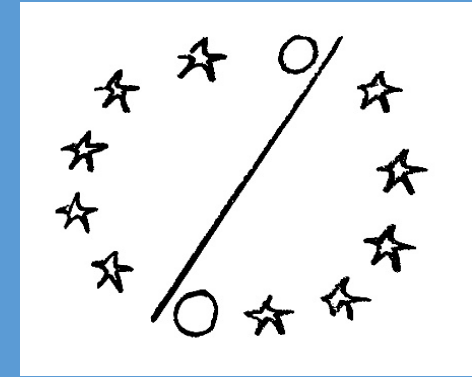
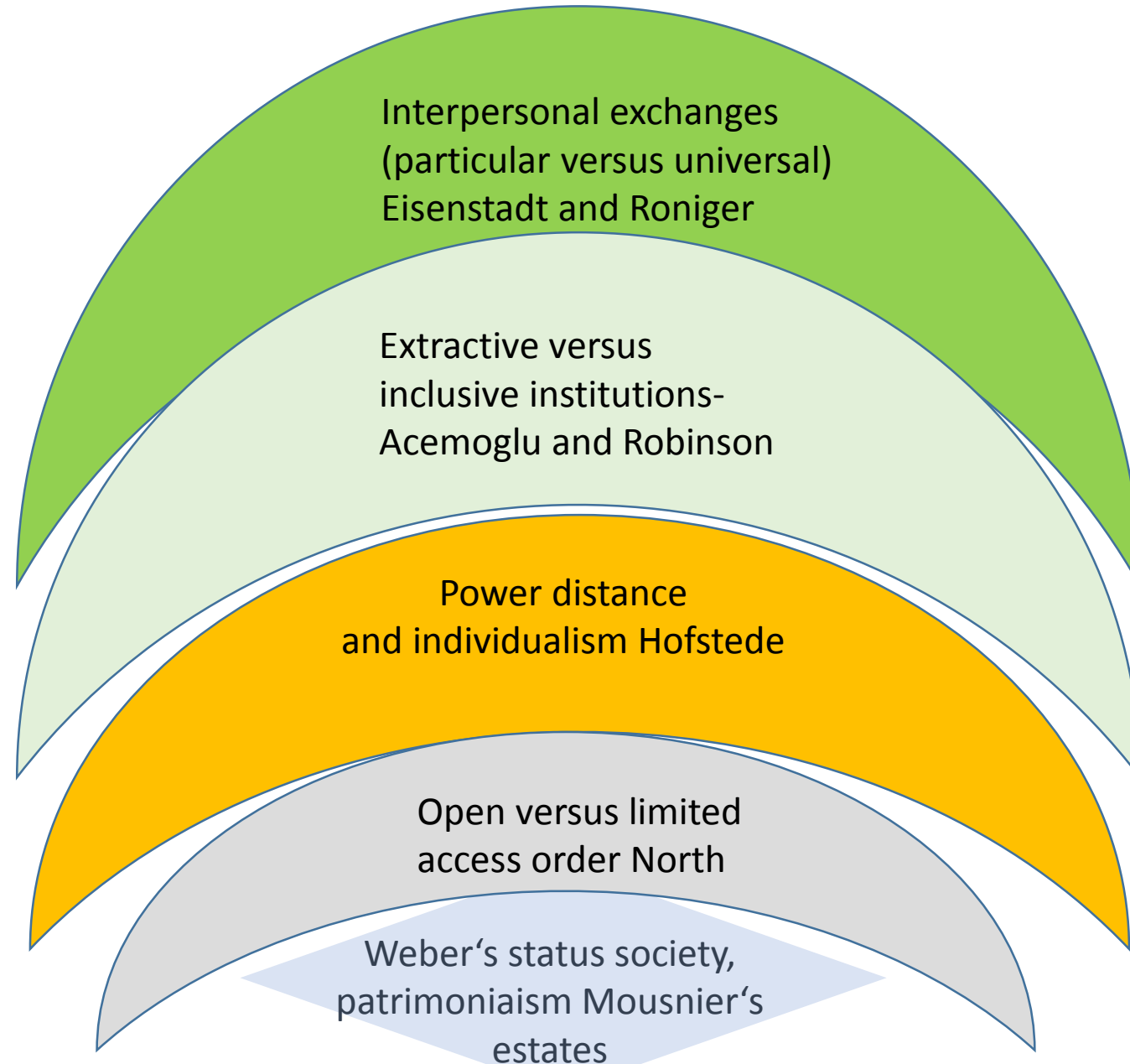
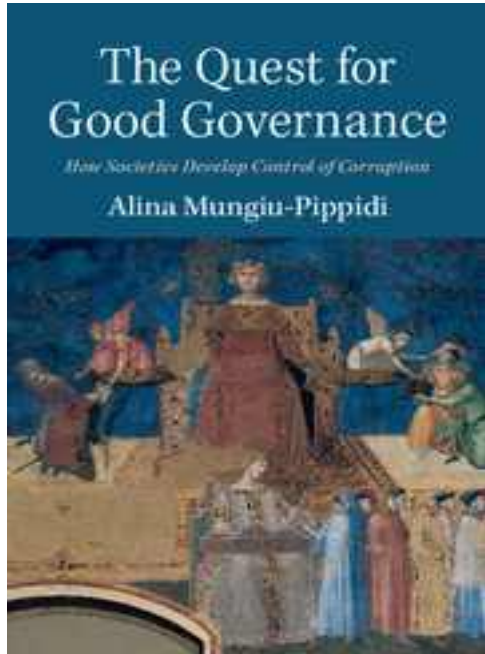


THE ROADMAP TO EVIDENCE-BASED ANTICORRUPTION



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State-society theory of governance regimes



Corruption is not a stand alone social phenomenon, but a form of governance which channels social allocation away from merit and hard work, distorting social incentives and subverting development



Every allocation particularistic
100 %, who you are (status) is what you get
Patrimonialism rules
E.g. Dominican Republic



No allocation particular, social allocation
universal (by category, not individual
connection to power)
Sharp private-public separation
E.g. Iceland



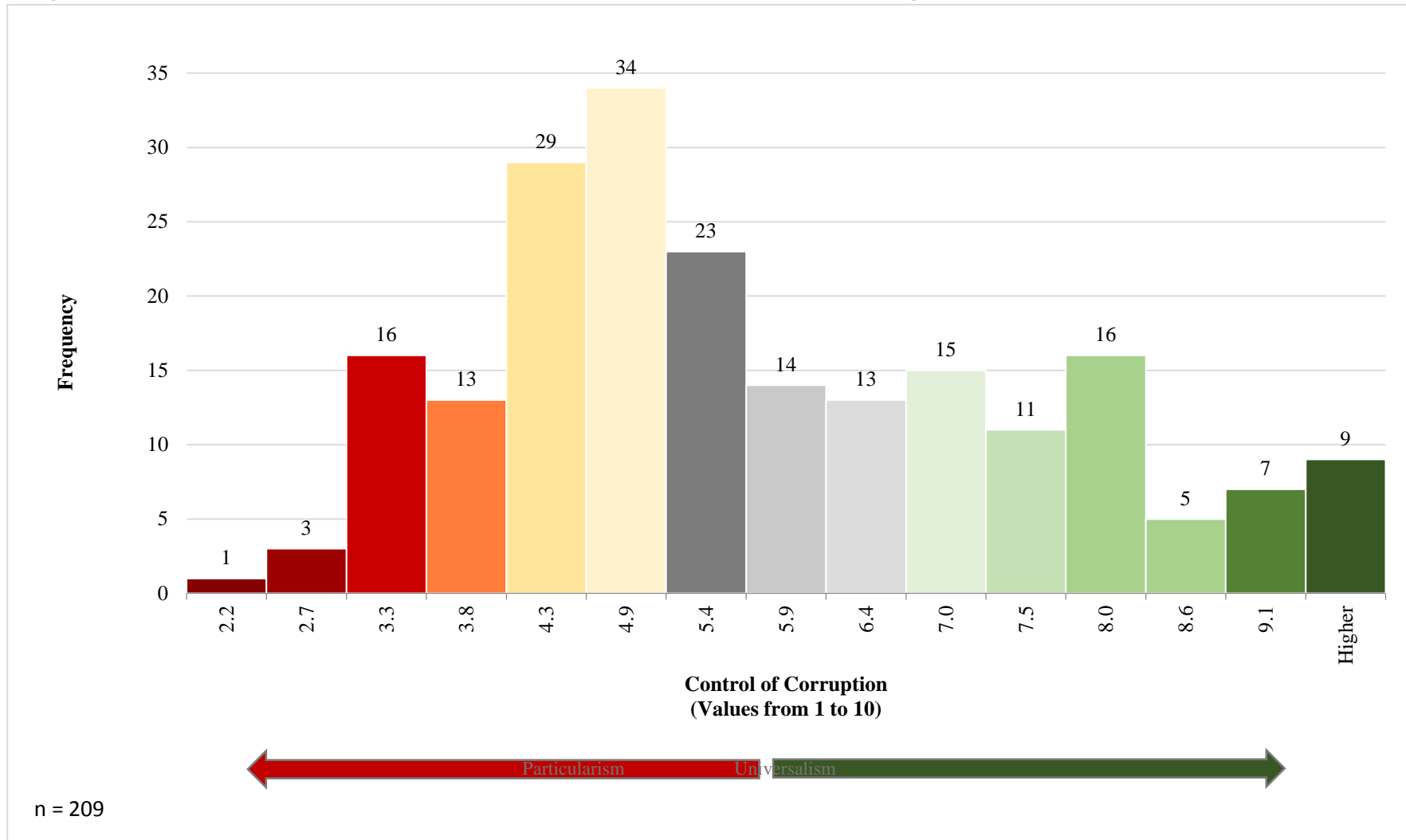
**Systemic (institutional)
corruption/
Generalized
particularism**

**Public integrity/
Universalism**

Corruption as norm-
main concern in
development

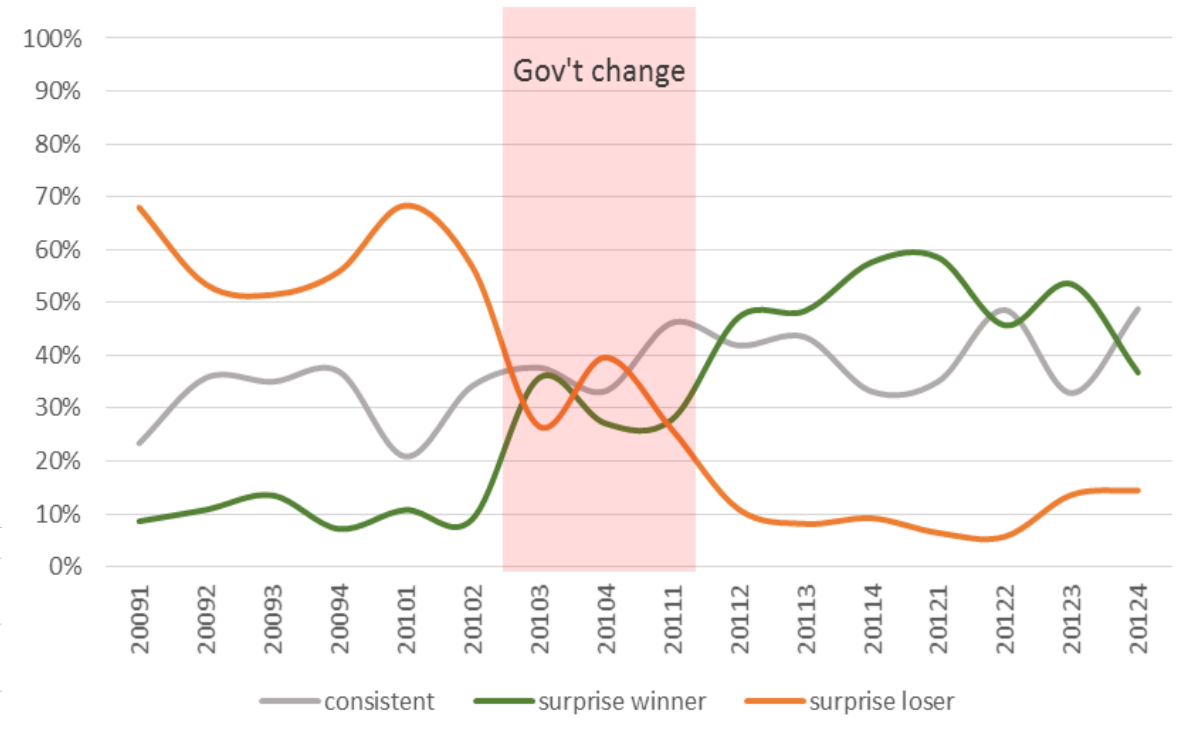
The autonomy of the
state from private
interest is an exception
and end of long
historical evolution
from patrimonialism
and particularism to
universalism,
impersonalism and
rationalization

Norm versus exception. The world is particularistic, so corrupt?



Corruption as norm mechanism. Market dependent on political favors

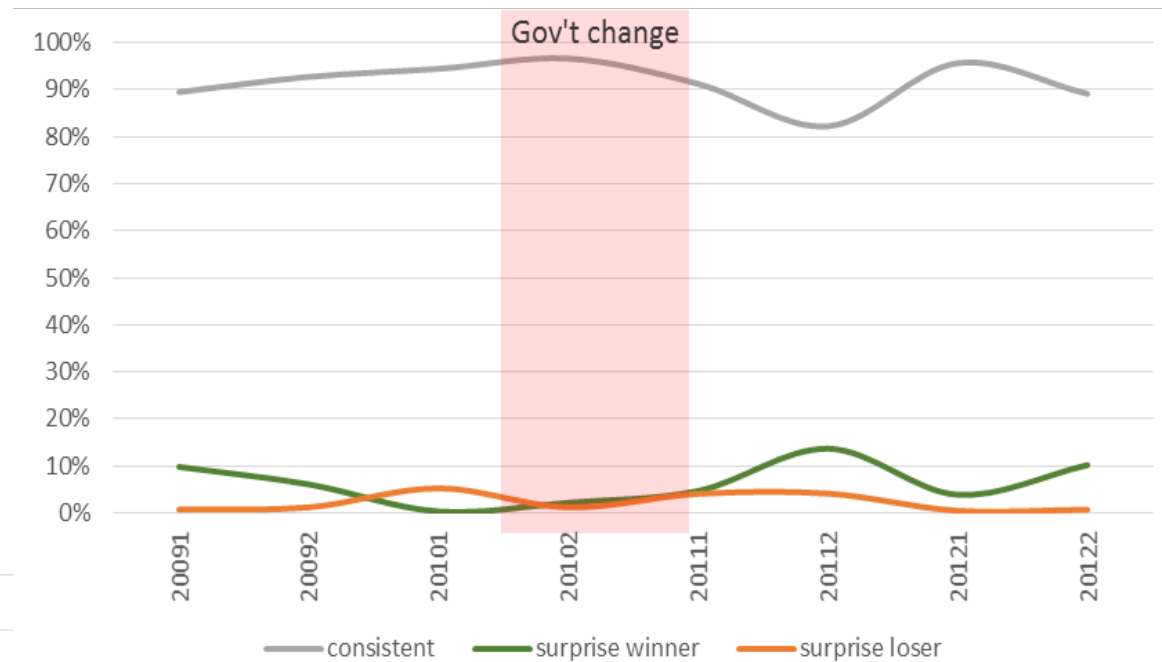
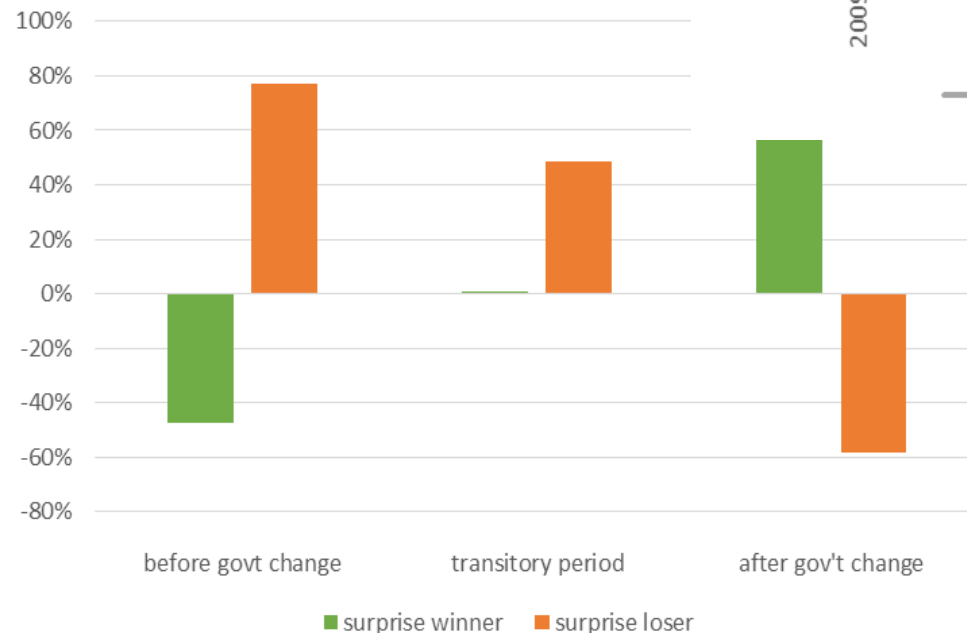
- Companies lose/win surprisingly when government changes
- Hungary, 2009-2012



Source: ANTICORRP
(Fazekas)

Market autonomous – normalcy, corruption is exception

- Few companies lose/win surprisingly when government changes
- UK, 2009-2012

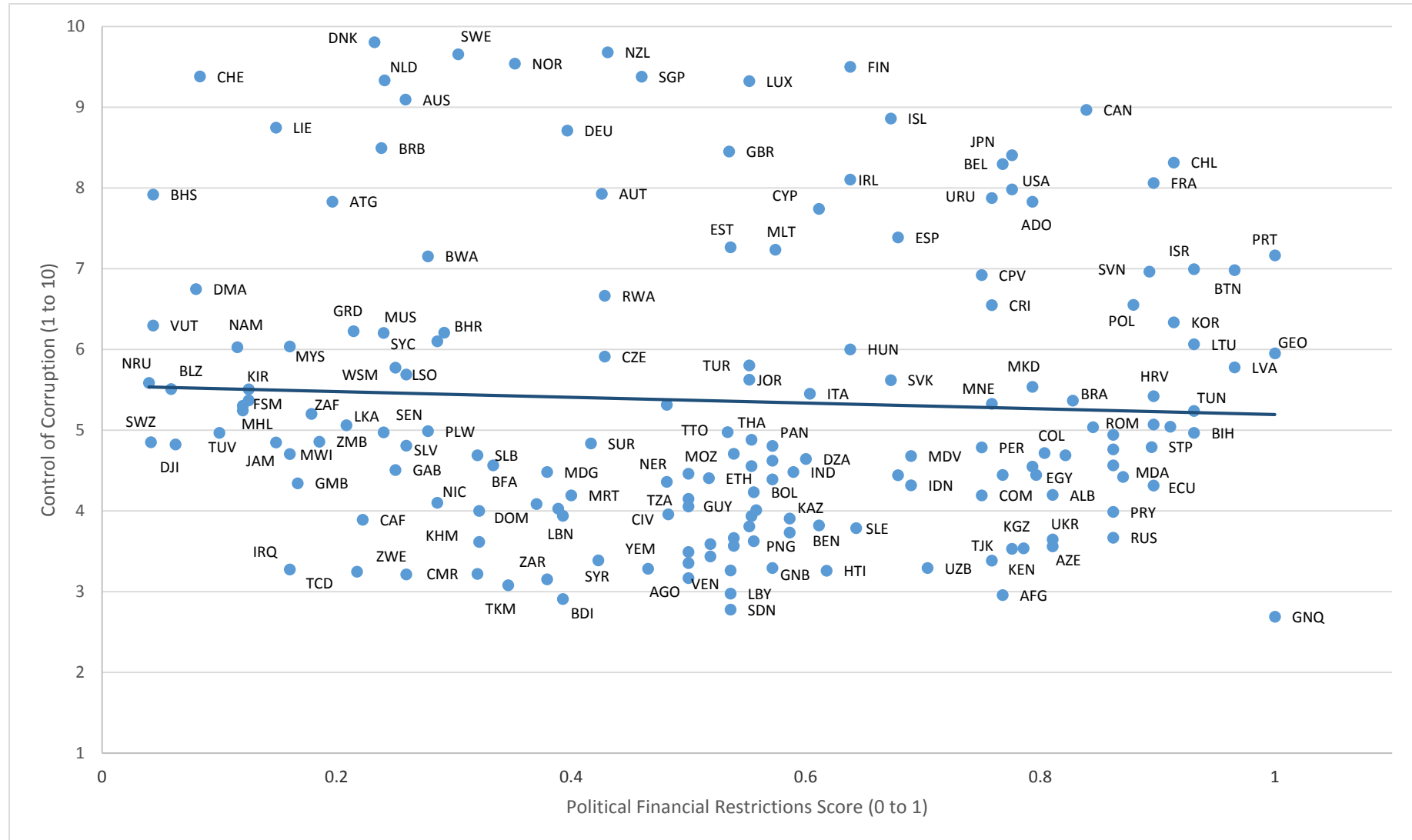


Source: ANTICORRP
(Fazekas)

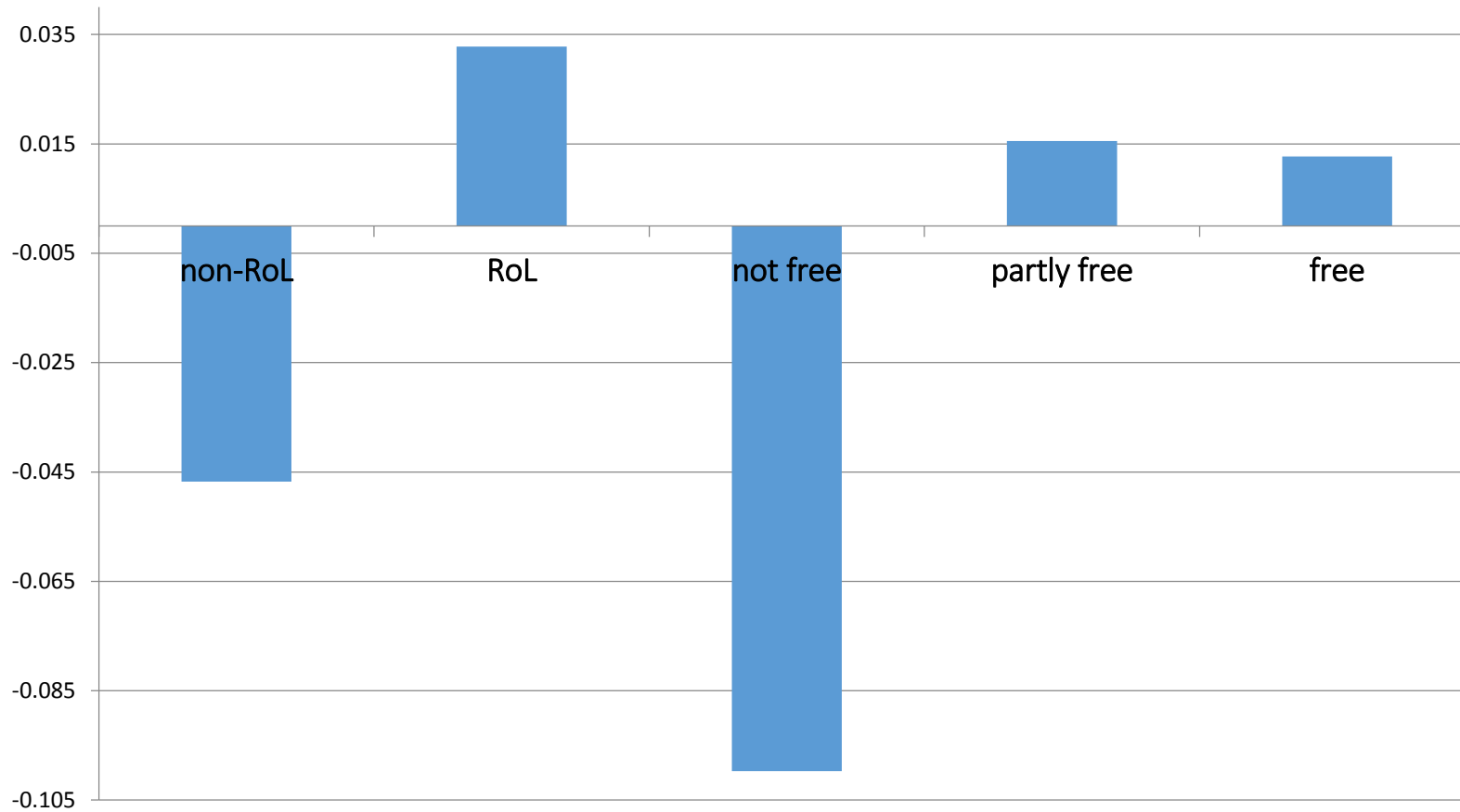
Why has anticorruption not delivered for the past fifteen years?

- Excessive reliance on laws where laws do not matter/no rule of law/culture of impunity
- Excessive reliance on repression rather than prevention with politicization of anticorruption
- Standard tools like AC prosecutorial agencies used instead of comprehensive approaches
- Total lack of coordination across foreign agencies and donors
- Absence of a larger national coalition framework to assume ownership and therefore govts with little will are entrusted with reforms
- Reliance on corrupt 'principals' instead of understanding we need to solve collective action problems

For instance in party finance restrictions



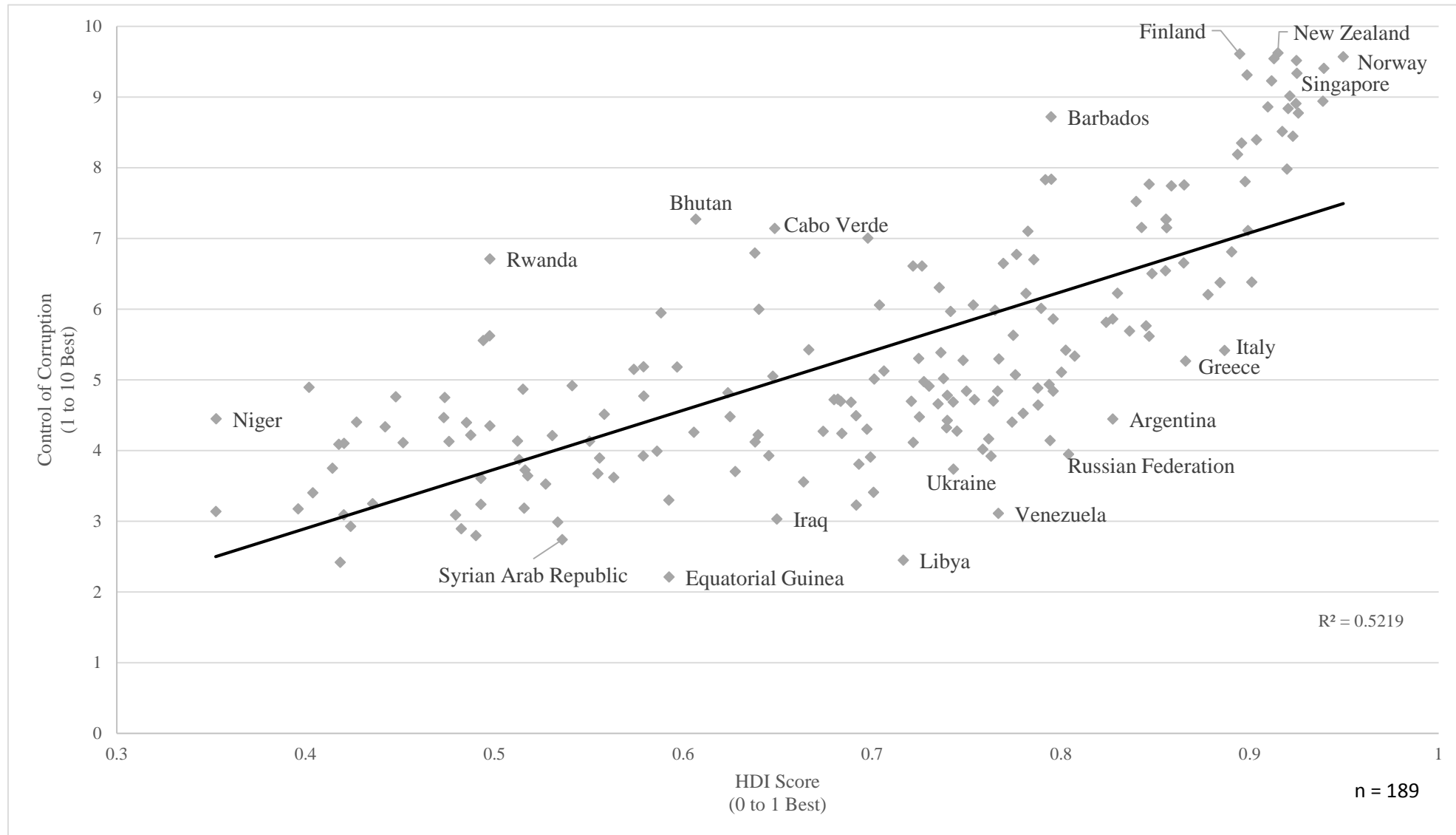
Only RoL countries progressed, and very little, in the past fifteen years

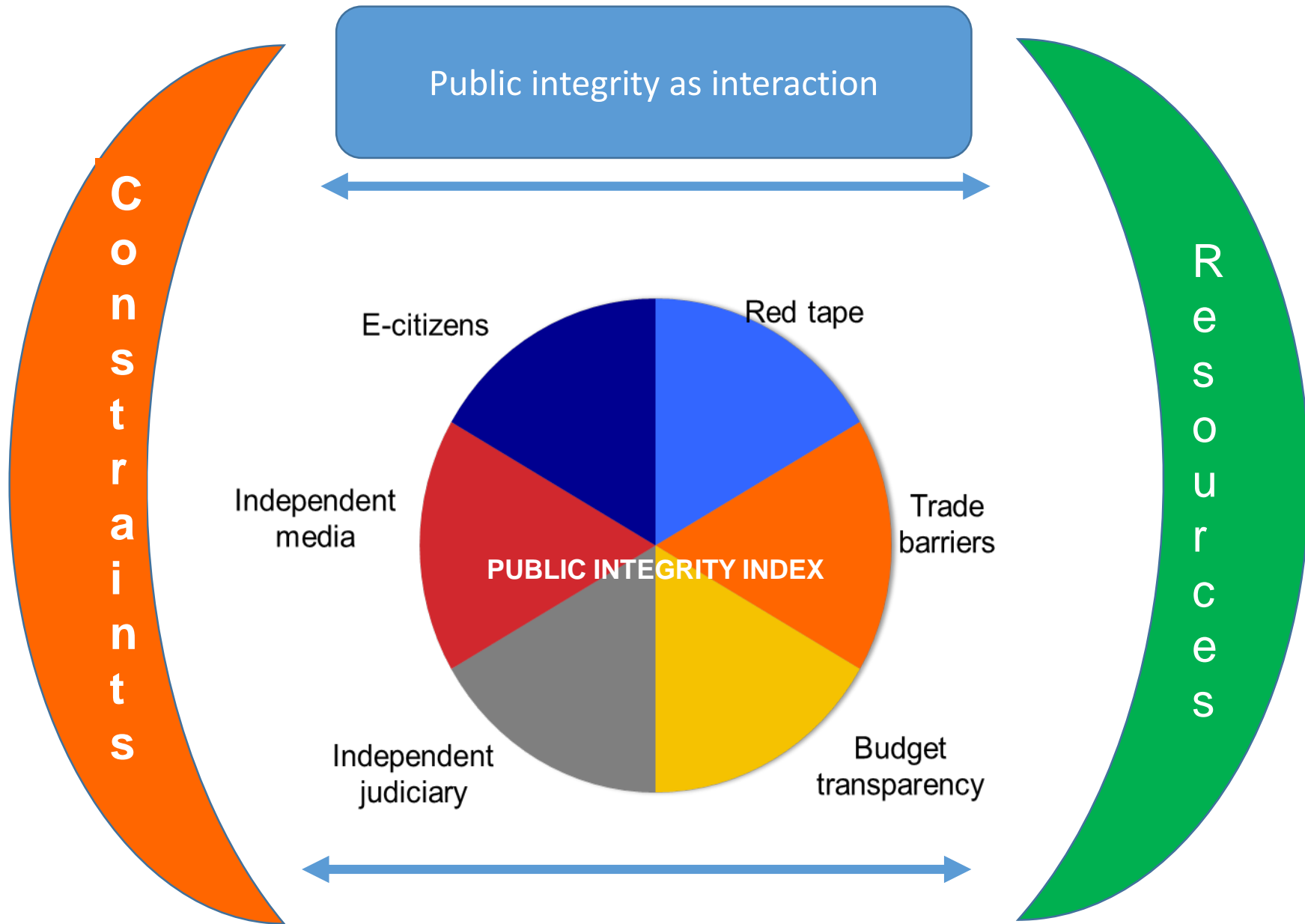


Source: Worldwide Governance Indicators; Freedom House. non-RoL/RoL: countries with WGI “rule of law” scores below/above the sample mean – corresponding freedom status by Freedom House.

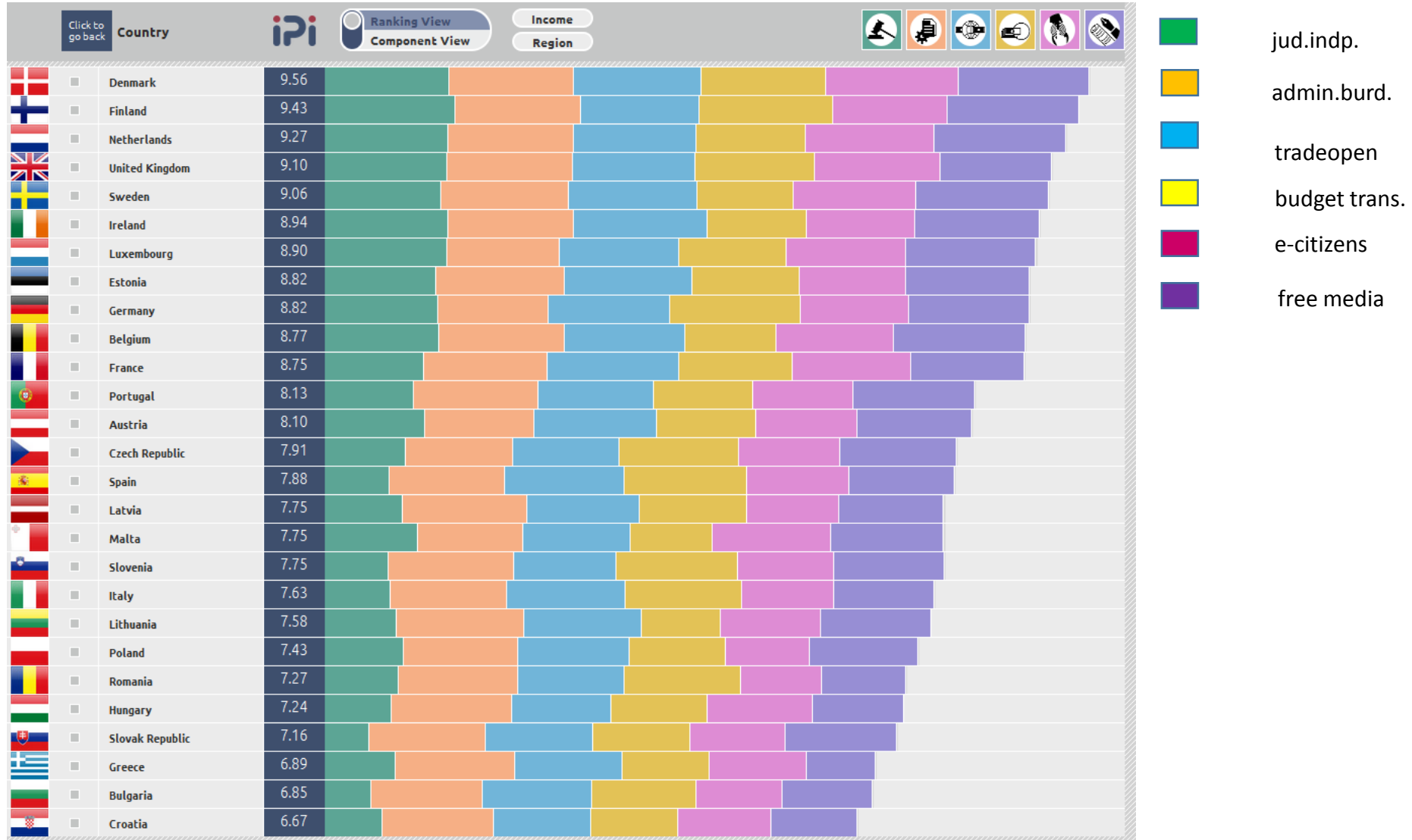
- Laws do not matter where rule of law does not exist, and anticorruption laws can do more harm than good
- Small progress even in RoL countries, leading to insignificant changes

Structural constraints exist, but so do windows of opportunity for human agency

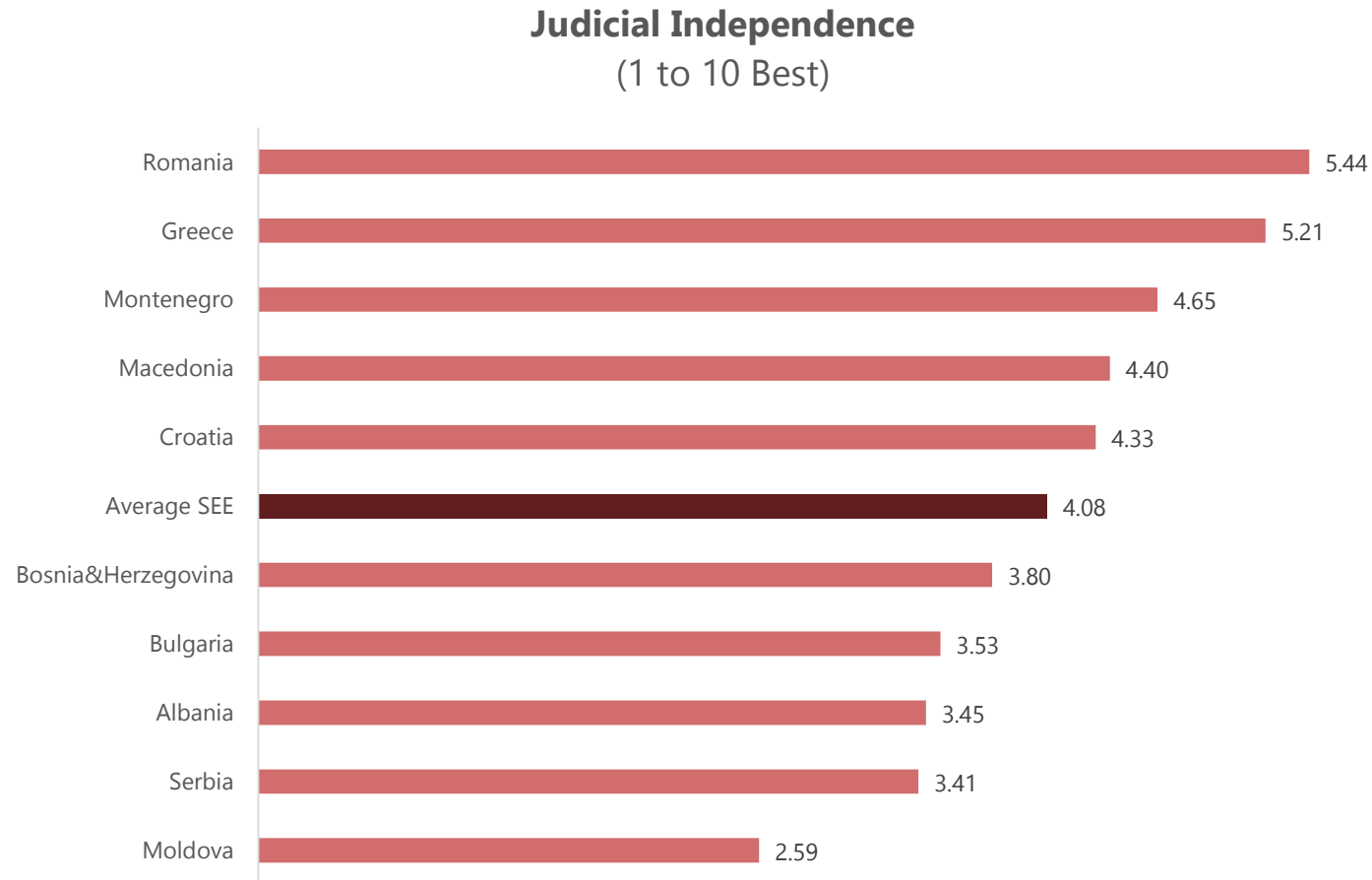




Index of Public Integrity, EU – where you rank tells you what you should do <http://integrity-index.org>



Index of Public Integrity Components - 2015



Source: World Economic Forum 2015

	WHAT WORKED IN SUCCESS CASES	Indicator	Benchmark country
Reduce opportunity			
Public-private separation	<ul style="list-style-type: none"> Public statements of interests and assets (financial disclosures) Public party spending 	<ul style="list-style-type: none"> Public report on spending from parties Number of conflicts of interests found and solved administratively 	Estonia
Admin discretion	<ul style="list-style-type: none"> Reduce red tape and enforce equal treatment Ombudsman also auditor and controller Make resources transparent through e-government 	<ul style="list-style-type: none"> Ease of doing business; indicators of equal treatment Cases solved administratively/cases solved through prosecution E-services as % as total public services 	Georgia Chile Estonia
Public spending	<ul style="list-style-type: none"> Public spending concentrated on areas such as health, education, research and innovation with infrastructure funded mostly through private-public partnerships (FDI) 	<ul style="list-style-type: none"> Existence of e-portal on online tracking expenses for national and local government procurement 	Uruguay
Formalization	<ul style="list-style-type: none"> Tax simplification Tax collection by private agents E-payments facilitation 	<ul style="list-style-type: none"> Time of paying taxes % increase in collection rate yearly 	Uruguay

	WHAT WORKED IN SUCCESS CASES	Indicator	Benchmark country
Judicial independence	<ul style="list-style-type: none"> • Tenure, appointment and sanctioning of magistrates entrusted to magistrates' bodies only with validation by 2/3rds of upper chamber • One agency in charge of coordination 	<ul style="list-style-type: none"> • WEF Judiciary independence (perception of businessmen) • Successful litigations against government 	Chile, Botswana Taiwan Georgia
Civil society	<ul style="list-style-type: none"> • Ease of registering, 'sunshine' laws for public consultations, civil society component in every donor program, separate or combined with assistance to government, conditions on participatory budgeting, auditing or evaluations, direct funding with no red tape 	<ul style="list-style-type: none"> • Number of NGOs • % public consultations from total new legal drafts or policies • Existence and traffic of watchdog websites • Facebook users per country 	Estonia Korea
Media freedom	<ul style="list-style-type: none"> • No government regulation for media except anti-trust or cartel legislation • Political conditionality from international community related to media freedom • Foreign clean investment in the media 	<ul style="list-style-type: none"> • Media sustainability indicators • News readership/audience 	Estonia
E- citizens	<ul style="list-style-type: none"> • IT investment in education, training for educators • Freedom of Internet 	<ul style="list-style-type: none"> • Internet connections per household • Facebook users per country • % citizens using e-services 	South Korea Estonia

The seven steps to an evidence-based strategy

1. Conceptualize corruption as a social context, not as individual cases
2. Diagnose if exception or norm
3. Measure
4. Find who really wants to change the situation
5. Find how it could change (theory of change) based on who and why
6. Get together (as international donors) around one plan where roles are divided
7. Set an example with your own aid on how social allocation is supposed to work