

Historical perspectives on corruption in Europe

Query:

“Presently I am participating in the U4 course on corruption. In the course there is no mention of the history of corruption, e.g. how the situation was in 19th century Europe. It seems in the 19th century corruption started to disappear in Western Europe, why did that happen? Is there any literature on this subject?”

Purpose:

“No specific purpose, but can we learn from developments in Europe how to combat corruption?”

Content:

- Part 1: Corruption and its decline in Europe
- Part 2: Explanations for the decline
- Part 3: Further reading

Part 1: Corruption and its decline in Europe

Generally, there is very little literature on the history of corruption. In fact van Klavern (2002: 83) claims that: ‘Corruption as a historical phenomenon is [...] a problem that has never been dealt with systematically’. This is especially true with regard to continental Europe – most of the English language publications focus on the histories of England and America.

The consensus among historians seems to be that corruption was endemic in 18th century politics, with the sale of office, for instance, a widespread phenomenon throughout Europe (Swart 2002: 104). In the context of England historians even refer to the time period as “Old Corruption”:

‘The common or narrow meaning of “Old Corruption” is fairly plain. It is widespread use of pensions, sinecures, and gratuitous emoluments granted to persons whom the British government, between the earlier eighteenth century and the Age of Reform, wished to bribe, reward or buy. It was an all-pervasive feature of British politics in this period – indeed, among the elements which most distinguished eighteenth century British politics from that of the nineteenth [...]’ (Rubinstein 1983: 55)

Decline of corruption

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Historians generally agree that corruption in Europe declined over time. This is thought to have happened gradually, although in England, during the industrial revolution, as well as in a few other places, such as Germany, more drastic improvements happened around the turn of the 19th century.

During the 20th century the process of eradication of corruption is thought to have continued. For example Bardhan (1997: 1329) notes that:

'Although the requisite time-series evidence in terms of hard data is absent, circumstantial evidence suggests that over the last 100 years or so corruption has generally declined with economic growth in most rich countries.'

Part 2: Explanations for the decline

Regarding the causes of this process, there is a gap in the literature, with the historical texts being rather descriptive and the political/sociological texts tending to focus on the more recent past and the present. What does come across from a reading of the literature, though, is that the two main reasons for the decline in corruption were broadly speaking socio-political change and economic growth. The literature about the late 18th century/early 19th century period emphasises the socio-political changes, notably the change in philosophical thinking that lead to the shift towards democratic governance.

'[I]n the nineteenth century, when the more democratic form of government limited the influence of the aristocracy, and the modern idea of the State came into existence, the conception of public office as private property disappeared. The State became considered as a moral entity and the exercising of public authority as a duty.' (Swart 2002: 104)

As a specific example, Hill (2006: 637) describes how in England '[c]orruption—and its eradication—was one of the most pressing problems for political theorists of the eighteenth century, many of whom portrayed England as “shot through with corruption and venality” and how they reacted to this:

'[A] set of pressures was brought about by the birth of the modern state, which was expanding rapidly and becoming more organized. With that expansion and increasing organization, the line between private market and state affairs began to sharpen. Corresponding to these changes was the emergence of protoliberal sensibilities that nurtured and promoted such values as neutrality, impartiality, merit, and egalitarianism and pitted them against the absolutism, nepotism, particularism, and patronage perceived to be attendant on feudal and aristocratic forms of governance. Although most eighteenth-century thinkers continued to employ the term “corruption” in its classical sense, reformers increasingly drew attention to practices and institutions that would now qualify as sins against modern sensibilities.' (Hill 2006: 639)

These changes in thinking eventually translated into actual political changes. Worth mentioning, for example, is the judicial decision in England in 1783 which held that “a man accepting an office of trust concerning the public, especially if attended with profit, is answerable criminally to the king for misbehaviour in his office” (Heidenheimer and Johnston

2002: 80) . Similar political changes happened in other European countries, such as the Netherlands (van Klavern 2002: 87).

In the more recent history of Europe, theorists often explain the decrease in corruption as a by-product of economic growth. Bardhan (1997: 1329) gives two reasons why economic growth can have this effect:

[T]he process of economic growth ultimately generates enough forces to reduce corruption. Rewards to entrepreneurship and productive investment relative to rent-seeking investment rise when there is sustained growth. A prospering economy can also afford to pay its civil servants well, reducing their motivation for corruption.'

Qualifications

One should of course keep in mind that despite the prolonged decline in corruption in Europe portrayed in the historical literature, corruption has by no means disappeared in this region.

Also, one has to be cautious about the lessons one can draw from this historical analysis. While generally it can be possible – and the global anti-corruption movement does indeed benefit from lessons learned in various places and time periods – one needs to keep in mind the cultural, political and economic differences of different places and different times. The fact that limited empirical work exists about corruption in 19th century Europe makes learning from history in this case even more difficult.

Part 3: Further reading

Corruption in history, with examples from different places and time periods:

Heidenheimer, A. and Johnston, M (eds.) *Political Corruption: Concepts and Contexts: Third Edition*, New Brunswick, NJ: Transaction Publishers.

Kreike, E. and Jordan, C. (eds.) (2004) *Corrupt Histories*, University of Rochester Press.

Corruption in 18th and 19th century England:

Harling, P. (1996) *The Waning of 'Old Corruption': The Politics of Economical Reform in Britain, 1779-1846*, Oxford University Press.

Hellmuth, E. (1999) 'Why does Corruption Matter? Reforms and Reform Movements in Britain and Germany in the Second Half of the Eighteenth Century' in Blanning, T. and Wende, P. (eds.) *Reform in Great Britain and Germany 1750–1850*, Oxford University Press.

Rubinstein, W. (1983) 'The End of "Old Corruption" in Britain 1780-1860', *Past and Present*, No. 101.

Prest, W (1991) 'Judicial Corruption in Early Modern England', *Past and Present*, No. 133: pp. 67-95.

Corruption in 19th century US:

Glaeser, E. and Goldin, C. (eds.) (2006) *Corruption and Reform: Lessons from America's Economic History*, University of Chicago Press.

Glaeser, E. and Shleifer, A. (2003) 'The Rise of the Regulatory State', *Journal of Economic Literature*, Vol. 41, No. 2: pp. 401- 425.

Other works cited in this response:

Bardhan (1997) 'Corruption and Development: A Review of Issues', *Journal of Economic Literature*, Vol. 35, No. 3, pp. 1320 – 1346.

Heidenheimer, A. and Johnston, M. (2002) 'Introduction to Part II' in Heidenheimer, A. and Johnston, M (eds.) *Political Corruption: Concepts and Contexts: Third Edition*, New Brunswick, NJ: Transaction Publishers.

Hill, L. (2006) 'Adam Smith and the Theme of Corruption', *The Review of Politics*, No. 68: pp 636-662.

Swart, K. (2002) 'The Sale of Public Office', in Heidenheimer, A. and Johnston, M (eds.) *Political Corruption: Concepts and Contexts: Third Edition*, New Brunswick, NJ: Transaction Publishers.

van Klavern (2002: 83) 'Corruption as a Historical Phenomenon' in Heidenheimer, A. and Johnston, M (eds.) *Political Corruption: Concepts and Contexts: Third Edition*, New Brunswick, NJ: Transaction Publishers.