countries, the strategies adopted to fight corruption, and the role that the World Bank Institute has played in assisting with the implementation of those strategies.

Leiken, Robert S.

“Controlling the Global Corruption Epidemic”

Foreign Policy, no.105, Winter 1996-1997, pp. 55-73.

A highly readable article that argues that an explosion in the incidence of corruption has occurred worldwide. The two main reasons for this explosion are the higher disclosures of malfeasance because of the end of the Cold War, and the global spread of democracy.

Leite, Carlos & Weidmann, Jens

“Does Mother Nature Corrupt? Natural Resources, Corruption, and Economic Growth”

IMF Working Paper, WP/99/85, July 1999.

The paper argues that natural resource abundance creates opportunities for rent-seeking behaviour and is an important factor in determining a country’s level of corruption. In a simple growth model, it is shown that the extent of corruption depends on natural resource abundance, government policies, and the concentration of bureaucratic power. Furthermore, the growth effects of natural resource discoveries and anti-corruption policies crucially depend on the economy’s state of development.

Leys, Colin

“What is the Problem About Corruption?”

Journal of Modern African Studies, no.3, vol.2, 1965, pp.215-230.

Among the earliest statements on corruption as an efficiency-enhancing market behaviour. The essay concludes that corruption is a positive developmental force by creating competition and market structures for private sector actors.

Lord Nolan

“Just and Honest Government”

Public Administration and Development, no.18, 1998, pp. 447-455.

The paper addresses the ways in which the United Kingdom has sought to apply principles such as ethics and values as the foundation of a strong public sector. The evolution of values, specifically the tensions between old and new values, and the ethical challenges brought about by the new public administration and management is discussed.

Lui, Francis T.

“An Equilibrium Queuing Model of Bribery”

Journal of Political Economy, no. 4, vol. 93, pp. 760-781.

It is sometimes argued that bribery is inefficient because bureaucrats may cause delays for attracting more bribes. The article examines this hypothesis in the context of an equilibrium queuing model. In the model customers can decide to pay bribes for buying better positions in the queue. It is shown that

the server (bureaucrat) may choose to speed up the service when bribery is allowed. Thus, an outcome contrary of the “delay”-hypothesis is possible.

Mauro, Paolo

“Corruption and Growth”

Quarterly Journal of Economics, no.106, vol.2, August 1995, pp. 681-711.

This important article analyses a data set, obtained from Business International, which shows that corruption, red tape, an inefficient judiciary and political instability lower investment and economic growth. It shows that a one-standard deviation improvement in bureaucratic efficiency contributed to an increase in investments. The article argues forcefully that reducing corruption and bureaucratic impediments has a direct impact on investment and economic growth.

Mauro, Paolo

“The Effects of Corruption on Growth, Investment, and Government Expenditure: A Cross-Country Analysis” in Kimberly Ann Elliot (ed.), 1997, pp.83-107.

This article identifies a number of causes and consequences of corruption through cross-country analysis. It presents new results of the impact of corruption that uses a larger data set than the author's previous QJE article. Results indicate that corruption lowers overall investment and economic growth by altering the composition of government expenditures.

Mauro, Paolo

“Why Worry About Corruption?”

Economic Issues Series, no.6, 1997. International Monetary Fund, Washington.

Rents are defined as “the extra amount paid to somebody or for something useful whose supply is limited either by nature or through human ingenuity”. Mauro argues that rent seeking is the essence of corruption, and that rent seeking is the government’s capacity to interfere with the market, to create monopolies or otherwise restrict competition so that some industry or individual can realise a rent. It concludes that corruption negatively affects investment and growth.

Mauro, Paolo

“Corruption and the composition of government expenditure”

Journal of Public Economics, vol.69, no.2, 1998, pp.263-279.

This paper asks whether predatory behaviour by corrupt politicians distorts the composition of government expenditure. Corruption is found to reduce government spending on education in a cross section of countries.

Médard, Jean-François

“France-Africa: within the family” in

Della Porta & Mény 1997, ch.2, pp.22-34.

Author argues that the corrupt African clientelist networks extends into the administrative and political milieu in Paris, France, but that these networks are no longer as centralised as they used to be.

Mookherjee, Dilip & Png, I.P.L.

“Corruptible Law Enforcers – How Should They be Compensated?”

Economic Journal, vol.105, no.428, 1995, pp.145-159.

This essay builds on the premise that any delegation of authority creates opportunities for corruption. Concentrating on individuals who are responsible for the enforcement of regulations, the authors explore the relationship between sanction and opportunity. The study is on the optimal compensation policy for a corruptible inspector, charged with monitoring pollution from a factory. The approach focuses on the trade-off among corruption, pollution, and enforcement effort. Owing to the strategic interaction between factory and inspector, changes in compensation policy have surprising effects; e.g., raising the penalty for corruption may cause pollution to increase. The conclusion is that bribery is an inefficient way of encouraging the inspector to monitor; and that only large increases in penalty will effectively diminish corruption.

Mookherjee, Dilip

“Incentive Reforms in Developing Country Bureaucracies. Lessons from Tax Administration”

Annual Bank Conference in Development Economics. Washington DC, 1997, World Bank.

Incentive schemes, such as pay-for-performance mechanisms in tax administration, may or may not increase corruption. More important is the effect of such incentive schemes on taxpayer compliance and government revenues. Whether incentive schemes enhance or reduce welfare depends on institutional parameters. Also pertinent are the importance of teamwork and equity within the bureaucracy, taxpayer appeal mechanisms, and the external legal and political environment. Thus, incentive reforms should be accompanied with wider reforms in the internal organisation of bureaucracies.

Moore, Mick

“Death Without Taxes: Democracy, State Capacity, and Aid Dependence in the Fourth World” in M. Robinson and G. White (eds) Towards a democratic

Developmental State, Oxford, 1998, Oxford University Press.

This article discusses the extent to which governments of the world's poorest countries are becoming financially dependent on aid. Many obtain over half of their revenues from aid. These levels of aid undermine creating accountable governments.

Moore, Mick & Toye, John

“Corruption and Taxation ”

European Journal of Development Research, vol.10, no.1, 1998, pp. 60-84.

This paper situates corruption in larger processes of taxation. It notes that in a democracy, taxation needs to be essentially invisible, or at least as equitable as possible. Reducing corruption therefore benefits tax collection and the legitimacy of the state.

Murphy, Kevin M.; Scleifer, Andrei & Vishny, Robert

“Why is Rent-Seeking so Costly to Growth?”

The American Economic Review, vol.82, no.2, May 1993, pp.409-414.

This article argues that rent seeking is harmful to growth for two reasons. First, rent seeking tends naturally to have increasing returns. The effect is that high levels of rent seeking are particularly harmful to innovation. The authors assert that innovation is a key element in economic growth and rent seeking is therefore costly to growth.

OECD

“Implementation of the Recommendation on Bribery in International Business Transactions”

OECD Working Papers No.34, vol. 4. Paris, 1996, OECD.

Short report on the OECD policy recommendations to reduce bribery and corruption in international transactions; through the suppression of tax deductibility on bribes, and the criminalisation of bribery of foreign public officials.

OECD

“Symposium on Corruption and Good Governance”

OECD Working Papers No.78, vol. 4. Paris, 1996, OECD.

Report from a symposium on three issues: the criminalisation of bribery and corruption; political, economic and administrative reforms to promote good governance; and corporate experience with ethical codes of conduct. Includes various articles.

Olsen, Trond E. & Torsvik, Gaute

“Collusion and Renegotiation in Hierarchies: A Case of Beneficial Corruption”

International Economic Review, vol.39, no.2, May 1998.

(Also: LOS-Senter Særtrykk 9806)

Formal economic modelling on corruption within principal-agent theory. The authors argue that also the principal can benefit from corruption even when collusion takes place between a supervisor and his agent.

Olson, Mancur Jr

“Dictatorship, Democracy, and Development”

American Political Science Review, vol.87, no.3, September 1993, pp.567-576.

This essay examines the incentives of autocrats to extract as much revenue from their countries as possible within limits imposed by optimal taxation rates. A dictatorship may extract less from an economy than roving bandits because of his longer time horizon. The shorter the time horizon for a leader in office, the greater the incentive to plunder an economy. Implications of this argument are that dictatorships are economically inefficient over longer periods of time.

Olson, Mancur Jr

“‘Big Bills Left on the Sidewalk’: Why Some Countries are Rich and Others Poor”

Journal of Economic Perspectives, vol.10, no.2, spring 1996, pp.3-24.

This essay argues that economic performance is determined by the structure of incentives in a given society. It notes that national boundaries have a direct impact on different structures of incentives. The paper concludes that

incentives vary from location to location and that collective action is often quite dissimilar from individual rationality.

Olson, Mancur Jr

“Why Poor Economic Policies Must Promote Corruption”

Rivista di Politica Economica, vol.111, no.3, March 1996, pp.9-51.

Olson argues that corruption may be understood best by looking at economic institutions and policy. Corruption is a response to legislation and regulations that are 'market contrary'. Evidence from Eastern Europe and the former Soviet Union support an argument that market contrary policies contributed to an extensive corruption.

Paldam, Martin

“The Big Pattern of Corruption. Economics, Culture and the Seesaw Dynamics”

Department of Economics, University of Aarhus, 1999.

Based on statistical analysis the paper tries to explain the large pattern in the corruption index from Transparency International. The analysis concludes that by far the most important determinant of corruption is the real GDP per capita. Furthermore, the “cultural determinism” view of corruption seems to be false. Countries are found to more similar in GDP-level than in the level of corruption within the same cultural area. Thus, culture is an inferior explanation of the level of corruption relative to the GDP-level.

Paldam, Martin

“Corruption and Religion. Adding to the Economic Model”

Department of Economics, University of Aarhus, 1999.

The statistical analysis shows that religions have considerable explanatory power in explaining the TI corruption index, and variations in corruption levels between countries. The largest divide is found within the Christians. The least corrupt are the Protestant and Anglicans, while Catholics and other “Pre-Reform” Christians are more corrupt, - as are Buddhists. Furthermore, the analysis finds that the more religiously divided a country, the less corrupt it is.

Rose-Ackerman, Susan

“Redesigning the State to Fight Corruption: Transparency, Competition, and Privatization”

Viewpoint, no.75, April 1996.

The level of corruption is often a function of the overall level of public benefits, the risk to officials who engage in venal behaviour, and the relative power of the two parties in a corrupt transaction. Civil service reforms, increased transparency, and the creation of an ombudsman or other anti-corruption agency assembled in an integrated approach are the most effective way to reduce corruption.

Rose-Ackerman, Susan

“Democracy and ‘Grand’ Corruption”

International Social Science Journal, no.149, September 1996, pp.365-380.

This article argues that corruption scandals are a sign that a people differentiate between the public and private realms of finance. Whereas in a democracy, the consumption of public revenues constitutes a corruption

scandal, such a distinction is impossible in an autocracy in which the ruler has ownership over the state. The article concludes that democracy may limit corruption, as politicians may fear losing office as a consequence of involvement in scandals.

Rose Ackerman, Susan & Stone, Andrew H.W.

“The Costs of Corruption for Private Business: Evidence from World Bank Surveys”
Washington DC, 1996, The World Bank (*Mimeo*, July 1996).

One way to discover how corruption affects private business is to survey managers concerning their relations with government. The authors summarise the results of two particularly useful surveys of private enterprise in Ukraine and Pakistan. They find that first, despite some differences in patterns between countries, the smallest firms pay proportionally more in bribes than larger firms, implying that bribery may be both a barrier to entry and a drag on growth of micro- and small enterprise. Second, bribes buy relief from a few basic things: most commonly, relief from potential tax or customs obligations, relief from the burden of complying with regulatory or administrative procedures and relief from uncertainty arising either from changing and unclear rules or from arbitrary, discretionary behaviour by bureaucrats. Third, bribes are higher in the commercial sector than in industry or services.

Rose-Ackerman, Susan

“Corruption and Development”

Paper prepared for the Annual World Bank Conference on Development Economics, Washington DC, April 30 - May 1, 1997.

Corruption occurs throughout the world but is of special concern in poor countries. Widespread corruption is a symptom that the state is functioning poorly, and ineffective states can retard and misdirect economic growth. The economic costs and causes of corruption are reflected in the empirical evidence and the theoretical literature. It is useful to distinguish between corruption that is concentrated at the top and decentralised corruption involving many payers and recipients. The policy options are explored for developing countries with leaders who are committed to reform. Structural reform is often necessary in such areas as tax and customs collection, regulation of private business, and development of state-sponsored infrastructure projects. Furthermore, basic government reform is often required to increase the transparency and accountability of the public sector and to facilitate the organisation of independent oversight groups. Most developing countries must also face the difficult task of civil service reform and improvement of enforcement capabilities.

Shleifer, Andrei & Vishney, Robert W.

“Corruption”

Quarterly Journal of Economics, vol.58, no.3, August 1993, pp.599-617.

The article focuses on the consequences of corruption for resource allocation. It argues that political structures and processes determine the extent of corruption in a given country. Unlike its sibling taxation, corruption is costly and therefore detrimental to a country's economic development. The paper draws important considerations of corruption as an activity that occurs under conditions of illegality and secrecy.

Szeftel, Morris

“Misunderstanding African Politics: Corruption & the Governance Agenda”
Review of African Political Economy, no.76, 1998, pp.221-240.

Szeftel argues that democratisation and “good governance” strategies in Africa have failed in curtailing corruption because the strategies imposed on African governments have been inadequate. In particular, reforms introduced through liberalisation (downscaling of the state, deregulation and privatisation) have reduced the state’s capacity to implement policy and created new conditions in which corruption can flourish.

Stordrange, Bjørn

Straffbare bestikkelser.

Oslo, 1990, Den Norske Advokatforening (Småskrift nr. 54).

Short outline of bribery as a criminal act and political problem, and the legal proscriptions against the act of bribery according to Norwegian, Swedish and Danish criminal law and law of administration. (In Norwegian).

Tanzi, Vito

“Corruption, Governmental Activities, and Markets”
Finance and Development, December 1995, pp.24-26.

An argument that special measure must be taken for situations where existing moral and social codes require that one help family and friends. Civil servants will then be expected to help their relations at significant cost to the government. Recommends a forced, periodic reassignment of civil servants to prevent favouritism to family members and friends.

Tanzi, Vito

“Money Laundering and the International Financial System”
IMF Working Paper, WP/96/55, May 1996.

This paper examines money laundering from a macroeconomic and international perspective to argue that such actions have an impact on the international allocation of resources and the stability of international financial markets. It has implications for work on the globalisation of financial markets and the world economy.

Tanzi, Vito

“Corruption in the Public Finances”
Paper presented at the 8th IACC, Lima, Peru, 1997.

This paper focuses on how corruption as it affects government revenue and government spending. Both political and bureaucratic corruption plays a role in the public finances. It is shown corruption reduces government revenue while it tends to push for higher government spending, thus contributing to larger fiscal deficits. It also distorts the tax system and renders public spending less productive.

Tanzi, Vito

“Corruption around the world: Causes, Consequences, Scope and Cures”
International Monetary Fund Staff Papers, vol.45, no.4, 1998, pp.559-594.

This is very readable survey paper, emphasising the costs of corruption in terms of economic growth. It also emphasises that the fight against corruption cannot be independent from the reform of the state. If certain reforms are not

made, corruption is likely to continue to be a problem regardless of actions aimed at directly curtailing it.

Tirole, Jean

“Persistence of Corruption”

Institute for Policy Reform Working Paper, no.152, October 1992.

Tirole argues that corruption persists over time as a consequence of historical patterns. He avoids the tautology that corruption persists because it was historically present by arguing that corruption ratchets up or down according to opportunities for collusion between bribers and bribe-takers.

Tirole, Jean

“A Theory of Collective Reputations (With Applications to the Persistence of Corruption and to Firm Quality)”

Review of Economic Studies, no.63, 1996, pp.1-22.

The paper posits that collective reputations are composites of individual reputations and may be modelled as such. Four assumptions underlie the essay: a) the reputations of a group's members determine collective reputations; b) collective reputations build on imperfect past observations; c) past practices structure current behaviour; d) new members mimic a group's elders. The paper concludes that individual reputation stems from collective reputations that are based on past behaviours.

Transparency International

“New Perspectives on Combating Corruption”

1998, Transparency International.

This is a joint publication of Transparency International and the Economic Development Institute of the World Bank, prepared on the occasion of Transparency International's Annual General Meeting held in Kuala Lumpur, Malaysia, on 11-16 September 1998. The volume is a compilation of some of the latest research in the area of anti-corruption and governance.

Tullock, Gordon

“Corruption Theory and Practice”

Contemporary Economic Policy, no.14, July 1996, pp.6-13.

This article argues that in circumstances in which civil servants do not receive salaries and therefore offer a fee-for-service arrangement, an economically efficient outcome may result.

UNDP

“Corruption and Good Governance”

Discussion Paper 3. Management Development and Governance Division.

New York, July 1997, United Nations Development Programme (UNDP).

This study begins from an assumption that corruption is a symptom of something wrong in the management of the state. It presents options to combat corruption. When corruption is endemic, the study argues that piecemeal reforms are probably ineffective. It argues that a multifaceted approach, including the co-operation of the donor community, is essential for an effective anti-corruption program.

UNDP & OECD-DAC

“Corruption. Integrity Improvement Initiatives in Developing Countries”
New York, 1998, United Nations Development Programme.

This publication is a collection of texts from a number of authors, including Rose-Ackerman, Daniel Kaufmann, Peter Eigen and Mushtaq Khan. The study is organised in four parts. Part I focuses on cross-border corruption, including the role of multi-national companies. Part II addresses the difficulties for designing and implementing anti-corruption programmes. In part III the role of civil society and the issue of political will are scrutinised. Finally, section IV looks at how international development and aid agencies have begun to acknowledge the problem of corruption, and are adopting policies to address the problem. Important lessons to be drawn from this study are that: (i) Cross-border corruption requires that corruption must be attacked on an international and regional basis. (ii) Causes and logics of corruption vary, and the resulting differences among situations need to be taken into account in the design of AC-strategies. (iii) There is a need for caution in relying on civil society activism in the fight against corruption.

UNDP

“Fighting Corruption to Improve Governance”

Management Development and Governance Division, Bureau for Development Policy. New York, 1999, United Nations Development Programme.

This booklet is an attempt to provide a cohesive UNDP corporate position on corruption for use of UNDP staff in programme countries. It approaches the issue of corruption as a problem of poor governance and suggests a framework to address the issue.

United Nations Office at Vienna

“Global Programme against Corruption: an Outline for Action”

Centre for International Crime Prevention, Office for Drug Control and Crime Prevention. Vienna, February 1999, United Nations Interregional Crime and Justice Research Institute.

This “Global Programme against Corruption” is meant to assist member states in their efforts to curb corruption. This outline includes a research component and a technical co-operation component (guidelines and principles, including proposed measures to be taken at the national level and the international level).

Utriainen, Terttu

“The Role of the Media in Preventing Corruption”

University of Lapland, Finland, 1997. Paper presented at the 8th IACC, Lima, Peru.

It is argued that the legal system cannot at present guarantee legal protection of the individual against unfounded allegations of corruption. Now that communications are becoming increasingly global, the opportunities of the national legal system are even more limited than before. On the international level means must be found for better protecting the individual, and a balance must be struck between free communication and legal protection of the individual.

Van Rijckeghem & Weder , Beatrice

“Corruption and the Rate of Temptation: Do Low Wages in the Civil Service Cause Corruption?”

IMF Working Paper, WP/97/73, 1997.

This paper develops and tests two efficiency wage models of corruption in the civil service. Under fair wage models, civil service wages are an important determinant of corruption. Under shirking models, the level of wages is of secondary importance, as potential bribes will dwarf wage income. The empirical evidence points to a negative relationship between corruption and wages across developing countries.

Vishwanath, Tara & Kaufmann, Daniel

“Towards Transparency in Finance and Governance”

Washington DC, 1999, World Bank Institute Working Paper.

This paper reviews the existing literature on transparency in finance and governance, indicates remaining knowledge gaps, and offers some hypothesis on the mutual significance of the two issues.

Wedeman, Andrew

“Looters, Rent-Scrapers, and Dividend-Collectors: The Political Economy of Corruption in Zaire, South Korea, and the Philippines”

The Journal of Developing Areas, vol.31, no.4, summer 1997, pp.457-478.

This article tries to explain different patterns of corruption, which the author identifies as looting, scraping, and rent-collection, and development. The article is useful for thinking about the types of corruption that might be encountered in different circumstances.

Wei, Shang Jin

“How taxing is Corruption on international Investors?”

National Bureau of Economic Research Working Paper, no.6030, 1997

(Harvard/NBER).

The paper studies the effect of corruption on foreign investments. The sample covers the bilateral investments from 14 source countries to 45 host-countries during 1990-91. One finding is that the increase in the tax rate on multinational firms or the corruption level in the host country reduces inward foreign direct investment (FDI). There is no support to the hypothesis that corruption has smaller effect on FDI into East Asian host countries.

Wei, Shang-Jin

“Does Corruption Relieve Foreign Investors of the Burden of Taxes and Capital Controls?”

Washington DC, 1999, World Bank, Policy Research Working Paper 2209.

The paper studies the effects of taxes, capital controls and corruption on foreign direct investment. It concludes that taxes and capital controls are hindrance to foreign investment. Bureaucratic corruption ads rather than relieves the burdens that they impose.

Wei, Shang-Jin

“Corruption in Economic Development: Beneficial Grease, Minor Annoyance, or Major Obstacle?”

Washington DC, 1999, World Bank, Policy Research Working Paper 2048.

The paper reviews the statistical evidence that countries with high levels of corruption experience poor economic performance. Corruption is a major obstacle to economic development; it reduces domestic investment, discourages foreign direct investment, inflates government spending, and shifts government spending away from education, health, and infrastructure maintenance toward less efficient (more manipulable) public projects. Furthermore, regarding efforts to combat corruption the paper argues that international pressure against corruption is useful, but more critical is reform of domestic institutions and a focus on the incentive problem.

2 Literature on corruption, world regions

2.1 Africa, general

Andreski, Stanislav.

The African Predicament: A Study in the Pathology of Modernisation
London, 1968, Michael Joseph Ltd.

The book, published just after the independence of many African states, analyses the obstacles facing the new states on the road to prosperity, internal peace and elementary freedoms. It focuses on the network of vicious circles and problems which at the time the book was published either were unnoticed or glossed over or under-estimated by other authors as well as by international agencies. The chapter on ‘kleptocracy and corruption as a system of government’ is unpleasantly relevant for the present situation in many African countries. The chapter on ‘the hidden aspects of foreign aid’ is also relevant for the ongoing aid debate.

Ateba, EMA

“Growth and Development in Africa: Potential Role of Institutions”
Revue Canadienne d’etudes du Developpement - Canadian Journal of Development,
vol.20, no.2, 1999, pp.277-306.

This paper shows why the ad hoc policies that were implemented by IMF and the World Bank in most sub-Saharan African countries have led to insignificant results. The failure to ensure the transition to a market economy seems to be due to the lack of recognition that African institutions are inefficient. The programs and policies that were implemented did not internalise the opportunistic and rent-seeking behaviour of the economic agents who live in these regions.

Bardhan, Pranab

“Institutions, Governance and Political Economy of Development”

Journal of African Economies, vol. 8, AERC Supplement, 1999, pp. 149-167.

The paper focuses on the issues of credibility of commitment and of co-ordination failure in the context of governance and development institutions. It is argued that weak governments have too much undesirable intervention facilitating corruption. Behind commitment failures may lie, apart from the administrative and managerial incapacities, deeper political collective action problems.

Bayart, Jean-François; Ellis, Stephen & Hibou, Béatrice

La criminalisation de l'État en Afrique

Paris, 1997, Éditions Complexe.

An excellent book on the criminalisation and “privatisation” of politics and public funds in contemporary Africa, with a theoretic approach to the term “kleptocracy” and numerous examples of political corruption, fraud, primitive extraction, extortion and other forms of power-abuse carried out by African leaders. Also discussing its international ramifications. (In French. Also available in English: The Criminalization of the State in Africa, Oxford, 1999, James Currey Pubs.).

Berkman, Steve

“The Impact of Corruption on Technical Cooperation Projects in Africa”

The International Journal of Technical Cooperation, vol.2, no.2, 1996, pp.67-82.

This article assesses the impact of corruption on the management of public institutions. The article provides a useful list of corrupt practices that a task manager might encounter in managing a project in Africa. It finishes with a set of proposed responses to corruption that will improve public sector management.

Bigsten, Arne & Moene, Karl Ove

“Growth and Rent Dissipation: The Case of Kenya”

Journal of African Economies, vol.5, no.2, (June) 1997, pp.177-198.

Corruption in Kenya is closely linked to the government's lack of legitimacy. Ethnic competition and patron-client relationships have undermined both political stability and policy-making. The government uses its resources to purchase support while increasingly repressing its opponents. As a consequence, the public sector is overstaffed and corruption permeates its capacity to deliver services. Kenya has accordingly suffered an economic decline.

Chabal, Patrick & Daloz, Jean-Pascal

Africa Works. Disorder as Political Instrument

London, 1999, James Currey/Indiana University Press. (African Issues series, The International African Institute).

Corruption is in this book seen as an integral part of the African neo-patrimonial and clientelist political systems (which the authors see as the “informalisation of politics” and the “re-traditionalisation” of society). In economic terms, clientelism and corruption produces a system of patrimonial networks enriched at the expense of the continent's growth. Includes the chapter “The Ab(use) of Corruption”.

Charlick, Robert B.

“Corruption in Political Transition: A Governance Perspective”

Corruption and Reform, vol.7, no.3, 1993, pp.177-187.

Corruption reflects deeper problems in effective governance. The author argues that the transitions in Africa provide a unique opportunity to bring about positive change in policy pluralism, political accountability, and information openness. Corruption is seen as a product of political competition and a drive among politicians to remain in office.

Cooksey, Brian

“Do Aid Agencies have a Comparative Advantage in Fighting Corruption in Africa?”

Paper presented at the 9th International Anti-Corruption Conference, Durban, 10-15 October 1999

Until recently, aid agencies have tolerated high levels of corruption among recipient governments. Legacies of this laxness include failed structural adjustment programmes, lack of investment and job creation, and widespread market failure. At its worst, it is argued, aid fuels corruption among recipients and undermines aid effectiveness. Thus, corruption in aid can only be tackled by increasing transparency and accountability on both givers’ and recipients’ side. Unless and until donors begin to accept that they are as much a part of the corruption problem as aid recipients, it will be difficult to address the underlying causes of corruption in aid.

Cooksey, Brian

“Corruption and Poverty: What are the Linkages?”

Paper prepared for the 9th International Anti-Corruption Conference, Durban, 10-15 October 1999.

The paper is a review of literature on corruption, emphasising the linkages between corruption and poverty. The discussion is based on two sets of arguments: The first set proposes that corruption reduces the size of the economic cake in any given national context, consequently condemning varying segments of the population to poverty. Secondly, the poor suffer directly from systematic corruption, for instance by being excluded from access to public services such as clean domestic water. In addition, it is argued on a general basis, corruption may breed patterns of public investments biased towards large, high-cost capital intensive projects at the expense of broad-based, human capital enhancing investments.

Coolidge, Jacqueline & Rose-Ackerman, Susan

“High-Level Rent-Seeking and Corruption in African Regimes”

Washington DC, 1997, World Bank Policy Research Working Paper 1780.

This paper analyses the negative impact that rent seeking by high-level government officials has on African economic growth. It distinguishes between benevolent autocrats and kleptocrats to determine which has a greater incentive to engage in corrupt practices. The authors note that a kleptocrat has a greater incentive to be corrupt because of the shorter time horizon. In conclusion, the Bank has an incentive to use caution in lending to governments with kleptocratic leaders.

de Sardan, J.P Olivier

“A Moral Economy of Corruption in Africa?” in

The Journal of Modern African Studies, vol.37, no.1, 1999, pp. 25-52.

De Sardan’s main argument is that corruption in Africa is socially embedded in ‘logics’ of negotiation, gift-giving, solidarity, predatory authority and redistributive accumulation. The article presents six general theses on corruption in Africa, which place it within a broader ‘corruption complex’ and emphasise its routine nature, the stigmatisation of corruption despite the absence of effective sanctions, its apparent irreversibility, the absence of correlation with regime types and its legitimacy to its perpetrators. Author says any anti-corruption policy must face up to this cultural argument.

Diamond, Larry

"Class Formation and the Swollen African State"

The Journal of Modern African Studies, vol.25, no.4, 1987, pp.567-596.

This seminal article on state formation in Africa argues that ruling classes and the class character of the rulers in Africa is based on political power. The author unifies the Weberian and Marxist concepts of state and politics, and adds a new look at the historic and current background of political elites in political power. This is an excellent description of the overdeveloped (swollen) but inefficient post-colonial African state; and of kleptocracy and corruption.

Edevbaro, Daniel Osakponmwen

The Political Economy of Corruption and Underdevelopment in Nigeria

Helsinki, 1998, University of Helsinki, Department of political science.

This Ph.D.-dissertation on corruption in Nigeria emphasises the neo-patrimonial context of Nigerian politics (“lootocracy”). It gives some general definitions, typologies and explanations of corruption; it explores recent development theory; and outlines the political history of Nigeria. Case studies on corruption and reform programmes in Nigeria.

Harsch, Ernest

“Accumulators and Democrats: Challenging State Corruption in Africa”

Journal of Modern African Studies, vol.31, no.1, 1993, pp.31-48

An excellent article on corruption in Africa. Author argues that corruption is a form of neopatrimonial (clientelist and nepotist) primitive extraction (theft, embezzlement, fraud). Corruption is furthermore seen as the primary mechanism of dominant-class formation. Popular pressures can nevertheless be significant and overthrow corrupt regimes.

Hope, Ronald Kempe, Sr & Chikulu, Bornwell C. (eds)

Corruption and Development in Africa. Lessons From Country Experiences

London, 2000, Macmillan Press.

This volume provides an extensive analysis of corruption in Africa, its causes impacts and possible control. Part I analyses the phenomenon from various perspectives; the political, economic and cultural bases of corruption in Africa, the kleptocratic system, aid abuse, Western policies and African control efforts. Part II is a number of country case studies; Zambia, Ghana, Sierra Leone, South Africa, Cameroon, Ethiopia, Nigeria and Botswana.

Kameir, Electricity-Wathig & Kursany, Ibrahim

Corruption as the “Fifth” Factor of Production in the Sudan
NAI Research Report no.72. Uppsala, 1985, The Scandinavian Institute for African Studies.

Short outline of some of the major forms of corruption in the Sudan: embezzlement of public funds, “political” distribution of land, nepotism.

Kibwana, Kivutha; Wanjala, Smokin & Okeh-Owiti

The Anatomy of Corruption in Kenya: Legal, Political and Socio-Economic Perspectives
Nairobi, 1996, Claripress Ltd.

A broad outline of the problem of corruption in Kenya, with economic and political background, the causes, forms, extent and consequences of corruption in Kenya, Kenyan legal attempts to curb corruption (and why they don't work), and recommendations. Author argues that only democratisation can work against corruption in Kenya.

Lewis, Peter

“From Prebendalism to Predation: The Political Economy of Decline in Nigeria”
The Journal of Modern African Studies, vol.34, no.1, 1996, pp.79-103.

This essay traces the process of decline and then collapse of Nigeria's public sector under after the 1984 coup. It shows how the disintegration of public sector management led to the emergence of a predatory state, the leaders of which extract resources for their personal gain.

Low, Patrick

“Preshipment Inspection Services”

World Bank Discussion paper 278, Washington, 1995, The World Bank.

Includes a study of tariff exemptions in Zambia, Tanzania and Mali, which estimates that exemptions (both justified and unjustified) produced a revenue shortfall close to 50%.

Mbaku, John Mukum

Corruption and the Crisis of Institutional Reform in Africa
New York, 1998, Edwin Mellen Press.

This study contains a mixture of analytical ideas and views, and recommends reconstruction of the neo-colonial state as an effective way to deal with this pervasive institution. It examines corruption from a public choice perspective, and part of the book deals specifically with Nigeria.

Médard, Jean-François

“Public Corruption in Africa: A Comparative Perspective”
Corruption and Reform, no.1, 1986, pp.115-131.

The author sees corruption as a defining characteristic of African governments. He defines corruption as the misuse of public office for personal gain. This definition then shapes an analysis of bribery and embezzlement that contribute to what the author calls a neo-patrimonial state, where corruption is systemic and the distinction between public (public office, public funds) and private is non-existing.

Médard, Jean-François

“La corruption internationale et l’Afrique”

Revue Internationale de Politique Comparée, vol.4, no.2, 1997.

On how corruption is used by international businesses in order to obtain markets and market shares in Africa and other Third World regions, with a particular emphasis on the French-African neo-colonial and clientelist relationship. (In French).

Riley, Stephen P.

“The Political Economy of Anti-Corruption Strategies in Africa”

The European Journal of Development Research, vol.10, no.1, 1998, pp.129-159.

This article attacks the view that corruption is a consequence of African culture. Variations of this viewpoint are found in defence of gift-giving, reciprocity, or patron-client relations. The author rejects these arguments and focuses on political leadership as the primary force behind corruption, and makes a list of anti-corruption strategies. He argues that down-sizing of the state and political liberalisation in many African countries are necessary rather than sufficient conditions for the reduction of corruption, and that economic liberalisation may create new opportunities for corruption. In Africa, exceptional political and managerial commitment is necessary to promote and maintain reform.

Warioba, Joseph

“Rationale for and Overview of the Principles to Combat Corruption in African Countries”

Paper presented at the 9th International Anti-Corruption Conference, Durban, 10-20 October 1999.

The paper presents the set of principles adopted by ministers from 11 African countries to combat corruption (organised by Global Coalition for Africa in Washington DC, February 1999). Furthermore, it discusses how to implement the principles.

Willame, Jean-Claude

L'automne d'un despotisme.

Pouvoir, argent et obéissance dans le Zaïre des années quatre-vingt

Paris, 1992, Éditions Karthala. Série: Les Afriques.

This is a comprehensive work on corruption, nepotism and presidential graft in Mobutu's Zaire. It outlines the mechanisms of corruption and power-abuse in one of the worst examples of kleptocratic rule that the modern world has known, through an extensive and detailed documentation (more details than generalisations and theory). (In French).

Williams, Anne (ed.)

Governance and the Economy in Africa:

Tools for Analysis and Reform of Corruption

Maryland, 1996, IRIS (Center for Institutional Reform and the Informal Sector, University of Maryland). <http://www.inform.umd.edu/iris/toolkit.html>

A practical handbook on combating corruption, based on the proceedings of the conference “Good Governance and the Economy in Francophone Africa”, Dakar 1996. This volume is about the ways in which contemporary developing nations have begun to impose discipline on those holding power. Five case

studies are presented (Benin, Niger, Uganda, Bolivia and the United States), each of them illustrating the causes and consequences of corruption, and the strategies and approaches used in addressing it. Finally, the broader lessons of these experiences are examined.

Williams, Robert

Political Corruption in Africa
Aldershot, 1987, Gower Pub. Inc.

Concise on political corruption in Africa: analysed mainly in terms of extractive and clientelist corruption.

World Bank

“Towards Collective Action to Improve Governance and Control of Corruption in Seven African Countries”

Washington DC. 1999. Prepared by the Governance, Finance and Regulatory Group, World Bank Institute.

This volume, prepared for the 9th IACC, Durban, 10-15 October 1999, presents the outline for anti-corruption action programmes for seven African countries (Benin, Ethiopia, Ghana, Kenya, Malawi, Tanzania and Uganda). It is argued that the main components successful AC-programmes need to integrate are: (i) rigorous information/data and knowledge (toolkits to diagnose and analyse the governance challenge in each country); (ii) political leadership (the components of the AC-programme must be internalised with the country leadership; and (iii) collective action (participatory – from consensus building to collective action – involving all stakeholders, thereby empowering citizens and creating public pressure for change).

2.2 Africa: Norway’s priority partner countries

2.2.1 Eritrea

2.2.2 Ethiopia

Ethiopia, Republic of

“National Anti-Corruption Strategy. Executive Summary”

Addis Abeba, 1999, The Republic of Ethiopia.

<http://www.respondanet.com/english/index.htm>

This report on Ethiopia’s official anti-corruption strategy can be downloaded in PDF-format from the World Bank Institute’s website “Durban Conference Materials” (http://www.worldbank.org/wbi/gac/gac_pdfs/durban-ethiopia.pdf).

Olowu, Bamidele

“Governmental Reforms and the Control of Corruption in Ethiopia” in

Kempe Ronald Hope, Sr, & Bornwell C. Chikulo: *Corruption and Development in Africa*, London, 2000, Macmillan Press, chapter 13, pp.261-179.

This country study argues that public sector institutional reform is a highly complex task, and that the ethical issues are at the heart of the problem as well as the solution.

2.2.3 Malawi

Adamolekun, L.; Kulemeka, N. & Laleye, M.

“Political Transition, Economic Liberalization and Civil Service Reform in Malawi”
Public Administration and Development, vol.17, no.2, 1997, pp.209-222.

This article reviews the efforts aimed at reforming the civil service of Malawi at the same time as the country has been undergoing political transition and economic liberalisation since 1991. Some of the measures in the civil service reform programme interfaced with either the political transition process (for example, the Public Service Act) or with economic policy reform (for example, privatisation). In a few other cases, it was a mixture, a political economy perspective (for example, curbing corruption). The article draws attention to the achievements and problems of implementation, including the co-ordination of donor support, and highlights the lessons learned and the prospects for the remaining years of the decade and beyond.

Kaunda, J.M.

“The State and Society in Malawi”

Journal of Commonwealth & Comparative Politics, vol.36, nr.1, 1998, pp.48-67.

This paper argues that there has been a structural continuity in the organisation of the political economy of Malawi in the three phases of the country's evolution from colonial rule, through the one-party era, to the current multi-party system. The emphasis is on explaining the political centralisation of the one-party era, its promotion of economic concentration and how that benefited a minority, principally the national political leadership. It is also argued that the reintroduction of political pluralism has not been accompanied by a rearrangement of the economic forces. Further that the lack of a vision for future national development, combined with economic mismanagement and corruption, do not promise to bring about widespread national development. Indeed, the maintenance of democracy is not guaranteed in the face of growing social and economic inequalities.

Malawi, Republic of

“National Anti-Corruption Strategy. Executive Summary”

Blantyre, 1999, The Republic of Malawi.

*This is a report on Malawi's official anti-corruption strategy: what has been done, and what can be done. (Report is downloadable in PDF-format from the World Bank Institute's website “Durban Conference Materials”:
http://www.worldbank.org/wbi/gac/gac_pdfs/durban-malawi.pdf).*

2.2.4 Mozambique

2.2.5 Tanzania

Bjerkeland, Kristin M.

Korrupsjon. En studie av skatteadministrasjonen i Tanzania

CMI Report 1998:7, Bergen, 1998, Chr. Michelsen Institute.

This study discusses the role of various economic factors in explaining corruption in the tax administration in Tanzania, in particular the incentives of tax collectors within a principal-agent perspective. Also the effectiveness of

wage increases, monitoring and penalty schemes are discussed. The study includes a field study of the Tanzanian tax administration. (In Norwegian).

Fausa, Anita Kristin

Importrestriksjoner, smugling og korrupsjon. En teoretisk tilnærming med eksempler på rent-seeking fra Tanzania

Oslo, 1997, Sosialøkonomisk institutt. Hovedoppgave i sosialøkonomi.

Economic consequence analysis of import restrictions. A theoretic discussion of currency restrictions, licence policies etc. as causes for rent-seeking and smuggling activities. With a case study of Tanzania. (In Norwegian).

Fjeldstad, Odd-Helge

“Controlling Fiscal Corruption. Theoretical Approaches and Illustrations from Tanzania”

Bergen, 1999, Chr. Michelsen Institute, Working Paper 1999:6.

The primary concern of this paper is to discuss the role of various economic factors in explaining corruption in tax administration. The emphasis is on how the incentive structure of the tax system affects the decisions of tax collectors to engage in fraudulent behaviour. It is argued that divergent motivations of the individuals involved and imperfect information lie at the core of understanding these problems. Divergent motivations open up the door to strategic behaviour where agents are pursuing their personal goals, and not the success of the institution. This is a particular problem when information is asymmetric across individuals. Such informational asymmetries may be significant in the tax administration. The paper starts with a set of research questions based on empirical observations from local governments in Tanzania, and examines the fundamental ideas, basic assumptions and limitations of various theoretical approaches to answering these questions.

Fjeldstad, Odd-Helge & Semboja, Joseph

“Local Government Taxation and Tax Administration in Tanzania”

Bergen, 1999, Chr. Michelsen Institute, Report 1999:3.

An important component of the ongoing decentralisation reform in Tanzania is to increase the fiscal autonomy of local authorities. This policy is encouraged and partly initiated by the donor community. The findings of this study suggest that care must be taken in implementing this policy. It is unrealistic to expect that the present administration in many local authorities has adequate capacity and the required integrity to manage increased fiscal autonomy. In fact, there is a real danger that, in the absence of substantial restructuring of the current tax system combined with capacity building and improved integrity, increased autonomy will raise mismanagement and corruption.

Langseth, P. & Stapenhurst, R.

“National Integrity System Country Studies”

Washington DC, 1997, EDI, World Bank.

The economic consequences of pervasive corruption, and recent trends toward democratisation, have increased the pressure for accountability and transparency for those in public office. This paper builds on an earlier Working Paper ("The Role of a National Integrity System in Fighting Corruption"), arguing that whilst each country or region is unique in its own

history and culture, its political systems, and its stage of economic and social development, similarities with regard to the extent and costs of corruption do exist and that experience and lessons are often transferable. The paper presents two country studies, those of Uganda and Tanzania, highlighting the problem of corruption in those countries, the strategies adopted to fight corruption, and the role that EDI has played in assisting with the implementation of those strategies.

Leeuw, Frans L; van Gils, Ger H.C. & Kreft, Cora

“EDI’s Anticorruption Initiatives in Uganda and Tanzania: A Midterm Evaluation”
EDI Evaluation Studies, no. ES 98-12. Washington DC, 1998, World Bank.

The evaluation report concentrates on the strengths and weaknesses of the anticorruption programmes implemented in Uganda and Tanzania. Furthermore, it discusses the impacts of the programmes and their future opportunities.

Pepinsky, H.E.

“Corruption, Bribery and Patriarchy in Tanzania”

Crime Law And Social Change, vol.17, no.1, 1992, pp.25-51.

This is ethnography of the political culture of Tanzania as compared to the political culture of the United States. From a feminist sociology perspective, the endemic and harmful corruption among the political leadership of Tanzania and the United States alike is seen as stemming from widespread popular equation of order with patriarchy and patriarchal discipline. The author argues that freedom from corruption basically requires democratic accountability, but there is no logical starting point for a patriarchal approach to freeing people from corruption.

Samsø, Knut

U-hjelp fra A til O. Kapitalflukt og livsbetingelser. 14 eksempler fra utviklingsland Oslo, 1982, Universitetet i Oslo, U-landsseminarets skriftserie nr.26.

Short presentation of 14 cases of capital flight arranged by expatriate experts in development projects in Tanzania. Also on fringe benefits, black-markets, financial arrangements and fraud. (In Norwegian).

Sedigh, Shahrzad & Muganda, Alex

“The Fight against Corruption in Tanzania”

in Stapenhurst, Rick and Sahr J. Kpundeh (eds): Curbing Corruption. Toward a Model for Building National Integrity. EDI Development Studies, Washington DC, 1999, World Bank, chapter 11.

This book chapter discusses the evolution of corruption in Tanzania, and reviews various approaches to curbing corruption. It concludes that pervasive and systematic corruption can be curbed only through a broad-based campaign involving all sectors of society. Furthermore, a successful campaign requires the sustained political support of the country’s leaders.

Swedish National Audit Office

“The Office of the Controller and Auditor General Tanzania – Independence, Government Accountability and the Prevention of Corruption”
Stockholm, 1999, Swedish National Audit Office.

The report reviews of how the Tanzanian supreme audit institution, the Office of the Controller and Auditor General (OC&AG) fulfils its role in preventing corruption and financial malpractice, and delivers information to the taxpayers about how government policies and programmes are carried out. The review shows that the OC&AG’s annual reports reveals numerous and critical examples of poor compliance with statutes and regulations in the public sector. In general, the basic accounting in the Government of Tanzania suffers from severe weaknesses that hamper the efforts to enhance accountability in general and promote corruption and embezzlement. However, the review argues that the reports of the OC&AG’s do not seem to have significant impact on instilling financial discipline in government offices. The report concludes that initiatives to strengthen the OC&AG will not succeed unless the weak Internal Audit within the Ministry of Finance is revamped in a coherent effort to challenge the financial indiscipline and lax attitude in government financial administration.

Tanzania Chambers of Commerce, Industry and Agriculture

“Corruption and Drug Trafficking in Tanzania. A Social-Economic Analysis”
Dar es Salaam, 1995, TCCIA.

The booklet provides an assessment of the level of corruption in Tanzania. A number of examples from different sectors are presented, including the economic costs involved. Furthermore, the study contains a section on drug trafficking and the way Tanzanians are involved in it. The booklet is published by TCCIA one of the national business communities.

Tanzania, The United Republic of

“Presidential Commission of Inquiry on the Causes of Corruption in the Country: Report on the Commission on Corruption”. Volumes 1 and 2
Dar es Salaam, November 1996.

These two volumes, also know as the Warioba Report, describe the extent of corruption in Tanzania before mid-1996. The Commission on Corruption found evidence that even officers in the judiciary, the policy, and the Anti-Corruption Bureau itself were immersed in corruption. Instead of being in the forefront of fighting corruption, these state organs had become part of the problem. According to the Commission, the growth of corruption in the 1990s had been heightened by the close relationship between politicians and some Government leaders on the one hand, and corrupt businessmen on the other. Givers of bribes are divided into two groups: First, is the group of rich businessmen who corrupt public servants and cause them to bend established laws, rules and regulations to further businessmen’s selfish interests. The second group is that belonging to those who are forced to offer bribes by pressure from public servants. These are usually forced to offer bribes in order to be served. The receivers of bribes, on the other hand, are public servants in position of authority for decision making or who may be in positions those influence decisions or the delivery of public service. These are also divided into two groups: In the first group are those who receive bribes

because of having low incomes and living standards generally, and what they receive only helps them to bridge the gap. This type of petty corruption is what greatly bothers ordinary people, and is widely spread in all public sectors. The second group concerns grand corruption involving high level leaders and public servants whose involvement in corruptive practices is a result of excessive greed for wealth accumulation and money.

Tanzania, The United Republic of

“National Anti-Corruption Strategy. Executive Summary”

Dar es Salaam, 1999, The United Republic of Tanzania.

<http://www.respondanet.com/english/index.htm>

This report on Tanzania’s official anti-corruption strategy can be downloaded in PDF-format from the World Bank Institute’s website “Durban Conference Materials” (http://www.worldbank.org/wbi/gac/gac_pdfs/durban-tanzania.pdf).

World Bank

“Support to the Government of Tanzania’s Anti-Corruption Program”

Poverty Reduction and Social Development Unit, Africa Region

Washington DC. 1998, The World Bank.

The report assesses the problems of corruption and ongoing reform efforts in several sectors: public sector revenues and expenditures, privatisation of the public enterprise sector, the civil service, and the legal/judicial and political systems. The assessment is based partly on secondary information (the Warioba Report, World Bank material and other published material) and partly on interviews with different stakeholder. The report contains limited information compared to other studies. However, it provides some directions for WB support to anti-corruption efforts in Tanzania.

2.2.6 Uganda

Flanary, R. & Watt, D.

“The State of Corruption: a Case Study of Uganda”

Third World Quarterly, vol.20, nr.3, 1999, pp.515-536.

The aim of this article is to provide an evaluation of Uganda's current strategy to fight corruption. Like many countries on the African continent, Uganda has deemed it necessary to make attempts to reduce and control corruption within the public sector. As awareness of the deleterious and debilitating effects of corruption has grown, so too have both internal political factors and external pressures from aid donors increased in order to push for fundamental change in this respect. In terms of the donors, many have stipulated specific conditions relating to a good governance agenda based upon adherence to public integrity and minimum standards of public conduct. Sensitivity to pressure also stems in part, from a wish by government to be seen to be actively responding to donor concerns. Internal pressures stem from a growing desire by the public to demand accountability from those in government.

Langeth, P.; Katotobo, J.; Brett, E. & Munene, J.

Uganda: Landmarks in Rebuilding a Nation
Kampala, 1995, Fountain Press.

This book examines steps taken by the Government of Uganda under the National Resistance Movement in rebuilding institutions of state that were destroyed during the years of political turmoil. It studies the economy, civil service, constitution making, the politics of decentralisation, and other policies that have formed the foundation of the new Uganda. There are major innovations that are putting Uganda to the forefront of social reengineering and management in a continent that has become renowned for lack of creative solutions, backwardness, and retrogression. Uganda demonstrates that the "winner take all" political arrangement does not work in Africa and that genuine reconciliation, rooted in sound economic and social policies, can bridge the gap between apparently irreconcilable contenders. Due to copyright restrictions, this book is only available from Fountain Press in Kampala, Uganda. (Fountain Press can be reached via fax at (256-41) 251-160).

Langseth, P. & Mugaju, J. (eds).

Post-Conflict Uganda: Towards an Effective Civil Service.
Washington DC, 1995, TI & EDI/World Bank.

In a developing country like Uganda, good governance, economic development, and modernisation require the existence or creation of an efficient, professional, cost-effective, and results-oriented civil service. Unfortunately, by 1986 the Ugandan civil service was in a parlous state due to fifteen years of political and social turmoil, and as such was not in a position to cope with the daunting task of post-conflict reconstruction. Accordingly, the National Resistance Movement government decided to launch the Civil Service Reform Programme in 1990. It entailed taking 42,000 "ghost" workers and 60% of the civil servants off the payroll. The book analyses the program in the context of other concurrent economic, democratisation, and decentralisation reforms.

Langseth, P. & Stapenhurst, R.

"National Integrity System Country Studies"
Washington D.C., 1997, EDI, World Bank.

The economic consequences of pervasive corruption, and recent trends toward democratisation, have increased the pressure for accountability and transparency for those in public office. This paper builds on an earlier Working Paper ("The Role of a National Integrity System in Fighting Corruption"), arguing that whilst each country or region is unique in its own history and culture, its political systems, and its stage of economic and social development, similarities with regard to the extent and costs of corruption do exist and that experience and lessons are often transferable. The paper presents two country studies, those of Uganda and Tanzania, highlighting the problem of corruption in those countries, the strategies adopted to fight corruption, and the role that EDI has played in assisting with the implementation of those strategies.

Leeuw, Frans L. & van Gils, Ger H.C. & Kreft, C.

“EDI’s Anti-Corruption Initiatives in Uganda and Tanzania. A Mid-Term Evaluation”
EDI Evaluation Studies, no.ES 98-12. Washington, 1998, The World Bank.

The evaluation report concentrates on the strengths and weaknesses of the anticorruption programmes implemented in Uganda and Tanzania.

Furthermore, it discusses the impacts of the programmes and their future opportunities. Main conclusion is that EDI anti-corruption initiatives have increased the general awareness of the problem, but that they lack enforcement. Technically intricate with a fastidious terminology on a relatively limited material.

Matembe, Miria R.K.

“Inclusion of the Principles to Combat Corruption in National Strategies by African Countries”

Paper presented at the 9th International Anti-Corruption Conference, Durban, 10-15 October 1999.

This paper discusses how the Ugandan government has applied some of the 25 principles adopted by African governments to combat corruption (from the meeting organised by Global Coalition for Africa in Washington DC, February 1999).

Nasaba, Alfred P.W.

“Anti-Corruption Legislation in Uganda and its Improvement” in
Langseth/Simpkins (eds): Integrity Workshop in Uganda II: Final Workshop Proceedings, 1996, pp.64-86.

*This paper describes the anti-corruption legislation in Uganda.
Integrity*

Ouma, Stephen O.A.

“Corruption in Public Policy and Its Impact on Development: The Case of Uganda since 1979”

Public Administration and Development, vol.11, no.5, 1991, pp.473-489.

This paper characterises Uganda’s policies since 1979 (after Idi Amin) as unstable, unpredictable and conflicting. It argues that corruption in Uganda is a product of self-aggrandisement, of unrealistically low remuneration of public servants, and of bitter political and armed struggles aimed at gaining access to and retaining state power. Corruption leads to loss of much needed revenue and human talent for development, distorts priorities for public policy, and shifts scarce resources away from the public interest. The natural distrust that results is incompatible with the requirements for successful public policy. The main theme running through the paper is that political instability; corruption and underdevelopment are mutually reinforcing. The paper finally outlines some measures to clear the path for sustained growth and development.

Ruzindana, Alex

“Building a National Integrity System in Uganda” in Good Governance for Sustainable Development, Final Workshop Proceedings, 13-14 March 1997, edited by Sahr J. Kpundeh and Petter Langseth. Washington, 1997, The World Bank.

This essay, written by the Inspector General of Government responsible for anti-corruption in Uganda, argues that the key to an effective agency is strong leadership, political stability, and peace. It notes that the Ugandan IGG has employed a multi-faceted approach to combat corruption of education, prevention, and investigation and prosecution. The paper concludes that in the future, anti-corruption activities will move forward as a result of strong political leadership.

Sedigh, Shahrzad & Ruzindana, Augustine

“The Fight Against Corruption in Uganda” in Stapenhurst, Rick and Sahr J. Kpundeh (eds) 1999: Curbing Corruption. Toward a Model for Building National Integrity. EDI Development Studies. Washington DC, 1999, World Bank. Chapter 12.

This book chapter discusses the evolution of corruption in Uganda, and reviews various approaches to curbing corruption. It concludes that “if the government maintains its commitment to curbing corruption and if Ugandans from all walks of life join that effort, the future looks promising” (p. 204).

Svensson, Jakob

“The Cost of Doing Business. Ugandan Firms’ Experiences with Corruption” Washington DC, 1999, World Bank, Development Research Group (draft).

Corruption is perceived by firms in Uganda to be one of the most serious impediments to conducting business. Based on a survey of private enterprises in Uganda, the paper shows that firms typically have to pay bribes when dealing with public officials. The amount paid depends partly on company specific characteristics. The study finds that relative to other costs of operation, corruption constitutes a heavy burden on firms. Furthermore, the rate of bribery is negatively correlated with firm growth. The adverse effect of bribery on firm growth is found to be more than three times greater than that of taxation.

Theobald, Robin

“Can Debt be Used to Combat Political Corruption in Africa?” Crime Law And Social Change, vol.27, nr.3-4, 1997, pp.299-314.

Whilst political corruption is undoubtedly a global phenomenon its consequences for the states of Tropical Africa are held to be dire, allegedly leading in some cases to state collapse. This article assesses those policies that aim to curtail corruption by linking greater transparency in government to debt forgiveness. An example of this initiative, which has been supported by President Yoweri Museveni of Uganda, is evaluated in terms of feasibility and appropriateness. The article concludes that although fraught with immense practical and political difficulties, such initiatives could provide a starting point for dealing with the problem.

Tumwesigye, Jotham

“Public Declaration of Wealth as a Weapon of Fighting Corruption in Uganda”

Paper presented at the 8th IACC, Lima, Peru. 1997.

This paper, presented by the Inspector General of Government of the Republic of Uganda, discusses the implementation of a system of public declaration of wealth by requiring certain categories of public servants to declare their income, assets and liabilities. The idea of having a leadership code for enforcing such declarations was conceived about 10 years ago, during the early years of the present government of the National Resistance Movement (NRM). The first tangible effort to have leaders declare their wealth was made in 1997 pursuant to the provisions of the Leadership Code of 1992 which again was made operational by the Constitution of 1995.

Uganda, Republic of

“National Anti-Corruption Strategy. Executive Summary”

Kampala, 1999, The Republic of Uganda.

<http://www.respondanet.com/english/index.htm>

This report on Uganda’s official anti-corruption strategy can be downloaded in PDF-format from the World Bank Institute’s website “Durban Conference Materials” (http://www.worldbank.org/wbi/gac/gac_pdfs/durban-uganda.pdf).

Uganda, The Republic of

Report to Parliament. May 1998-March 1999

Kampala, 1999, Inspectorate of Government, Republic of Uganda.

In accordance with the Constitution of the Republic of Uganda, the Inspectorate of Government (IoG) is required to promote and foster strict adherence to the rule of law and principles of natural justice in administration, to eliminate and foster the elimination of corruption, abuse of authority and of public office, to supervise the enforcement of the Leadership Code, to stimulate public awareness about the values of constitutionalism, and to investigate any act, omission, advice, decision or recommendation by a public officer or any authority. The Inspectorate also has the power to arrest and prosecute or cause prosecution. The IoG submits bi-annual reports to Parliament. The report provides an overview of cases of corruption and mismanagement brought forward and/or investigated by the IG. Furthermore, the report presents measures taken to increase public awareness against corruption and misuse of public authority.

2.2.7 Zambia

Chikoulo, Bornwell C.

“Corruption and Accumulation in Zambia” in

Kempe Ronald Hope, Sr, & Bornwell C. Chikulo: Corruption and Development in Africa, London, 2000, Macmillan Press, chapter 8, pp.161-182.

This country study concludes that corruption is even more widespread in Zambia under the Chiluba regime than what it was under Kaunda, due to the “utter contempt for probity and constitutional procedures with regard to public financial management and the regime’s voracious appetite for wealth”. The government has been forced to act on corruption. However, the prospects are meagre because the pressure is coming more in the form of external actors

(World Bank, IMF, donors) than from the (disorganised) internal opposition and the (weak) civil society.

Szeftel, Morris

“Political Graft and the Spoils System in Zambia – the State as a Resource in Itself” in Review of African Political Economy, no.24, 1982, pp.5-21.

This article traces a number of cases of graft in Zambia to show the importance of this practice within the political system. Graft is treated as one element of a spoils system through which clientelism operates and through which, more generally, the state is used as a resource for private ends. Graft and patronage are shown to have negative consequences for the state through undermining efficiency, legitimacy and displacing policy ends. But perhaps more importantly, it is argued that graft ultimately involves a transfer of wealth between classes and more specifically is an important factor in the growth of an indigenous owning class.

2.2.8 Zimbabwe

Taylor, H.

“Public-Sector Personnel-Management in 3 African Countries - Current Problems And Possibilities”

Public Administration and Development, vol.12, no.2, 1992, pp.193-207.

A study on three Sub-Saharan African countries (Tanzania, Kenya and Zimbabwe) on public sector personnel systems, where the author offers a review of personnel practice in civil service and parastatal organisations. Despite a recognition that personnel issues are crucial to organisational success and to economic development, the personnel function was found to be a largely reactive and restricted administrative operation, often combined with non-personnel 'housekeeping' roles, including a lack of alternative models of best personnel practice and the continuing need for administrative controls in the face of favouritism and corruption. The view is advanced that changes in the personnel practices and policy are most desirable and urgent in the parastatal sector.

Young, E.T.

“Chefs and Worried Soldiers: Authority and power in the Zimbabwe National Army” Armed Forces & Society, vol.24, nr.1, 1997, pp.133 +.

This article paints a socio-political portrait of the Zimbabwe National Army (ZNA). Institutional trends and the consequences are analysed by examining the army's behaviour and the discourse within the military. Rising corruption, the proliferation of patron-client relationships, the use of the military as a stepping stone to business and politics, and an increasingly "civilian" military justice system are all found to be symptomatic of the ZNA's increasingly occupational character. These trends are a result of both the economic environment of Zimbabwe and the ZNA's combat operations in Mozambique. The consequences of these trends, however, are mixed. While morale and preparedness have tended to suffer, overall performance has not been particularly negatively affected.

2.3 Africa: other partner countries

2.3.1 Angola

Global Witness

“A Crude Awakening. The Role of the Oil and Banking Industries in Angola’s Civil War and the Plunder of State Assets”

London, December 1999, Global Witness.

<http://www.oneworld.org/globalwitness/reports/angola99/cover.htm>

This report from the London-based NGO “Global Witness” claims that the Angolan President Jose Eduardo Dos Santos is at the core of a corrupt web of army generals and senior government officials who profit from the protracted civil war with the complicity of international oil and banking companies. The report by the London-based human rights organisation Global Witness said “a significant portion of Angola’s oil-derived wealth is being subverted for personal gain and to support the aspirations of elite individuals, at the centre of power around the presidency”. Full text available at website.

2.3.2 Botswana

Charlton, Roger

“Exploring the Byways of African of African Political Corruption: Botswana and Deviant Case Analysis”

Corruption and Reform, no.5, 1990, pp.1-27.

Botswana is neopatrimonial and clientelist, with a dominant party and primitive extraction from the diamond trade, but still not very corrupt (corruption is here controlled and restricted). The authors are trying to explain this very deviant case by factors like democratic procedures, a non-corrupt elite culture and the presence of British expatriates, but they can find no single (sufficient) explanation.

Global Coalition for Africa

“Corruption: The Botswana Experience”

Washington DC, 1997, Global Coalition for Africa

This paper chronicles Botswana's response to corruption leading to the passage of the Corruption and Economic Crime Act and Directorate on Corruption and Economic Crime.

Good, Kenneth

“Corruption and Mismanagement in Botswana – a Best-Case Example?”

Journal of Modern African Studies, vol.32, no.3, 1994, pp.499-521.

Analyses the deviant Botswana case. The rapid economic growth, the multi-party democracy and the relatively efficient central state have been praised, but political-economic scandals (illegal land transactions, mismanagement of parastatals, dubious central bank loans, etc.) indicate increasing corruption. The author argues that with the coalescence of economic and political power and the predominance of the ruling élite, corruption and mismanagement are unlikely to be eliminated.

Holm, John D.

“Curbing Corruption through Democratic Accountability: Lessons from Botswana” in Kempe Ronald Hope, Sr, & Bornwell C. Chikulo: Corruption and Development in Africa, London, 2000, Macmillan Press, chapter 15, pp.288-304.

Botswana is one of the rare examples of African countries with a rather successful institutionalisation, through continuous political freedom and regular national and local elections. This country study looks into the development of democratic accountability and the problems it faces. The main lesson is that democratic governmental accountability is a slow, piecemeal and unplanned process.

2.3.3 Madagascar

2.3.4 Mali

Amselle, Jean-Loup

“La corruption et le clientélisme au Mali et en Europe de l’Est, quelques points de comparaison”

Cahiers d’Études Africaines, vol.32-4, no.128, 1992, pp.629-642.

This article compares corruption and clientelism in Mali (under the Traoré dictatorship, until 1991) with the clientelist structures under communism in Eastern Europe. A rather superficial, polemic and obsolete article, in French.

2.3.5 Namibia

Gawanas, Bience

“Fighting Corruption: The Namibian Experience and the Role of the Office of the Ombudsman”

Paper presented at the 8th IACC, Lima, Peru, 1997.

This paper reviews the role of the Namibian Ombudsman (actually a woman) in fighting corruption. The Namibian Constitution and the Ombudsman Act empowers the Ombudsman to investigate all instances of alleged or suspected corruption and the misappropriation of public money by officials and to take appropriate steps, including reports to the Prosecutor General and the Auditor General pursuant thereto. This jurisdiction is limited to the public sector. The Office of the Ombudsman has, however, not dealt with many complaints concerning corruption. This is partly due to the fact that Namibia has a number of oversight bodies such as the Office of the Ombudsman, the Auditor General, the police, the Parliament which are dealing with corruption in one way or the other. This has led to duplication of efforts, problems of co-ordination, competing for scarce resources and confusion to the public, as they do not often know which body to approach with a complaint.

Furthermore, a lack of a clear strategic approach in combating corruption has been a serious oversight by the office of the Ombudsman. Therefore, corruption has not been debated as a public concern and therefore no clarity as to what action or practices amount to corruption and how it affects the social, political and economic development of the Namibian society. The media has been at the forefront of exposing corruption but it has not always led to proper investigation on the part of government or offenders being punished.

Rukoro, R. V.

“Namibia's Initiative to Combat Corruption and to Promote Ethical Behaviour”
Paper presented at the 8th IACC, Lima, Peru. 1997.

This paper prepared by the Attorney General of the Republic of Namibia, reviews efforts taken by the Government to combat corruption in the public sector. Furthermore, it discusses shortcomings of the current measures and challenges ahead.

2.3.6 South Africa

Bauer, Constanze

“Public Sector Corruption and its Controls in South Africa“ in
Kempe Ronald Hope, Sr. & Bornwell C. Chikulo: Corruption and Development in Africa, London, 2000, Macmillan Press, chapter 11, pp.218-233.

This country study focuses on corruption in the public sector, through a few examples of corruption and some measures to control it. The author concludes that corruption is still prevalent in the public sector in South Africa, through the lack of accountability, responsibility and control measures, and argues that measures to combat corruption must start at the top.

James, Wilmont

“Parliamentary Ethics and Government Corruption: Playing with Public Trust”
Public Opinion Service Reports, no.3, February 1996.

This paper presents survey results from South Africa on popular perceptions about corruption.

Lodge, Tom

“Political Corruption in South Africa”
African Affairs, no.97, vol.387, 1998, pp.157-187.

This article disputes the public perception that the South African bureaucracy is largely corrupt. It finds that contrary to public opinion, corruption is more prevalent in the regional governments than the central administration. The article concludes that the extent of corruption in regional governments is a consequence of corrupt homeland civil services.

Mattes, Robert & Africa, Cherrel

“Corruption – The Attitudinal Component: Tracking Public Perceptions of Official Corruption in South Africa, 1995-1999”
Paper presented at the 9th International Anti-Corruption Conference, Durban 10-15 October 1999.

Based on survey data this study focuses on citizens' perceptions of official corruption. According to the survey data, 67 % of the respondents said that they saw either no change or an increase in corruption from apartheid to democracy. Perceptions do however, vary somewhat between races, where white South Africans were most cynical about the level of corruption in the country. In general, the highest levels of perceived corruption are located among respondents in KwaZulu-Natal and Eastern Cape.

Sangweni, Stan and Daryl Balia (eds)

Fighting Corruption. Strategies for Prevention
Pretoria, 1999, UNISA Press (The Business Section).

This is the first in a series of publications intended to create awareness and foster understanding of issues around corruption in public and other sectors of society.

Sangweni, Stan and Daryl Balia (eds)

Fighting Corruption. South African Perspectives
Pretoria, 1999, UNISA Press (The Business Section).

This collection of essays focuses on questions such as to what extent is corrupt behaviour more detectable now than before, and how has post-apartheid South Africa advanced the struggle for integrity in government?

2.4 Asia, general

Alam, M.S.

“A Theory of Limits on Corruption and Some Applications”

Kyklos, vol.48, no.3, 1995, pp.419-435.

This essay asks why corruption varies across government agencies in the same state and sometimes within the same agency. It notes that most of the literature takes the perspective of winners in an emphasis on inducements and pressures for entry into corrupt exchanges. The author advocates taking the perspective of the losers, the victims of corruption. Based on evidence from South Asia, the author concludes that corruption is a contest between two parties. Variation among and within governments depends on political, economic, legal, and cultural factors in a given country.

Alatas, Syed Hussein

Corruption: Its Nature, Causes and Functions
Newcastle upon Tyne, 1990, Atheneum Press Ltd.

Loosely defined polemic discussion on development theory and the effects of (political) corruption. The author distinguishes between transitive, extortive, defensive, investive, nepotistic, autogenic and supportive corruption. Examples ranges from narratives from the Roman Empire and ancient China, to today's Asia (India and Pakistan).

Khan, Mushtaq H.

“The Role of Civil Society and Patron-Client Networks in the Analysis of Corruption” in Corruption & Integrity Improvement Initiatives in Developing Countries, Seminar paper, UNDP, October 1997.

<http://magnet.undp.org/Docs/efa/corruption/Chapter07.pdf>

Article on state and class formation in Third World countries, and corruption seen as a tool in the hands of business and capitalist classes. Main argument is that powerful groups in society can extract resources from (weak) states, but that the economic consequences are varying according to the relative strength of particular groups and clientelist networks. Examples mainly from South and Southeast Asia.

Khan, Mushtaq H.

“Patron-Client Networks and the Economic Effects of Corruption in Asia”

The European Journal of Development Research, vol.10, no.1, June 1998, pp. 15-39.

This study compares patron-client networks in the Indian sub-continent, Malaysia, Thailand and South Korea, and explains in terms of institutional and political processes why corruption in some countries is compatible with rapid economic growth while in other cases corruption is economically damaging.

Kong, Tat Yan

“Corruption and its Institutional Foundations: The Experience of South Korea”

IDS Bulletin, vol.27, no.2, 1996, pp.48-55.

The South Korean economy has grown steadily despite fairly significant levels of political corruption. The paper argues that this growth is a consequence of the institutional foundations of Korean growth. As in Japan, donations to political parties in exchange for business favours remain a major form of corruption in South Korea. This close relation between business and government is suggested, first, as a reason for corruption's resilience in South Korea; and second, as a predictor that corruption will continue despite Korea's move toward democracy and economic liberalisation.

Moran, J.

“Patterns of Corruption and Development in East Asia”

Third World Quarterly, vol.20, no.3, 1999, pp.569-587.

This article focuses on the experiences of South Korea and the Philippines and examines the relationship of corruption to political and economic development. It argues that corruption is a manifestation of specific sets of state-society relations, political systems, development trajectories and types of external linkages. Corruption in these contexts should not be seen as pathological phenomena but as deeply integrated into the particular path of political and economic development. The article further identifies the context and scope for reform.

2.5 Asia: Norway’s priority partner countries

2.5.1 Bangladesh

Ahmad, Muzaffer

“Corruption as People See It”

Transparency International – Bangladesh Chapter.

<http://www.ti-bangladesh.org/docs/survey/people.htm>

Corruption seen from below; on how common people in Bangladesh perceive the police, the judiciary, education and health services, and several other institutions and bodies. Results of a survey.

Ahmed, B. & al.

“Government Malpractices” in

Report of the Task Forces on: Bangladesh Development Strategies for 1990s, vol.2, Dhaka, 1992, University Press Limited (UPL), pp.389-407.

Rather than giving definition of corruption this chapter identifies some areas where it is more likely to manifest itself. There is no doubt that corruption hurts the economic performance of a country. For instance, gains through corruption are unlikely to be directed to investment in the industrial sector and are more likely to be either used up in conspicuous consumption or transferred to foreign bank accounts. The scope for malpractice in each of the areas and feasible measures for containing such practices is also discussed briefly in this chapter.

Akhter, Muhammad Yeahia

Durnitir Swarup Onneshon: Bangladesh

(Search for the Nature of Corruption: Bangladesh)

Dhaka, 1991, Nibedon Printers and Publications.

An analysis of corruption in Bangladesh with reference to the political, social and administrative spheres, as well as issues related to development. Supported by secondary sources, which include academic and field research, this is a wide-ranging work. Akhter’s perspective is that corruption is an evil and cannot have any redeeming qualities. Corruption is seen to exist in an environment devoid of moral teaching and public awareness, fuelled by a self-seeking greed among ruling elites and their supporters/collaborators. The author suggests that Bangladesh could learn much from Singapore, Hong Kong, the Philippines, Malaysia etc. in successfully limiting corruption, if its leadership chooses to do so with sincerity and commitment. (In Bengali).

Aminuzzaman, S.M.

“Accountability and Promotion of Ethics and Standards of Behavior of Public Bureaucracy in Bangladesh”

Asian Review of Public Administration, vol.8, no.1, 1996, pp.13-27.

One of the most striking feature of the Bangladesh bureaucracy is rampant corruption. The Annual Report 1992 of the Bureau of Anti-Corruption compiled 11,384 cases of different types of corruption charges against public officials of different categories. A survey conducted in Dhaka city in 1992 revealed that 68 per cent of the respondents, i.e. household heads either directly or indirectly paid bribes at one point of time or another to get the job done. The data also indicated that most complaints of administrative corruption were against officials of the law-enforcing agencies, customs and income-tax department. The data further showed that: (a) the higher the level of bureaucracy the less the frequency but higher the amount of bribe; and (b) the lower the level of bureaucracy the higher the frequency but less the amount of bribe. The author argues that the most important factor to establish ethics and accountability in the public service is to introduce education on democracy.

Blair, H.W. & al.

The Bangladesh Democracy Program (BDP) Assessment. Final Report.
Washington DC, 1992, USAID.

This report emphasises how to strengthen the central institutions of parliamentary democracy at national level in Bangladesh. Still the report contains a number of observations on corruption. Corruption appears to be pervasive at nearly all levels. President Ershad during his rule established record levels of corruption but much of it simply took the form of petty rent seeking that constituted a heavy burden on both the economy and on administrative efficiency. Also the Stalinist vision of centralised command and control not only tolerated inefficiencies and waste but also enabled corruption to proliferate and flourish at all levels. The report recommends establishment of an office of Ombudsman as provided in Article 77 of the Constitution to counter and check corruption.

Chowdhury, A.N.M. Khaled

Law on Corruption

Chittagong, 1984, Arjuman Chowdhury (2nd edition).

This book is a compilation of laws relating to corruption in Bangladesh, presented in the form of a handbook with annotated references. It is a comprehensive reference book, with virtually all the relevant case laws on the subject. Although this collection is useful mainly as a source of reference for members of the bench, the bar, students of law, and so on, it can provide valuable background information to the study of corruption in Bangladesh. Corruption is thus linked to changing circumstances, particularly to events such as war and civil strife, or periods of insecurity and uncertainty. Furthermore, crime and corruption are seen as dynamic social conditions that can increase under certain circumstances. Although corruption is perceived to be "age-old", it is also capable of becoming more dangerous at certain times. Law, which is seen here as the major deterrent of corruption, is therefore required to quell or control the increase of crime and corruption.

Consumark Limited

“Bangladesh: The Regulatory Maze - and How it Helps Perpetuate Poverty and Corruption”

Five papers prepared for the World Bank Resident Mission, Bangladesh,
Dhaka.[N.D.]

This report, commissioned by the World Bank Resident Mission, contains a valuable, thorough investigation on the network of government regulations in Bangladesh and their impact on business and trade. The report is empirically sound and detailed in its analysis of the nature and impact of bureaucratic rules and regulations. Particularly interesting is the section devoted to the working life of an average rickshaw owner and the impact of regulations on his earnings and performance.

Franda, M.

Bangladesh. The First Decade

New Delhi, 1982, South Asian.

On the political history of Bangladesh. It does not discuss corruption per se, but demonstrates how rapid economic and social change after liberalisation,

strong kinship ties, new local government institutions, maladministration, and the large-scale influence of foreign aid were particularly conducive to corruption.

Gupta, Manash Ranjan

“Formal Credit, Corruption and the Informal Credit market in Agriculture: A Theoretical Analysis”

Economica, vol.64, no.254, May 1997.

This article explores the relationship between informal and formal credit policies in a rural environment, demonstrating the close relationship between corruption and the market. The article provides a context for understanding the dynamics of rural society and the interface of state and market in imperfect conditions.

Hussain, Saadat

Corruption in Public Offices: Some Conceptual Issues in the Context of Bangladesh. Kotbari, Comilla, 1990, Bangladesh Academy for Rural Development.

The monograph examines prevalent concepts about corruption, mostly those articulated in various government documents in order to reach a definition of corruption relevant to Bangladesh. A number of definitions of the concept corruption are mentioned without showing preference to any particular one. The views of public servants on corruption were collected, indicating that deviant behaviours were warranted by complexities of the administrative system.

Jansen, Erik G.

“Interest Groups and Development Assistance: The Case of Bangladesh”

Journal of Social Studies, no.59, January 1993, pp 55-66.

The strategies employed by interest groups in Bangladesh to influence the type of development assistance that Bangladesh receives is, surprisingly, seldom reported. Surprising, because according to the author of this paper, the problem of understanding, assessing and coping with these strategies is one of the most important development issues in most aid-dependent countries. Jansen relates how development aid is consistently influenced by a variety of subtle and not-so-subtle rent-seeking strategies - corruption, in different forms. He demonstrates how these strategies of corruption can alter the nature of development aid in Bangladesh, forcing donors to abandon certain projects, (such as the supply of a US\$1.5 million navigational stimulator because it is totally inappropriate for the needs of Bangladesh), or set up ‘white elephants’ which are never utilised by the recipient, (like hundreds of health clinics which were set up apparently in the 1970s, but ended up as ‘empty shells’ because the only reason for their creation was to provide commissions for special interest groups). Jansen stresses that the size of the ‘aid business’ is so big in Bangladesh that it has created an entire class of aid dependent elites, actively engaged in what sometimes turns out to be a ‘bonanza atmosphere’ (such as in connection with the Flood Action Plan).

Khan, Mohammad Mohabbat

“The Electoral Process in Bangladesh”

Regional Studies, vol.7, no.3, 1989, pp.95-111.

The Election Commission has failed to play an independent role in the election process. Voters and many political leaders question the non-partisan image of the Election Commission. Corruption is not mentioned as a concept, but refers to practices of electoral fraud and violence.

Khan, Mohammad Mohabbat

“Resistance to Administrative Reform in Bangladesh, 1972-1987”

Public Administration and Development, vol.9, no.3, 1989, pp.301-314.

This paper scrutinises the problems afflicting the civil service in Bangladesh. Corruption has for instance been institutionalised in the civil service, but the level of corruption varies depending on how influential a position the particular civil servant holds. Civil servants have become accustomed to living a life style far beyond their legal income. Citizens have come to realise the harsh reality that nothing moves without greasing the palms of the relevant officer. This has indeed adversely affected the delivery of services as well as the collection of revenue. Besides, the civil service has been vitiated with inefficiency, insubordination, misconduct and misuse of official position.

Khan, Mohammad Mohabbat

“Ethics and Public Service in Bangladesh”

Indian Journal of Public Administration, vol.41, no.3, 1995, pp.592-608.

Ethics and morality in public service in Bangladesh is very low. Colonial rule, the dominance of civil-military coalitions in the post-independence period and lack of democratic institutions and practices have provided fertile ground for bureaucratic corruption to flourish. The inability and unwillingness on the part of the political elite to address the socio-political causes of corruption and to bring the bureaucracy under political control helped corruption to take a firm root. Even popularly elected representatives are either unwilling or unable to take effective measures to curb corrupt practices in public services. Many elected officials including members of parliament and ministers are themselves involved in large-scale corruption.

Khan, Mohammad Mohabbat

“Political and Administrative Corruption: Concepts, Comparative Experiences and Bangladesh Case”

Dhaka, [N.D.], Transparency International – Bangladesh Chapter.

<http://www.ti-bangladesh.org/docs/research/Mkhan.htm>

Defines corruption and forms of corruption, and describes the all-pervasive political and administrative corruption in Bangladesh through history and into the contemporary Bangladesh society of highly complex networks of reciprocal favours and obligations. The author argues that to eradicate corruption in Bangladesh, a strong political commitment is needed along with a reoriented bureaucracy and an organised and vocal civil society.

Kochanek, Stanley A.

Patron-Client Politics and Business in Bangladesh
Dhaka, 1993, University Press Limited (UPL).

This influential book focuses on the business-government relationship in Bangladesh. The author analyses the channels of access and influence employed by business to press its demands on government, and assesses the overall impact of business on public policy and the political system. Corruption is regarded in terms of political patronage and favouritism. The pervasiveness of petty corruption is discussed. Furthermore, the book discusses corruption in project/programme aid (argues that the "Food for Work Programme" is one of the most corrupt programmes in Bangladesh), and political corruption.

Rahman, M.A. et al.

Towards Better Government in Bangladesh
Dhaka, 1993, Bangladesh Government Press.

General discussion on corruption (content, meanings). The report reviews the section of "Government Malpractice" of the Report of the Task Force of Bangladesh Development Strategies of the 1990. Then operational issues like procedural changes and institutional capability and the legal context for dealing with corruption in Bangladesh are looked into. Some remedial measures to remove corruption are recommended. One of them is reviving the Anti-Corruption Council to scrutinise cases against senior public servants only. In this connection the report also discussed the status of investigation and disposal of corruption cases from 1990 to 1992 which gives a very poor picture. Other recommendations are performance evaluation of the investigating staff, increasing the number of special judges and above all updating, changing and strengthening the institutional and legal framework. It also suggests measures to make the Bureau of Anti-Corruption effective.

Rahman, M.H.

"Corruption and Patronage: The Social and Political Linkage"

in M.H. Rahman, Decentralization and Rural Society in Bangladesh: A Study of Bureaucratic Constraints on Access in the Upazila Structure, unpublished Ph.D.

thesis. Wales, 1994, Centre for Development Studies, University College of Swansea, University of Wales, pp.337-371.

A minor part of this study investigates the nature and magnitude of corruption in a particular "upazila" in Bangladesh. The upazila structure is not only controlled by bureaucrats posted there but they are also involved in misappropriating public funds for their own interest. An opinion survey conducted shows how and when a specific corrupt practice such as bribery takes place. Villagers have to bribe government officials either to by-pass certain access encounters or to speed up the process of service delivery. In this practice, the dalal (middleman) plays a critical role. With the increase in the ratio of public service expenditure, cases of mismanagement and corruption also increased. The three case studies indicates that bureaucratic control over massive financial resources without proper accountability and self-seeking nature of bureaucrats are principal contributing factors to the growth of corruption at the local government level.

Rahman, M.S.

Administrative Elite in Bangladesh

New Delhi, 1991, Rank Publications Private Limited.

This book probes into the attitudinal dimensions of the administrative elites in Bangladesh. Based on empirical research, the author provides an attitudinal description towards political and administrative corruption where politicians and administrators are joint partners in the running of the state. It is believed that a politician cannot get things done without corrupting the civil servant, and that the civil servant demands returns. The author also discusses the successive coups and regimes in Bangladesh.

Siddiquee, N.A.

“Politics and Administration at the Upazila Level: Problems of Access and Participation” in

N.A. Siddiquee, Decentralization and Development: Theory and Practice in Bangladesh, Dhaka, 1997, University of Dhaka.

The focus of this chapter is on politics, patronage and corruption in the delivery of local services. Evidence shows that provision of increased resources at the upazila level and transfer of authority to allocate and utilise such resources to local council increased considerably opportunities for local level elected politicians and bureaucrats to make gain for themselves, their relatives and friends. An overwhelming majority of respondents interviewed held that corruption had increased significantly since the introduction of upazila system of decentralisation. Most respondents felt that upazila council was the nerve centre of corruption, nepotism and patronage networks. Not surprisingly upazila level decisions were influenced more by factors like kinship, social and political relationship rather than pursuit of developmental objectives and adherence to formal and impersonal rules and regulations.

Siddiqui, Kamal

Towards Good Governance in Bangladesh: Fifty Unpleasant Essays.

Dhaka, 1996, UPL.

According to the author, one of the most crucial prerequisites for good governance is the minimisation of corruption in the government machinery. But unfortunately over the years corruption has increased and the wealth acquired through corruption has a general tendency to go out of the country. The author emphasises that political will and powerful regulatory measures are to be exercised to minimise corruption. People’s voting rights and constant vigilance may play important roles too. The author disagrees on the issue of changing the prevailing anti corruption laws, and emphasises the importance of their effective implementation. He also gives six suggestions to make the Bureau of Anti-Corruption efficient.

Survey on Corruption in Bangladesh

Dhaka, [N.D.], The Survey and Research System

Survey conducted for Transparency International-Bangladesh, by the Survey and Research System, Dhaka/Bangladesh, with assistance from the Asia Foundation.

This survey is divided into two phases: a pilot study and a baseline survey, where the data is collected in the form of household surveys on people’s perceptions. The report is a summary of the findings in several public sectors

in Bangladesh: education, health, judiciary (including Grameen Shalish), police, municipal services/land administration transport, media and financial sector. The report reveals that in the public perception, the public sector is marred with bribery (payments in cash and higher than standard to obtain services), embezzlement and nepotism.

Wood, Geoffrey D.

Bangladesh: Whose Ideas, Whose Interests?

Dhaka, 1994, University Press Ltd.

This work offers a substantial analytical section on the sociological aspects of corruption in Bangladesh. In fact, Wood himself remarks that although the "paradox of corruption (is) an increasingly acknowledged generic feature of the relationship between official and society, (the topic is) seriously overlooked theoretically".

Taslim, M.A.

“Corruption, External Interference and Policy Making in a Dependent Regime” in H.M. Zafarullah, et al. (eds): Policy Issues in Bangladesh, Dhaka, 1994, UPL, pp.291-306.

In this chapter administrative corruption in Bangladesh is discussed from an economic point of view, emphasising the deleterious effects of inefficiency and corruption among public officials. According to the author the most common form of corruption in the political and administrative sectors is pecuniary bribes. The methods through which bribes could be extracted are non-economic or coercive and economic or non-coercive. The money earned by corruption is mostly spent on consumption or in investments outside the country. It also leads to the misappropriation of a large part of the competitive revenue. This ultimately leads to payment of huge subsidies by the government. It is mentioned here that the government treasury loses about three times the amount of revenue it collects because of corrupt practices. This chapter has also indicated some measures to reduce the country's dependence on foreign aid by decorruping the public sector.

Zakiuddin, Almas

“Corruption in Bangladesh. An Analytical and Sociological Study”

Paper [N.D.], prepared for Transparency International – Bangladesh Chapter.

<http://www.ti-bangladesh.org/docs/research/CorBang1.htm>

This study is in three parts. The first part takes up definitions, paradigms, perceptions and measures of corruption in the literature. The study then suggests an alternative approach “in harmony with indigenous political processes and cultures” (which mainly implies within a “dependency” or “underdevelopment” theoretical framework). Part two and three are a literature review and an excellent annotated bibliography with works in English and Bengali.

2.5.2 Nepal

2.5.3 Sri Lanka

2.6 Asia: other partner countries

2.6.1 India

Ghosh, S.K.

”Indian Banking: Crime and security in Indian Banks”

New Delhi, 1991, S.B. Nangia and Ashish. (Law Research Institute Calcutta).

Surveys the evolution of the banking system in India, the effects of the nationalisation of banks in 1969, and the subsequent expansion of the banking industry. Describes banking operations, providing a background for understanding how frauds are practised. Discusses critically the role of the Reserve Bank as the monitor, guide, and guardian of the banking system. Describes the nature of crime in banks; legal provisions in this regard; and the methods of inquiry, investigation, and prosecution. Analyses the character and dimensions of fraud in banks, and discusses robbery and armed hold-ups. Considers ways of improving bank security. Discusses the politicisation of the banking industry, contending that the public sector banks have become a "pork-barrel" of political patronage. Describes widespread corruption in the granting of loans by nationalised banks and how corruption has spread among bank employees and officers, posing a serious threat to the functioning of the banking industry. Lists corrective measures.

Harris-White, Barbara

“Liberalization and Corruption: Resolving the Paradox (A Discussion Based on South Indian Material)”

IDS Bulletin, vol.27, no.2, April 1996, pp.31-39.

It is argued that corruption is a social phenomenon – part of a broader, institutionalised process of redistribution and accumulation, of new forms of property relation. In India, decades of tax evasion, black investment and corruption have resulted in relations and institutions, which are serious obstacles to the outcome of reforms predicted by economic deregulation and liberalisation.

Padhay, K.S.

Corruption in Politics: A Case Study

New Delhi, 1986, B.R. Publishing Corporation.

The author argues that the political actors including ministers, legislators, office bearers of political parties and other political office holders all are involved in corruption which have caused the erosion of moral values as well as economic and social life in India. On the basis of the Commissions of Inquiry Act 1952, several commissions so far have been set up to inquire political corruption in India, of which the “Khanna Commission” is one of the most important. Taking this commission as the unit of analysis and following the case study method the author observes that power tends to corrupt; the creation of inquiry commissions have a common trend to be maladroit,

intentional and politically-motivated; commissions are least effective in preventing corruption; the commission tend to be a fraud on the state exchequer; follow up actions are hardly taken on the basis of commission's recommendations; and corrupt ministers tend to escape from the clutches of law without being punished. To avoid the above problems, the author suggests that the cases of corruption should go to the courts of law through police instead of the inquiry commission. Special courts may also be established for this very purpose. Otherwise the commissions should be vested with power to punish corrupt politicians.

Pavarala, Vinod

Interpreting Corruption: Elite Perspectives in India

Thousand Oaks/CA, 1996, Sage.

Adopting a social constructivist perspective, author examines corruption as a process through which the elites in society define the problem and negotiate solutions to it. Interpreting Corruption goes beyond the standard structural-functional approach that views corruption as a fact and as a dysfunction that can be observed, measured, and analysed objectively. Based on intensive interviews with those belonging to five elite groups--bureaucrats, judges, politicians, industrialists, and journalists--combined with a survey of newspaper accounts and legal documents, this study provides a realistic understanding of the social problem of corruption in an underdeveloped nation such as India. With its rich insights into what is a major problem in India's political, social, and economic life, this thought-provoking study is of interest to students and scholars in the fields of political science, sociology, public administration, and the sociology of development. It is also relevant for politicians, policymakers, and industrialists.

Pillarsetti, J. Ram

“Direct Tax Reform in Privatizing Economies: A Comparative Study of India and Latin American Countries”

International Journal of Social Economics, vol.22, no.8, 1995, pp.22-33.

It is argued that direct tax reform in India should include elimination of income tax and capital gains taxes. The article presents an analysis of how the unbelievably high direct tax rates over several years, coupled with several types of controls, drastically distorted the price and incentive system. It shows that, in comparison with several other developing countries, India is still a high taxed economy. The institutionalised corruption resulting from these direct taxes over several years cannot be reduced without elimination of these taxes, and measures such as broadening of direct tax base, higher penalties, etc. are counter-productive. The official national account statistics in such a high tax regime do not reflect the economy, and the government policy and planning based on these statistics often prove ineffective. The success of liberalisation programmes, environmental conservation, and general socio-economic development requires the elimination of these taxes.

Price, Pamela

“Cosmologies and Corruption in (South) India – Thinking Aloud”
Forum for Development Studies, no. 2, 1999, pp. 315-327.

Some kinds of corruption in bureaucratic and political institutions in India are the function of systems of belief and practice that have historical antecedents. The author argues that political and social segmentary structures play major roles in influencing ordinary people’s notions about the nature of political domains and authoritative responsibility.

Roy, Rathin

“State Failure in India: Political-Fiscal Implications of the Black Economy”
IDS Bulletin, vol.27, no.2, April 1996, pp.22-31.

This article focuses on the emergence of the black economy in India and the role of corruption in that emergence. It is argued that the black economy played a critical role in softening of the government budget constraint in the 1980s, inter alia, it reflects a decline in the fiscal surplus accessible to the state. The origins and disposition of black income are traceable; it is argued, to petty bourgeois groups.

Ruud, Arild Engelsen

Corruption as Everyday Practice. Rules and Rule-bending in Local Indian Society
Oslo, 1998, Centre for Development and the Environment.
SUM Working Paper 1998:4.

Short paper viewing corruption as an established strategy of coping with the bureaucracy, with emphasis on the social networks blurring the distinction between private and public. Examples from India (Punjab).

Sovani, N.V.

“The Nature of Corruption in India” in
Sovani, N.V.: Indian Economics: Some Theory, Some Practice. Gokhale Institute
Studies, no. 72, Pune: Gokhale Institute of Politics and Economics, 1991, pages 80-
96.

This is a collective volume, where the cited article deals with the formal and informal sector, shadow economy, and corrupt practices in India.

Wade, Robert

“The System of Administrative and Political Corruption: Canal Irrigation in South
India”
Journal of Development Studies, vol.18, no.3, 1982, pp.287-328.

Irrigation engineers are able to illicit significant revenues by controlling the distribution of water to users. Personnel transfers for civil servants who work as engineers in irrigation projects facilitate corruption. This process is a functional part of Indian politics.

Wade, Robert

“Irrigation Reform in Conditions of Populist Anarchy: An Indian Case”
Journal of Development Economics, vol.14, no.3, 1984, pp.285-303.

This essay addresses the persistence of corruption in irrigation administrations in India. Often repeated patterns of behaviour allow an effective resistance to reform efforts. The highly political nature of corruption is demonstrated by the politics of personnel transfers out of a region of those

who oppose corruption and the transfer in of sympathetic and venal replacements. The conclusion is that policy reform in how resources are allocated is the best means to decrease corruption.

2.6.2 Indonesia

Indonesian Corruption Watch

<http://www.icw.or.id/>

See: Internet sites.

Robertson Snape, F.

“Corruption, Collusion and Nepotism in Indonesia”

Third World Quarterly, vol.20, nr.3, 1999, pp.589-602.

An end to KKN-the Indonesian acronym for corruption, collusion and nepotism -is currently one of the demands of Indonesia's growing reform movement. This is not the first time corruption has been on the political agenda in Indonesia; indeed, Suharto came to power promising to end corruption. Tackling corruption, however, was not one of the priorities of the Suharto regime and under Suharto KKN thrived while protesting voices were silenced. This article examines the political, economic and cultural conditions which have allowed corruption to flourish in Indonesia and concludes by considering whether the new political mood in the country since the fall of Suharto offers hope for a new, more corruption-free Indonesia.

Sadli, Mohammad

“The Indonesian Crisis”

ASEAN-Economic-Bulletin, vol.15, no.3, December 1998, pp.272-80.

This article examines the causes of the crisis in Indonesia and seeks to explain why its effects have been so much more devastating than in the other ASEAN countries. Indonesia has had financial crises before but this one had a regional character: a sudden collapse of confidence of the footloose international short-term capital that took fright. The economic fundamentals were, in retrospect, much less strong than they seemed. The private sector had gone on an investment-spending spree, abetted by foreign loans made available at minimum security and prudence. However, the depth of the Indonesian crisis was largely attributable to political factors, political instability surrounding Suharto, the impending succession, evident corruption, and repression of all political opposition. Critics also blamed the IMF for orthodox recipes, which initially worsened the situation.

Server, O.B.

“Corruption: A Major Problem for Urban Management - Some Evidence from Indonesia”

Habitat International, vol.20, nr.1, 1996, pp.23-41.

The experiences of corruption in the management of urban affairs in Indonesia are presented through a number of particular, characteristic and indicative cases from Jakarta for which evidence is best documented. It shows that corruption is impeding the development of innovative and creative solutions to urban problems and to the increase of potential resources of the city. Urban managers are either helplessly facing the various facets of

corruption or deeply immersed in it themselves. More transparency is advocated, and it is proposed to convert present practices of corruption into regularised payment of 'service fees' to honour good collaboration and to reduce counter-productive developmental effects of corruption

2.6.3 Cambodia

2.6.4 China

Gong, T

“Forms and Characteristics of China's Corruption in the 1990s: Change with Continuity” in

Communist and Post-Communist Studies, vol.30, no.3, 1997, pp.277-288.

This paper focuses on recent patterns of China's corruption. The market reforms did not reduce corruption so much as they altered its characteristics. The author argues that corruption requires comprehensive treatments and that it is naive to assume that a market economy alone could free China from corruption.

Ihuai, C.

“An Analysis of the CCP's Role in Mainland China's State Supervisory Systems” Issues & Studies, vol.34, no.1, 1998, pp.38-78.

The Chinese Communist Party's (CCP's) leadership over the government has always been a fact in mainland China's party-government relationship. In this article, the author discusses the CCP's control of state supervisory power (administrative supervision) from normative and empirical perspectives, analyses the shortcomings of such control, and proposes improvement measures.

Kwong, Julia

The Political Economy of Corruption in China

USA, 1997, M.E. Sharpe, Studies on Contemporary China.

Many facets of corruption are examined: meaning, incidence, monetary value, the kinds of goods exchanged, the perpetrators and their strategies, in China since 1949. It explores the irony of how ideology and organisational structures under socialism can both restrain and encourage corruption.

Lee, Pak K.

“The Political Economy of State Enterprise Relations in China's Shaanxi Province” Journal of Contemporary Asia, vol.27, no3, 1997, pp.287-314.

This article examines the relations of China's state-owned enterprises and the government in Shaanxi province. It analyses the creation of rents and the incidence of local state intervention in the market. The article is useful for understanding the creation of rents in China's state-owned enterprise sector.

Li, Jinyan

“China: Counteracting Corruption in the Tax Administration in Transitional Economies: A Case Study of China”

Bulletin for International Fiscal Documentation, vol.51, no.11, November 1997, pp.474-92.

This paper probes the nature and origin of corruption in transitional economies. It examines opportunities for corruption in the tax administration and argues that corruption can be controlled. The paper sets out short-term and long-term strategies for fighting corruption in the tax administration and uses China as a case study.

Liew, L.H.

“Rent-seeking and the 2-Track Price System in China”

Public Choice, vol.77, no.2, 1993, pp.359-375.

Using a general equilibrium model to analyse the impact on the Chinese economy of the introduction of a two-track price system, the authors show that national income will rise as a result together with a fall in the costs associated with rent-seeking. Welfare gains and costs of rent seeking are also shown to be dependent on the price elasticity of demand and supply.

Lo, T. Wing

Corruption and Politics in Hong Kong and China

Buckingham/PHIL, 1993, Open University Press.

The author argues that corruption is a fine-tuned political instrument linked to authoritarianism. A heavily coercive technique of domination generates a flagrant abuse of public power and corruption. However, also anti-corruption policies and legal provisions are tools in the hand of the hegemonic elites. In Hong Kong the small fish are fried whilst the big fish swim freely. In China, outbreaks of corruption censoring are intimately linked to factionalism and power-struggles within the communist party. Also on nepotism in China and insider trading in Hong Kong.

Manion, Melanie

“Corruption by Design: Bribery in Chinese Enterprise Licensing”

Journal of Law, Economics, and Organization, vol.12, no.1, 1996, pp.167-195.

This article analyses a common form of corruption in Chinese bureaucracies: payment of bribes to officials for a standard good that is not in fixed supply and to which those paying bribes are, in principle, fully entitled. Formal structures and informal expectations have been identified through field research as features of "institutional design" that indicate an asymmetric information game. Bribery is derived as an equilibrium solution in the game. Exercises in comparative statistics reveal the robustness of bribery when game parameter values are altered to reflect changes in institutional design. The exercises indicate that reducing corruption, in the sense of reducing bribe sizes, is relatively unproblematic. To move away entirely from corrupt equilibria, however, requires very substantial changes in institutional design and may not be feasible through changes in formal structures alone.

Manion, Melanie

“Issues in Corruption Control in Post-Mao China”

Issues & Studies, vol.34, no.9, 1998, pp.1-21.

This article examines two issues in corruption control in post-Mao China: a double standard of criminal justice and the politicised pattern of anti-corruption enforcement in the criminal justice system. The author makes two arguments. First, despite the widely publicised principle that officials, as communist party members, are held to a higher standard of conduct than ordinary citizens the criminal justice system has still punished corrupt officials less harshly than ordinary citizens who commit similar crimes. Second, anti-corruption enforcement has followed patterns of intensive campaigns that reflect shifts in political attention at the top of the system. These two features have undoubtedly contributed to public cynicism about the official effort to control corruption and have, in turn, hampered that effort.

Pearson, Margaret M.

China’s New Business Elite. The Political Consequences of Economic Reform
Berkeley, 1997, University of California Press.

The transition from a planned to a market economy in China unleashed an extraordinary series of changes, including increases in private enterprise, foreign investment, the standard of living, and corruption. Another result of economic reform has been the creation of a new class; China's new business elite. The author considers the impacts this new class have on China's politics. She concludes that these groups are not at the forefront of the emergence of a civil society; rather, they are part of a system shaped deliberately by the Chinese state to ensure that economic development will not lead to democratisation.

Rocca,-Jean-Louis

“Corruption and Its Shadow: An Anthropological View of Corruption in China”

China Quarterly, vol.0, no.130, June 1992, pp.402-416.

This journal article deals with corruption from an anthropologic perspective, and discusses formal and informal aspects of corruption in socialist systems.

Sands, Barbara N.

“Market-Clearing by Corruption: The Political Economy of China's Recent Economic Reforms”

Journal of Institutional and Theoretical Economics, vol.145, no.1, March 1989, pp. 116-26.

A case study of the political and economic determinants of corruption within the People's Republic of China is offered. Corruption is seen as a process of solving government-induced market disequilibria using alternative methods of decentralised transacting.

White, Gordon

“Corruption and Market Reform in China”

IDS Bulletin, vol.27, no.2, April 1996, pp.40-47.

The paper explores the dynamics of the relationship between corruption and economic liberalisation in China. It is argued that the fast and far-reaching market reforms have been accompanied by increasingly pervasive and large-scale corruption.

Wong,-Kar-Yiu

“Inflation, Corruption, and Income Distribution: The Recent Price Reform in China”
Journal of Macroeconomics, vol.14, no.1, winter 1992, pp.105-123.

The paper determines the effects of price deregulation and analyses the theoretical relationship between price increases, corruption, and income distribution. Price deregulation does not necessarily cause a jump in the general price level, but partial price deregulation can be a root of corruption. Widespread corruption generally leads to further price increases and creates severe income distribution problems. Because of its recent economic reform and experiences, China was chosen as a case study, while the analysis can be extended to other countries.

2.6.5 Laos

2.6.6 Pakistan

Alam, M.S.

“Corruption and Countervailing Actions in Pakistan”
Mimeo. 1996. Northeastern University, Department of Economics.

Corruption necessarily creates winners and losers. This paper examines corruption from the perspective of losers.

Arby, Muhammad Farooq

“Analysis of the New Scheme Regarding Immunity from Income Tax Assessment in Pakistan”

Pakistan Journal of Applied Economics, vol.12, no.13 (2-1), winter 1996-Summer 1997, pages 107-26.

A new Income Tax Audit Scheme was introduced in Pakistan in the budget 1993-94, as a modified form of the Immunity Scheme of the early 1980's. This paper attempts to analyse the new scheme on the basis of the tax evasion theory. The analysis shows that this scheme induces those taxpayers who have been selected for audit at least once in the preceding three years, to participate in it and to raise their declaration. However, the majority of taxpayers (who were not audited previously) exploits the scheme and drops their declaration level. Thus, it does not meet the objectives of the policy makers. Moreover, the analysis reveals that the scheme is pro-corruption.

Khan, Feisal

Systemic Corruption and Government Reform in the Third World: Lessons from the Pakistani Experience

University of Southern California, 1999.

This Ph.D. thesis from 1999 deals with the formal and informal sectors in Pakistan, the shadow economy and institutional arrangements, and more broadly various development models and theories.

2.6.7 Vietnam

2.7 Middle East, general and other partner countries

El-Ghonemy, M. Riad

Affluence and Poverty in the Middle East

London and New York, 1998, Routledge.

Analyses the cumulative causes and consequences of persistent poverty and gross inequalities in the Middle East. Discusses the characteristics of inequality and poverty in the region; the historical roots; the role of religion; and inter-country variations in natural resource endowments, including oil, cultivable land, and water. Examines unbalanced development in the poor economy of Sudan and in the oil-rich countries of Algeria, Iran, and Libya. The causes and forms of corruption are analysed and the embezzlement of public funds in Saudi Arabia and Egypt illustrated. Studies inequality in private consumption. Assesses the principal redistributive policy instruments and programs intended to mitigate social insecurity and poverty. Identifies informal sources of secondary income and the role of non-governmental organisations in income transfers. Examines the distribution effects of the stabilisation and structural adjustment programs supported by the World Bank and the IMF in eight countries. Presents the prospects and challenges facing the region at the turn of the century.

Izraeli, D.

“Business Ethics in the Middle East”

Journal of Business Ethics, vol.16, nr.14, 1997, s. 1555-1560.

The field of business ethics is still underdeveloped and negative stereotypes about the level of business ethics practice are prevalent. Most governments in the region have agencies to combat corruption. One of the interesting developments is the Eco-Peace organisation for cross-national co-operation in the field of ecology. The report concludes with some of the trends expected to impact economic developments and Business Ethics in the Middle East.

Gillespie, Kate & Okruhlik, Gwenn

“Cleaning Up Corruption In The Middle-East”

Middle East Journal, Vol.42, Nr.1, 1988, Pp.59-82.

This paper examines the phenomenon of cleanups, i.e. government-initiated and government-directed campaigns against corruption in the Middle East (and North Africa). Distinguishes between succession cleanups (after a change in regime through revolution, coup or election) and incumbent cleanups (in one's own administration). The author looks at motivations, actions and effects, and argues that succession cleanups are mostly used to discredit previous regimes and/or to build legitimacy, while incumbent cleanups are responses to demands from outside of the ruler's inner circle (from civil society). Furthermore, it is argued that incumbent cleanups are less destabilising and more successful in the long run.

Mickdady, Riyad

“Arab States Come Clean”

Gulf Business, vol.4, issue 5, September 1999.

<http://www.gulfbusiness.com/cgi-local//index.cgi?article=1&ID=265&ww=on&pg=1>

Short feature article on the spread of corruption in the Middle East, with an emphasis on the signs for the future that augur well. Includes graphs (comparative regional) on the likelihood for losing investment to corruption, corruption in the banking sector, insider trading in stockmarket, and the corruption burden to the enterprise sector.

2.7.1 Palestinian Territories

Independent Task Force Report

Strengthening Palestinian Public Institutions

Council on Foreign Relations. Principal authors: Yezid Sayigh & Khalil Shikaki

New York, June 1999, The Council of Foreign Relations.

<http://www.foreignrelations.org/public/pubs/palinstfull.html>

This report analyses the emerging Palestinian institutions in terms of accountability, transparency, checks and balances, and institutional strengths and weaknesses. Includes a rather harsh critique of the non-democratic trends of emerging patrimonialism and power-abuse in the Palestinian institutions. With recommendations of political and institutional reforms.

United States General Accounting Office

“PLO’s Ability to Help Support Palestinian Authority Is Not Clear”

Report to the Chairman, Committee on International Relations,

House of Representatives. November 1995, GAO/NSIAD-96-23.

<http://frwebgate.access.gpo.gov/cgi-bin/useftp.cgi?IPaddress=162.140.64.21&filename=ns96023.pdf&directory=/diskb/wais/data/gao>

This report from the US General Accounting Office states that the PLO, despite its revenues from official Arab contributions, the Palestinian Liberation Tax Fund (a 3.5 – 7 % tax on Palestinian workers in Arab states), and income from investments and donations, are dependent on international donors to cover the Palestinian Authority’s budget (including a 30,000 member civil service and an 18,000 member police force). The PLO also finances the PLO administrative staff, diplomatic missions, civil servant pensions, welfare programmes and martyr payments. The report concludes that neither the PLO nor the PA budgets are transparent nor fully accounted for, and that Chairman Arafat himself are opposed to donor financial controls. Note that this report was made on request of anti-PLO members of Congress.

2.8 Latin-America, general and other countries

Arruda, M.C.

“Business Ethics in Latin America”

Journal of Business Ethics, vol. 16, nr.14, 1997, pp.1597-1603.

Business ethics is a relatively new topic of academic discussion in Latin America. Corruption and impunity came to be serious moral diseases in the

region, as a result of a long period of dictatorship in most countries. Excessive consumption, materialism and selfishness, in contrast with real poverty, have been responsible for a sloppiness in attitudes and principles in many Latin American countries. Even though the majority of the population belongs to the Roman Catholic Church, the lack of education has led people to a dichotomy: faith and business practices are often very distant from each other. Several isolated efforts have been done in order to enhance business ethics through education, publications and professional activities. The relationship business-academia has proved to be an excellent initiative for this objective, mainly in Mexico, Brazil and Peru.

Bamrud, Joachim

“The Other Face of Business in Latin America”

Latin Trade, September 1996, pp.34-41.

Nice magazine article on the costs of corruption to trade. Points to the impact that privatisation and deregulation have on reducing corruption. Concludes with a reprint of the Caracas Convention.

Buscaglia, Edgardo

“Corruption and Judicial Reform in Latin America”

Policy Studies, vol.17, no.4, December 1996, pp.273-85.

This paper examines the nature and pace of judicial reforms in Latin America. Part I describes the current state of the courts throughout the region. The economic analysis explains the impacts of the judiciary on democracy and economic development. Part II analyses how factors related to corruption within the courts combine to increase the political institutional inertia observed during judicial reforms. This part takes into account both the expected costs and expected benefits of judicial reform, as perceived by government officials in general and judges in particular. Part II also addresses the proliferation of corruption in terms of the expected costs and benefits of engaging in corrupt activities.

Goodman, Louis W., et al. (eds)

Lessons of the Venezuelan experience

Washington, D.C., 1995, Woodrow Wilson Center Press.

Fourteen papers, most originating at a conference held in October 1992, provide perspectives on the specific issues surrounding the failed consolidation of democratic government in Venezuela. Papers focus on: political parties and the democratic crisis; the crisis in Venezuelan civil-military relations; the evolution of popular opinion; Venezuela's new political actors; political elites and military rebels; the Venezuelan private sector; reforming agriculture; legitimacy, governability, and reform in Venezuela; the "Big Bang" approach to macroeconomic balance; the question of inefficiency and inequality; corruption and political crisis; political crisis and constitutional reform; the Gran Viraje and Venezuelan foreign policy; and Venezuela and the United States. Contributors are mainly political scientists.

Little, Walter

“Corruption and Democracy in Latin America”

IDS Bulletin, vol.27, no.2, 1996, pp.64-70.

Reform movements in Latin America have increased considerably over the last decade. Dismissals of ministers in Mexico, judges in Venezuela, and two presidents have been forced from office. This essay examines the recent incidence of corruption as an issue in Latin American politics. It suggests that the process of democratisation may have made corruption more pronounced. It concludes that Latin American democracy is more formal than substantive and that efforts to diminish corruption will not succeed until democracy is significantly deepened.

Pollack, B. & Matear, A

“Dictatorship, Democracy and Corruption in Chile”

Crime Law And Social Change, vol.25, nr.4, 1996, pp.371-382.

The configuration of historical circumstances in Chile has meant that corruption has been perceived to be considerably less widespread and less overt than in other parts of Latin America. Chile is not in the same league as Brazil, Mexico or Venezuela in terms of corruption in the political system, and therefore the body of existing research has tended to focus on those cases where corruption is evident and more easily observable. Corruption in Chile undoubtedly exists, but it has been a low-intensity corruption more difficult to categorise, define and measure in comparison with flagrant abuses by individuals, sectors of society or ruling parties. Low-intensity activities may become such an integral part of the political culture that they become accepted ways of the business of politics and therefore fail to even raise objections from public opinion.

2.9 Latin America: Norway’s priority partner countries

2.9.1 Nicaragua

Borner, S.; Brunetti, A. & Weder, B.

“Policy Reform and Institutional Uncertainty - The Case of Nicaragua”

Kyklos, vol.48, nr.1, 1995, pp.43-64.

It is argued that an unpredictable regulatory environment is a major obstacle to the success of policy reforms. This issue is discussed in principle and then applied to the case of Nicaragua after the fall of the Sandinista government in 1990. Nicaragua is emblematic of the failure of reform because the economy was successfully stabilised, but investments insufficient to achieve sustainable growth. The diagnosis is the institutional instability caused by arbitrary government especially in the domain of property rights. Survey results show that institutional instability in this country is very high, which adds to an overall reluctance to invest. Institutional reforms strengthening property rights and reducing the discretionary power of government officials are therefore strongly recommended.

CIET International.

“Nicaragua National Integrity Survey – 1998”

Republic of Nicaragua and the World Bank, 1998.

Some 6000 persons in 70 communities representative of urban and rural conditions in Nicaragua were interviewed in July 1998 about how they perceived corruption among ministers, deputies, and public officials in various central and local authorities. Of those interviewed, 39% (58% in Managua) thought that the "most influential" public official in their communities took personal advantage of his/her office and 57% had learned of some act of corruption by some national public official during the previous month, usually through TV or radio. Payment (often without receipts) for services supposed to be free was reported to be common (21% of clients of health services, 73% of public school children) as were payments to speed up applications in municipal offices, local courts and property registries. In one out of four households a member had paid for a traffic violation in the previous six months; 40% of these paid the police directly. At the national level the Controller General's office is considered the least corrupt (only 29% of those interviewed) while ministers and legislators are considered corrupt by two thirds of respondents.

Republic of Nicaragua

“National Integrity Plan. A National Commitment for Transformation”

Prepared for the Meeting of the Consultative Group for Reconstruction and Transformation in Central America. Stockholm, Sweden, May 25-28, 1999.

http://www.respondanet.com/english/anticorruption/nicarag_en.PDF

This National Integrity Plan provides the framework in which Nicaragua, through the agencies of the state, the civil society and the population at large can address the issue of public ethics and the problem of corruption. This very comprehensive plan includes chapters on institutional reforms, legal revision, decentralisation, information, cultural aspects etc.

Seligson, Mitchell A.

Nicaraguans Talk About Corruption: a Follow-Up Study of Public Opinion
Arlington, Virginia, March 1999, Casals & Associates (for USAID).

http://www.respondanet.com/english/Publications/nicaragua_english.pdf

A second (follow up) National survey on Nicaraguans' perceptions on the prevalence of corruption and on how the government manages the country's public finances. Most people feel corruption is widespread, and affects them personally. Nicaraguans are generally distrustful of elected officials, politicians and judges, but believe in the honesty of teachers, university professors and the clergy. Corruption, however, is believed to be declining.

2.10 Latin-America: other partner countries

2.10.1 El Salvador

Revista Probidad

<http://www.probidad.org.sv/>

See internet sites.

2.10.2 Guatemala

3 Internet sites

AAA Respondanet

Americas' Accountability / Anti-Corruption Project.

<http://www.respondanet.com/english/index.htm>

Supported financially by USAID, this is an inter-American project established to fight corruption and foster transparent and accountable government. The project has some emphasis on accounting, and it supports anti-corruption activities by government officials and assists non-governmental organisations (NGOs), including existing professional and civic organisations. The project arranges the inter-active RESPONDA CON teleconferences, a quarterly newsletter RESPONDABILIDAD (ACCOUNTABILITY), and this RESPONDANET website where the newsletter is available, various discussion groups, news-flashes, courses, reports, papers and studies. Also in Spanish.

CIPE Centre for International Private Enterprise

<http://www.cipe.org/efn/corruption.html>

The Center for International Private Enterprise (CIPE) is an affiliate of the U.S. Chamber of Commerce, funded among others by the National Endowment for Democracy and the United States Agency for International Development. One of its tasks is to combat corruption and to support democratic values. With much emphasis on the private sector, this site also contains the CIPE newsletter "Economic Reform Today", literature on international business, and an anti-corruption policy toolkit for policy makers.

Indonesian Corruption Watch

<http://www.icw.or.id/>

Indonesian NGO site with news, reports, and discussion groups. Partly in English, partly in Indonesian.

Internet Center for Corruption Research

<http://www.gwdg.de/~uwwv/icr.htm>

This site is a joint initiative of Göttingen University (Germany) and Transparency International. It provides the TI-Corruption Perception Index (the renowned comparative assessment of some 99 countries' integrity performance) along with world-wide press reactions to this initiative and many other links and services. The site also presents academic research on corruption (some papers in full format).

OECD Anti-Corruption Unit

<http://www.oecd.org/daf/nocorruption/index.htm>

One of the world's largest information centres on corruption and bribery. The Reference Centre offers more than 2,000 selected references to books, journals, papers, reports and other documents, and a large number of downloadable resources. The site provides information on bribery, money laundering, and offshore banking; national and international standards against corruption and bribery, including national legislation and anti-

corruption programmes, anti-corruption treaties and conventions; country- and regional-case studies; public surveys and opinion polls; governments' and companies' best practices; ethics codes and citizens charters; information about and links to non-profit and public-sector organisations, websites and other helping resources around the world.

Revista Probidad

“Por la Transparencia en la Gestión Pública y una Nueva Cultura Política, Participativa, Democrática y Moral”.

<http://www.probidad.org.sv/>

La Revista Probidad is an internet site for an organisation that promotes transparency in the public administration in El Salvador, and a new democratic, participatory and moral political culture. With news features, discussion groups, conference papers and literature (In Spanish).

Transparency International

<http://www.transparency.de/index.html>

Transparency International is the world's leading non-governmental organisation dedicated to increasing government accountability and curbing both international and national corruption. The site contains a wealth of information, like the "TI Corruption Perceptions Index", the "TI Bribe Payers Index", press releases, newsletter, an in-depth reference guide, a searchable library with many full-text articles etc. Links. The site of the 9th International Anti-Corruption Conference (Durban, South Africa 10-15 October 1999) can be found at <http://www.transparency.de/iacc/>.

The World Bank Group

<http://www.worldbank.org/publicsector/anticorrupt/>

The World Bank Group's Anti-Corruption Knowledge Resource Centre is a large resource centre with three goals: to help improve the user's understanding of corruption; to help policy makers, client governments, and researchers devise strategies that reduce corruption; and to provide a regular update on the results of our anti-corruption activities. The site includes core documents, annotated bibliography, and links. Related World Bank sites are:

<http://www.worldbank.org/wbi/gac/> *The World Bank Institute*

homepage for Governance and Anti-Corruption, which includes information on the WBI governance programme and anti-corruption programmes

<http://www.worldbank.org/devforum/anti-corrupt.html> *The World*

Bank Development Forum, which hosts a virtual working group on anti-corruption strategies

<http://www.worldbank.org/html/fpd/privatesector/cg/index.htm> *The*

World Bank Corporate Governance program with an emphasis on accountable business leadership.

Anti-Corruption Network for Transition Economies

<http://www.nobribes.org/>

The Anti-Corruption Network is a forum where all parties interested in reducing public sector corruption can exchange information about anti-corruption programmes as well as collaborate on regional, national, and sub-national initiatives. The Network is focused primarily on Eastern Europe and the Former Soviet Union. Stakeholder groups in these countries include the

executive, legislature, judiciary, media, private sector, labour unions, sub-national government, international business, international non-profit organisations, and donor agencies. The co-ordinating body for the Network is a Steering Group composed of several international organisations and major NGOs. The site includes discussion groups, current highlights, links, a reference centre and programmes.