

On International Anticorruption Day, researchers inquire:

ARE WE WINNING AGAINST CORRUPTION?

The 2017 Index of Public Integrity shows stagnation, with minor progress in reducing red tape or increasing the demand for good governance, but regress on freedom of the press and of trade, two indispensable components of control of corruption. The index correlates at over ninety per cent with control of corruption, innovation capacity and government effectiveness, showing corruption as the major factor subverting development.

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2017 was a mixed year for anticorruption. On one hand, Brazil proved to the world that countries can put an end to the culture of impunity, which still exists in so many, and France moved decisively out of the hypocrisy so often associated with developed countries of late by tackling conflict of interest for its politicians. Demand for good governance has increased in many countries around the world, from South Africa to Romania, but we have also seen authorities and the publics turning a blind eye in countries where corrupt behavior was disclosed. There were no crowds in the street to protest the systematic tax evasion of elites in developed countries following Paradise Papers: no public outcry in reaction to the diesel cartel revelations in Germany. Donald Trump has positioned himself as an enemy of the ethics that underlay the institutional infrastructure, which had served US executive so well after Watergate, opening a battle against public integrity that other presidents in less democratic contexts, like Turkey's Erdogan, seem already to have won, bending judicial independence to suit their needs. When news is mixed, we can turn to stats to see what they can tell us to answer the question if 2017 was a good year for the global crusade against corruption or just one more year.

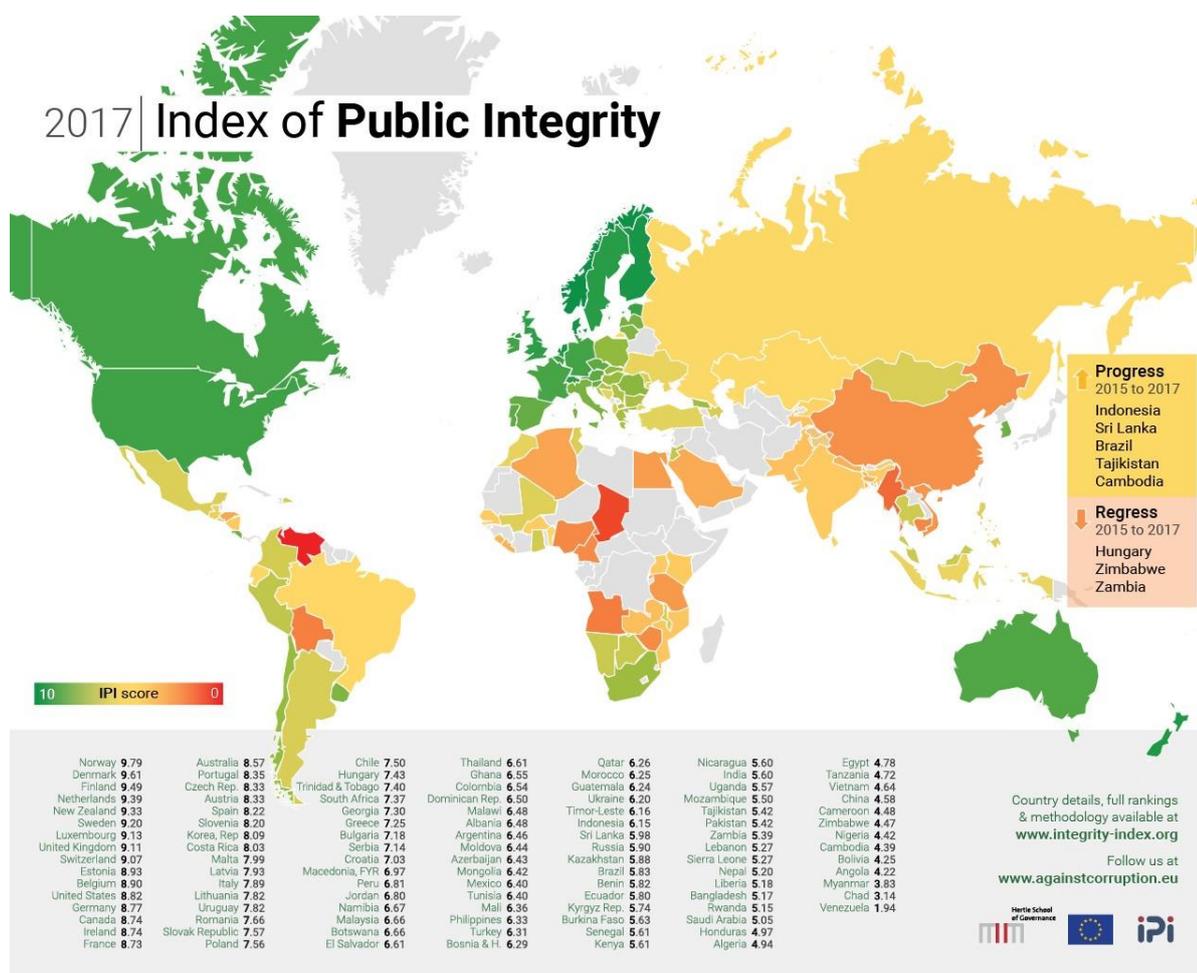
The world notoriously lacks an instrument to measure corruption across countries and over time. Transparency International's Corruption Perception Index (CPI), an aggregate of expert opinion, has served the world well for raising awareness of the problem, but after twenty years and quite a few recalibrations, the United Arab Emirates (UAE, ranked 24) appear less corrupt than both Slovenia (ranked 31) and Israel (ranked 28), while Qatar (ranked 31) is perceived to be less corrupt than both Spain (ranked 41) and the Czech Republic (ranked 47). Rwanda (ranked 50), its president having been elected with 99% of votes and investigating opposing candidates for electoral corruption,² outranks

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² <https://www.hrw.org/news/2017/09/28/rwanda-post-election-political-crackdown>

South Korea (ranked 52) and Brazil (rank 79), two countries that just impeached their presidents for corruption following huge popular protests. Additionally, Belarus, a country where culture of impunity reigns, has progressed according to CPI four times as much as Romania, which arrested 18 ministers for corruption in just four years. In its turn, Romania is perceived as less corrupt than Italy, although most of its arrested ministers were as promptly granted early pardon for academic works undertaken in jail.³

Figure 1. The map of global public integrity 2017



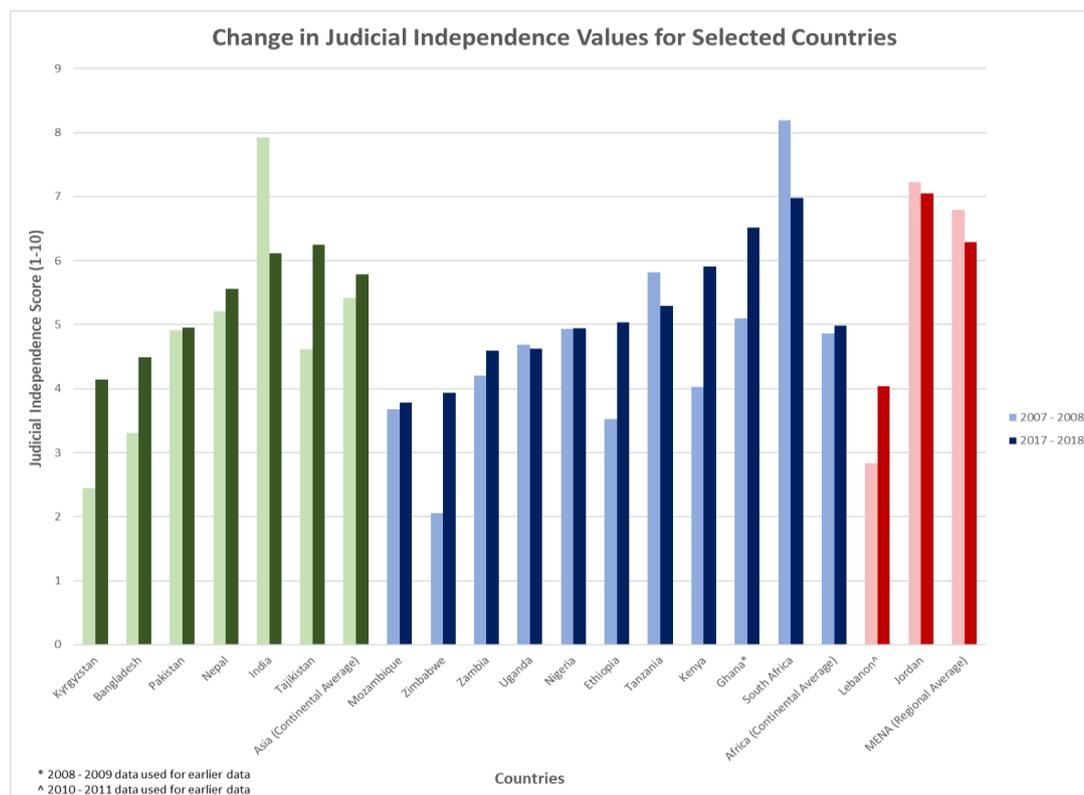
Index for Public Integrity 2017, www.integrity-index.org. Source: ERCAS, www.againstcorruption.eu.

Perceptions aside, social science has built a consistent body of empirical literature assessing causes and consequences of corruption, which may help us get a clearer picture. A summary can be found in the Index for Public Integrity (IPI, see map in Figure 1), an objective six-component construct that brings together the interactions between the most powerful determinants, as well as deterrents, of a society's capacity to control corruption (www.integrity-index.org). The index correlates with CPI at nearly ninety per cent (see Figure 2), but Qatar, Italy and Rwanda fall into a more rightful place, with all the oddities reported above corrected. It also transparently shows why some countries do better or worse, and also what has changed or not over the years. Now in its second year after being

³ <https://www.economist.com/news/europe/21676811-corrupt-politicians-are-churning-out-books-reduce-their-sentences-time-bad-prose>

causal determinants, we may find out more about global trends and understand why so few success cases exist, despite the generalization of the topic. The existence of a free and non-corrupt press, for instance, is an essential component of corruption control, but this has been regressing for 13 years in a row, according to *Freedom of the Press 2017*, Freedom House’s annual report on media freedom around the world. Fiscal transparency and reduction of red tape (time to register and pay taxes for a business) have registered some progress in this interval (for instance in Macedonia), but it has been insufficient to compensate press freedom losses (few sustainable progress cases exist on freedom of the press, Tunisia being the exception). The Internet has expanded, creating more and more e-citizens, but far from the fast pace needed to build a critical mass in poor countries. As to judicial independence, progress in some cases is offset by decline in others, and anticorruption often weakens the judiciary further, instead of strengthening it, due to furious battles for its control that ensue anticorruption campaigns (cases range from Italy after *mani pulite* to the Ukraine or recently in Romania). The evolution of the judicial independence component of the index, for instance, shows that countries which seem to be champions in change (like Brazil or Romania) still struggle to rise above a five on the scale, while countries with strong public demand for anticorruption (like India or South Africa) are regressing.

Figure 3. The long-term evolution of judicial independence

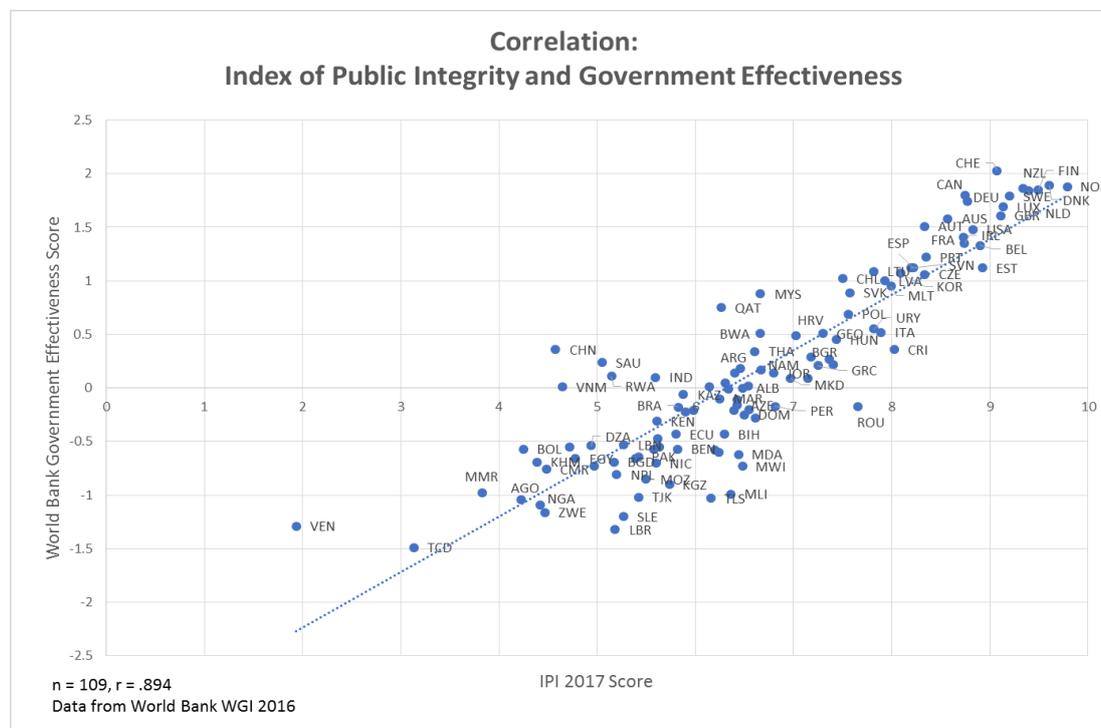


IPI Component Judicial Independence, ranked 1-10, with 10 best. Source: Global Competitiveness Report Survey 2008-2017.

The consequences of stagnation on control of corruption cannot be greater. The failure of governments to create merit-based systems in their societies subverts innovation (Figure 5), the most sustainable source of economic growth, and state capacity (figure 4), which leads to political instability and distrust in government. Societies with the greatest corruption scores fall victim to *en masse* desertion. People flee countries where advancement in both the public and the private

realms depends on connections rather than work, seeking instead merit-based societies where their talents will find recognition.⁴ Indeed, half the brain drain in the world can be traced to the absence of merit-based systems in one's society, a factor as powerful as poverty itself (see Figure 5).

Figure 4. How lack of public integrity subverts government effectiveness



To conclude, most of the tough work in control of corruption is still in front of us. For 2018 to be a better year, anticorruption supporters would do well to remember that all these elements put together create the balance represented by control of corruption in a society, and unless significant progress is achieved in all these significant areas we shall not see much progress again in 2018. While red tape reduction and trade freedom have their own promoters, who may not always realize that by advancing their causes they contribute so significantly to control of corruption, freedom of the press is an area often neglected by international donors, where help is greatly needed, not just in terms of diplomatic pressure (which remains indispensable) but as foreign investment in the media and other such interventions, which can make an essential difference to the media systems of captured poor countries. **Anticorruption measures need to be based on evidence to a much greater degree if it is to make any progress.**

Figure 5. How lack of public integrity subverts innovation capacity

⁴ See <http://www.nature.com/news/corruption-good-governance-powers-innovation-1.16927> for a fuller argument on this.

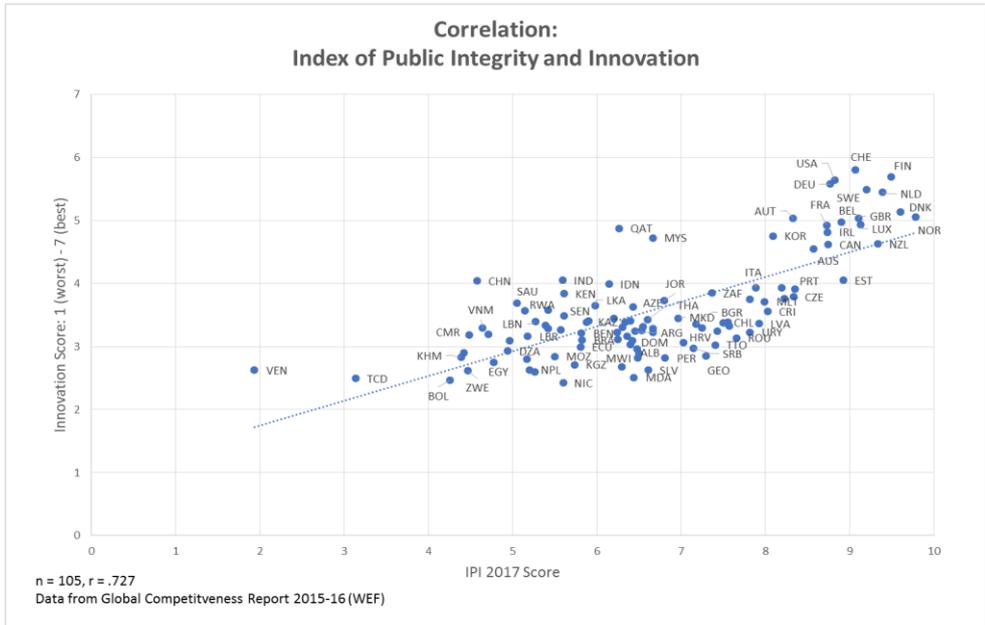
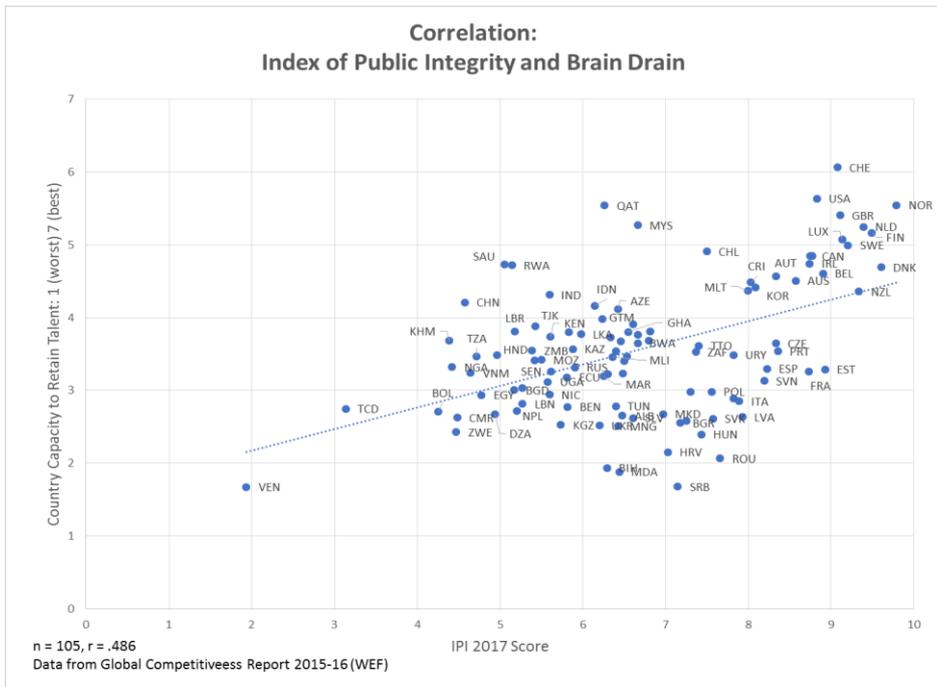


Figure 6. How lack of public integrity determines brain drain



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