

# WHY DO SO MANY ANTI-CORRUPTION EFFORTS FAIL?

MICHAEL JOHNSTON\*

I. Introduction.....	467	R
II. Challenges Inherent in Checking Corruption.....	472	R
A. Corruption Eludes Precise Definition.....	472	R
B. Corruption Undermines Collective Action for Reform.....	472	R
C. Corruption Is a Transnational Problem.....	475	R
D. Corruption is Systemically Embedded.....	475	R
E. The Most Urgent Reform Requires Extensive Institutional Change.....	478	R
III. Contrasting Corruption Problems: Four Syndromes ..	479	R
A. Headlines: Recognize Anyone?.....	479	R
B. Four Syndromes of Corruption.....	481	R
IV. Sorting Out Strategies.....	485	R
V. “Deep Democratization” and Corruption Control....	488	R
A. The Value of Politics and the State.....	490	R
B. What to Do—First, Next, and Not at All?.....	492	R
VI. Conclusion.....	496	R

## I. INTRODUCTION

Anti-corruption efforts are usually launched with high hopes, considerable fanfare and, at times, genuine political backing by top-level leadership. But success has been elusive at best: even where agencies are part of bona fide reform efforts, there are very few success stories to report. Improvements in specific programs and agencies tend to be short-lived, difficult to demonstrate, and hard to generalize to broader segments of government. Why is corruption so tenacious? I suggest several main difficulties, some of them inherent in the nature of corruption control and others coming in the form of avoidable strategic mistakes. Among the main issues is an overly-narrow analysis of corruption that reduces it to a law-enforcement issue and/or to one of unbalanced incentives, without considering deeper causes or variations in kind among cases. Another is a tendency to conceive of reform as a public good—”better

---

\* Charles A. Dana Professor of Political Science, Colgate University.

government for all”—without paying close attention to collective-action problems and the range of incentives needed to overcome them. These and other difficulties weaken the credibility of and support for reform; all must be addressed in systematic ways if anti-corruption agencies are to improve their track records.

Corruption control has enjoyed broad-based support over the past generation, and has taken on increasingly sophisticated forms. The issue figures prominently, not only in discussions of economic development and democratization,<sup>1</sup> but also (for example) in analyses of the current upheavals in the Middle East<sup>2</sup> and the terror attacks at Domodedovo airport in Moscow.<sup>3</sup> During the summer of 2011, a broad-based anti-corruption movement energized by Anna Hazare's widely publicized hunger strike threatened, at times, to convulse Indian politics.<sup>4</sup> Many smart, committed, and often courageous individuals, backed by resources and official support that would have been difficult to imagine a generation ago, have energized reform and research.

Clear-cut success stories, however, have been scarce.<sup>5</sup> Given the difficulties in measuring corruption, any such judgment is impressionistic: most corrupt activities are clandestine and go unreported because they lack an immediate victim, while those in the know often share an interest in secrecy. Tracing trends is even more difficult. Furthermore, as I will suggest below, different societies have different kinds of corruption problems; just how much of one variety might equal or exceed another is anyone's guess. Some countries' anti-corruption agencies have had conspicuous success: Hong Kong and Singapore, both deeply corrupt in times past, are well-known examples.<sup>6</sup> But both are relatively small city-states in which

---

1. See BO ROTHSTEIN, *THE QUALITY OF GOVERNMENT: CORRUPTION, SOCIAL TRUST AND INEQUALITY IN INTERNATIONAL PERSPECTIVE* 1–57 (2011).

2. See Issandr El Amrani, *Why Tunis, Why Cairo?*, LONDON REV. BOOKS, Feb. 17, 2011, at 3–6, available at <http://www.lrb.co.uk/v33/n04/issandr-elamrani/why-tunis-why-cairo>; Sudarsan Raghavan, *In Tumista, Luxurious Lifestyles of a Corrupt Government*, WASH. POST (Jan. 28, 2011, 3:09 PM), <http://www.washingtonpost.com/wp-dyn/content/article/2011/01/28/AR2011012901921.html>.

3. Simon Saradzhyan, Op-Ed., *From Toilet to Airport*, MOSCOW TIMES (Jan. 27, 2011), available at [http://belfercenter.ksg.harvard.edu/publication/20688/from\\_toilet\\_to\\_airport.html](http://belfercenter.ksg.harvard.edu/publication/20688/from_toilet_to_airport.html).

4. See, e.g., Maseeh Rahman, *Anna Hazare Ends Hunger Strike After Indian Government Backs Down*, GUARDIAN (Aug. 28, 2011, 9:12 AM), <http://www.guardian.co.uk/world/2011/aug/28/anna-hazare-ends-hunger-strike>.

5. See Alina Mungiu-Pippidi, *Corruption: Diagnosis and Treatment*, 17 J. DEMOCRACY 86–99 (2006).

6. See JON S. T. QUAH, *CURBING CORRUPTION IN ASIAN COUNTRIES: AN IMPOSSIBLE DREAM?* 199–236 (2011) (Singapore); *id.* at 237–68 (Hong Kong).

undemocratic regimes could force extensive change, and in which the economic benefits of reduced corruption could rapidly become apparent. Botswana teaches us important lessons about the value of socially rooted leadership, but its population, spread over a large area, is a quarter of Hong Kong's.<sup>7</sup> Japan and Belgium have made steady progress, if corruption indices based upon perception data are any indication, but both already had relatively strong national institutions in place. Korea, Indonesia, Ghana and Taiwan, for examples, are promising cases worth watching in coming years.

Still, when it comes to lasting reductions in corruption in full-scale societies where it has been endemic, the results of a generation's pursuit of better government have not been encouraging.<sup>8</sup> The well-known corruption problems of Russia, China, and Thailand have been the focus of widely (and frequently) proclaimed concern and control efforts, but there are few if any credible claims of sustained reductions in abuses. Corrupt practices of tightly organized rings of elites in Argentina date back to the early decades of the 19th century and continue today.<sup>9</sup> Hopes are high among many in the Philippines that the government of President Benigno S. "Noy Noy" Aquino can stem tides of corrupt dealing that peaked during the recent Arroyo administration, but the track record of dozens of anti-corruption projects and key institutions over many years is disappointing.<sup>10</sup> Equally sobering, if less apparent based on corruption indices, are the periodic scandals in established market democracies like the United Kingdom, the United States, and Germany, where the Siemens conglomerate has been the center of at-

---

7. See Anne Pitcher, Mary H. Moran & Michael Johnston, *Rethinking Patrimonialism and Neopatrimonialism in Africa*, 52 AFR. STUD. REV. 125, 144–49 (2009).

8. See, e.g., Anna Persson, Bo Rothstein & Jan Teorell, *The Failure of Anti-Corruption Policies: A Theoretical Mischaracterization of the Problem* (Göteborg Univ. Quality of Gov't Inst., QoG Working Paper Series, Paper No. 19, 2010), available at [http://www.qog.pol.gu.se/working\\_papers/2010\\_19\\_Persson\\_Rothstein\\_Teorell.pdf](http://www.qog.pol.gu.se/working_papers/2010_19_Persson_Rothstein_Teorell.pdf) (providing an overview of such failures, with particular emphasis on Kenya and Uganda).

9. An excellent analysis of long-term trends appears in Aranzazu Guillan-Montero, *As if: The Fiction of Executive Accountability and the Persistence of Corruption Networks in Weakly Institutionalized Presidential Systems. Argentina (1989-2007)* 12–25 (Aug. 5, 2011) (unpublished Ph.D. dissertation, Georgetown University), available at ProQuest Dissertations & Theses, Doc. ID 2466588931.

10. Cf. Jong-Sung You, *Embedded Autonomy or Crony Capitalism? Explaining Corruption in South Korea, Relative to Taiwan and the Philippines, Focusing on the Role of Land Reform and Industrial Policy* 7–10, 21–27 (unpublished) (2005), available at <http://irps.ucsd.edu/assets/003/5292.pdf>. See generally RONNIE V. AMORADO, *KAKISTOCRACY* 32–37, 42–53 (2011) (discussing several case histories involving intra-governmental betrayal and corrupt dealings in the Philippines).

tention.<sup>11</sup> Those nations' would-be reformers, critics might well contend, need to address their own societies' problems before venturing out into the wider world with schemes for "good governance."

At the same time, a longer view shows that even deeply entrenched corruption need not be a permanent condition. Had there been governance rankings in the Seventeenth Century, England would have been near the corrupt end of the scale. In the Nineteenth Century, the United States, and the United Kingdom with its "Old Corruption"—pervasive vote-buying, intimidation, and outright electoral fraud dominated by local landholders—would have received poor ratings.<sup>12</sup> At times during the Eighteenth Century, Denmark and Sweden were seen as extensively corrupt.<sup>13</sup> Australia's first seventy years were marked by frequent scandals, and its subsequent half-century featured a long struggle between politically connected interests and emerging advocates of reform.<sup>14</sup> Chile, Canada, Finland, and the Netherlands have had their periods of scan-

---

11. As just one spectacular example, consider the extensive bribery and kick-back schemes associated with the activities of British Aerospace in Saudi Arabia, in which the U.K. government obstructed inquiries rather than risk lucrative export deals. See *R. v. Dir. of the Serious Frauds Office*, [2008] UKHL 60, [2009] 1 A.C. 756 (H.L.) (appeal taken from Eng.), available at [http://www.controlbae.org.uk/jr/Lords\\_judgment.pdf](http://www.controlbae.org.uk/jr/Lords_judgment.pdf) (affirming U.K. government's decision to halt investigations into dealings between British Aerospace and the government of Saudi Arabia); see also *The BAE Files*, GUARDIAN, <http://www.guardian.co.uk/world/bae> (last visited Nov. 15, 2011); *OECD Says UK's Dropping of BAE-Saudi Corruption Probe Symptom of Wider Problem*, FORBES (Mar. 14, 2007, 2:14 PM), <http://www.forbes.com/feeds/afx/2007/03/14/afx3516213.html>; Michael Peel et al., *UK 'Unlawfully' Scrapped BAE Probe*, FINANCIAL TIMES (Apr. 10, 2008), [http://us.ft.com/ftgateway/superpage.ft?news\\_id=fto041120080448538287](http://us.ft.com/ftgateway/superpage.ft?news_id=fto041120080448538287). In Germany, the Siemens conglomerate has been the center of attention. Siri Schubert & T. Christian Miller, *At Siemens, Bribery Was Just a Line Item*, N.Y. TIMES (Dec. 21, 2008), <http://www.nytimes.com/2008/12/21/business/worldbusiness/21siemens.html>.

12. See CORNELIUS O'LEARY, *THE ELIMINATION OF CORRUPT PRACTICES IN BRITISH ELECTIONS 1868-1911*, at 1-22 (1962); W.D. Rubinstein, *The End of "Old Corruption" in Britain 1780-1860*, 101 PAST & PRESENT 55 (1983).

13. *Introduction to Part I*, in POLITICAL CORRUPTION: CONCEPTS & CONTEXTS 4-5 (Arnold J. Heidenheimer & Michael Johnston, eds., 3d ed. 2002). On Scandinavia generally, see ROTHSTEIN, *supra* note 1, at 117-18, 126 (citing Mette Frisk Jensen, *Korruption og embedsetik: dansk embedsmændskorruption i perioden 1800 til 1886 [Corruption and Official Ethics]* (2008) (unpublished Ph.D. dissertation, Aalborg Univ.); Bo Rothstein, *Anti Corruption—A Big Bang Theory* 17-23 (Göteborg Univ. Quality of Gov't Inst., QoG Working Paper Series, Paper No. 3, 2007), available at [http://www.qog.pol.gu.se/working\\_papers/2007\\_3\\_Rothstein.pdf](http://www.qog.pol.gu.se/working_papers/2007_3_Rothstein.pdf).

14. Ross Curnow, *What's Past is Prologue: Administrative Corruption in Australia*, in THE HISTORY OF CORRUPTION IN CENTRAL GOVERNMENT 37, 39-49 (Seppo Tihonen ed., 2003) [hereinafter HISTORY OF CORRUPTION].

dal and corruption.<sup>15</sup> All of those societies are generally regarded as well governed today and, for what such scores are worth, fare well on international corruption rankings.

In most such cases, progress, even when spurred by periods of relatively rapid legal innovation and changes in social expectations, grew out of fundamental conflicts over questions of power and accountability that took place over decades or more. Several of today's better-governed societies took major steps toward corruption control and more accountable government in the course of significant political contention.<sup>16</sup> Dedicated schemes of reform did, at times, push such processes in positive directions, but at least equally often it was various groups' efforts to defend themselves against exploitation that unleashed essential political energy and opened up space for reformers. If indeed corruption control has been an indirect consequence of contention and disagreement among interested parties, rather than solely a civic-minded quest for better government for all, and if local issues and groups have been critical to such processes, can we identify any common reasons for the indifferently different record of the anti-corruption movement?

This paper offers two parallel arguments: first, that we need to view corruption control not only as an array of specific legal remedies and administrative controls, important though they are, but also as a long-term *political* process through which people defend themselves against abuses by others—or as Madison had it, through which they “*oblige* [government] to control itself.”<sup>17</sup> The second is that the corruption problems of various societies differ in qualitative ways, in large part because divergent interests are taking advantage of contrasting opportunities and institutional weaknesses. Seen in that light, reform confronts us with a wide range of challenges

---

15. See, e.g., SIMON COLLIER & WILLIAM F. SATER, *A HISTORY OF CHILE: 1808-2002, 191-92* (2d ed. 2004) (describing electoral bribery in Chile in the late nineteenth and early twentieth centuries); Kenneth Kernaghan, *Corruption and Public Service in Canada: Conceptual and Practical Dimensions*, in *HISTORY OF CORRUPTION*, *supra* note 14, at 83, 87; Paula Tiihonen, *Good Governance and Corruption in Finland*, in *HISTORY OF CORRUPTION*, *supra* note 14, at 99, 104-12; Frits M. van der Meer & Jos C.N. Raadschelders, *Maladministration in the Netherlands in the 19th and 20th Centuries*, in *HISTORY OF CORRUPTION*, *supra* note 14, at 179, 186-93.

16. For example, Stuart England engaged in civil war over issues of royal privilege versus parliamentary autonomy and Sweden's dominant landholding and administrative classes had to make room for a new generation of educated citizens created by rising economic modernization. On the former, see LINDA LEVY PECK, *COURT PATRONAGE AND CORRUPTION IN EARLY STUART ENGLAND* (1990); for Sweden, see ROTHSTEIN, *supra* note 13, at 17-23.

17. THE FEDERALIST NO. 51, at 264 (James Madison) (Ian Shapiro ed., 2009) (emphasis added).

and with various starting points from which to attack them. Those variations are both marked and fundamental, meaning that while the anti-corruption movement has gained strength nearly everywhere it has had difficulty succeeding anywhere. To help explain the indifferent track record of those reform efforts, I will focus on two different families of problems: those inherent in the task of fighting corruption anywhere and those reflecting the contrasting forces shaping different sorts of cases.

## II. CHALLENGES INHERENT IN CHECKING CORRUPTION

### A. *Corruption Eludes Precise Definition*

One basic, and universal, problem with controlling corruption in any society is that there is little agreement about the meaning of the term, or about what activity is or is not corrupt. The definitions debate is a hardy perennial in corruption analysis: reformers generally have proceeded on an “I-know-it-when-I-see-it” basis, reasoning that enough activity occurs that would be corrupt by *any* measure that we need not concern ourselves with parsing out details at the boundaries of the concept. In most societies it is hard to dispute that assessment. Still, a lack of settled definitions makes it more difficult to assess the seriousness of corruption and to track trends; further, in ways I will discuss below, typical conceptions of the term are based on individuals’ or specific groups’ behavior, and thus divert our attention from important aspects of the social and institutional setting that shape both corruption issues and prospects for reform. Understanding the political processes and conflicts that make precise definitions difficult may point to ways in which we can intensify and sustain demands for accountability and limits on official power and privileges.

### B. *Corruption Undermines Collective Action for Reform*

Other inherent problems have to do with power, incentives, costs and benefits—in effect, with the political economy of corruption.<sup>18</sup> Corruption undermines the quality of government as well as its accountability to society at large. It disrupts fair and openly competitive economic and political processes, generally benefiting the “haves”—that is, the well-connected and their clients—at the ex-

---

18. See generally SUSAN ROSE-ACKERMAN, CORRUPTION AND GOVERNMENT: CAUSES, CONSEQUENCES, AND REFORM 9–88 (1999); ROTHSTEIN, *supra* note 1, at 77–163.

pense of the “have-nots,” whose opportunities often depend more upon fair procedures and dependable rules. It can offer sizeable material gains while draining away resources and weakening the property and political rights of society at large. It is true that at times corrupt benefits trickle downward to broader segments of the population. But the long-term costs of accepting such benefits usually outweigh their immediate value, because the benefits are often used to control clients and buy off potential opponents, not for genuine help and assistance. It is hardly surprising that people with pressing needs and few immediate alternatives will agree to accept such benefits; in the larger context, however, it is safe to say that most corruption hurts most people most of the time.

It is tempting to think that with so many losing so much to corruption, it ought to be relatively easy to mobilize most people and groups against it. But the benefits of corruption are immediate, tangible, and often concentrated in relatively few hands; its costs tend to be widespread, long-term, and often intangible, or at least difficult to quantify. Those costs are no less real for being hard to assess, but this asymmetry reduces incentives for any one citizen to challenge corrupt figures at any one time, particularly where doing so is risky. Making the imbalance all the greater is the fact that corrupt leaders may be able to buy support, compromise the courts and law enforcement, intimidate the press, and divide the opposition.

As a result, reform must overcome significant collective action problems.<sup>19</sup> Collective action problems are particularly likely when, as is often the case, reformers justify the need to control corruption primarily in terms of the public interest. Even if reduced corruption could bring forth an era of rational, effective government and prosperity for all, why should I take on the hard work and risks of reform, which may well involve challenging some of society’s most powerful people? And why should I give up the corrupt benefits I might now receive, when I stand to benefit from successful reform even if I stay on the sidelines? Further, as Ostrom and Rothstein point out, while it might be possible and desirable to reach agreements and build institutions that could reduce the risks and costs of actively pursuing reform, the task of building those sorts of foundations for reform itself presents a second-order collective action

---

19. The classic treatment is MANCUR OLSON, *THE LOGIC OF COLLECTIVE ACTION: PUBLIC GOODS AND THE THEORY OF GROUPS* 5–65 (1965). *See also* MARK IRVING LICHBACH, *THE COOPERATOR’S DILEMMA* 3–29 (1996); ROTHSTEIN, *supra* note 1, at 99–105.

problem.<sup>20</sup> Thus, even where a strong civil society is in place diverse and targeted incentives and appeals that evolve as situations change will be needed if we are to build active political support for reform.

Reform forces not only must contend with powerful, wealthy interests who are able and all too willing to defend their advantages and gains, but they also often do so in conditions of social fragmentation, distrust, and weak social and political institutions. In post-conflict societies, longstanding social divisions, as well as memories of more recent violence, may undermine social trust and spur suspicion and resentment of even the most ordinary aspects of governance. Those difficulties will be all the more pronounced where ineffective or compromised police forces struggle to confront illicit trafficking, gang activities, organized crime, and private armies. Adding to the instability and pervasive sense of personal insecurity often found in such situations is the fact that today's developing societies are far more exposed to global forces than were most affluent market democracies during their own emergent phases. While liberalization and integration into wider markets may limit corruption in some ways,<sup>21</sup> it creates new risks as well.<sup>22</sup>

---

20. ROTHSTEIN, *supra* note 1, at 100; Elinor Ostrom, *A Behavioral Approach to the Rational Choice Theory of Collective Action*, 92 AM. POL. SCI. REV. 1, 6–9 (1998); see also Jan Teorell, *Corruption as an Institution: Rethinking the Nature and Origins of the Grabbing Hand* 11–12 (Göteborg Univ. Quality of Gov't Inst., QoG Working Paper Series, Paper No. 5, 2007), available at [http://www.qog.pol.gu.se/working\\_papers/2007\\_5\\_Teorell.pdf](http://www.qog.pol.gu.se/working_papers/2007_5_Teorell.pdf). Teorell notes that as institutions become more corrupt, “it becomes more profitable to be corrupt at the same time as the costs for auditing corrupt public officials increase,” and that individuals in groups with corrupt reputations have little incentive to be honest themselves. *Id.* at 11–12.

21. See, e.g., Juan-Jose Ganuza & Esther Hauk, *Economic Integration and Corruption*, 22 INT'L. J. INDUS. ORG. 1463, 1463–67, 1478–79 (2004) (positing that corrupt, isolated countries who have the most to gain from wider integration will constrain their corrupt practices because potential trading partners would otherwise exclude them); Daniel Triesman, *The Causes of Corruption: A Cross-National Study*, 76 J. PUB. ECON. 399, 440–42 (2000) (finding empirically that the process of economic development can limit corruption).

22. See, e.g., CAROLYN M. WARNER, *THE BEST SYSTEM MONEY CAN BUY: CORRUPTION IN THE EUROPEAN UNION* (2007). In a competitive environment, the edge that can be gained via corruption is more valuable, *id.* at 33–53, while access to other markets broadens the range of profitable corrupt activity, *id.* at 54–83. See also Boliang Zhu, *Economic Integration and Corruption: The Case of China* (Nov. 2009) (unpublished manuscript), available at [https://ncgg.princeton.edu/IPES/2009/papers/F120\\_paper2.pdf](https://ncgg.princeton.edu/IPES/2009/papers/F120_paper2.pdf) (claiming that economic integration can increase the levels of corruption in countries with limited market competition and weak domestic institutions).

### C. *Corruption Is a Transnational Problem*

Modern corruption involves diverse and unpredictable techniques, respects no boundaries, feeds upon new technologies, and evolves far more rapidly than do our efforts to contain it. Governments of affluent democracies have until recently given their domestic corporations political cover and substantial incentives to bribe officials in the developing world.<sup>23</sup> Banks and markets in affluent countries can profit by offering safe havens for the proceeds of corruption in less secure societies. Many cases of corruption involve transnational corporate entities and their employees, corporations that are capable of doing business almost everywhere yet difficult to hold accountable anywhere. A recent U.S. investigation of the French communications giant Alcatel, which does business in over 130 countries, found that the firm had violated the U.S. Foreign Corrupt Practices Act through its Swiss-based subsidiary Alcatel Standard.<sup>24</sup> The subsidiary, whose primary activity seems to have been funneling money to public officials, had engaged in systematic bribery in Central America, Taiwan, and Malaysia between 1990 and 2006.<sup>25</sup> At present Alcatel is also under scrutiny for the activities of another subsidiary involved in major infrastructure projects in Australia.<sup>26</sup> While the U.S. investigation resulted in \$137 million in fines for the parent corporation, other corrupt activities—namely, individual schemes in which some company officials received a portion of the corporate bribe funds in the form of kickbacks for themselves—have gone unpunished.<sup>27</sup>

### D. *Corruption is Systemically Embedded*

Another fundamental problem is the embedded nature of serious corruption. It is one thing to refer to “systematic” and “systemic” corruption, as we commonly do, but grasping the full implications of those ideas is another thing. Many reform strategies

---

23. Before the advent of the OECD Anti-Bribery Convention in 1999, France and Germany were among a number of countries that not only allowed corporations to pay bribes abroad, but also allowed them to treat such payments as legitimate business expenses, reducing their tax liabilities. OECD, Update on Tax Legislation on the Tax Treatment of Bribes to Foreign Public Officials in Countries Parties to the OECD Anti Bribery Convention (June 16, 2011), <http://www.oecd.org/dataoecd/58/10/41353070.pdf>.

24. Ian Verrender, *Bribery, Corruption: A World of Deceit*, SYDNEY MORNING HERALD (Aug. 30, 2011), <http://www.smh.com.au/business/bribery-corruption-a-world-of-deceit-20110829-1jicn.html>.

25. *Id.*

26. *Id.*

27. *Id.*

still reflect a view of corruption as a form of deviance—as an exception, a transgression of legitimate and widely-accepted standards, as an illness (corruption-as-cancer is a popular though generally misleading metaphor), or as something that “happens to” a society, rather than as a part and product of long-term developments. Thinking of corruption as deviance leads us to overemphasize crime-prevention approaches that rely on penalties and law enforcement as the primary mechanisms of reform. These ineffective approaches are used even where police, the courts, and the broader legal system are deeply compromised and political pressure for better performance is lacking. In affluent market democracies corrupt actions may in fact deviate from legal and social norms. Crime-prevention approaches may seem to work well in those settings, although even there the laws benefit from a variety of other sorts of support, such as public expectations of government and business, and widespread disapproval of corrupt figures. But where the law has little credibility or serves the interests of corrupt figures, where corrupt practices are rewarded or merely regarded as inevitable, and where legitimate alternatives to corrupt dealings are scarce, crime-and-punishment strategies may have little success. In those situations, adding more penalties and law-enforcement reforms may not so much increase *risks* associated with corruption—if I do X I stand a strong chance of being punished—but rather add to *uncertainties*: the law says I cannot do X, but it is not well-enforced, I’ve heard lots of officials use that law just to put the squeeze on small businesses, another part of the law says something quite different, penalties vary widely, and the judge is a distant relative anyway, so why should I not go ahead with my scheme? Particularly when controls are poorly conceived or lack solid official and social support, bad law and enforcement in some sectors can undermine the credibility of good law in others. Such uncertainties can even increase the temptations to pay for positive outcomes and give venal officials and other operators added leverage over citizens and honest business people: in many countries “middlemen” and touts hang around the entrances to government offices, doing all they can to persuade citizens that without their help—for a price, of course—there is no way to predict what will happen when they go through the door.<sup>28</sup>

Because we do not pay sufficient attention to “embeddedness”—to the ways the social, political and economic contexts shape

---

28. See, e.g., Jyoti Khanna & Michael Johnston, *India's Middlemen: Connecting by Corrupting?*, 48 CRIME L. & SOC. CHANGE 151 (2007).

corrupt dealings—we frequently view corruption as more or less the same wherever it occurs, varying in extent but not in nature. As implausible as that idea may seem when stated explicitly, our most widely employed corruption indices persist in ranking entire societies as single data points along one common dimension. The most widely used indices of that sort are the Transparency International Corruption Perception Index (CPI)<sup>29</sup> and, at a higher level of methodological sophistication, the “Control of Corruption” indicators included in the World Bank’s Worldwide Governance Indicators (WGI).<sup>30</sup> Both generate intriguing worldwide standings in the corruption and reform leagues, and both—particularly the CPI—have helped focus public attention and pressure upon regimes whose leaders had rather we looked the other way. But those rely wholly or substantially on perceptions, which are not the same thing as corruption itself.<sup>31</sup> Worse yet, they apply one score to all levels, regions and sectors of a country, despite the fact that corruption exploits far more specific niches and vulnerabilities. Such one-dimensional indices, and models built with them, encourage us to think of the causes and consequences of corruption as being essentially uniform across the board.

Not surprisingly, therefore, our reform prescriptions are strikingly simple from one case to the next. Lack of nuance plagues our broader visions of what reform might look like: we frequently justify proposed changes, estimate the damage done by corruption, and gauge the success of reform by comparison to an efficient, rational, corruption-free state that does not actually exist anywhere. We then judge poorer and developing societies in terms of institutions, policies, and controls that they appear to lack by comparison to our own countries, an approach that diverts our attention from the forces that actually are at work in such settings, as well as from the corruption problems visible in affluent market democracies. In the end we do not consider the likelihood that many of the values and institutions checking corruption in generally well-governed societies today might be the *outcomes* of political struggles over accounta-

---

29. *Corruption Perceptions Index 2010 Results*, TRANSPARENCY INT’L (Oct. 26, 2010), [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi/2010](http://www.transparency.org/policy_research/surveys_indices/cpi/2010). For indices from previous years, see *Corruption Perceptions Index*, TRANSPARENCY INT’L, [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi](http://www.transparency.org/policy_research/surveys_indices/cpi) (last visited Nov. 16, 2011).

30. See *Worldwide Governance Indicators*, WORLD BANK, <http://info.worldbank.org/governance/wgi/index.asp> (last visited Nov. 16, 2011).

31. In many years past, international business people have been the most frequently surveyed, though in recent indices expert opinions and more diverse survey samples have been included.

ble government, not the initial causes of effective corruption control.

*E. The Most Urgent Reform Requires Extensive Institutional Change*

A final general concern has to do with the sorts of societies in which reform is most urgent. Not only are political and administrative foundations for reform weak or absent in many places; the regimes and societies themselves may be fundamentally fragile. In the worst cases corrupt networks become the *de facto* framework of politics and the economy, to the extent that anyone is in charge at all. They do not so much cripple the system of governance as they *become* the system. The resulting equilibrium of high corruption, low accountability, and delayed or distorted development can be a persistent state of affairs, not an advancing disease bringing society to the brink of collapse.

Societies facing such difficulties are not just “more corrupt” than others; they confront qualitatively different abuses and injustices, and the reforms they require may have little to do with “best practices” elsewhere. Weak and ineffective institutions, divided societies emerging from conflict or authoritarian rule, and low levels of trust in government and among citizens can make reform an empty promise. This is especially concerning because most mainstream corruption-control approaches—law enforcement, civil-society based efforts seeking to mobilize public resistance, transparency initiatives, efforts to reset the incentives affecting officials’ and citizens’ actions—assume institutional frameworks, commitments to rule of law, and levels of trust and security that are absent in fragile societies.

One-size-fits-all reforms are thus unlikely to be widely successful. But it is no more helpful to suggest that every society’s corruption problems, and therefore its reform needs, are *sui generis*. In fact, the major variations in kinds of corruption problems, I argue, fall into identifiable patterns sharing their own commonalities. Understanding such variations and their implications is a first step toward knowing what we ought to do—and where we must exercise caution. The following section lays out the essential elements of a scheme for understanding those variations, and for mounting more appropriate and effective corruption controls.

### III. CONTRASTING CORRUPTION PROBLEMS: FOUR SYNDROMES

Corruption is not just a generic problem or a statistic like GDP per capita. It reflects real actions and choices by people responding to incentives, opportunities and constraints that can vary widely. As corruption often involves the illicit pursuit, use, and exchange of wealth and power, the most important contrasts arguably are found not in terms of specific practices—do we see bribery versus nepotism, for example—but rather at the deeper level of the political and economic opportunities available in a society and the quality of the institutions that sustain, restrain, and link the political and economic arenas. On that basis, I argue that it makes sense to think of four contrasting syndromes of corruption.<sup>32</sup>

#### A. *Headlines: Recognize Anyone?*

Consider the following cases, which are composites of actual events. They illustrate some of the diverse characteristics of corruption cases we might see in various settings:

- A firm seeking tax changes contributes to parties and political candidates; much of the money is spent on campaigns and disclosed legally, but some is used to “sweeten” bureaucrats while another portion vanishes.
- A general skims ten percent of military procurement contracts and shares the proceeds with friendly politicians, bureaucrats, the prime minister’s sister, and media owners; part of the proceeds are used over time to buy off would-be opposition leaders.
- An entrepreneur’s “wholly owned” judge issues writ enabling him to seize a large firm and its assets, based on fictitious delinquent debts; the order is enforced with police and mafia help.
- Protected by a dictator, state bank officers operate an import-export business using bank resources.

The four scenarios noted above are not specific corruption cases, but neither are they wholly hypothetical. All four have clearly

---

32. For a more extensive exploration of these four syndromes, see MICHAEL JOHNSTON, *SYNDROMES OF CORRUPTION: WEALTH, POWER, AND DEMOCRACY* (2005).

corrupt aspects, and all four also venture into gray areas, at least in terms of legalities and official processes. While none of the four scenarios describes the full extent of corrupt activities within a given society, they illustrate the diversity of complications reformers face in different settings.

The first case involves routine political finance pushed to an unacceptable degree. At stake are relatively specific benefits, in the form of amendments to the tax code; the bulk of the funds go to legal uses, but the part that is funneled to bureaucrats by political intermediaries, and that which vanishes, signal corrupt dealings. We need not assume that the firm eventually succeeds in getting its preferred changes, nor would success in itself necessarily signal corruption. At issue, rather, is influence marketing: political figures putting their connections and access out for rent, private interests seeking influence over specific decisions rather than undermining regimes or whole institutions, and the ways strong administrative institutions and competitive elections increase the value of access and contributions. While we can easily imagine that the political middlemen might take the initiative in such deals, we do not see a pattern in which powerful officials plunder the private sector. Violence, organized crime, and similar abuses likewise are of little significance here.

The second scenario features collusion among diverse elites. Self-enrichment is a prime motivation, and the take can be quite large; equally important, however, is maintaining power in the face of increasing challenges, in a setting where official institutions are only moderately strong. Those institutions make official positions worth hanging onto, and the resulting political hegemony is one reason why corrupt funds can be obtained in amounts large enough to finance elite networks. But institutions in such situations are usually too weak to produce well-regulated political or economic contention; indeed, elites might have good reason to think that once lost, their political and economic dominance might never return. Elite alliances not only help shore up positions of power; they also can be the basis of monopoly positions that make corruption all the more lucrative.

Our powerful and ambitious entrepreneur in the third scenario is playing a high-stakes, high-risk game using personal clients within the judiciary and law-enforcement to augment his economic empire. He is a major player in an arena where very large stakes are on the table and several factions contend in a setting of few effective rules or institutions. The threat of violence from both police and criminal elements is integral to the deal, both in the process of

seizure and as a warning to others that they better look the other way. In a climate of pervasive risk and insecurity, few will play on such a level; those who do must reward their followers. Oligarchs thus need a continuing flow of large-scale rewards and incentives, making for more corruption, further weakening institutions, and intensifying insecurity for honest and corrupt operators alike. In such a setting, proposals to make or enforce anti-corruption laws and efforts to mobilize social opposition to the oligarchs may well amount to little.

In the fourth scenario, corrupt dealings and networks again pervade both the state and the economy and official and social institutions are very ineffective. But there is no doubt as to who is in charge and there is little to deter those top figures and their clients from engaging in corrupt schemes. Offices are little more than useful monopolies, held thanks to the patronage or mandates of top figures. Political loyalties and sources of power are personal—deriving, in this case, from a dictator, but in others from a ruling inner circle or accessible fragments of regime power. Corrupt operators enjoy a kind of impunity not found in our other three scenarios. The stakes of corruption come in many forms and there are likely few restrictions on what can be obtained by corrupt means. While most such societies are poor on aggregate, extractive industries, flows of aid and investment, and the revenue streams of the state itself can all be sufficient to make a few individuals and their minions very wealthy indeed.

### *B. Four Syndromes of Corruption*

While it is tempting to classify corruption cases in terms of techniques—bribery, extortion, judicial corruption, violence—fundamentally, these scenarios are distinguished from one another by deeper factors. The balance between wealth and power opportunities will influence whether official clout is used for self-enrichment or wealth is deployed in pursuit of influence and power.<sup>33</sup> The strength of institutions—social, political, and economic as well as those of the state itself—will influence the available stakes and the rules—if any—that constrain contending interests. From those factors derive a variety of related characteristics of corruption problems, such as expectations, insecurity, the balance of power between corrupt operators and their potential opponents, and the opportunities reformers can safely put to use. Those underlying

---

33. See SAMUEL P. HUNTINGTON, *POLITICAL ORDER IN CHANGING SOCIETIES* 59–71 (1968).

factors create combinations of *participation*—the ways in which people pursue, use, and exchange wealth and power—and *institutions*.

A few years ago I explored those ideas in a book that proposed ways in which various countries' corruption problems might differ in kind.<sup>34</sup> Using statistical indicators and case studies, the book offered the argument that four major syndromes of corruption can be observed in countries around the world:

- *Influence Markets*: in a climate of active, well-institutionalized markets and democratic politics, private wealth interests seek influence over specific processes and decisions within strong public institutions, not only bribing officials directly but channeling funds to and through political figures who put their access and connections out for rent. The United States, Japan, and Germany were discussed as case studies.<sup>35</sup>

- *Elite Cartels*: in a setting of only moderately strong state institutions, colluding elites—political, bureaucratic, business, military, and so forth—build high-level networks by sharing corrupt benefits, and are able to stave off rising political and economic competition. Examples presented were Italy, South Korea, and Botswana.<sup>36</sup>

- *Oligarchs and Clans*: a small number of contentious elites backed by personal or family followings pursue wealth and power in a climate of very weak institutions, rapidly expanding opportunities, and pervasive insecurity, using bribes and connections where they can and violence where they must. Opponents of corruption, and of dominant parties and politicians, face major risks and uncertainties. Distinctions between public and private sectors, and between personal and official loyalties and agendas, are very weak in this syndrome. Case studies included Russia, the Philippines, and Mexico.<sup>37</sup>

- *Official Moguls*: powerful individuals and small groups, either dominating undemocratic regimes or enjoying the protection of those who do, use state and personal power—at times, a distinction of little importance—to enrich themselves with impunity. The primary loyalties and sources of power are personal or political, rather than official in nature; anti-corruption forces, like opposition to the regime generally, are very weak. In this final group China, Kenya, and Suharto's Indonesia were examined in detail.<sup>38</sup>

---

34. JOHNSTON, *supra* note 32, at 36–185.

35. *Id.* at 60–88.

36. *Id.* at 89–111.

37. *Id.* at 120–54.

38. *Id.* at 155–85.

These four syndromes are “ideal types” highlighting important similarities and contrasts, not full or deterministic accounts of any one country’s corruption problems.<sup>39</sup> There are generic varieties such as police corruption that occur in every society. The syndromes are not “system types”: countries that differ in important ways may be found within each group, a given society can move from one to another over time, and while they are meant to highlight a society’s dominant corruption problems, we might find more than one syndrome at work in various regions, economic sectors, or levels of government. They do not embody a developmental sequence; in practice, change of several sorts is possible. Nor do they amount to a rediscovery of “high” versus “low,” or “bad” versus “good” or “functional,” corruption by other names: contrasts among the four syndromes are qualitative rather than matters of degree, and the Influence Market corruption seen in many affluent democracies with good corruption-index scores is definitely a problem worth worrying about. Table 1 summarizes these broad patterns:

---

39. See LEWIS A. COSER, *MASTERS OF SOCIOLOGICAL THOUGHT: IDEAS IN HISTORICAL AND SOCIAL CONTEXT* 223–34 (1971). “An *ideal type* is an analytical construct that serves the investigator as a measuring rod to ascertain similarities as well as deviations in concrete cases.” *Id.* at 223.

TABLE 1: FOUR SYNDROMES OF CORRUPTION<sup>40</sup>

Syndrome	Participation		Economic Opportunities	Institutions		Examples (cases in <b>bold</b> were case studies in <i>Syndromes of Corruption</i> )
	Political Opportunities	Economic Opportunities		State/Society Capacity	Economic Institutions	
<b>Influence Markets</b>	<b>Mature democracies</b> Liberalized, steady competition and participation	<b>Mature markets</b> Liberalized, open; steady competition; affluent	<b>Economic Opportunities</b>	<b>Extensive</b>	<b>Strong</b>	<b>United States, Japan, Germany, Australia, France, UK, Uruguay</b>
<b>Elite Cartels</b>	<b>Consolidating/reforming democracies</b> Liberalized; growing competition and participation	<b>Reforming markets</b> Largely liberalized and open; growing competition; moderately affluent	<b>Economic Opportunities</b>	<b>Moderate</b>	<b>Medium</b>	<b>Italy, South Korea, Botswana, Argentina, Belgium, Brazil, Israel, Poland, Portugal, S. Africa, Zambia</b>
<b>Oligarchs and Clans</b>	<b>Transitional regimes</b> Recent major liberalization; significant but poorly-structured competition	<b>New markets</b> Recent major liberalization; extensive inequality and poverty	<b>Economic Opportunities</b>	<b>Weak</b>	<b>Weak</b>	<b>Russia, Philippines, Mexico, Bangladesh, Bulgaria, Colombia, India, Malaysia, Niger, Senegal, Turkey</b>
<b>Official Moguls</b>	<b>Undemocratic</b> Little liberalization or openness	<b>New markets</b> Recent major liberalization; extensive inequality and poverty	<b>Economic Opportunities</b>	<b>Weak</b>	<b>Weak</b>	<b>China, Kenya, Indonesia, Algeria, Chad, Haiti, Iran, Kuwait, Nigeria, Rwanda, Syria</b>

40. This table is adapted from JOHNSTON, *supra* note 32, at 40.

There is no magic in this list of four syndromes; a different categorization might be superior.<sup>41</sup> The main point for our purposes is that we must move beyond ranking whole countries on one-dimensional corruption indices and get to grips with the differing opportunities and vulnerabilities that shape various societies' corruption problems. Such cases confront reformers with contrasting challenges, opportunities, and sources of resistance. A successful reform or best practice in Country *A* may be impossible in Country *B*, irrelevant in Country *C*, and downright harmful in Country *D*. While it would not be entirely fair to describe current reform strategies as uniform, neither they nor our views of what successful reforms might look like, reflect enough attention to important qualitative contrasts in corruption problems.

#### IV. SORTING OUT STRATEGIES

The difficulties outlined in the previous two sections make corruption control very difficult in any but the most favorable circumstances. Compounding those problems, however, have been a variety of strategic errors—notably, an overly restrictive view of corruption as an administrative rather than political issue, underestimating the incentives needed to sustain reforms, and treating corruption as nearly the same everywhere. These errors have resulted wasted resources, lost opportunities, and overlooked lessons from experience.

One way to think about the first problem—misunderstanding the political dimensions of corruption and reform—is to return to the definitions debate, which generally zeroes in on the question of what constitutes a corrupt act. I suggest we should ask a somewhat different question: how do corruption issues arise in the first place? The change in emphasis is subtle—corruption, as we shall see, is conceptualized here not as an attribute of an action or individual but rather as a systemic dilemma arising as people pursue, use, and exchange wealth and power, and as societies contend with—and over—the never-ending problems of how to restrain excesses in those activities.<sup>42</sup> The clashing interests, values, and traditions that make clear-cut definitions of a corrupt act so difficult should not be seen as problems to be resolved by devising better-worded definitions. Instead, they point to political conflicts *inherent in* the rise of

---

41. See generally JOHNSTON, *supra* note 32 (discussing the evidence and arguments underlying the various syndromes of corruption).

42. *Id.* at 1–35.

corruption issues, and in the mobilization of political energy essential to successful reform.

To illustrate this approach, consider a brief thought experiment. Instead of visualizing a society into which corruption intrudes as an unwelcome influence, imagine an absolute, utterly unchallenged autocrat. No rules, competitors, or countervailing forces restrain that ruler's actions. The right to rule, in this situation, is a matter of having the biggest army and personal following, a ruthless attitude toward others, claims of divine blessing, or—via hereditary succession—taking a lucky dip into the gene pool. In this imagined situation, limits upon power and notions of accountability to the public and its interests mean nothing. People and territory exist to be dominated and exploited.

That absolute autocrat cannot be “corrupt” in any contemporary sense of the term.<sup>43</sup> No rules restrain his actions; no one else's wellbeing matters. There are no collective principles of loyalty or accountability, and no de facto constraints. We might judge the dictator corrupt by our own standards, which he or she is free to ignore, or as morally corrupt in the eyes of God, a definitive judgment for some but not much of a practical restraint. Likewise, conceptions of corruption built upon checks and balances, duties of office—indeed, the basic idea of a *public* office itself—the public interest, or positions of trust have no meaning.

The case of our imaginary autocrat is a deliberate oversimplification. Its value lies in highlighting the *political* processes by which limits and accountability arise, and the political processes through which they acquire legitimacy and force. Political ethics and rules and institutions limiting official powers are not natural features of the political landscape, however much they seem to be, because of their legitimacy and basis in widely-shared values in well-governed societies. Limits on official powers arise when someone other than the rulers with the political resources to protect their interests demands them, and they exist because rulers find it advantageous to abide by them. That process, not surprisingly, can be contentious:

---

43. There are older “classical” conceptions of corruption as a collective state of being that might enable us to call our autocrat corrupt. For example, in ancient Athens, corruption amounted to the loss of the ruling order's ability to command or inspire loyalty. J. Patrick Dobel, *The Corruption of a State*, 72 AM. POL. SCI. REV. 958, 969–70 (1978). For ways in which such older modes of thinking retain relevance today, see generally Michael Johnston, *Keeping the Answers, Changing the Questions: Corruption Definitions Revisited*, 35 POLITISCHE VIERTELJAHRESSCHRIFT SONDERHEFTE (DIMENSIONEN POLITISCHER KORRUPTION) [POLITICAL QUARTERLY SPECIAL ISSUES (DIMENSIONS OF POLITICAL CORRUPTION)] 61 (2005).

holders of great power and wealth rarely relinquish them voluntarily. To draw such limits, those “others” need a degree of space, in the form of basic security and a measure of liberty, and political resources they can call their own (wealth, a following, rhetorical gifts). Equally important, they need *a reason* to take a stand: an interest or people to protect, for example, or significant grievances and aspirations.<sup>44</sup>

Political contention and the clash of interests and outlooks—often seen not only as complicating our definitions, but also as a corrupting influence to be isolated from the administration and reforms—shape and reshape working meanings of “corruption” and drive the process of limiting power and insisting on accountability. In democratic societies we take it as given that public officials ought to serve interests above and beyond their own, and that taxpayers, business people, civic activists and other private parties will demand that they do so. Reform then becomes a matter of conceiving of effective institutions, rules, and systems of incentives. But even in those relatively settled systems, terms like *public*, *private*, and *abuse of power* have shifting and contentious meanings. Further complicating matters at a practical level is the fact that allegations of corruption and the moralizing language of reform can be a smokescreen for poorly-conceived or counterproductive controls, and for self-serving proposals.<sup>45</sup> Elsewhere—particularly where regimes lack credibility, institutions are weak or widely distrusted, public-private boundaries are porous or meaningless, and a sense of common interest is not widely shared—new rules and demands for accountability may have little or no practical effect. Where do workable limits and boundaries originate, and what forces shape and reshape them over time?

---

44. For the record, I define corruption not as an attribute of an action or person, but a systemic dilemma of defining acceptable and unacceptable ways to pursue, use, and exchange wealth and power, and then as consisting of the abuse of public power or resources for private benefit, emphasizing immediately that the terms *abuse*, *public*, *private*, and even *benefit* can be politically contested, changing in their meaning, and rarely if ever delineated once and for all. Such terms, after all, refer to deeply political boundaries, distinctions, and relationships.

45. If I were sponsoring legislation to treble the salaries of academicians across this great land of ours, I would, of course, call it the Higher Education Reform Act of 2011.

V.  
“DEEP DEMOCRATIZATION” AND  
CORRUPTION CONTROL

I suggest that the essence of sustainable corruption control is “deep democratization.” That idea draws upon the same sorts of participatory and institutional dynamics that define the four syndromes discussed above. The goal is to encourage the development of free, fair, and openly competitive political and economic arenas, both sustained and restrained by a strong and legitimate framework of state, political, and social institutions, within which people can pursue their interests and protect themselves against abuses.<sup>46</sup> That system of order rests upon a dynamic balance among state and society, and includes both politics and the economy. Clear boundaries between public and private domains are essential, but they cannot be isolated from each other: legitimate communication between them is essential for accountability, as each domain can contribute to the vitality and restrain the excesses of the other. Competition and contention must be vigorous, open with respect to both participants and the range of possible outcomes, yet governed by legitimate rules and institutions. Although it may seem that this argument promotes American- or European-style systems as a universal ideal, affluent market democracies also fall short of these ideals in many ways. Even the most established democracies may be in need of democratic renewal to the extent that their political processes have lost credibility, citizens feel ignored by decision makers, and elections become exercises in collusion.

Democracy can hardly claim unique corruption-controlling abilities—far from it. Indeed, the “influence markets” syndrome illustrates the ways competitive elections, open institutions, incremental policy processes, strong civil liberties, and vigorous private markets—all presumably institutions most of us value greatly—can combine to create distinctive corruption hazards. At the very least, such abilities appear to depend upon a minimal level of economic development, understood not only in terms of resources and affluence but also as a process of institutional development.<sup>47</sup> Moreover, some societies, such as Pinochet’s Chile, can claim to have reduced

---

46. See generally JOHNSTON, *supra* note 32, *passim*. “Strong institutions and balanced participation enable societies to respond to corrupt activities more effectively. They provide non-corrupt economic and political alternatives for citizens and firms and enable them to defend their interests.” *Id.* at 199.

47. See Yan Sun & Michael Johnston, *Does Democracy Check Corruption?: Insights from China and India*, 42 COMP. POL. 1, 3–7 (2009) (analyzing the dynamic balance between economic and political factors and its effect on corruption).

corruption in strikingly undemocratic ways, while others—Botswana, for example—have done significantly better than might have been expected even though their democratic processes are still works in progress.<sup>48</sup> In still other settings, civil liberties sufficient to allow criticism of the regime, while falling well short of fully elaborated democracy, have effectively encouraged better government performance.<sup>49</sup> The driving factor here is not a veneer of formal democratic processes, but rather resources and opportunities to insist that our interests be taken into account by those who govern.<sup>50</sup>

Deep democratization is contentious: real interests must be at stake. But it cannot be solely a grudge match: principles and values can play a role as well. At times they provide the “vocabulary” through which challenges to established power can be justified; or, they help bond diverse resentments into a common cause. New principles too can emerge in the heat of contention, if only as useful clubs with which to belabor those on the other side. Later on such principles can be refined, and can draw broader support, not so much because they are good ideas in the abstract but *because they work* to protect and serve the interests of various groups. In many respects, the enterprise of checking corruption by seeking fairness and justice not as public goods but rather as valued rights and protections, is a process of deep democratization.

Years ago, Dankwart Rustow offered a fascinating argument that the factors *sustaining* democracy where it is strong, *e.g.*, literacy, affluence, multi-party politics, or a middle class, are not necessarily the same factors that created it.<sup>51</sup> He contended that the rise of democracy required “prolonged and inconclusive political struggle . . . . [T]he protagonists must represent well-entrenched forces . . . and the issues must have profound meaning to them.”<sup>52</sup>

---

48. Pitcher et al., *supra* note 7, at 144–49.

49. Jonathan Isham, Daniel Kaufmann & Lant H. Pritchett, *Civil Liberties, Democracy, and the Performance of Government Projects*, 11 WORLD BANK ECON. REV. 219, 226–32 (1997). “The total effect of an improvement in civil liberties is positive, even accounting for the [i]nduced [democratic] political changes.” *Id.* at 232.

50. “Environments that allow civil strife or unrest to occur also allow other mechanisms for expression of popular (dis)content with government performance[.] The availability and effectiveness of those mechanisms improve government efficacy.” *Id.* at 234. Compare Fareed Zakaria, *The Rise of Illiberal Democracy*, FOREIGN AFF., Nov.–Dec. 1997, at 22 (discussing the ways in which outwardly democratic systems can be deeply illiberal).

51. See Dankwart A. Rustow, *Transitions to Democracy: Toward a Dynamic Model*, 2 COMP. POL. 337, 341–42 (1970).

52. *Id.* at 352.

In those struggles, “[d]emocracy was not the original or primary aim; it was sought as a means to some other end or it came as a fortuitous byproduct of the struggle.”<sup>53</sup> Over time, political settlements among contending groups—even if grudgingly conceded and compromised in unsatisfying ways—could solidify into institutions made legitimate and durable because they served lasting interests.

An analogous argument can be made with respect to corruption control. Limits on power and mechanisms of accountability may be expressed in terms of enduring moral values. But they *came from somewhere*—broadly, from people and groups defending themselves from abuses by others. Independent judiciaries, conflict-of-interest rules, civil service restrictions upon patronage, and values of integrity are the culmination of political processes of reform, not their origin. Basic notions of accountability, effective institutional controls and safeguards, and the civic values through which we justify them, are as much the *outcomes* of corruption-checking political developments as their causes. Failing to appreciate that point, and expecting people to line up behind the banner of reform simply out of concern for the common good, leads to the sorts of collective-action problems sketched out earlier. So too will schemes for reform that excessively minimize political influence over processes of governing. Transparency means little if no one has a stake in “looking in.” Best practices, no matter how effective they may be in one society, will accomplish little if they lack solid political foundations in the places where they are transplanted.

#### A. *The Value of Politics and the State*

Throughout the push for reform, we have misunderstood those political dynamics—not just during the past generation, but for well over a century throughout the world. Indeed, for many reformers, politics and government—the latter envisioned as an essentially technical administrative process—were opposing influences. The more recent notion of good governance has often been equally bloodless, with the state being regarded essentially as a referee in a liberalized economy. At best, the value of politics lay in civic processes of legitimation and consensus-building, and in providing useful feedback for the state’s few essential functions. Occasionally, politics helped oust scoundrels once their misconduct had been revealed, but more often it was viewed as a parallel market, mirroring the economy. At worst, political processes and demands

---

53. *Id.* at 353.

were portrayed as a drag on governance and development because they introduced private-regarding demands into what ought to be rational, and minimal, processes of administration, creating incentives to enact costly, fraud-prone public benefits as a way of building popular support. A key critique of the State was that rent-seeking officials interfered in markets and distorted administrative processes in order to enrich themselves. While that critique was all too often right on target, its obverse—that with the government out of the economy, rationality and fairness would take the place of rent-seeking—remains unproven. More often, “rolling back” government has shifted important questions of equity and justice out of the public arena and into more private settings, where rules and enforcement are weaker and accountability is far more selectively applied.

In the deep democratization view, however, the state is not just the referee, politics is not just another kind of market, and democratic governance is not just a bundle of sound administrative processes. Instead, critical questions of power, authority, and justice are at stake. Bukovansky has argued persuasively that basic normative principles inherent in the notion of corruption have been strikingly absent from the past generation’s conversations about governance, administration, and reform.<sup>54</sup> Reformers would do well to revisit basic ideas of republican political thought, she contends, which at the very least would remind us that political change is not an impersonal process of progress or rational modernization but rather is rooted in the agency of real people dealing with normatively complicated dilemmas.<sup>55</sup>

Accordingly, reform is not a matter of persuading people to be good or to put self-interest aside. Nor should we expect political parties and interest groups to put civic goals first. As Van Biezen points out, too often we treat the political parties of emerging societies as though they were public utilities established to serve democracy as a grand civic project, rather than as forces that energize it by vying on behalf of real groups and interests.<sup>56</sup> If corruption control is a public good, most people will leave the hard work and risks to others. We may try to overcome that dilemma by calling for more political will, but corruption often reflects an *excess* of unchecked political will.

---

54. See Mlada Bukovansky, *The Hollowness of Anti-Corruption Discourse*, 13 REV. INT’L POL. ECON. 181 (2006).

55. *Id.* at 204.

56. Ingrid Van Biezen, *Political Parties as Public Utilities*, 10 PARTY POL. 701 (2004).

Deep democratization is a long-term process that will never be finished. There are no guarantees against backsliding. It inevitably involves conflict and thus will not satisfy anyone who seeks the dawn of reason in government, much less the final triumph of good over evil.<sup>57</sup> Moreover, it is in an *indirect* strategy—one in which we simulate the developments that led to the emergence of political forces in once-corrupt societies that brought the problem under control. Familiar and tempting reform tactics may have to be postponed while the social and political foundations they require are under construction. Citizen participation need not focus directly upon corruption; given the risks and collective action problems involved, it may be better to organize around more immediate concerns. A diverse range of benefits and gratifications—sociability, personal interests, and symbolic rewards are just a few examples—can be as important as those of a civic and purposive nature.<sup>58</sup> Hiking clubs, a Tuesday Music Society, and professional or occupational associations may seem to have little to do with reform, yet can still contribute to a fund of social capital<sup>59</sup> and higher levels of social trust—essential resources when opportunities for reform eventually appear.

In no way do open and competitive societies inevitably converge toward “the public interest” or a lasting political equilibrium, either through a superior state of harmony or the workings of some invisible hand. Leadership remains essential. Reform will involve many dead ends and reverses and bad or self-serving ideas will abound. But most of today’s better-governed societies established systems of accountability, and the rules and values that restrain abuses of wealth and power, in equally roundabout ways while contending over other things.

*B. What to Do—First, Next, and Not at All?*

If we should not immediately bombard corruption with any good ideas that fall to hand, how should we make our choices and what sequence should we follow?

---

57. See, e.g., Christian von Luebke, *The Politics of Reform: Political Scandals, Elite Resistance, and Presidential Leadership in Indonesia*, 29 J. CURRENT SE. ASIAN AFF. 79, 85–89 (2010) (discussing recent conflict within Indonesia’s anti-corruption agency and resistance from the elite class).

58. Michael Johnston & Sahr J. Kpundeh, *Building a Clean Machine: Anti-Corruption Coalitions and Sustainable Reform* 8–15 (World Bank Inst. Working Paper Series, Paper No. 37208, 2002), available at <http://siteresources.worldbank.org/WBI/Resources/wbi37208.pdf>.

59. ROBERT D. PUTNAM, *BOWLING ALONE: THE COLLAPSE AND REVIVAL OF THE AMERICAN COMMUNITY* (2000).

Often we are told that corrupt societies are in a state of near-collapse, even where illicit power and spoils underwrite networks and alliances that can be very durable indeed. This sense of urgency, together with the assumption (or hope) that societies and institutions would be healthy and effective if we could just stop the corrupt behavior, encourages us to attack head-on. But deeper contrasts among syndromes of corruption and historical and situational differences among societies themselves mean that what might be a fine idea elsewhere can be irrelevant or harmful in the case at hand. Frontal assaults on corrupt behavior are tempting, but may in fact call down repression upon those who have suffered most.

The variations noted above make it quite risky to make generalizations about what to do first, later, and never. But I suggest that judiciously paced *structural strategies* must precede *political strategies*.<sup>60</sup> In Influence Market and Elite Cartel cases, structural developments are largely in place or have gathered significant momentum, and thus a focus on specific corruption controls may well make considerable sense. In Oligarch-and-Clan and Official Mogul cases, by contrast, those political foundations are weak or nonexistent, and rushing in with “best practices” evolved over long periods of time elsewhere may in fact make matters much worse. Knowing what *not* to do, or at least understanding why some good ideas must be deferred for a time, may be the most useful insights of all.

In Official Mogul cases the best anti-corrupt approach might be patient encouragement of basic civil liberties and the diffusion of political resources. Efforts to redefine power and authority as official and public, rather than as personal, may likewise be worthwhile; this latter strategy might revolve around education and changing expectations. Rushing to confront an Official Moguls regime by opposing corruption with anything less than overwhelming social backing, by contrast, may be very unwise: to the extent that such efforts threaten sources of wealth, repression may be an immediate response. To the extent that they actually threaten Moguls’ power, the result may be voracious, hand-over-fist corruption as officials both high and low, no longer secure in their positions, steal as

---

60. Structural strategies include creating space for the growth of safe social and political activity, encouraging the emergence of multiple centers of power and types of political resources, and building a framework of institutions strong enough to withstand and sustain contention. Political strategies include formal checks and balances, competitive politics, mobilizing civil society, creating reform organizations, putting transparency to use, journalistic exposés, and the like.

much as they can as fast as they can take it.<sup>61</sup> Indeed, too much pressure applied too quickly might push an Official Moguls case over into an Oligarchs-and-Clans situation, with disastrous consequences, as arguably happened in Russia in the 1990s as aggressive economic and political liberalization were pursued in a setting of very weak institutions.<sup>62</sup>

Oligarch-and-Clan societies, by contrast, may have considerable or, indeed, excessive pluralism, but be too insecure and dangerous to allow most citizens to make political demands on their own behalf. There, the challenge is not diffusing power and resources, but rather institution-building. Predictable performance by law-enforcement and the courts is especially critical. Whichever syndrome we encounter, divided and post-conflict societies will present special challenges; the initial agenda might well revolve around re-establishing basic government services, on an even-handed basis, as a way of building trust and improving expectations.<sup>63</sup>

That point about basic services, mundane as it may seem, leads us to a final, but critical, challenge—that of measurement and assessment. How can reformers assess the scope of corruption problems? In light of the shortcomings of the existing country-level corruption indices,<sup>64</sup> how can they demonstrate the progress of reform—if any—to backers, citizens, and potential malefactors alike, in ways that are detailed and convincing? Measurement of corruption is the focus of a long-running debate over indices and statistical methodology.<sup>65</sup> None of the debaters is satisfied with existing

---

61. JAMES C. SCOTT, *COMPARATIVE POLITICAL CORRUPTION* 80–84 (1972).

62. JOHNSTON, *supra* note 32, at 120–54.

63. See Michael Johnston, *First, Do No Harm—Then, Build Trust: Anti-Corruption Strategies in Fragile Situations*, WORLD DEV. REP. 2011 (World Bank), Sept. 2010, at 24–33, [http://wdr2011.worldbank.org/sites/default/files/pdfs/WDRBackgroundPaper-Johnston\\_0.pdf](http://wdr2011.worldbank.org/sites/default/files/pdfs/WDRBackgroundPaper-Johnston_0.pdf). For discussions on what to do—and what *not* to do—in fragile situations, see Alask Orre & Harald W. Mathisen, *Corruption in Fragile States*, FRAGILE SITUATIONS POLICY BRIEFS (Danish Inst. Int'l Studies, Oct. 2008), [http://www.diis.dk/graphics/Publications/Briefs2008/PB2008\\_10\\_Corruption.pdf](http://www.diis.dk/graphics/Publications/Briefs2008/PB2008_10_Corruption.pdf); Vinay Bhargava, *Practitioners Reflections: Making a Difference in High Corruption and Weak Governance Country Environments*, [2011] 1 U4 PRACTICE INSIGHT (Chr. Michelson Inst.), <http://www.cmi.no/publications/file/3962-practitioners-reflections.pdf>.

64. See *supra* notes 29–31 and accompanying text.

65. See, e.g., CHRISTINE ARNDT & CHARLES OMAN, OECD DEV. CTR., *USES AND ABUSES OF GOVERNANCE INDICATORS* (2006), [http://www.oecd-ilibrary.org/development/uses-and-abuses-of-governance-indicators\\_9789264026865-en](http://www.oecd-ilibrary.org/development/uses-and-abuses-of-governance-indicators_9789264026865-en) (arguing that governance indicators based on observers' subjective perceptions lack transparency and comparability over time, suffer from selection bias, and are not well suited to help developing countries identify how to effectively improve the quality of local governance); *MEASURING CORRUPTION* (Charles Sampford, Arthur Shacklock, Carmel Connors & Fredrik Galtug eds., 2006) (discussing the reliability

perception-based indices, but consensus over a better approach has yet to emerge. Most suggest overly literal reliance upon such indices may not only waste scarce reform opportunities while giving reformers little guidance as to where to attack and what steps are (or are not) working, but may also stigmatize societies that take serious anti-corruption steps—and thereby put scandals, trials, and revelations of graft on page one. At the very least, many governments that have launched transparency initiatives find that even extensive efforts fail to “move the needle.” A related criticism is that affluent market democracies—broadly speaking, our “influence markets” group—get a “pass” from existing indices since their legal frameworks and political systems are hospitable to wealthy interests who thus have less reason to engage in corruption.

One possible alternative is use indicators of government performance, benchmarked across comparable agencies and jurisdictions, to assess indirectly the effects of past corruption, the incentives and opportunities that sustain it, and trends in specific vulnerabilities. Those indicators can be “actionable,” a clunky word meaning that they not only indicate where risks exist but also give strong signals as to what must be done. Better yet, they allow successful leaders, agency managers, and reformers to claim political credit for their efforts.<sup>66</sup> Such initiatives often draw strong resis-

---

and limitations of various measures of corruption); Marcus J. Kurtz & Andrew Schrank, *Growth and Governance: Models, Measures, and Mechanisms*, 69 J. POL. 538, 542–47 (2007) (arguing that divergent interests and cultural backgrounds of those surveyed, sampling error, and lack of direct knowledge by respondents introduce systemic errors into perception-based indices); M.A. Thomas, *What Do the Worldwide Governance Indicators Measure?*, 22 EUR. J. DEV. RES. 31 (2010) (considering the construct validity of the WGI and concluding that the indicators stand as an elaborate and unsupported hypothesis); Charles Kenny, *Measuring and Reducing the Impact of Corruption in Infrastructure* (World Bank Policy Research Working Paper No. 4099, 2006), available at <http://ideas.repec.org/p/wbk/wbrwps/4099.html> (arguing that, in the infrastructure sector, perception-based indices measure petty rather than grand corruption, a weak proxy for the true extent of corruption); Tina Søreide, *Is It Wrong to Rank? A Critical Assessment of Corruption Indices* (Chr. Michelsen Inst., Working Paper No. 1, 2006), available at <http://www.cmi.no/publications/file/2120-is-it-wrong-to-rank.pdf> (arguing, *inter alia*, that composite corruption rankings like Transparency International’s CPI can blur the line between legal and illegal activities and rest on unreliable or systemically biased individual perceptions); Dilyan Donchev & Gergely Ujhelyi, *What Do Corruption Indices Measure?* (June 7, 2010) (unpublished manuscript), available at <http://www.class.uh.edu/faculty/gujhelyi/corrmeasures.pdf> (finding country-level corruption indices have received much attention from researchers, commentators, and policy-makers alike).

66. See Michael Johnston, *Components of Integrity: Data and Benchmarks for Tracking Trends in Government*, Global Forum on Public Governance (OECD, Apr. 27,

tance, and can be gamed by officials and misused by the public and critics. But particularly in the socially and politically fragile situations in which reform is the most difficult, publishing such indicators of government performance and opening them up for public discussion can be a way to demonstrate the credibility of government, build social and political trust, and link the quest for better governance to citizens' immediate needs and problems.

## VI. CONCLUSION

These arguments, taken together, set the bar quite high for reformers. But to think of reform in terms of the ability of citizens to advocate and defend their own interests and wellbeing is also to spell out a good working definition of *justice*, and to build reform on a base of lasting interests. Justice, in that view, is not just an abstract goal, a set of process standards, or a slogan. It is more than an instrumental sense that following rules *A*, *B*, and *C* will raise one's income or ward off crime. It is instead a sense of confidence that our rights, interests, outlooks, and security *matter*, and that others' do as well; that even the most powerful figures in politics and the economy must respect those values, and that they can be called to account if they do not. Justice is the linchpin between self-interest and one's obligations to fellow citizens and society. It requires, and over time can reinforce, a working level of mutual trust. It is precisely these values and linkages that corruption undermines, and that reform, if it is to be sustainable, must credibly promise to uphold.