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SEVEN STEPS TO EVIDENCE-BASED ANTI-CORRUPTION: A ROADMAP

Alina Mungiu-Pippidi

Seven Steps to Evidence-Based Anti-corruption: A Roadmap

Alina Mungiu-Pippidi

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Expertgruppen för biståndsanalys (EBA)

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Foreword by the EBA

Corruption prevails in many countries, implicating gross problems and costs. But previous research has shown that, even where corruption is prevalent, most agents want to “do the right thing” if only others behave in the same way. If we view it as a problem of collective action rather than stemming from deeper determinants, together with the positive development impact of control of corruption, anti-corruption should be a major concern among donors.

Still, as argued by Bo Rothstein and Marcus Tannenbergh in a previous EBA-report (2015:07), after almost twenty-five years of intensive research, it is not possible to identify one single aid policy initiative that can be shown to have had a significant effect on reducing corruption in recipient countries.

In this report, based on a number of previous studies, Professor Alina Mungiu-Pippidi echoes the above argument. Since many of the most frequently applied tools in aid-funded anti-corruption work probably don't have intended effects, time is ripe to do some rethinking, she argues. How can donors as outsiders contribute to reducing opportunities and increasing constraints for corruption?

Functioning tools are indeed context-dependent. Nevertheless, some general lessons can be drawn in order to form the basis for a joint donor effort to influence the transition of societies into a future where corruption is an exception. Professor Mungiu-Pippidi sketches a seven-step roadmap to evidence-based anti-corruption. It is my hope that this report will take us a step further, and help to improve the effectiveness and coordination of the donor community's anti-corruption measures.

The report was produced in dialogue with a reference group under the leadership of Professor Arne Bigsten, member of the EBA. The analysis, conclusions and recommendations expressed are those of the author.

Gothenburg, November 2017

A handwritten signature in blue ink, appearing to read 'Helena Lindholm', written in a cursive style.

Helena Lindholm

Sammanfattning

Tiden är mogen för en övergripande färdplan för ett evidensbaserat antikorrupsionsarbete. En genomgång av de antikorrupsionsinsatser som vanligtvis förespråkas visar att de få verktyg som fungerar endast gör det där det finns inhemska drivkrafter för förändring.

I denna rapport rekommenderas internationella biståndsgivare att enas om en gemensam strategi tillsammans med lokala civilsamhällen för att utveckla och stödja nationella långsiktiga strategier som lägger grunden för ett allmänt etiskt förhållningssätt och en förvaltning styrd med integritet. I rapporten skissas huvuddragen för en diagnos av villkoren för social fördelning, vissa faktabaserade förändringsindikatorer rekommenderas och en tentativ strategi skissas för att identifiera inhemska förändringsaktörer.

Insatser måste utformas för att stödja dessa aktörer, utifrån en gemensam strategi för att begränsa korrupsionsmöjligheter och öka korrupsionsbegränsningar. Verktyg som visat sig vara verkningslösa i dessa sammanhang bör uteslutas helt.

Summary

The time has come for a full-fledged roadmap to evidence-based anti-corruption. Testing the toolkit of anti-corruption consultants, it is found that the few workable tools are functioning only in contexts where domestic agency exists.

This report recommends international donors to develop a common strategy together with domestic civil societies, to draw and support national long-term strategies aimed at building public integrity and ethical universalism. It sketches the basics for a diagnosis of the rule of the game in social allocation; it recommends some fact-based change indicators to set a target; and outlines a strategy in order to identify the human agency willing to change the situation.

In the end, the report argues, interventions have to be designed in order to empower such agency, on the basis of a joint strategy to reduce opportunities and increase constraints for corruption. All tools that do not fit the context should be entirely excluded.

Introduction

The last two decades have witnessed an unprecedented anti-corruption activity – adoption of an international legal framework, a growing anti-corruption civil society, the introduction of governance-related aid conditionality, and the rise of a veritable anti-corruption industry. But these efforts have also been marred by stagnation in the evolution of governance, whose perception has remained flat for most countries in the world. The exact count by 2017 gives the following picture: twenty-two countries have progressed significantly in this interval, of which nineteen are free or partly free; and twenty-five countries have regressed, of which only seven are not free.¹

Measures of governance are too recent to allow us to dig further into the past. Still, it seems that governance change has much in common with climate change. It occurs only slowly and the role that humans play involuntarily seems always to matter more than what they do intentionally.

External aid and its attached conditionality is the essential component in attempts to make governance of developing countries able to deliver decent public services to all those entitled to them. However, we find little evolution in this regard. A panel data set on 110 developing countries (2002–2014) to examine the largest aid in the world, coming from the European Union and its member states, paints a somewhat gloomy picture. Bilateral aid from the largest European donors does not show any impact on governance in recipient countries, while multilateral financial assistance from the EU institutions (aid conditional to good governance) only leads to a small improvement in governance indicators of the net Official Development Assistance (ODA) recipients of EU assistance. Dedicated aid to good governance and corruption within multilateral aid presents no sizable effect, regardless of the recipients: the public sector or anti-corruption (first reported in Dadasov, 2017).

¹ Count based on the World Governance Indicator Control of Corruption recoded one to ten with best performer ten.

Countries like Georgia, Vanuatu, Rwanda, Macedonia, Bhutan, and Uruguay, which have managed to evolve more than one point in a 1–10 scale over this interval, are positive outliers. They have evolved disproportionately well compared to the EU aid per capita they received, while countries receiving the most (Turkey, Egypt, Ukraine) have shown rather disappointing results.

So how can an external actor (a donor agency) influence *the transition of a society away from corruption as governance norm* – where public resource distribution is systematically biased in favor of authority holders and those connected with them – *to corruption as an exception* – a state that is largely autonomous towards private interest, with an allocation of public resources based on ethical universalism (where everyone is treated equally and fairly)? Can such a process be engineered, and how do current anti-corruption tools promoted by the international community perform in delivering this goal?

While our knowledge is far from sufficient, I draw on ANTICORRP (2013–2017), one of the largest social science framework research projects of the European Union. ANTICORRP is systematically assessing the impact of public anti-corruption tools and their enabling contexts. The data is public, and most results have already been published or are soon forthcoming. In this article I only refer to the evidence, but do not present it as such. I am more interested in monitoring the consequences of this assessment. My aim is to suggest a methodology for the design of an anti-corruption strategy for external donors and their counterparts in domestic civil societies.²

² I draw in particular on the ANTICORRP reports ample evidence report of what works and does not work in anti-corruption and the two special issues of Springer journals that I edited, *European Journal on Criminal Policy and Research*, Volume 22, Issue 3, September 2016, <https://link.springer.com/article/10.1007/s10610-016-9322-1> and the special issue November 2018 of *Crime, Law and Social Change* on evidence-based anti-corruption, <https://link.springer.com/journal/10611>

Many anti-corruption policies and programs have been declared successful to date. In reality, no country has yet achieved control of corruption due to international assistance and its standard prescriptions, though a few have succeeded on their own (see also Klitgaard, 2014).

The definition of success also needs clarification. “Success” can only mean a consolidated dominant norm of ethical universalism and public integrity. Exceptions, corrupt acts, will always remain, but as long as they are numerous enough to make the rule virtually indistinguishable, a country cannot be seen as an achiever. A successful transformation requires two basics: a dominant norm of public integrity (where the majority of acts and public officials are not corrupt, so the country should score in the upper third of the 1–10 scale), and its sustainability.

Presently, quite a few developing countries seem to be struggling in a borderline area, where the old and the new norm confront one another, hence the anti-corruption headlines found in such countries. Popular demand for integrity of their leaders has increased considerably in recent years in South Korea, India, Brazil, Bulgaria, and Romania, but the threshold to a substantially improved quality of governance has not been passed so far.

The solutions for each and every country are to be found in the country itself – and some might be rather inaccessible. They are not found in some general repertory. Still, recent research can contribute to a roadmap giving us more evidence-based corruption control.

Step 1: Built, not restored

The first step is to understand that control of corruption has to be built – and not restored.

Most anti-corruption approaches are built on the concept that public integrity and ethical universalism (public goods distributed fairly and equitably) are the default governance norms. This is wrong on two counts, and leads to policy failure.

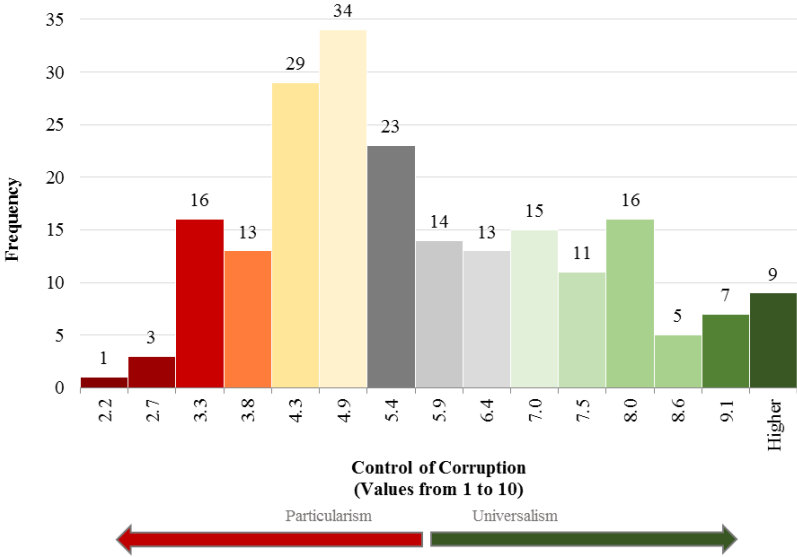
It is wrong because most countries today are corrupt rather than non-corrupt. A histogram of corruption control shows that developing countries range between two and six on the 1–10 scale, with some borderline cases in between (*Figure 1*). Countries in the upper third score represent a minority, so a development agency will more likely deal with a situation where corruption is the social norm, where it is institutionalized. We should understand corruption as a social practice or institution, not just as a sum of individual corrupt acts.

Secondly, it is wrong because in a development perspective even countries whose governance is presently based on norms like ethical universalism have a past with other norms: Sales of offices, class privileges and electoral corruption – the history of even the cleanest countries shows that good governance is the product of evolution. Modernity is a long and frequently incomplete endeavor to build private separation and a state that is autonomous towards private groups.

Institutionalized corruption is based on informal particularism (where individuals are treated differently according to status), which is prevalent in collectivistic and status-based societies. Combined with the use of public office for profit, this generates patrimonialism. Lack of private–public separation makes it tempting for authority holders to use their office as a source of spoil.³

³ For the intellectual genealogy of these terms, see chapters 1–2 in Mungiu-Pippidi (2015) and Parsons (1997).

Figure 1: Distribution of countries on the particularism-ethical universalism continuum, 2015



Source: WGI Control of Corruption frequency distribution recorded 1–10 (Denmark = 10).

Public corruption exists due to a certain power configuration accepted in a society and to practices deriving from it. Particularism encompasses a variety of interpersonal and personal–state transaction types, such as clientelism, bribery, patronage, nepotism and other kinds of favouritism. All of them imply some degree of patrimonialism when an authority holder is involved. Particularism defines the relations between a government and its subjects, but also between individuals. It explains why advancement in a given society is based on merit or, on the contrary, on status or particular connections with influential people.

The outcome associated with particularism, a regular pattern of preferential distribution of public goods towards those who hold more power, has been named ‘limited access order’ (North et al., 2009), ‘extractive institutions’ (Acemoglu and Robinson, 2012), and ‘patrimonialism’ (Fukuyama, 2014). Essentially, though, these categories are overlapping. It is acknowledged that particularism, rather than ethical universalism, is closer to the state of nature, or

the default social organization. The opposite, a norm based on open, equal access or public integrity, is by no means guaranteed by evolution. So far it has only been reached in a few countries.

The first ones to achieve good control of corruption, Britain, the Netherlands, Switzerland and Prussia, were also the world's first countries to modernize and, in Max Weber's terms, to rationalize. This implied an evolution away from brutal material interests – as espoused, for instance, by Spanish conquistadors who spoiled the gold and silver of the New World – and towards a more rationalistic, capitalistic channeling of economic surplus, with an adjacent ideology highlighting personal austerity and achievement. Markets and capitalism have gradually emerged in these countries as the main means of allocating resources, despite obvious limitations. The previous discretionary allocation by means of more or less organized violence has been replaced. During the past one and a half centuries, a multitude of attempts has been made around the world to replicate these historical cases of Western modernization. However, a similar reduction in the arbitrariness and power discretion of rulers (as in the West and in some Western Anglo-Saxon colonies) has not occurred, regardless of the said rulers. Some rulers were monopolists; others gained power after contested elections.

Despite adopting most of the formal institutions associated with Western modernity – constitutions, constitutional courts, political parties, elections, bureaucracies, free markets and courts – many countries have never managed to achieve a similar rationalization of the state and the broader society.⁴ Many modern institutions do exist, but they do so in form essentially, substituted by informal institutions that are anything but modern.

This is why treating corruption as a deviation is problematic in developing countries. It leads to investing in norm-enforcing instruments in cases where norm-building instruments are quite different.

⁴ A fuller argument, roughly compatible with mine, is found in North et al. (2009).

Step 2: Norm diagnosis

The second step is the norm diagnosis. If we conceive governance as a set of formal rules and informal practices determining who gets what in terms of public resources, we can place any country on a continuum of public resource allocations. Full particularism is at one end and full ethical universalism is at the other.

We have to answer some main questions here. What is the dominant norm (and practice) when social allocation is concerned – merit and work, or status and connections to authority? And how does this compare to the formal norm (say, UNCAC, or the country’s regulations)? How does it compare to the general degree of modernity in a society? Merit may not work as the default advancement mechanism in civil service, but does it work in the broader society, in universities, private businesses, etc.)?

World Governance Indicator CoC, an aggregate of all perception scores (as shown in *Figure 1*) and the composite, mostly fact-based Index for Public integrity that we developed (and which is highly correlated with perception indicators), are the places to start this exercise. Any available public opinion poll on governance can complete the picture. Simply put, a majority of respondents in countries belonging to the upper tercile will say that no connection is needed when resorting to some public service. Those scoring under seven will in all likelihood indicate that connections or some material inducement is necessary in large, although different, proportions.

Even in the European Union, only Northern Europe presently has a majority convinced that the state and markets work impersonally (Eurobarometer 397). Adding the US, developed Commonwealth countries and Japan, exhausts this group of countries. The next group,⁵ around 6–7 countries, has a far more divided public opinion, showing that the two norms coexist and that they possibly compete. In countries where the norm of particularism is dominant and access therefore is limited, surveys

⁵ For evidence, see chapter 2 in Mungiu-Pippidi (2015).

show that majorities endorse a group of highly correlated questions, agreeing that government works only in favor of the few – people are not equal in the eyes of the law. Connections, not merit, are the keys to success in both the public and the private sectors. Bribing is an alternative to favoritism on the basis of status (connections). It correlates with capture, and bribing is, more often than not, opening access in a context dominated by favoritism.

In short, the analyst needs to figure out if favoritism is dominant, and how material (bribes) and status-based favoritism relate to one another. Are they complementary, compensatory, or competitive? When the dominant norm is particularistic, the distinction between grand and petty corruption is about as meaningful as remarking that a crime happens in a train versus an apartment building. That does not indicate either the nature or the mechanism of the crime. Where corruption is the norm, collusive practices are widespread. They include not only a fusion of interests between appointed and elected office holders and civil servants more generally, but also the capture of law enforcement agencies.

Step 3: Appropriate indicators needed

Diagnosis has to be completed by a third step, actual measurement by means of fact-based indicators allowing us to trace change.

Fortunately or unfortunately, since corrupt societies are status societies (in Max Weber's words) where wealth is only a vehicle to obtaining greater status, such societies do not need any Panama paper revelations. Systematic corrupt practices are noticeable both directly and through their outcomes. We find lavish houses belonging to poorly paid officials, great fortunes made from public contracts only, and, consequently, public works of poor quality. Particularism results in privilege for some (favouritism) and discrimination against others. Both outcomes can be measured.⁶

Table 1 illustrates how corruption as norm and corruption as exception differ essentially – from definition to implications such as measurement or responses to corruption. An individual is corrupt when engaging in corrupt acts, regardless of the side he or she is on (public or private).

To diagnose an organization or a country as 'corrupt' we have to establish that corruption is the norm: that a majority (50 plus one) of their transactions (defined as individual transactions, or by monetary value) is corrupt. In the first context, the corrupt agent is just a deviant and can be sanctioned by the principal if disclosed. In the second case, the principal colludes with the agent, and corruption is exercised throughout a pyramidal organization that extracts resources disproportionately in favor of the most powerful group. So, anti-corruption means solving problems of power discretion and collective action. People conform to the rule of the game, and they conform similarly whether the norm is ethical universalism or favoritism and clientelism. In the former situation, conformity helps to enforce public integrity, in the latter to deter it.

⁶ For a fuller argument, see Rotberg (2014) and Mungiu-Pippidi (2016).

Table 1: Corruption as governance context

Features of ideal types of governance regimes	Context A Corruption exception	Context B Corruption norm
<i>Definition?</i>	Individual behaviour where public authority is abused, resulting in undue private profit	Social practice where particularism (not ethical universalism) informs the majority of government transactions, resulting in widespread favoritism, discrimination
<i>Observable?</i>	Corruption unobservable/whistle-blowing needed	Corruption observable as overt behaviour, flawed process, as well as through outcomes/consequences, so monitoring and curbing impunity is needed
<i>Public–private separation?</i>	Enshrined as norm, with access allowed and transparent as lobby; and exchanges between the sides consequent in time (revolving doors)	Permeable border, where patrimonialism is the norm and conflict of interest is ubiquitous (one person often belongs to both sides in the same time)
<i>Preferred observation level</i>	Micro and qualitative: e.g. lobby studies	Macro: how many bills are driven by special interest, how many contracts are awarded by favoritism, how many officials are corrupt, etc.

The universe of observations for measurement is given by all the transactions that a government agency, a sector, or a state engages in (from regulation to spending). The aim is to establish the prevalence of favouritism, to measure how many of these transactions are “as they should be” – impersonal and by the book – and how many are not. The results allow us to observe changes over time in a country’s capacity to control corruption.

In my previous work I have given some examples: such as the particularistic distribution of funds for natural disasters; comparisons of turnout and profit for connected companies versus non-connected companies; group of market leaders changing fortunes at elections, only to be replaced by another well-defined group of market leaders.

Data sources include distribution of public contracts, subsidies, tax breaks, government subnational transfers and basically any allocation of public resources, including through legislation (as laws are ideal instruments to trade favors for personal profit). If such data exists in digital format, which is increasingly the case in Eastern Europe, Latin America and even China, it becomes feasible to monitor how many public contracts are awarded to companies belonging to officials, how many people have put their relatives on public payroll, and so forth.

Making those sources visible as open data by public or semi-public entities (as government and Register of Commerce data) and universally accessible is a valid and worthy target for donors. And the method works even when data is not digital, by simple requests for information. Most countries in the world by now have a freedom of information act. Denial or inaccessibility of such public data opens an entire avenue for action in itself. You can, for example, initiate a litigation process for the implementation of freedom of information.

Step 4: Identify agency

The fourth step is solving the problem of domestic agency. By and large, countries can achieve control of corruption in two ways. One is the surreptitious way, where open access, free competition and meritocracy are achieved as a side effect through incremental changes of institutions, without always (or, indeed, ever) being a main collective goal. This worked in the past for many of today's developed countries. The second way is, of course, when rule of law and control of corruption are delivered as collective goods after collective agency and investment, for instance after sustained anti-corruption campaigns.

Both paths need human agency. In the former, the role of agency is small. It is presumed that nobody will oppose reforms that are not perceived to be posing a threat to anybody's rents. Those reforms do not need great heroism to be pushed through, just common sense, professionalism and a public demand for government performance. In the latter case, considerable effort and alignment of both interests favouring change are needed – and also an ideology of ethical universalism. Identifying the human agency capable of delivering change becomes essential.

Changing governance across borders is a difficult task even under military occupation. Leaving the external actors aside, a country's governance can be brought from corruption as norm to corruption as exception, either by an enlightened despot (the king of Denmark model from the beginning of the nineteenth century), an enlightened elite (the British and Americans examples), or by an enlightened mass of citizens (the famous 'middle class' according to political modernization theory).

Enlightened despots do occur periodically. The kingdom of Bhutan is a current example of shining governance reforms, and so is Botswana, where the presumptive king became a democratically elected president instead. Enlightened elites can perhaps be engineered (this is what George Soros tried to do, resulting in large-scale mobilization in less democratic countries). Estonia, Georgia, Chile, and Uruguay evolved far better than their

neighbours with less powerful elites of this kind. Enlightened and organized citizens need to develop a critical mass, and they still cannot do much, regardless how strong their demands for good governance are, without some alternative and autonomous elite capable of taking over from the corrupt one. As the recent South Korean case has just proved, one step back by entrusting power at the top to former elites may lead to an immediate return to former practices – but fortunately the Korean society had evolved sufficiently to defend itself in the interval.

In principle, donors can work with enlightened despots. They may try to socialize with enlightened elites to some extent, and there are certainly opportunities to help civil society and a developing enlightened citizens' community. In practice, though, that is not so easily done. Every corrupt government is often treated like an enlightened despot and entrusted the ownership of anti-corruption programs that will never take off – not only because they often are the wrong programs, but because they really should be implemented against the main interests of these 'principals'.

Pro-Western elites are scarce these days, so checking their anti-corruption credentials often becomes problematic. Take the tiny post-Soviet republic of Moldova. It could never afford to punish anyone belonging to Russian organized crime controlling a part of its economy, and even dominating its breakaway province (Transnistria) thriving on weapons smuggling. Due to international anti-corruption efforts the authorities landed their pro-EU prime minister in jail for eight years for 'abuse of service', actually for failing to prevent cybercrime.

The remaining option, building a critical mass from bottom up, is not an easy task either. It basically means competing with patronage and client networks that have a lot to offer. The 'incentivizing' – another buzzword of the anti-corruption industry – is really a practical joke. Nothing bigger than a diamond mine or the oil income (or the whole budget, including assistance funds) exist by way of incentives, and the spoilers generally control and distribute them wisely to stay in control. Anti-corruption is not a

win–win game. It’s a game played by societies against their spoilers, and when building accountability not everybody will be winners. But since countries like Estonia, Uruguay, Costa Rica, Taiwan, Chile, Slovenia, Botswana and Georgia are edging over the threshold of good governance through their own agency, we may hope that others will follow their examples.

Demand for good governance and participation in anti-corruption protests is increasing all over the world – but not sufficiently to change governance. The middle classes have perhaps not grown enough in the last two decades to make this happen. The Pew Center found that between 2001 and 2011 nearly 700 million people escaped poverty, but they have not climbed all the way up to the middle class (see Kochhar, 2015). Fortunately, modern smartphones with Internet access provide a great shortcut to individual autonomy and enlightened participation.

Any assistance towards increasing the percentage of ‘enlightened citizens’ armed with smartphones is worthwhile. But for our transition strategy we need more than that. We need a careful stakeholder analysis and coalition building. Brokers and favorites are not hidden in corrupt societies. Losers are more difficult to find, as today’s losers may be tomorrow’s clients.

As a ground rule, though, whoever is competitive stands to lose in a particularistic society. He or she faces two options: to desert particularism and move on to a more meritocratic realm (hence the close correlation between corruption and brain drain), or to stay and fight. These are our recruitment grounds.

It is essential to understand just who has the interest to challenge the rules of the game and who is prone to defend them, in other words, to identify the institutional status quo losers and winners. Who would remain winners even if they open the door to more merit-based competition? Who, among today’s losers, would gain something essential? These groups need to come together to make change happen.

Step 5: The need of a theory of change

By now enough evidence should exist to construct a theory of change informing our strategy. This is the fifth step. We need a theory on why the status quo would change and who would bring the desired evolution. We have to figure out whom, when and how donors can assist along the road to a virtuous circle.

The main theories presently informing intervention are far more general: *modernization theory* (although education and economic development have increased over the past twenty years without bringing better governance) – and *state modernization*, the belief that by building state capacity, the integrity problems will be resolved. But as we have a very close correlation between rule of law and control of corruption, the results are often clear: when corruption is high, rule of law is below the threshold. So, legal approaches to anti-corruption (an anti-corruption agency or a strong punitive campaign) can hardly be expected to deliver (see Pritchett and Woolcock, 2004, pp. 191–212). The same goes for civil service capacity building in countries where bureaucracy has never achieved autonomy from its rulers.

What is needed for good governance is an autonomous class of magistrates and an autonomous class of bureaucrats. These cannot be delivered by capacity building in the absence of domestic political agency. This is why the functional accountability tools found in our statistical assessments are those associated with civil society agency. Voluntary implementation of accountability tools by groups involved (businesses who lose public tenders, for instance, or journalists seeking audience) generally works better than official implementation. The latter seldom delivers.

In our recent work we have tested a broad panel of anti-corruption tools and good governance policies from World Bank's Public Accountability Mechanism database, indeed nearly all instruments frequently used in practice or specified in UNCAC: anti-corruption agency, ombudsman, freedom of information laws, immunity protection limitations, conflict of interest legislation, financial disclosures, audit infrastructure, budgetary transparency,

party finance restrictions, whistleblower protection, dedicated legislation (see Mungiu-Pippidi and Dadasov, 2017).

The evidence so far shows that countries that adopt autonomous anti-corruption agencies, restrictive party finance legislation or whistleblower protection acts are not progressing more than countries that don't (Mungiu-Pippidi and Dadasov, 2017; Fazekas and Cingolani, 2017; Fazekas, 2017). The comprehensiveness of anti-corruption regulation does not seem to matter either, and is in fact associated with more corruption. There is no evidence that more conflict of interest rules bring progress, for instance, and in reality the cleanest countries have moderate, not excessive, regulation. What matters are the legal arrangements used to generate rents. In other words, it may well be that anti-corruption legislation matters far less in ensuring a good control of corruption than the overall "regulatory quality" of a country.⁷

Actually, the empirical evidence can be better described, through a model of control of corruption as an equilibrium between various *opportunities* (or *resources*) for corruption – such as natural resources, unconditional aid, lack of government transparency, administrative discretion and obstacles to trade – and *constraints* – such as legal (an autonomous judiciary and audit) and normative constraints (by the media and civil society).⁸ Not only has each element high explanatory power on corruption, there are also highly statistically significant interactions between resources and constraints, between red tape and independence of judiciary, between transparency in any form (fiscal, existence of freedom of information, financial disclosures) and civil society activism or press freedom.

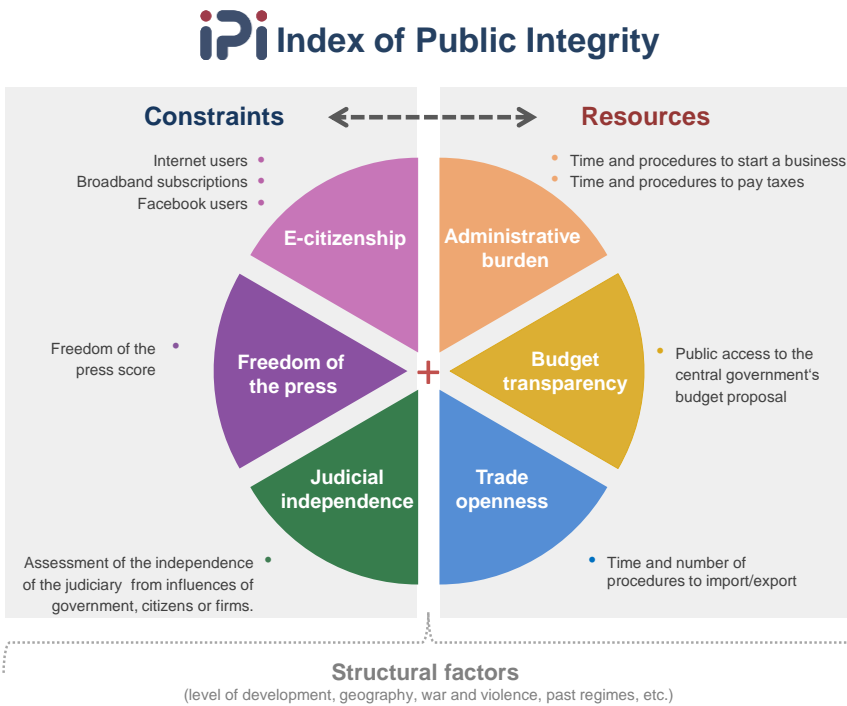
Using this model, my research team has designed a parsimonious composite index for public integrity for 105

⁷ Although this is a not a recent truth – it was mentioned long ago by Susan Rose Ackermann (1978) – efforts to streamline and simplify legislation, and to reduce the administrative burden on citizens and firms, are rarely part of anti-corruption strategies.

⁸ For the full models, see Mungiu-Pippidi (2015, chapter 4) and Mungiu-Pippidi and Dadasov (2016).

countries based on policy determinants of control of corruption (Figure 2). This should be seen as the starting point of any diagnosis, as it shows at a first glance where the balance goes wrong (Mungiu-Pippidi and Dadasov, 2016).

Figure 2: Control of corruption as interaction between resources and constraints



Let's take the example of Tunisia. It was there that the Arab Spring started, when an unlicensed street vendor immolated himself as a protest against harassments by local police. Corruption as I define it – inequity of social allocation – was one of the main causes of protests. Has the fall of President Ben Ali and his cronies in 2011 made Tunisians happy? No, because the unemployed youths are as many as before, and they are feeling equally hopeless. The maze of regulation and rent seekers who profit by it is actually the same.

Table 2: Tunisia’s public integrity framework

Components	Component Score	World Rank	Regional Rank	Income Group Rank
Judicial Independence	5.29	49/105	5/9	10/28
Administrative Burden	8.31	49/105	4/9	13/28
Trade Openness	8.14	32/105	1/9	8/28
Budget Transparency	6.79	68/105	3/9	20/28
E-Citizenship	5.09	56/105	5/9	19/28
Freedom of the Press	5.56	52/105	1/9	12/28

Note: Tunisia in public integrity index. Score 6.53 on a 1–10 scale (10 is the best); Country Rank 42/ 105 Source: www.integrity-index.org

If we compare Tunisia on the *Index for public integrity* to other countries in the same region and its income group, we see that press freedom and trade openness are the only two factors showing significant progress after the revolution (*Table 2*). On items such as administrative burden, fiscal transparency and quality of regulation, the country has still much work to do to bring its economy out of the shadows and restore a social contract between society and the state. To get there, policies are needed both to bring the street vendors into the licensed, tax-paying world and to reduce the discretion of policemen.

Good examples do exist among our handful of achievers. Uruguay and Georgia, for instance, have soft formalization policies, tax simplification and police reform. This is the way to go for successful control of corruption, not leaving everything as it is but adding conflict of interest regulation, and party finance restrictions. Eventually a law is needed, encouraging whistleblowing. This can tell us what we all know – in a world of general law infringement due to unrealistic legislation, selective enforcement is unavoidable, constituting rents for law enforcers.

Step 6: Donors unite!

To implement a strategy to fix this balance, donors need to get together. This is the sixth step on our roadmap.

In the same way that the Millennium Development goals required coordination and common multi-year planning, moving forward from a majority of corrupt transactions to a majority of clean ones requires long-term planning. The goal is to build public integrity for the first time – a clear development goal. It is not to punish deviation.

The joint planning of such efforts should start with sponsoring a diagnosis and some measurement by way of objective indicators, for instance, and continue through coordinated efforts to reduce resources and increase constraints.

Such an approach also allows donors to diversify their efforts. Some have their strengths in civil society, others in market development reforms, and a third group is better at spreading broadband and at avoiding oversights. Freedom of the press receives insufficient support today, for instance, and efforts are very stereotypical, compared to what the task deserves.

Step 7: Set the example

Finally, it's time to set the example. On top of the donor coordination strategy it is important to agree on aid-related good governance conditions and to enforce them across the board. That makes the process of assistance itself a good example of how governance should work. Aid recipients should qualify in order to receive aid transfers (for instance in the case of budget support) by publishing all their calls for tenders and their results. This could allow donors to monitor the percentage of transparent and competitive procurement from the total, or the percentage of contracts obtained by one bidder.

Why not make full transparency of all recipients the main selection condition? Evolution or lack of evolution from one year to another could become feasible if such indicators are used. On top of this, using social accountability more decisively would empower these groups. Pro-change local groups could, for instance, be involved in planning and audits of aid projects and also set the example on how public spending should be monitored by local stakeholders.

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