IT TAKES MORE THAN TRANSPARENCY:
AN ASSESSMENT OF SELECTED VARIABLES THAT OUGHT TO MAKE A DENT ON CORRUPTION. A REVIEW OF THE CASES OF MEXICO AND THE UNITED STATES
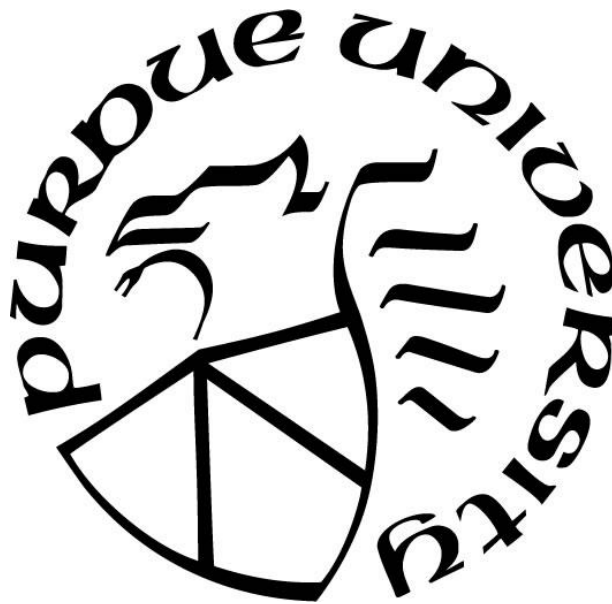
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Jorge A. Alatorre

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STATEMENT OF COMMIITTE APPROVAL

Dr. James McCann, Chair

Department of Political Science

Dr. Keith Shimko

Department of Political Science

Dr. Eric Walsenburg

Department of Political Science

Dr. Thomas Mustillo

University of Notre Dame

Approved by

Eric N. Waltenburg

To my parents Ma. Elena and Rafael, because without them I wouldn´t have had the chance to become the man I am.

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LIST OF ABBREVIATIONS

BGA --   Better Government Association

C4I --   Coallition for Integrity

CIDE   Centro para la Investigación y Docencia Económicas (Center for Economic Research)

CPI --   Center for Public Integrity

FOIA –   Freedom of Information Act

FOI –   Freedom of Information

IF –   Integrity Framework

IGI --   Índice Global de Impunidad (Global Impunity Index)

IMCO --   Instituto Mexicano para la Competitivdad (Mexican Institute for Comptetiveness)

IMF --   International Monetary Fund

NGO –   Non-Governmental Organization

NORAD --   Norwegian Agency for Development Cooperation

OECD --   Organization for Economic Cooperation and Development

RCFP --   The Reporters Committee for the Freedom of the Press

SIDA --   Sweedish International development Cooperation Agency

S.W.A.M.P. –   States with Anticorrupton Measures for Public Officials Index

TM –   Transparencia Mexicana

UDLAP --   Universidad de las Americas Puebla (University of Americas, Puebla)

UN --   United Nations

UNCAC –   United Nations Convention Against Corruption

UNDP --   United Nations Development Programme

UNODC --   United Nations Office on Drugs and Crime

USAID –   US Agency for Aid and Development

WJP --   World Justice Project

ABSTRACT

Decades and policies come and go, and the ominous problem of corruption remains almost unaltered. Some of the most sought-after policies for corruption deterrence focus on institutional reforms aimed at assuring the right and effective access to information, reinforcing rule of law, tackling impunity, and increasing integrity standards for public servants. The aim of this dissertation is to test whether the impact of these policies over corruption is traceable at the subnational level of mexico and the united states. Seeking to accomplish this purpose, statistics measuring corruption, transparency and relevant variables are analyzed through ols regression and correlation methods. The findings point that spite of the evident benefits of transparency for democratic governance, under the methodology selected and with the ensuing subnational statistics, it is not possible to affirm that corruption is noticeable affected by transparency or integrity variables. Implications of these findings ask for a revision on the manner corruption is measured, and to devise which sort of circumstances bolster or thwart transparency´s prowess to cause a dent over corruption.

CHAPTER 1. INTRODUCTION: SEARCHING THE CURE FOR AN ANCIENT AILMENT

1.1 Relevance of the topic

Corruption has been a ubiquitous companion of every civilization since the beginning of time. There are countless mentions of the illegitimate use of vested power from Babylon to Rome, from Athens to India, from the Middle Ages to the Renaissance, and through to the Enlightenment, the Industrial Revolution, up to modern times. However, under the advent of democratic civilizations, what had been traditionally normalized as part of the privileges granted by divine right—or endured under the threat of unquestionable might—has been outlawed and punishable under law. Of course, this official ban has not erased impunity. Today, plenty offenses go unpunished and many, even under the scrutiny of the public eye. Nonetheless, law clarifies what is legal and what is illegal, and who should be held accountable under what circumstances. Thus, the focus of the accountability discussion is on which modern institutions display higher efficacy and transparency when dealing with corruption.

Corruption, although ever present, has become a pressing issue of our era, not only the damage it causes to public and private economic systems, but because of its erosion of public trust in democratic rule. This consequently fuels anti-system populist demagogues selling two main lies: first, that they are "different"; and second, that only they have the solution. Unfortunately, just like any chronic disease, corruption is incurable; however, some few and fortunate countries, are proof that corruption levels can controlled and kept to a manageable level. Thus, the differences on what makes some countries more corrupt than others, and what combination of factors takes us in the opposite direction, has been an ongoing topic of research for a growing community of scholars and policymakers.

The search for a cure must begin with a clear definition of the ailment. In general, corruption is commonly defined as the abuse of public trust for personal gain, although an important paradigm shift has acknowledged that corruption is also an important problem within the private sector. For quite long time, corruption has been considered as a part of colonial heritage and its ensuing legal tradition, been regarded as a proof of institutional failure, while others see it as a degree of secularization within society. Regardless of the definition, none dares to claim causal exclusivity over a such a multifaceted, ancient, and complex problem as corruption.

As a complex, global, and deleterious pest, corruption has resulted in numerous tragedies. The impact of corruption on poverty has been widely discussed (Gupta, Davoodi and Terme 1998; Gupta, Davoodi, and Tiongson 2000; Shabbir 2018); thus, it comes as no surprise that corruption is also related to a lack of growth and underdevelopment (Gray and Kaufmann 1998; Knack 2002; Lambsdorff 2001). Corruption has also been known to affect foreign direct investment and trade (Al-Sadig 2009; Cuervo-Cazurra 2008; Hakimi and Handi 2017), which is why prominent transnational trade agreements aim to keep it at bay.

Given its power to erode public trust and the foundations of democratic regimes, harm from corruption transcends commercial and economic issues. Although stable democracies tend to be significantly less corrupt than those recently established, over the past decade it has become evident that, when left unchecked, corruption can deteriorate the reputation of democratic regimes and fuel the careers of demagogues with a variety of political backgrounds. Undermining the democratic principle of one man-one vote through the overt or unbridled influence of private interests on the electoral and legislative processes call into question democracy's ability to stand for the interests of the majority. In sum, although democracies offer more and better tools to fend off corruption, they should always be alert of the corrosive powers of the "beast."

Of course, corruption is a matter of global concern and the reason for the enactment of several international conventions and agreements aimed at limiting it, such as the OECD Convention on Combating Bribery of Foreign Public Officials (1999), the United Nations Convention on Transnational Organized Crime (2000), the United Nations Convention Against Corruption (UNCAC, 2003), and the Council of Europe Criminal Law Convention on Corruption (2007), to name a few of the most prominent examples.

As argued, an analysis of the causes of corruption should lead us to a search for the remedies. For example, the Sunshine Era (Blanton 2002) led to a worldwide pattern of freedom of information laws'' enactment that were later reinforced by the UNCAC (2003) mandate. This was done under the assumption that transparency is the best disinfectant[1] to ameliorate widespread corruption within most governments. There has been ardent advocacy for this sort of reforms, reminiscent of the civic push behind the third wave of democracy (Huntington, 1991). The

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[1] This phrase is adapted from the original one credited to Louis J. Brandeis, former Supreme Court Justice, who said: "Sunlight is the best disinfectant", referring to a remedy against the abusive dealings of the powerful Money Trust of the 1930s.

underlying logic of transparency as an intuitional remedy for corruption suggests that a corrupt agent, their sponsors, and accomplices prefer to hide their mischiefs, and thereby make efforts to avoid prosecution and the ensuing shame for their actions. The role of transparency then is as a deterrent for questionable transactions, a tool for media exposure, and evidence for prosecution. Unfortunately, the reality of this is quite different than the intended ideal, and after twenty years of the *Sunshine Era*, the power of transparency by itself to cause a serious dent in corruption has been called into question. This fact is illustrated by the disparity between the Global Right to Information Index and the Corruption Perception Index[2] where we see the irony that among the ten countries with best Freedom of Information Laws, (Afghanistan, Liberia, El Salvador, and Mexico) also rate relatively high on the 2020 Corruption Perception Index (165, 137, 104 and 124, respectively, out of 180 nations surveyed).

1.2   Research Design

Rather than questioning the absolute efficacy of freedom of information on affecting corruption, **this dissertation aims to assess transparency´s alleged capabilities for corruption deterrence by itself and/or accompanied by integrity frameworks[3].** Given the large potential for an array of concurring factors among nations affecting an estimation of this sort at a global scale, the analysis was restricted to the state level entities of individual countries, subject to the same federal laws. Mexico, as an international standard-bearer for transparency reforms—with paradoxically disappointing corruption scores—has been chosen as the subject under analysis, mirroring its experience with that of the United States, a Nation sharing substantial similarities and significant differences. Here the "method of agreement" developed by J.S. Mill could help to elucidate the impact of the same sort of dependent and independent variables over two strikingly different cases.

Over the course of history, succeeding administrations from both countries have expressed concern regarding the damage inflicted by corruption and enacted subsequent reforms expected to have an impact; nonetheless, at least judging by unbridled corruption, the effectiveness of such reforms could be legitimately called into question.

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[2] The former produced by Access to Info Europe (https://www.rtu-rating.org/) and the latter by Transparency International (transparency.org).

[3] Integrity frameworks are defined here as the set of normative and institutional constraints set forth to promote public sector resiliency towards corruption.

The chosen period of analysis spans over the first two decades of this century, resorting to statistics produced by Transparency International, the National Bureau of Statistics from Mexico, the United States Justice Department, and several indices from NGOs such as IMCO[4], the World Justice Project, the Center for Public Integrity, Coalition for Integrity, and the Better Government Association.

Aiming to test transparency's ability to thwart corruption this dissertation correlates and regresses indices measuring the influence of transparency norms, both by themselves as well as by an institutional environment supporting their leverage. The power of collateral variables that intuitively should have an impact over corruption levels will also be tested. Among these variables we can count campaign finance legislation, conflict of interest norms, and disclosure of client's lists, among others.

While Transparency International and the National Bureau of Statistics have been producing a corruption perception index at the state level in Mexico since 2001, the United States uses the Convictions for Abuse of Public Trust statistic, which has been published yearly by the Justice Department since 1978. These indices are the dependent variable for the analytical purpose of this dissertation.

1.2.1 Validity Concerns

There are good reasons behind the selection of the aforementioned indices, in first place the scholarly and professional discussion over corruption and anticorruption policies has been heavily influenced by them, therefore an attempt to test the alleged efficacy of transparency –and ensuing policies— to discourage corruption should be in the terms of acknowledged and reputable indices such as these. There are also reasons of practicality and plausibility, to design and apply surveys measuring corruption and transparency at state level in two countries, imply a sum of technical and monetary resources far beyond the reach of this effort, but only that, should those resources and time become available, the result would be surveys with a single point in time, thus unfit for the test of cause and effect pursued here.

The use of well-established indices has several advantages, but like any other source, validity concerns should be addressed. In the first place there is the problem of construct validity

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[4] Mexican Institute for Competitiveness

when we use a perception index to gauge corruption. Perception is by itself a proxy of reality subject to respondent bias; nonetheless, it should also be acknowledged that corruption is a quintessential shadow phenomenon, in dire need of opacity and concealment to exist and thrive. Actual measurements of every corrupt act are simply impossible, even those indices measuring response of direct victims need to extrapolate such responses as a sample of a larger universe, as Lambsdorff (2006) had long acknowledged: "Unbiased, hard data is difficult to obtain and usually raises difficult questions with respect to validity" (81).

Even indices showing actual convictions of public officials for corruption cases have some validity caveats worth revising. A larger proportion of corruption convictions on a given state may be due not only to the presence of more corruption, but because of two different and complementary alternatives: larger zeal and prosecution efficacy on the case of that given state, or poor efforts on behalf of those states with scarce interest or capacity to effectively prosecute.

In either case, corruption estimation is performed via successive approximations having always in mind that reality is larger than our current estimates. In sum, corruption scholarship could benefit from alternative, factual-based indices, a challenging but necessary endeavor, but even then, assumptions around the alleged power of transparency over corruption deserve to be tested in *the metric environment* they were originally conceived.

External validity for this dissertation approach relates to how well its model is amenable for replication on diverse contexts; designed to fit the characteristics of two large, federal Republics, it could be safely assumed that small, unitarian nations could fit easily wherever corruption, integrity, and transparency indices are available. Mexico and the United States are two of the largest Federal Republics in the world, with an important number of subnational states within them; given their size, they host rather diverse societies over a mosaic of diversity. While Federal Republics have some overarching bonding legislations, it is also true that in some cases –like the United States—states have an important sway over matters not explicitly established within federal regulations, thus complicating any analysis attempting to size sub-national as equals.

Unitary Republics and Monarchies outweigh the number of Federal Republics around the world. In the case of Latin America and Europe, unitary nations have remarkable smaller populations and size than that of the United States (329 million) and Mexico (130 million), and while a small size is not synonymous of cultural homogeneity, clearly a vast nation with a large territory has more room for diversity. Given the centrality of unitary governments, it is harder to

find conflicting regulations between the center and its territories. Therefore, this model can be replicated on federal and unitarian nations alike.

1.2.2 Design Limitations

As any other complex phenomenon, corruption cannot be explained by the influence –or lack thereof-- a single cause, therefore testing the prowess of transparency norms and institutions must be regarded as a suboptimal approximation to the problem of what causes, inhibit, or reinforces corruption. That is why this dissertation merely attempts to test the merit of the argument claiming overwhelming prowess of transparency in this matter, hence its tittle.

As it will be sufficiently discussed in the following chapters, scholarly literature has explored a plethora of factors influencing or being influenced by corruption. Isolating the effect of transparency, within such a complex universe, should be regarded as a theoretical approximation aimed at questioning overblown, often interested, claims. When countries ridden with corruption achieve good marks in terms of transparency regulation, and when nations with lower ratings of corruption only get mediocre grades in terms of transparency, it is time to take transparency claims with a grain of salt.

A way to expand the limitations of this research could be encountered on studying not only what transparency cannot do by itself, but what can it do, and the way those mechanisms affect corruption. This will imply approaching the main argument from an opposing perspective, resulting, perhaps, in more enlightening conclusions.

1.3 Dissertation Outline

After this brief introduction to the topic, hypothesis, rationale behind them, and the methods employed, the second chapter of this dissertation will offer an analytical dissection of corruption and its causes. First it will discuss the challenging task behind reaching an adequate definition of corruption, followed by a discussion of these definitions, a suggested taxonomy for corruption, and a brief discussion of some of the most prominent cases of corruption. Corruption causality and the influence of important sociocultural, institutional, and economic factors will occupy the third chapter.

Transparency, the other half of this dissertation, will be theoretically discussed across the fourth chapter, including a discussion of its relevance for democratic rule and how the sunshine era led to the widespread adoption of freedom of information legislation around the world. After discussing the different approaches to transparency measurement, we will discuss the alternative uses of transparency as a policy instrument as a prelude to the debate on how transparency serves other objectives than fending off corruption.

The fifth chapter will be centered on empirically testing how corruption could be affected by transparency itself, and by the intervening force of other important variables, such as rule of law, impunity, and democratic development. Seven different models will be tested with the help of indices developed by the National Bureau of Statistics, Transparency International, the Konrad Adenauer Foundation, the World Justice Project, Puebla University, and the Mexican Center for Competitiveness. Intuitive effects on the power of transparency to affect corruption will be challenged.

Chapter number six will replicate the effort displayed by the preceding chapter, but this time on American States with the help of statistics on public convictions for breach of the public trust produced by the FBI, and three different organizations researching different norms and legislation aimed at limiting corruption in various states.

Finally, the conclusion' discuss the findings reached from these analyses and how they challenge or confirm the hypothesis of this thesis. Though corruption diverts much-needed resources of poor and no so poor countries, the most valuable resource plundered is not tax-money but public trust. The goal of this paper is to provide a small yet meaningful contribution to this global, mesmerizing, and never-ending discussion.

CHAPTER 2.   DEFINITION AND TAXONOMY OF CORRUPTION

2.1   On the most challenging task of defining corruption

2.1.1   Commonly accepted definitions of corruption

Any scholarly inquiry needs to go far beyond a dictionary query; nonetheless, as a start, searching for standard definitions of corruption could yield some interesting findings. Merriam Webster defines corruption[5] as: "impairment of integrity, virtue, or moral principle // inducement to wrong by improper or unlawful means // a departure from the original or from what is pure or correct." Similarly, the Oxford English Dictionary defines corruption as: "the perversion or destruction of integrity in the discharge of public duties by bribery and favor" (Mungiu-Pippidi 2006, 87). The foremost authority of the Spanish language, the *Real Academia de la Lengua* defines it as follows: the action and effect of corrupting // Induced abuse of immaterial things (language, moral) // within organizations, particularly public ones, a practice consisting of the abuse of means and appointments in order to extract economic or other kind of gain in favor of its promoters."[6] Etymologically, corruption comes from the term ***rumpere***, which is associated with the destruction of the original form of something (Tanzi 2008); similarly, ***corrumpere***, refers to the drastic alteration of the original form or purpose of some particular thing (Reyes Heroles 2007). The prefix ***"co"*** stresses the collaborative nature of corruption, implying collusion of multiple persons towards an ill, dishonest purpose (Alemann 2007).

The preceding definitions confirm that corruption is a concerted and objectionable alteration from the original purpose, form or meaning of a particular human activity, generally within the public sector[7]. Such outcome has also inspired a plethora of metaphors; it has been compared to a resistant parasite such as a termite (Solimano et al. 2008) or as an insidious virus (Forsberg & Severinsson 2015), which highly contagious and able to travel among hosts, depending upon them for food, shelter and the adequate environment to reproduce and thrive—

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[5] http://www.merriam-webster.com/dictionary/corruption
[6] http://www.merriam-webster.com/dictionary/corruption
[7] There is of course the case of natural corruption (the expected decay of all living things and beings) and moral corruption; however, this dissertation will go into neither

even at the expense of the host itself. Whichever the case, corruption is a resilient, ubiquitous, and evolving pest, hence the challenge eradicating it represents[8].

It comes as no surprise that a phenomenon as prevalent, salient, polemic, and ancient as corruption has provided inspiration for a vast list of definitions, some of which are quite extensive, and others that are more concise. The selection of a suitable definition largely depends not only on ideological posture, but on practical considerations. In the end, any given choice leads to an implicit diagnostic of corruption, intrinsically advocating for a set of "antidotes" and measures. In time, some definitions become increasingly accepted and popular, shifting attention away from research angles that may have resulted enlightening if they had been considered by a larger number of specialists. Thus, it is important not only to review different definitions of corruption, but also to reflect on the motives behind each of them. Every policy has a community of advocates endorsing deeply instilled measures that are either fueled by strongly held ideological stances or funded by wealthy vested interests, and anticorruption policies are no exception. A better understanding of this trend can be revealed by analyzing early definitions of corruption and their evolution.

2.1.2   Earliest and alternative uses of the term

Few terms have inspired such a profound and controversial scholarly debate over its precise meaning as corruption (Blundo 2000). There are mentions of corruption in Ancient Civilizations like China, Egypt and Greece, as well as in the Western World. The earliest definitions of corruption date back to the medieval ages and are often associated with moral depravity as measured by Christian standards. Given the alleged divine origin of 'royal authority, they were not held accountable to their subjects. Royal abuse was rife, but such reproachable behavior was expected and facilitated by force. The very first attempt to limit the authority of a ruler and his enforcers came in the latter part of the Middle Ages in the form of the Magna Carta. Although this document is an unquestionable milestone for the rule of law, the notion of corruption is absent from this. Later, the naturalist fervor of 18th and 19th century societies associated corruption with the natural decay of all living things, but still did not associate it with the systematic abuse of power.

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[8] Or, more realistically, keep it under wraps

Modern definitions of corruption come from Senturia (1931), who crafted the first contemporary definition as ***"misuse of public power for private profit".*** Since then, most scholars and practitioners have built upon the original premises set by him, including the highly disseminated definition established by the World Bank in 1997: "***Corruption could be defined as the abuse of entrusted power for the private gain[9]"*** Such definition carries impressive traction due to its brevity, clarity and comprehensiveness by encompassing every component to corrupt transactions: the perverse exercise of delegated discretion, breach of trust, and an illegitimate reward. The choice of the term ***gain*** over ***profit*** includes retributions beyond financial gains because corruption allows for retributions other than monetary ones, such as political favors, privileged information, and undeserved strategic appointments. It is not rare, sadly, to read about public official's wives being lavished with expensive gifts, or their sons being granted positions for which they are unqualified (Begovic 2005). The World Bank's definition has become the worldwide accepted standard, given the gravitas of its creator, and the endorsement of Transparency International.

In the decades since, many scholars have tried to craft an improved. Joseph Nye, for example, defined it as: "behavior which deviates from the normal duties of a public role because of private-regarding pecuniary or status gains, or violates rules against the exercise of certain types of private-regarding influence" (1967, 966). More succinctly, Waterbury (1973) suggested that corruption is "the abuse of public power and influence for private ends," while Rose-Ackerman sustained that corruption could be equated to "an illegal payment to a public agent to obtain a benefit that may or may not be deserved in the absence of payoffs" (1978). Aligned with a behavioral definition of corruption, LaPalombara regarded corruption as "behavior by a public servant, whether elected or appointed, which involves a deviation from his or her formal duties because private persons with whom the public servant is associated" (1994: 2). Tanzi defined corruption as "intentional noncompliance with arm's length relationship aimed at deriving some advantage from this behavior for oneself or for related individuals" (1998, 8). Going even into greater detail, Garner (2004) describes corruption as "the act of doing something with an intent to give some advantage inconsistent with official duty and the rights of others, a fiduciary official's use of a station or office to procure some benefit either personally or for someone else contrary to the rights of others" (370). More concisely, Curzon sees corruption as "an inducement by means

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[9] World Bank 1997. Helping Countries Combat Corruption, The Role of the World Bank.

of an improper consideration to violate some duty" (1997, 90). A more severe description regards corruption as "outright theft, embezzlement of funds or other misappropriation of state property, nepotism and the granting of favor to personal acquaintances and the abuse of public authority to exact payments and privileges" (Desta 2006, 421). A definition which stresses the importance of the private sector (an aspect which is consistently disregarded by standard definitions) is that of Lindgreen (2004), who defines corruption as "private individuals or enterprises who misuse public resources for private power and/or political gains" (31). Senior (2006) also offers an interesting alternative, defining it as "the covert exchange of favors guaranteeing favorable treatment from an official with authority."

Additional definitions that are rather lengthy, not only in words but in scope, include Narayanasami (2000), who defines it as "A deviation from a code of conduct laid down in any walk of life […] a behavior which deviates from the normal duties of the public role of a person or persons to gain pecuniary or status gains. This includes such behavior as bribery, nepotism, misappropriation, giving/receiving gift, cheating, fraud, dishonesty, embezzlement, kickback, commission and so on" (39). Such an exhaustive definition contrasts with that of Klitgaard's[10] (1997): "misuse of public office for unofficial ends" (500) and Treisman's (2000,1) who has nearly an identical definition of "misuses of public office for private gain."

This vast array of definitions can be classified into two main perspectives. On one hand, as Johnston (1996) noted, there is the behavioral side (Nye 1967; Friedrich, 1996; Van Klaveren, 1989; Heindenheimer, 1989), and on the other, a neo institutional one (Rose-Ackerman, 1978; Klitgaard, 1988; Alam 1989). While the former focus on the conduct of the deviant public official who abuses their appointment and the reasons behind such behavior, the latter is concerned with interactions between parties from a principal-agent perspective. Neo institutional definitions regard corruption as the agent's betrayal of its principal's interest for selfish motives (Klitgaard 1988) or as "the sacrifice of the principal's interest for the agents or the violation of norms defining the agent's behavior" (Alam 1989, p.185)[11].

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[10] Author of the enlightening, yet disputed (Stephenson 2014) formula of corruption: Corruption equals monopoly plus discretion minus accountability ($C = M + D - A$)

[11] Therefore, could a well-intentioned agent depart from ill designed norms and procedures harming the legitimate interest of his principal? While selfless bureaucrats rarely make headlines, their commitment has alerted the public interest on several occasions, such is the case of whistleblowers who dare to expose their careers, reputations and safety in the name of a higher good, sometimes disregarding "norms defining the agent´s behavior."

Recently, a departure from the Behavioral-Neo institutional divide (Persson 2012, Marquette & Peiffer 2015) has questioned the use of the principal-agent paradigm in places ridden with endemic corruption, where public officials and citizens refusing to engage in corruption do so at the expense of being ostracized, fired or being cut off from essential goods or services. Corruption within this context could be better defined as a collective action problem rather than a departure from an ethical commitment or a breach of trust within the principal-agent covenant (Persson 2012; Persson, Rothstein & Teorell, 2013; Marquette & Peiffer 2015). Thus, there is a wealth of scholarly contributions on the matter, particularly over the last decade. Furthermore, this debate transcends academic boundaries and is equally enriched by reports, statistics, and papers supplied by multilateral organizations, governmental agencies, international foundations, and NGOs, all of them worthy of a closer analysis.

2.1.3   Corruption as defined by multilateral organizations

Towards the end of the 20th century, and more vigorously since the nineties, multilateral organizations have shown a decisive commitment to fight corrupt practices around the world. The OECD, UN, IMF and the World Bank, among many others, have devoted considerable attention and resources to research, policy advice, and tracking this phenomenon internationally. International NGOs such as Transparency International, the Global Transparency Initiative, Global Integrity and Article XIX, among plenty more have also dedicated a significant number of resources to studying and preventing this phenomenon. The effort of international foundations in terms of advocacy, outreach, research, and funding is also praiseworthy, with the work of the Open Society, Konrad Adenauer, and Friederich Ebert, being some of the most significant.

The commitment of multilateral organizations for this cause generally takes the shape of international agreements, treaties, and conventions signed by their governments. Today, practically every nation in the world is party to at least one of those treaties, whose mere drafting implied a colossal endeavor. Simply agreeing upon definitions, standards, and procedures to deal with this transnational pest is a challenging process, which pales in comparison with the harmonization of the substantial diversity of legal systems and traditions. The enforcement part has challenges of its own, including drafting and implementing new policies.

Currently, given the transnational reach of crime and corruption, arriving to a functional consensus for a corruption definition was essential at a global scale. The problem was not small

by any means, and a vague definition of corruption would leave too many loopholes for efficient legal prosecution[12] (OECD 2008, 22). On the other hand, an overly specific definition could only be applicable to a limited number of countries with a compatible legal system[13]. A middle ground was reached through a dual definition of corruption. One that is amenable for research and dissemination purposes, and another based on a range of breaches of public trust acknowledged by the international community according to global criminological standards. The first definition would help to invigorate the debate about causes, consequences, and antidotes for corruption, while the second would be aimed at improving prosecution within and across borders.

Accordingly, the UN Convention against corruption[14], the Council of Europe's Criminal Convention on Corruption, and the OECD Convention on Combating Bribery, agreed upon a specific list of corrupt offenses regarded as unethical and illegal, and thus worthy of criminal prosecution. Nonetheless, as expected, none of them adheres to a generic definition of corruption, at least not within the text of international treaties and conventions. In fact, neither the UN nor the OECD Conventions, mention the term *corruption* at all within the text. The Council of Europe[15] only makes implicit reference to corruption in their Civil and Criminal Law Conventions on Corruption, stating that "no precise definition can be found which applies to all forms, types and degrees of corruption, or which would be acceptable universally as covering all acts which are considered in every jurisdiction as constituting to corruption" (Council of Europe 1996, 14). This conceptual vacuum on Treaties and Conventions has been compensated by several research notes and working papers on the matter sponsored by these and other multilateral organizations.

However, not all Conventions, display the same contempt for instances of reproachable behavior. For example, the OECD Convention establishes the offence of bribery of foreign public officials, while the Council of Europe Convention establishes offences such as trading in influence and bribing domestic and foreign public officials. In addition to these types of conduct, the mandatory provisions of the UN Convention also include embezzlement, misappropriation, or

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[12] Such an opinion is based on a study of prosecution and conviction statistics of Eastern Europe and Central Asia countries working closely with the OECD's Anticorruption Network; nonetheless, Armenia, Georgia, Kazakhstan and their neighbor countries face substantially more serious problems in tackling corruption. Nonetheless, a poor or absent rule of law, ethnic conflicts, rampant poverty, regional instability, and unabashed terrorism easily outweigh any inadequate definition of corruption as the culprit for poor performance on convictions.

[13] Some evidence suggests that countries with common law heritage are more successful at keeping corruption under wraps; however, plenty of other factors involved could call such a finding into question (Treisman 2000).

[14] The United States Convention Against Corruption (UNCAC) was enacted in 2005 and by 2014 had already been ratified by 170 countries.

[15] Both signed months apart in 1999

other diversion of property by a public official and obstruction of justice" (OECD, 2008:22). Similarly, the World Bank (1997) also acknowledges that corruption includes not only bribery but also "patronage and nepotism, the theft of state assets or the diversion of state revenues" (1997,9).

Some multilateral Conventions (such as the OECDs) make a peculiar distinction between the intent to exert corruptive influence and the actual success of this[16]. There is —some mention of ethically ambiguous issues, which are deeply entrenched into some countries, such as certain forms of lobbying and trading in influence. Therefore, when it comes to corruption and its several guises, there is still much disagreement in the Western hemisphere on its definition, and not only between the developed and underdeveloped worlds. Nonetheless, spite of these clear disagreements, barriers preventing the adoption of a specific definition of corruption, it is still interesting to review some definitions used for research and dissemination purposes by the UN, OECD and the Council of Europe, as well as alternative entries suggested by international organizations, aid agencies with global outreach, and NGOs with world-wide activity.

An Anticorruption Practice Note published by the United Nations Development Program defined corruption as "the misuse of public power, office or authority for private benefit through bribery, extortion, influence peddling, nepotism, fraud, speed money or embezzlement" (UNDP, 2, 2004). The United Nations Office on Drugs and Crime emphasizes impacts of corruption by defining it as a "complex social, political and economic phenomenon that affects all countries, undermining democratic institutions, slowing economic development and contributing to governmental instability"[17]. Similarly, an interdisciplinary group of experts[18] convened by the *Council of Europe* to discuss on the following definition: "corruption is bribery or any other behavior of individuals charged with duties in Government or private sector, which results in infringement of the duties charged to them as part of their positions and aims at receiving any illegal benefits for themselves and others."[19] Among the different forms corruption may take, bribery is the primary concern of the *OECD*, particularly the active kind of bribery defined as:

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[16] The OECD addresses such a conundrum in the prologue of its corruption glossary: "What exactly is corruption? How are "offering," "promising" and "giving" a bribe treated under the law? Different countries have different answers to these questions, in terms of definition as well as interpretation. The courts of some countries, for instance, may consider an oral offer of a bribe not as attempted bribery, unless the briber takes further steps." OECD (2007) Corruption a glossary of international criminal standards (p.22).

[17] Available on (07/19/2020): https://www.unodc.org/unodc/en/corruption/

[18] Convened by the Group of States Against Corruption (GRECO) within the Multidisciplinary Group on Corruption in 1994.

[19] National Strategy from combating corruption, Republic of Kyrgystan, [accessed on November 20, 2105] at http://adc.kg/images/stories/files/publications/National_strategy_on_struggle_against_corruption_en.doc

"the offence committed by the person who promises or gives the bribe, as contrasted with *'passive bribery,'* the offence committed by the official who receives the bribe" (2011, 14). As previously noted, the OECD refrains from even mentioning the word corruption in its related Convention[20], instead defining it in its Glossary of International Criminal Standards as the "abuse of public or private office for personal gain" (OECD Glossary 2007, p.19). Thus, even if its focus is understandably geared towards public corruption, the OECD explicitly acknowledges corruption outside the public sector.

Similarly, the Asian Development Bank[21] calls corruption by its name, regardless of the place where it occurs, by defining it as "behavior on the part of officials in the public and private sectors, in which they improperly and unlawfully enrich themselves and/or those close to them, or induce others to do so, by misusing the position in which they are placed" (OECD Glossary 2007, p.23). This definition condemns both public officials and private agents involved in corrupt deals.

The influential compact of International Financial Institutions' creation of the Transnational Anti-Corruption Task Force attests to the relevance of this matter, compact which includes the International Monetary Fund, The World Bank, and the Inter-American Development Bank, along with their regional peers.[22] Launched in 2006, this task force has since warned that its effectiveness is closely linked to clear and unambiguous definitions of their main targets, allowing for greater accuracy of preventive and prosecutorial activities. Consequently, since corrupt, coercive, fraudulent, and collusive practices often work together, a point was made to specifically defining each[23].

Instead of allotting time and resources towards reaching an international agreement on defining this elusive term, these financial multilateral organizations also opted for a pragmatic approach by outlining specific instances of corruption or evident ethical misconduct. Instead of choosing a broad label and defining subcategories of this, they listed specific cases. Nonetheless, although each of the abovementioned practices[24] are undisputedly reprehensible, there is a clear difference between the illegal use of public influence for rent extraction (corruption), violent crime

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[20] "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions"

[21] Active partner of OECD´s Anticorruption Initiative for Asia-Pacific.

[22] This task force includes every development Bank around the world, hence the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank and the African Development Bank Group, are also included.

[23] A more precise definition of each is offered within the next subsection of taxonomy.

[24] Perhaps a full catalog of corrupt practices should mention all of those within an ever larger list, the elements of which could also be a matter of ample discussion; thus, such a list cannot be considered exhaustive by any means.

(coercion) and fraud by one or multiple agents (collusion). Optimal strategies to deal with corrupt practices and to assign suitable punishment calls for an adequate classification that considers the methods employed (corruption, coercion, or bribe), the objective pursued (nepotism, cronyism, fraud, rent), the public impact and kind of perpetrators. Clearly, there are several categories worthy of an accurate description and classification under the umbrella of corruption, a matter that will be further discussed within the taxonomy section of this dissertation.

2.1.4   Contributions by International NGOs and Aid Agencies

For decades now, International Foundations and NGOs encouraged, sponsored, and deployed a substantial amount of advocacy and research on the matter, and logically, a working definition of corruption was necessary from the outset. Transparency International, a global household name in matters of right to information advocacy, developed both a short and an extended definition of corruption. While the short definition implicitly includes private sector corruption[25], the long one omits any mention of it: "Corruption involves behavior on the part of officials in the public sector, whether politicians or civil servants, in which they improperly and unlawfully enrich themselves or those close to them by the misuse of the public power entrusted to them" (Halpern et al. 2008, p. 4). There is an interesting alternative crafted by the Lebanese branch of Transparency International: "Corruption is the behavior of private individuals or public officials who deviate from set responsibilities and use their position of power in order to serve private ends and secure private gains" (Fletcher C., Herrmann D. 2012, p. 3).

Titi Newell offers yet another definition within a report[26] sponsored by the Friedrich-Ebert Foundation: "Corruption is the violation of the obligations of probity, fidelity and impartiality in the exercise of a public service, to the detriment of the user. Corruption is said to have taken place when an individual is paid to perform or refrain from performing his duty either with gifts, promises or presents; corruption is also deemed to have occurred when an individual pays a compliant professional to do his work or to refrain from doing so" (1999, 14). While most definitions are limited to specific actions, Newell stresses the importance of omissions, a valuable

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[25] The short definition of Transparency International states that "Corruption as the misuse of entrusted power for private gain" (TI, 2007: xxi); later, on its Global Corruption report of 2007, private gain was
[26] Newell, T. 1999. Corruption in Cameroon, Friedrich-Ebert Foundation

addition to corruption research and deterrence, since "looking the other way" is a common mechanism of "rewarded" negligence.

International Aid Agencies from several countries have also shown remarkable concern about the pervasiveness of corruption around the globe, showing preference for a more nuanced definition than the prevailing one. The Swedish International Development Cooperation Agency (SIDA) for example, defines corruption as "Abuse of trust, power or position for improper gain. Corruption includes, among other things, the offering and receiving of bribes— including the bribery of foreign officials—extortion, conflicts of interest and nepotism."[27] Similarly, the United States Aid Agency (USAID) defines corruption in further detail as "the misuse of public office for private gain. It encompasses abuses by government officials such as embezzlement and nepotism, as well as abuses linking public and private actors such as bribery, extortion, influence peddling and fraud" (OECD Glossary 2007, p.20).

The complexity in reaching a specific definition for corruption was acknowledged by the Federal Ministry for Economic Cooperation and Development (Germany), which opted for backing the succinct definition crafted by the Norwegian Agency for Development Cooperation. Thus, both agencies regard corruption as "the abuse of entrusted authority for illicit gain" (NORAD 2009, 40-41). As the German Agency acknowledges, corruption can be observed at systemic and individual levels, including a wide spectrum of behaviors, ranging from "ethical misconduct to administrative misdemeanors, through to criminal offences. Corruption includes not only bribery, but also nepotism, acceptance of advantage, embezzlement and fraud" (2012, p.5). Corruption has had the corrosive power to hinder the impact of programs and resources provided by multilateral organizations, NGOs, and international aid agencies. Ironically, the resources aimed at battling the mounting problems of economically distressed zones have become a bounty for corrupt officials, making the issue of specific concern for these (Tavares 2003; Svensson 2000; Tavares 2003; Okadaa & Samrethb 2012).

2.1.5 Obstacles to reaching a universal definition

The assortment of definitions discussed earlier attest to a degree of dissent that occasionally clouds semantics with a definitional bubble (Poeschi et al 2015; Blundo 2000). In fact, reaching a

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[27] Definition available at: https://www.sida.se/English/how-we-work/approaches-and-methods/our-work-against-corruption/

reasonable agreement on what could be regarded as a corrupt act, the appropriate ways to prosecute it, and eventually assigning a legitimate punishment, seemed close to impossible when discussions on the matter took place during international fora. As the United Nations Office of Drug and Crime (UNODC) acknowledged, "There is no single, comprehensive, universally accepted definition of corruption. Attempts to develop such a definition invariably encounter legal, criminological and, in many countries, political problems[28]"(2004, 10). Perhaps this is why some authors advise against attempting to craft an absolute definition (Haywood 1997; Gardiner 2002; Heidenheimer 2004). Nonetheless, international conferences on corruption commonly reserve a panel to discuss this ever-present definitional conundrum.

As Hodgson and Jain acknowledge (2008) an unambiguous and operational definition lays at the core of any promising research agenda, because modelling, measurement and data retrieval strategies depend largely upon a good operational definition, if all the effort invested is to be justified (Jain 2001; Aidt 2003).

Such a conceptual riddle could be explained from multiple perspectives. For instance, Gardiner (2002) points that although national legislations could establish a specific definition of what could be regarded as a corrupt act, public opinion, corruption victims, and corrupters (unsurprisingly) tend to disagree. Ultimately, corruption "is a term whose meaning shifts with the speaker… the term covers a range of actions that they find undesirable" (Rose Ackerman 2004,1). Despite these divergent opinions, corruption is "like an elephant, even though it may be difficult to describe, it is generally not difficult to recognize when observed, in most cases, though not all, different observers would agree on whether a particular behavior connotes corruption" (Tanzi 1998, 8). Accordingly, Harris (2003, 1) suggested that "political corruption is a multifaceted and mutable concept, defiant of precise or comprehensive definition (…) The line between what is and is not corrupt can be so fine as to be indiscernible even to those involved." Nonetheless, although cultural traditions cannot qualify as a valid excuse for any case of corruption, it is equally clear that cultural standards and differences in public opinion reinforce the challenge of finding a universal standard for corruption (Johnston 1994).

Disagreements on what could be labeled as a corrupt act, and moral reprehensibility towards specific actions not only differ drastically between nations, but also among the cluster of the world's most developed countries. The OECD (2002) has even commented on how challenging

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[28] United Nations Office of Drug and Crime (UNODC) Anticorruption Toolkit, p.10

is to reach a consensus between those acts deserving of public shaming and those worthy of criminal prosecution. Ultimately, the problem lays not in concurring that corruption is the misuse of public power for private or political gain, but on agreeing upon the standards for such "misuse" (Rose-Ackerman, 2004). This disagreement is particularly problematic for enforcement agencies (Gardiner 2002) in charge of transnational efforts aimed at prosecuting conflicts of interest, which are often poorly regulated by several political systems (Rose-Ackerman, 2004).

An efficient prosecution of any socially deviant behavior, such as corruption, demands a clear identification of the offense. This is necessary in order to assign a punishment fit to the severity of the offense. This seemingly straight forward task becomes more complicated when authorities and public opinion disagree on the "shade of grey" under which the corrupt act falls. As the Anticorruption Trust of Southern Africa points out, "There are acts that authorities and everyone else condemn and agree to punish, but there are also other acts that those in position of authority may want punish but that public opinion would not agree to censure. Lastly, there are corrupt acts that both the authorities and public opinion regard as tolerable. This scenario makes decision-making long, conflicting, and cumbersome" (2007,1). Such leniency towards some forms of petty corruption seems shocking from a western perspective; however, within countries with endemic corruption, rampant poverty, and uneven access to justice, it is not rare to see corruption implemented as a tool for survival (Gardiner 2002).

Although an improved definition of corruption is direly needed for social, political, and research purposes, an implicit agreement is found on three essential elements present in all definitions: authority entrusted to an agent for a specific set of legitimate purposes, abuse of that authority by discretionary means, and a personal reward for doing so. Furthermore, even in the absence of total consensus, there is still some room for agreement by naming specific instances of corruption, the intrinsic characteristics of which facilitate identification and thus prosecution. Criminological catalogues have already been specified by international organizations and laid out in transnational agreements. Further details on these will be provided in the taxonomy section of this chapter. At this point however, it may be good to make a pause and briefly discuss whether the efforts invested in defining corruption have paid off.

2.1.6 Defining corruption: Have the results justified the effort?

At this point, at least two facts are evident: a remarkable effort has been invested into reaching a clear, concise, encompassing, and shared definition of corruption. However, a final, definitive, undisputable, and universal definition of corruption has yet to appear, and perhaps, like in Becket's[29] masterpiece, it may never arrive. Nonetheless, such a quest is far from fruitless, because the road has been more enlightening than the elusive destination. Clearly, society and governments have benefitted from more and better knowledge of this ancient, transnational pest. What we know now about corruption has grown exponentially over the last decades, making it increasingly challenging to follow its literature and relevant findings.

Although the search for the ultimate definition of corruption has already yielded valuable insights worldwide, there are valid concerns on whether its pursuit is still significant. Lambsdorff for example, suggested that "such debate, however, tends to absorb much of the energy that is desperately needed elsewhere. Recognizing this, some colleagues have started to avoid definitions of corruption, claiming that most cases of corruption are unambiguously perceived by most observers" (as cited in Fletcher and Herman, 2012, p.2). Furthermore, Michael Johnston (1994), one of the most prominent scholars on the subject, recommends abandoning the effort to grasp an uncontested definition of such a "politically contested concept," which does not travel well across cultural borders. Instead, Johnston's advice is to approach this problem through a comparative approach by adopting "a view of corruption as a political, as well as analytical, concept— one reflecting clashing interests as much as conceptions of public morality—can yield concepts that are much less neat but are more useful for comparative analysis and for the understanding of change" (Johnston 1994, 29). In contrast, an equally prestigious scholar, Ulrich Von Alemann (1995), admonishes against abandoning this task spite of its complexity and arguably scant payoff, by insisting that "What cannot be grasped conceptually cannot be investigated, researched and analyzed correctly" (1). Whichever the case, the search for a better definition will expectedly continue, not necessarily fueled by a fruitless obsession but by the legitimate desire to improve scholarly research. Studies in other relevant areas could continue without the need for an authoritative settling of the feud, as ultimately, science has always progressed when fueled by dissent.

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[29] Waiting for Godot, of course.

2.1.7 Other unsettled issues regarding defining corruption

The lack of consensus over a definition of corruption has a lot to do with the peculiar characteristics of this elusive issue. Corruption, conceptually speaking, is a blurry and moving target, the meaning and moral condemnation of which shifts among countries and cultural communities, with broad differences in prosecution across governments, and for which the catalogue of "nasty deeds" continues to grow over the decades.

There are two important debates related to the conceptual disagreement over corruption: first, whether legality of an act should be regarded as the borderline separating corrupt actions from the rest; and secondly whether the label of corruption should be restricted to the public sector.

The boundaries of legality may separate merely dishonest practices from blatantly corrupt or even criminal activities; however, should the limits of legal prosecution be used as the only criteria for calling a corrupt action by its name? Some authors claim that corruption must be necessarily illegal to be regarded as such (Gardiner 1993), even if legal boundaries are no match for misguided human "creativity." The matter of the locus of corruption is just as complicated; for decades, the strong and legitimate emphasis on the study and unveiling of public corruption[30]—on behalf of multilateral organizations and international NGOs—has fed an implicit assumption that the public sector is the source of all evil when it comes to corruption, or at least that corruption within the private and social sector should not be a matter of public scrutiny. However, noteworthy, and catastrophic examples of corruption in the private sector over recent decades have weakened this narrative, raising awareness on the need to study not only the role of public-private sector' interaction in corruption, but also corruption cases that have originated, been executed, and contained within the boundaries of the private and social sectors. We will discuss both of these contested boundaries below.

The boundary of legality

Should we consider a set of transgressions as corrupt only if they violate the law? Gardiner (1993) would concur by claiming unambiguously that "If an official's act is prohibited by laws established by the government, it is corrupt; if it is not prohibited, it is not corrupt even if it is abusive or unethical." Clearly, in order to effectively prosecute any sort of corrupt behavior it has

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[30] On behalf of research centers, multilateral organizations, transnational foundations, and international NGOs

be explicitly outlined in legislation, thus enabling authorities to safeguard the public interest. There cannot and should not be any sort of moral police enforcing dubious standards established in accordance to a particular moral code. Nonetheless, limiting the list of corrupt transgressions exclusively to those worthy of legal prosecution comes at a high cost. As Kaufmann (2004) adequately warns, narrow and legalistic definitions of corruption provide a convenient cover for forms of legal corruption, eventually levying a hefty cost on the governance of both poor and rich countries. It is worth noting that plenty corrupt practices preferred by economic and political elites, such as influence peddling, outright capture, and illegitimate promotion of vested interests are conveniently placed at the margins of legality (Kaufmann, 2004).

Kaufmann and Vicente (2005) make a compelling case by mentioning how the tentacles of corruption challenge the conventional perspective of the legalistic perspective:

> "(…) it is increasingly widely accepted that corruption may arise through other less obvious forms, which may involve collusion between parties typically both from the public and private sectors and may be legal in many countries. Legal lobbying contributions by the private sector in exchange of passage of particular legislation—biased in favor of those agents—or allocation of procurement contracts may be regarded as examples of interaction of both private and public sector representatives where the second makes use of her publicly invested power at the expense of broader public welfare" (2). Yes, corruption is served in several different presentations.

When corruption is defined exclusively by the boundaries of legality, there is enough elbow room for dishonest practices bordering on state capture, or veiled versions of it. There are also forms of moral hazard that walk a fine line between corruption and dishonesty, such as "Diluting quality of work, misusing facilities, taking undue favors, spying, accepting poor quality, spying for others, creating disloyalty, sabotage, taking unearned salary, paying for work not done, claiming without delivering, granting without receipt, manipulating accounts" (Narayanasami 2000,41). Clearly, it is not just a matter of using company's phones for personal calls or having a questionable use of expense accounts. It should be noted that the list presented by Narayanasami (2000) includes some instances that do fall into the classification for fraud, however, some other have enough merits to be regarded as corrupt instead of merely dishonest.

Clearly, since the punishment should fit the crime, criminal prosecution of corruption should be left to the authorities, while any abuse of discretion should meet established punishment

outlined the bylaws of any given public or private institution. This means that different types of corruption require different enforcement systems. Therefore, corruption engulfs criminal, non-criminal and dishonest practices, and in some cases and countries, the borders between them are not clear cut.

Corruption beyond the public sector

While most definitions restrict corruption to the public sector, there are no shortage of examples considering collusion between members of the public, private and social spheres. Furthermore, plenty cases of corruption are initiated, carried out, and concluded within the private and social realms. Nonetheless, a restrictive definition of corruption as an exclusive act of the public sector omits any mention of those acts. Recently, however, several scholars and institutions have started to call corruption by its name regardless of the place or actors involved. In his volume "Political Corruption: In and Beyond the Nation State," Robert Harris provides a detailed account of the long history of corruption beyond the borders of the public sector and the Nation State. A definition supporting this perspective was minted by Heidenheimer and Johnston by regarding corruption as "the abuse of public appointments and/or resources or the illegitimate use of political influence by agents of the public and private sector" (as cited by Alonso and Mulas 2011, p.84).

Notably, World Bank's definition of abuse of the public office for private gain enjoys undisputed acceptance within the realms of scholars and practitioners, this institution was careful enough to issue a caveat, stating that "bribery occurs in the private sector, but bribery in the public sector, offered or extracted, should be the Bank's main concern, since the Bank lends primarily to governments and supports government policies, programs, and projects" (1997,9). Clearly, the mandate, authority and resources of the World Bank have an explicit limit; however, the fact remains that any bribe taken in the public sector, came from elsewhere, either from the coffers of large private corporations, the funds of civic organizations or the pockets of private citizens. Therefore, global efforts to define and fight corruption cannot afford to consistently overlook the role of private sector.

Although a case could be made on how frequently governmental programs and interventions have been tainted with corruption, it is not logical to consider corruption as a mere byproduct of state intervention, while being consistently lenient to private sector scandals. Such a biased libertarian perspective could lead to misguided policy diagnostics. As Hodgson and Jian

(2008) warn, "the concept of corruption has been corrupted by the utilitarian basis of the dominant economics and the ideological prejudice of several conventional economists against State activity" (2008, 75). Fortunately, although the original impulse to define corruption was ideologically tilted, a more balanced and encompassing perspective has started to yield results. Several authors, like Hodgson & Jian (2007) Alemann (1995) and Fletcher and Herman (2013), have explicitly pointed that corruption occurs in plenty other places outside the public sector, such as international corporations, 'labor unions, private organizations, professional sports clubs, just to name a few. Even some multilateral organizations, which have been traditionally adverse to this point of view, have started to admit that "Although corruption is often considered a sin of government and public servants, it also prevails in the private sector" (UNDP 2004, 2). The fight against such a ubiquitous pest cannot focus on a single sector or a restrictive set of countries. There is a need for an encompassing perspective leading to overreaching strategies.

Often, more than one sector is involved whenever a corrupt transaction occurs. Nonetheless, in plenty cases corruption originates and remains within the boundaries of the private, public or social sectors. Regardless the place where it happens, there is an unequivocal damage done to society. As Begovic (2005) points out, "beyond the basic legal violations and high transaction costs, corruption undermines a healthy free-market system by eliminating protection of private property rights, deterring potential investors, and driving entrepreneurial energy towards redistributive activities" (2005,1). Thus, corruption alters the balance of free competition, favoring firms who may not offer the best products nor the best prices, but unparalleled bribes to the right political or private[31] actors. Similarly, a non-profit may spend a sizable proportion of its contributions on lavish benefits for its highest officials, and do so without breaking any law; however, this compromises a fairer distribution of their donations and their very purpose. Clearly, the scope and spread of these and other accounts of corruption are beyond the mandate of the World Bank. Nonetheless, their societal costs are surely high and deserving of a closer look by the authorities. As Alemann (1995) once suggested: "the opinion that the world of public service is separated by a well from the surrounding world of the private economy belongs to the past" (7).

In sum, collusion among corrupt officials, entrepreneurs or social advocates is so globally common that limiting prosecution and research to traditionally ill-reputed bureaucracies allow for a negligent and counterproductive overlook of every culprit involved in corrupt transactions.

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[31] Procurement is a particular area where corruption flourishes in both sectors, private and public.

Restrictive definitions fail to "address the problem of corruption in the private sector, or the links between private and public sector corruption, such as the role of the private sector in fostering corruption in the public sector. Not only public officials may be tempted by bribes, but also those in positions of trust or authority in private corporations, NGOs, or charities" (Fletcher and Herman 2013, 4). A global consensus on the definition of corruption should embrace a more comprehensive approach, including often-overlooked angles, and stop awarding a convenient shade for those who have consistently benefited from corruption within and outside the public sector.

2.2   Taxonomy of Corruption – Varieties and Categories

Development of an adequate typology of corruption (perhaps even a set of them) is essential to better understanding this phenomenon, as well as for the assessment of different strategies aimed at restraining it.[32] Such a typology should be able to classify different sorts of corruption and grasp the subtle nuances among them, grouping the most common examples into functional categories. Typically, corruption varieties are arranged according to the kind of collaboration involved (collusion or coercion), sorts of goods exchanged (favors, currency, appointments, omission), expected behavior (action vs. omission), source of the initiative (either demand or supply), the particular economic-political activity where it occurs (public procurement, natural resources, construction permits), by its prevalence (systemic vs. episodic) and sectors involved (public, private or social sector).

These are but a few of the most common arrangements found in the literature, although such a list could be even more detailed. Still, no matter how exhaustive it is, most references sort types of corruption into three different categories: as an extensive ***inventory*** with no ordering principle, as a ***category*** with different types related by some specific criteria, or as a ***scale***, where corruption types are ranked in decreasing or increasing order of severity, pervasiveness, or moral reprehensibility. It is important to note that none of these categories are exclusive or exhaustive, and that some specific types are more prone to overlap between categories.

Before beginning the discussion on the three different arrangements for corruption typologies (inventory, category, or scale), it is important to establish the specific attributes any unethical behavior should meet to be considered along other forms of corruption, and thus as

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[32] Absolute deterrence may sound attractive to political rhetoric, yet it is unrealistic (to say the least) from the angle of policy feasibility.

pertaining to any of those categories. In other words, when does a misguided act cross the line into the boundaries of corruption and when does it remain confined to the realm of mere dishonesty? Building upon the debate between the definitions from the preceding section, an act will be regarded as corrupt if it involves *the abuse or misuse of entrusted authority or influence in order to extract an illegitimate—and often illegal—private benefit in return for a benefit of any sort, to any person[33]*.Therefore, the following typologies only consider corrupt actions as those that meet the following criteria: the discretional abuse of entrusted power to bestow undue or untimely benefits to another party in return for an illegitimate payoff.

2.2.1 Inventory typologies

It is common for discussion around distinct types of corruption to resort to a simple enumeration rather than aiming for a strict classification[34]. The corruption types listed below are successively mentioned without suggesting any kind of ordinal, hierarchical, or organic relationship among them. The aim of this typology is to draft a list that is as exhaustive as possible and considers as many conducts as possible that could be clearly labeled as corrupt. However, no matter how long the list, it is impossible to include every possible act since there will never be a definitive inventory of corruption. Furthermore, some items of those inventories do not translate well across cultural borders because some instances of corruption may not be considered worthy of making onto such a list[35]. Nonetheless, there is some use in developing this sort of catalogues in order to create awareness of the several guises corruption may take to facilitate criminal typologies and thus prosecution within and across borders.

One of the most cited inventories of corruption is the one suggested by Klitgaard (1998), and the United Nations Development Program (1998), which separately concur on the same elements worthy of consideration (even though they selected a different order). According to both, corruption could come in many formats "such as bribery, extortion, fraud, nepotism, graft, speed

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[33] This definition could encompass corrupt acts occurring within the public, private and social sectors, as well as those when any bureaucrat, official or executive exact an illegitimate gain for themselves or anyone else. Clearly, such a definition is deeply indebted to all those previously mentioned with the definition section of this chapter.
[34] Perhaps, on the subject of corruption, a strict classification might not even be possible given the porous borders among neighboring kinds of corruption; that is, some forms of corruption may fall in different categories.
[35] There are few examples of socially condoned forms of corruption in different parts of the world, as Hook (2008) puts it: "Activities such as nepotism or cronyism that are corrupting in the rule-based cultures of the West may be functional in relationship-based cultures. Behavior that is normal in the West, such as bringing lawsuits or adhering strictly to a contract, may be corrupting elsewhere" (1).

money, pilferage, theft, embezzlement, falsification of records, kickbacks, influence peddling, and campaign contributions" (Klitgaard 1998, 1).

2.2.2   Corruption arranged by categories

Corruption comes in a wide array of manifestations. Some of them share enough similarities as to be regarded as part of the same lot, and there are good reasons to proceed in such a way. Even the most bizarre examples of corruption and the most extravagant exploitations of the public space[36] share the same basic structure of abuse of discretion by a person who was in charge to safeguard the public interest or that of their stakeholders. Although the scale of the exchanged illegitimate benefits, the complexity of the network involved, and the prominence of the public or private official may vary, in the end, the structure of the corrupt act remains unaltered. These and other examples can be arranged across categories, elucidating kinship among them and study of enabling mechanisms behind any set of abuses.

The World Bank (2000) defines two major categories: ***administrative corruption and state capture***. Corruption of the first kind (administrative) involves discretionary bending of legal standards in return for a gratification and is widespread among transitioning[37] or developing countries; the size of the kickback in question varies according to the hierarchy of the public official, the expected "return on the investment," and the size of the action/omission involved. Therefore, a restaurant inspector could hardly expect as much as a customs officer. It is not the same to overlook filth in a kitchen than looking the other way when large containers of questionable cargo arrive to port. While all administrative corruption is extremely damaging to public interest (particularly the latter), they both pale in comparison to corruption of the second category: ***State capture***[38]***.*** This is regarded as "actions of individuals, groups, or firms both in the public and private sectors to influence the formation of laws, regulations, decrees, and other government policies to their own advantage as a result of the illicit and non-transparent provision of private benefits to public officials" (World Bank 2000, 15). Consistent with such definition, the

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[36] Most of the work force in Mexico labors within the informal sector, a vast amount of them as public vendors obliged to pay kickbacks on a daily or weekly basis. Although this may seem insignificant, when multiplied by millions we can see that it requires involvement, complicity, or neglect from high officials

[37] By transitioning, we mean those countries labeled as emerging markets or emerging economies, those nations that after several reforms and several decades remain as a submarine—occasionally submerged, but never fully afloat.

[38] For an in depth description on state capture and special interest politics see: Bingman, C. (2015) Governments from Hell Government Sponsored Oppression and Terror.

U4 Anticorruption Centre in Norway regards it as: "the phenomenon in which outside interests (often the private sector, mafia networks, etc.) are able to bend state laws, policies and regulations to their (mainly financial) benefit through corrupt transactions with public officers and politicians."[39] The perversity of State Capture transcends the mere appropriation of public resources through dishonest means, it corrupts the very essence of democracy (one man-one vote) by submitting the power of the state to the bid of vested interests, or occasionally criminal ones. While administrative corruption is rather evident in developing and underdeveloped countries, no nation in the world is impervious to state capture as it remains to be the most profitable kind of corruption (Hellman 2000; Kaufmann & Kraay 2002).

The increasing economic cost of political campaigns and the continually shrinking periods between elections[40], have made large contributions a necessity, even when they come with hefty strings attached. Unsurprisingly, there is convincing evidence suggesting a close link between campaign contributions and policy outcomes (Grossman and Helpman 2001). Lobbying may not specifically fall into the category of state capture; however, the flow of copious amounts of money or privileges is aimed at gaining the good will of legislators towards causes that may have had legitimate ends but not so legitimate means. Aggressive lobbying often displays little regard for the grey line dividing improper political contributions and legitimate campaign financing. Although state capture usually refers to corrupt exchanges between some members of the public and private sectors, occasionally—in its worst scenario—it could also refer to the involvement of organized crime. It is rare however, to find a case where these three sectors collude. Entrenched interests already extract impressive rents and benefits from the State without the involvement organized crime, adding instability, noticeability, and violence. Furthermore, while all corrupt transactions are illegitimate, plenty of them are also illegal, but only very few of them classify as delinquent or criminal.

Undoubtedly corruption, and particularly its relationship to governance, is highly relevant for the World Bank, and is included in its regularly held Global Issues Seminar Series. Within this framework, Bhargava (2005) presented a set of six categories prone to some overlapping: grand

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[39] Available at http://www.u4.no/glossary/state-capture/#sthash.pjIvci2e.dpuf

[40] Clearly, elections have been held at specific points in time; however, it has become increasingly common to live under a political scene of permanent political campaign, forcing politicians into a fund-raising spree in order to remain competitive against their counterparts. Recently, electability of any politician has been closely tied in the media to their potential to raise funds.

corruption (State capture by another name), political corruption, corporate corruption, administrative corruption, petty corruption, and systemic corruption. The last of these categories, however, could fit better under those arranging corruption along of a scale, describing the perverseness of corruption in contrast to lesser degrees of institutional, economical, and societal infiltration.

Tanzi (1998) raises the degree of complexity by crafting a system of seven dichotomous categories, classifying corruption according to hierarchy (bureaucracy vs. political leadership), initiative (initiated by briber or bribed), complicity (either coercive or collusive), degree of centralization (centralized or decentralized), predictability (expected or arbitrary), sort of reward (cash or other), and expected benefit (cost reducing or benefit enhancing). Tanzi's system allows for a vast number of possible combinations, able to specify specific arrangements of benefits exchanged, as well as degree of violence exerted, among other relevant attributes.

Some types of corruption are only available for those with extremely deep pockets and considerable degrees of influence, while other kinds of corruption are committed every day around the world, particularly in underdeveloped nations, by individuals trying to either get by or get ahead within an environment of endemic corruption. We are speaking of the difference between petty and grand corruption. While the first kind would be exerted by low level bureaucrats extracting rents from individual citizens, the second kind implies endowing extensive benefits in the form of favorable legislation, lack of oversight or preferential contracts There is a good reason why the latter is called state capture. Both kinds of corruption are extremely damaging to the public interest as they erode the legitimacy of the State in the face of its citizens through ordinary bribes and kickbacks in the case of petty corruption, to large-scale corruption scandals that are seldom exposed and rarely punished, if ever. In order to best illustrate the type of goods exchanged and the kind of actors involved in both kinds of corruption, Pedersen and Johansen (2008) crafted the following diagram for a paper where they discussed their common features:

Table 1. Typology of corruption based on actors´ categories

	The level	The Purchaser	The Provider
Petty Corruption	Day to day corruption	Individual citizens	Individual providers of public services – health personnel, police
	Administrative malpractice	Individual economic actors, firms	Public control and licensing parties
Grand Corruption	Political State Capture	Collective Economic actors – interest organizations – Individual economic actors	Politicians- individuals and political parties

From Pedersen and Johansen (2008, 7)

As seen, corruption is prone to occur at various levels of authority, each of them with particular modus operandi and appetites. Regardless of the level however, all corrupt exchanges between dishonest parties require (paradoxically) a code of conduct guaranteeing delivery, reciprocity, and discretion. Both *structural corruption* and *network-corruption*[41] require high degrees of reliability to operate, categories which were devised by the criminologist Britta Bannenberg (2002), along with *situational corruption*, a category reserved by opportunistic, small and one-time abuse, conducted by public servants of lower ranks.

Ulrich Von Alemann (1995), another long-time influential scholar on the topic of corruption, devised several categories for its classification according to jurisdictional level. This ranges from local politics (micro level), country regions (meso-level), nation states (macro level) and international (mega level). He also divides corruption according to the degree of authority involved: petty, low and top-level. Finally, Alemann (1995) drafts a list of agencies where corruption flourishes, such as housing and construction administration, economic development, procurement, license approval, military procurement, and secret services.

A rather innovative categorization of corruption is presented by Economakis, Rizopoulus and Sergakis (2010). Primarily focused on the interactions between institutional structure and institutional stability of a given regime, Economakis and his colleagues arrange four corruption categories over an encompassing a framework labeled *patterns of corruption*. Each of these four

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[41] This category is reserved specially for interactions between public officials and the organized crime.

categories outline distinct kinds of corrupt exchanges that are highly dependent on the specific political leverage of those engaged in such dealings. Thus, *Institutionalized Corruption* would occur between elite members that are safeguarded by the highest degree of institutional sophistication. For example, where purposefully lenient lobbying laws allow for the furthering of the agenda of wealthy vested interests. Conversely, on the opposite quadrant of this category *Diffused corruption* can be sustained between members of a society without political influence nor important means for their own survival. Although this model has been originally crafted to classify different states, there are some cases where individuals of the same country—such as Mexico—inhabit starkly different environments, amenable to equally different corrupt arrangements. The graphical presentation crafted by its authors allows for a better understanding of these Patterns of corruption

Table 2. Patterns of corruption

Institutional structure

		Elitist	Pluralist
Institutional stability	+	Institutionalized corruption	Marginalized corruption
	-	Hierarchically fragmented corruption	Diffused corruption

Source Economakis et al. (2010, 24)

Lastly, we must include some necessary remarks on corruption as a crime. Although some extreme forms of corruption do qualify as a crime, the term crime includes plenty of other activities besides corruption; however, given their notoriety, those forms have long been classified under criminological categories. Technically known as criminological types, these categories facilitate the job of national enforcing agencies and bridge agreements among multilateral organizations because they do translate well across judicial systems. Some practices are in themselves corrupt or lend themselves to acting as a vehicle for a corrupt transaction. Well aware of such fact, in 2006 the International Financial Institutions Anti-Corruption Task-Force[42] (IFIAC-TF) agreed on a

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[42] This Task Force includes the African Development Bank, The Asian Development Bank, The European Bank for Reconstruction and Development, The European Investment Bank, The International Monetary Fund, The Inter-

Uniform Framework for Preventing and Combating Fraud and Corruption. Within it, five specific practices are explicitly described and thus banned for member Institutions. This framework states that corrupt, fraudulent, coercive, collusive and obstructive practices will all be punished internally and are deemed worthy of further inquiry and criminal prosecution by the respective authorities.

Each of the preceding categories relate to the most common instances of criminal corruption, which are further differentiated by the IFIAC-TF between *corrupt practice* equivalent to bribe, and *fraud*— shorthand for fraudulent practice. Coercive *practice,* on the other hand*,* relates to extortion, while *collusive practice* relates to collusion or even racketeering. Lastly, *obstructive practice* is obstruction of justice, all practices that are severely punishable felonies in most penal codes across the world.

Environmental circumstances, institutional flaws, and a misguided set of incentives foster specific corrupt practices, which are then aptly inserted into the institutional fabric of hosting realms, such as the corporate world, the political arena, the extractive sector, or police enforcement. However, no matter where it happens, who is involved, or what is exchanged, all of them share more similarities than differences. The following discussion on political and corporate corruption can better illustrate this point.

2.2.3   Political corruption

Corruption occurring within the political realm normally it is not limited to this, and often the initiative to engage in a corrupt exchange may have started elsewhere. Whatever the case, political corruption generally occurs at the different phases of political activity: while competing for public office, during, and after tenure. Clearly, these three phases are inextricably connected, and it is not rare to find cases which cross through them all, such as a politician receiving illegal contributions while campaigning, paying with corrupt favors while in office, and being handsomely rewarded at the end of their tenure with board or executive appointments at a grateful firm (occasionally, wives and sons become "eligible" for such a benefit).

Political competition is inherently contentious, and the repertoire of strategies to outmatch a rival have always included both legitimate and illegitimate tactics. A recent concern on the lack of civility of recent campaigns need only revisit historic accounts of early elections to realize there

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American Development Bank, and the World Bank Group. The whole document can be found at:
http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=37018601

is little novelty in the essence of political campaigns. Do we deserve better? Perhaps. Are we posed to witness it? Unlikely. The point here, however, is not to ponder whether each election reaches new lows in terms of common decency, but to list some of the most prevalent instances of corruption inherent to the electoral process, which is at the core of any political activity. Thus, while electoral corruption engulfs most illegitimate and illegal activities associated with competition for office, a good list of other questionable maneuvers is related to regular activities of building electability. Whenever these activities involve the abuse of a position of power aimed at securing allies or votes through illegitimate retributions, they are worthy to be labelled as electoral corruption[43]. Focusing on activities related to electoral corruption, a preliminary distinction can be made among those that are blatantly illegal, such as ballot fraud and voting rights tampering, as well as improper campaign contributions, and other activities also related to electoral competition that ranging from immoral to reproachable and are nonetheless legal[44].

Illegal campaign contributions are the capstone of political corruption, requiring a series of questionable maneuvers aimed at hiding the origin, destination, and use of vast amounts of money and goods. Such contributions are provided at the expectation of a larger payoff when the benefited politician arrives to office. Thus, citizens end up footing the bill by suffering under and paying for policies drafted to cater to the interests of political sponsors.

A politically "indebted" candidate becomes an equally compromised representative of public interest. The larger the debt, the smaller the amount of time, care or resources devoted to regular constituents. Reciprocation is of course expected given the unpleasant consequences of failure to comply, which is why this phase of political corruption is so pervasive. Nepotism, graft, fixed public bids and contracts, disproportionally generous budgets are but a few of the tools at the disposal of the corrupt bureaucrat or representative. Regardless of the payoff chosen, abuse of public office is generally conducted in at least three different ways:[45] by abusing the intrinsic benefits provided by the public office itself (public office-centered corruption), by employing public office as an illegitimate service provider that is available for sale to the largest bidder (Market-centered corruption), or by becoming a de-facto representative of the vested interests

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[43] Undeserved raises and promotions, unjustified paid leaves, just to name a few

[44] Largely dependent upon the electoral legal framework in question and the predominant political culture of the place.

[45] Amply discussed by the Hungarian Gallup Institute at:
https://www.unodc.org/pdf/crime/corruption_hungary_rapid_assess.pdf . The Institute draws on definitions previously provided by Van Klaveren (1989), Nye (1967) and Friederich (1966).

whose sponsorship made such a tenure possible (public-interest centered corruption). Under an environment of poor scrutiny, weak rule of law, and guaranteed impunity, these, and plenty other forms of abuse are enabled.

Electoral corruption includes not only voting suppression or ballot tampering. Impoverished citizens, for example, are vulnerable to be coerced via credible threats of exclusion from social programs benefits unless they support candidates from the incumbent party. These despicable abuses are common in rural and poor settlements of underdeveloped countries. Conversely, while it could be argued that pork barrel politics is not intrinsically corrupt, it still ties public benefits to specific electoral outcomes, thus compromising freedom of choice. Although weaker democracies around the world have shown a disproportionate predominance of clientelistic over programmatic competition (Hallin, D.C. and Papathanassopoulos, S. 2002; You 2015; Hilgers 2012), it is equally true that the capacity to deliver benefits associated with locally allocated budgets (popularly known as bringing home the bacon) is not only part of early electoral history of the United States, but also an effective electoral resource of dishonest politics. This sort of strategy breeds large and entrenching clienteles that also become an impending challenge to democratic health. As Hopkin points out, there are several reasons to guard against clientelism: "mass party clientelism on a large scale is ultimately both inegalitarian (because it does not respond to universalistic criteria) and economically unsustainable (because it feeds a continuing demand for redistribution). The case against clientelism as a form of linkage in party democracy therefore remains strong and clientelism is generally an unwelcome phenomenon from the point of view of mainstream normative democratic theory" (Hopkin 2006, 17).

A public official committed to serving his sponsor's expectations is likely to be rewarded at the end of his tenure by transitioning to corporate life, where the firm will continue to benefit from inside knowledge, influence and professional connections developed while in office. This is a win-win situation where the electorate is not invited, of course. Transitioning from public office into a private corporation is perfectly legal and should not have to be a badge of disgrace; however, when such an appointment is a deferred bonus for illegitimate services provided, then we are witnessing yet another phase of political corruption. Granted, some cases of undue political influence and associated pay offs are more challenging to prove than others; nonetheless, the trail of political contributions to key political players can be traced.

Two factors must be present in the corruption phase: a conflict of interest and revolving door. A conflict of interest can be established when the impartiality of a public official is in question, given established ties to specific economic or political actors. In the second case, a revolving door is an informal expression given to the common occurrence of successive appointments between the public and private sector, particularly but not exclusively between regulatory agencies and companies that ought to be regulated by them. In some cases there is an explicit regulation establishing a waiting period (also known as a cooling off period) between the end of an appointment and the beginning of another, yet it could be bypassed by the hiring of spouses, sons, or relatives. Although research on conflict of interests has not received as much attention as some other corruption related issues, there are some valuable contributions on the topic, such as Makkaia and Braithwaitea (1992), who had long suggested that any revolving door opens both ways, leading top executives into key cabinet appointments or regulatory agencies' boards, as well as receiving high profile politicians into the corporate world. More recent contributions, such as Lapira and Thomas[46] (2014, 2012) pointed out dire transparency loopholes in the law that prevents clear differentiation between revolving door lobbies and long-time, fully professionalized lobbyists. Furthermore, they suggest that most measures aimed at preventing revolving door lobbying, such as lobbying transparency rules, and cooling-off periods are simply insufficient and inefficient disincentives.

Regardless of the phase where political corruption occurs (while campaigning for office, while in it, or right after its pervasiveness and harmful spillover to private and social sectors is clear. Therefore, corruption within the public sector should be viewed as a systemic phenomenon transcending its boundaries, thus the importance given to anti-corruption efforts within the public sector. However, it has been a costly mistake to regard corruption outside the public sector as a matter of private concern to be dealt with separately.

A word on legal campaign contributions

Although most contributions come from well-intended and legitimate donors, only those with truly deep pockets get to have a say on policy, effectively nullifying the democratic principle of "one man one vote." Although the Supreme Court has already ruled on the matter (Citizens

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[46] Who reached such conclusion after reviewing 1600 biographies of registered lobbyists in the US.

United), it stands to logic that any politician will be more receptive to the concerns of a wealthy donor than those of an average constituent. As Gary Becker (1983) once stressed: "Politicians and bureaucrats are assumed to carry out the political allocations resulting from the competition among pressure groups. Just as managers of firms are hired to further the interests of owners, so too are politicians and bureaucracies assumed to be hired to further the collective interest of pressure groups who fire or repudiate them by elections and impeachment when they deviate excessively from theses interests" (Becker 1983, 396).

Claessens et al. (2008) also observed that the biggest donors to Brazilian political campaigns received remarkable financial benefits right after their sponsored candidates took office in comparison to those that did not donate. This competition among pressure groups for political influence has long been discussed by Becker (1983), who showed that individuals and groups have good reasons to expect that pressure for benefits ultimately gets rewarded, given that "political influence Is not simply fixed by the political process, but can be expanded by expenditures of time and money on campaign contributions, political advertising and other ways that exert political pressure" (372). Therefore, even when constrained by the legal framework, disproportionate contributions compromise the leverage of average citizens, who are unable to outbid powerful interests.

Corporate corruption

Despite sizable and frequent scandals related to corporate corruption, this has always been overshadowed by political corruption. Nonetheless, corruption within the private sector is not rare by any means or limited to specific countries and is just as damaging as political corruption. The economic crisis of 2008[47] that was unleashed by the reckless greed of several key players in the financial sector placed corporate corruption into a well-deserved spotlight. Corporate corruption has now gained unprecedented notoriety, with more international efforts being invested into addressing this *800-pound gorilla in the room* that some still would prefer to ignore. Interestingly, one of the most famous corruption barometers in the world is based upon a pool of private sector surveys[48]filled out by prominent businessmen who are familiar with the occurrence of corrupt

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[47] The preceding scandal of the corporation ENRON should have served as a warning of the consequences of unbridled corporate greed, abided by a negligent lack of governmental oversight, but it didn´t.
[48] Transparency International has used a number of different surveys over the years, including at least The World Competitive Report and three more from the Political Economic & Risk Consultancy LTD.

transactions. This paradox has been acrimoniously highlighted by Hawthorne (2015) who points out that: "The businessmen from developed countries, by participating in corrupt and bribe paying activities, are knowingly breaking the laws in another country, yet surveys often filled out by these individuals are used to judge and perceive developing countries as corrupt (…) Thus, to enhance equity and transparency, maybe TI ought to adjust its methodology to include from individuals from both countries who pay and receive bribes" (p. 139). Hawthorn's criticism may be valid to a certain point, because what some of those individuals may lack in moral authority, they compensate for with firsthand knowledge. The purpose of these sort of measurements is to ascertain the extent of the problem and not necessarily to condemn countries for questionable business practices.

Despite its shortcomings, *The Corruption Perceptions Index* (CPI) by Transparency International remains a remarkable contribution in spite of the valid and harsh criticisms made against these and other methodologies[49]. Originally released in 1995[50], the CPI has enjoyed unmatched relevance and notoriety, helping to keep the subject of corruption in a well-deserved spotlight and supported by much-needed data on the subject. It is true, however, that corruption demands to be measured on the supply side as well. Aware of the limitations of CPI, Transparency International has released the Bribe Payers' Index since 1999[51]. This index offers a ranking of "the world's wealthiest countries by the propensity of their firms to bribe abroad and looks at which industrial sectors are the worst offenders."[52] Like its counterpart, the Bribe Payers' Index also considers the perspective of several businessmen based in developed and underdeveloped countries, and openly acknowledges the responsibility of the developed world by encouraging national companies to pursue aggressive and questionable business tactics aimed at securing government contracts, regardless of the price or methods.

Venturing even further in highlighting the relevant role of the private sector on combating corruption from within, Transparency International also conducted a transnational survey in 2011. It asked 3,000 businesspeople from over 30 diverse countries about "their view on bribery and corruption, but also on what works to stop corruption in the private sector and what the business

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[49] Governance Matters by Daniel Kaufmann and his team had already been heavily criticized and, in my opinion, successfully defended.

[50] Its 2015 edition ranked 168 countries; the edition of 1995 (the first) had ranked only 41 countries.

[51] The original survey considered 14 emerging markets and 19 leading exporting countries. It has had only five editions thus far (BPI1999, BPI 2002, BPI2006, BPI2008, and BPI2011).

[52] http://www.transparency.org/research/bpi/overview

community can do to put corruption out of business."[53] Lastly, since 2012, Transparency International has also made efforts to monitor corporate reporting from 105 of the world's biggest companies. All of these are remarkable efforts to keep companies from the developed world and their governments accountable, and while no one claims that such efforts are sufficient to fight corruption worldwide, they are a most needed contribution. These surveys and indices show the compounded effect of multiple forms of illegitimate exploitation of public budgets worldwide. Several ways in which the private sector openly and covertly benefits from corruption, is discussed below.

Undoubtedly, competition is one of the most powerful drivers in any industry, thus the concern of all companies to provide the best product at the best price. In the open market, where consumers are expected to pursue their best interest, the best combination of product and price should win—theoretically at least. In public procurement, however, remarkable portions of public budgets are not invested into the most feasible alternative provided by the market. Overpriced items, inferior quality products and disadvantageous service contracts are rather common in the public sector, and often this is due to questionable agreements made between dishonest public officials and their private sector counterparts. Things get a lot more complicated in countries where there is endemic corruption, which is inevitably accompanied by its inseparable bedfellow, crony capitalism. In those places, thriving industries make connections in government with the goal of outbidding[54] their competition, where neither price nor quality are matter of concern. Corruption in public procurement, while significant, is only one of the several mechanisms bridging dishonest intentions between the public and private sector.

Corrupt corporations also work with high level officials to facilitate the extraction of illegitimate, and often illegal, rents from agencies with big and opaque budgets —such as defense[55], via privileged information or preferential treatment,[56]as well as access to otherwise restricted permits for the exploitation of natural resources. Another highly relevant area of

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[53] http://www.transparency.org/research/bps2011
[54] Perhaps it is time to start considering the term "outbribe"
[55] Defense Agencies are second to none in this respect, thus the interest of Transparency International on monitoring ethics and anticorruption programs from 163 defense companies located in 47 countries. Some of the most prevalent anomalies found are "(…) hidden defense budgets, misuse and control of intelligence for dishonest purposes, misuses of power to influence legislation and parliamentary investigations. [In sum] state capture de facto, illicit takeover of defense by officials" (TI Working Paper #02/2007, p.3)
[56] In fact, some impressive fortunes were amassed in the wake of the largest privatization drive in history There is a generation of illegitimate plutocrats in countries that were formerly part of the Soviet Union and Latin America, whose fortunes are directly linked to a wave of privatization of formerly government-controlled industries.

illegitimate (and costly) influence is obtaining lenient governmental oversight for the financial industry or heavy polluting companies. There are plenty of corrupt ways to "carve out" a budget, and two of their most pernicious forms are embodied in extractive corruption and the fraudulent privatization of formerly owned state industries. The first of these two formats has unleashed a nightmare of exploitation and misery across the poorest countries on Earth, while the second is rather familiar to countries belonging to the former soviet bloc and Latin America; both of which will be further discussed below.

Rich mineral deposits, impressive hydrological resources, or vast forestry reserves are the disguised curse of several African and Latin American nations. Their extreme poverty, high economic dependence on commodities, faulty or null institutions and corrupt leaders provide fertile ground for exploitation by eager and ruthless opportunists from every corner of the world. Corruption in the commodities industry is a given, particularly those extracted from the third world[57] and lesser developed countries. A way to study the degree of corruption associated with commodities extraction was developed by Cahn and Gambino (2008) through a typology designed for sub-Sahara African Countries, but that is equally applicable for Latin America or Southeast Asia. Their four categories are:

Category 0 – Where the higher levels of corruption are appreciated in the conjunction of nearly null effective governance and considerable foreign investing coveting natural commodities

Category 1 – a country is highly dependent on a single commodity export, large opportunity for authoritarian rule and transnational abuse.

Category 2 – Countries with a larger set of commodities, and countries interested on decreasing corruption and improving business environment.

Category 3 – Nations with improved governance, diversified economies and reasonably high of foreign investment lower degrees of corruption.

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[57] As a paradox, plenty companies involved in this marker, either directly or through a convenient outsourcer, are well reputed companies in the developed world, investing millions in PR campaigns to keep shareholders and public opinion satisfied.

The ruthless harvest of third world countries' natural resources leaves a trail of drastic pollution and exploitation with the consent of corrupt domestic authorities, but not only that, it compromises the economic viability of those nations by depleting valuable resources that could have helped them to leverage out of extreme poverty. Latin American countries have no shortage of these examples. Its history is plagued with instances of totalitarian dictatorships propelled by the thirst for unbridled exploitation of natural resources.

The direly needed wave of democratization in Latin America came along with the wave of liberalization, encouraging unbridled privatization, and thus incentivizing crony capitalism. In this respect, the effort of the Extractive Industries Transparency Initiative (EITI) is worthy of mention, given their research and advocacy for a global standard of transparency and accountability of natural resources aimed at increasing accountability over extractive industries and governments to document the size of resources extracted, polluting practices, as well as revenue collection and allocation of the extracted riches (among other variables). Originally established in 2003 as a joint effort between governments, civil society, and private sector, it has been in place for nearly two decades, providing information on who and by how much is benefiting from the extraction, as well as final costs and retribution of its legitimate owners.

Another rather popular area of corruption bridging the public and private sector focuses on the handsome budgets set up for public infrastructure. According to the Global Infrastructure Anticorruption Centre, bribery, extortion, fraud, cartels, abuse of power and embezzlement constantly overlap in public contracts[58].

The last wave of democratization brought a radical change in government and societies formerly belonging to the Soviet Bloc, as well as in those from previously authoritarian Latin American countries. In both cases, state ownership of strategic industries was purposefully transferred to allies of the old regime, thus creating a whole new generation of plutocrats and the instauration of a cronyism of epic proportions where free competitive markets were an unfulfilled promise, or perhaps a tempting bait. Energy, infrastructure, transportation, telecommunications, and other essential industries have always suffered unbridled corruption at the expense of an increasingly impoverished population, both when state-owned as well as when "privately" operated. Mexico, particularly, has the dubious honor of housing the richest man on Earth, and catapulting a new generation of plutocrats whose fortunes are more related to government favor,

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[58] http://www.giaccentre.org/what_is_corruption.php

generous subsidies, and quasi monopolistic markets than to their entrepreneurial merit or ingenuity. Nutine and Isaac (2009) put it in simple terms: "By 1994, according to Forbes magazine, there were more billionaires (in U.S. dollars) in Mexico, twenty-four, than in any other Latin American country, placing Mexico fourth in the world in terms of Private fortunes, after the United States, Germany and Japan (Forbes 1994a). (…) It is worth noting that these great fortunes are directly or indirectly the product of the government's intensive privatization program that was initiated in 1988. Indeed, there was only one billionaire in Mexico in 1987, on the eve of privatization (Forbes 1994b)" (112).

Correspondingly, the wave of frantic privatizations in Yeltzin's Russia caused a similar effect. "Oil company Yukos was sold for $309 million, and about a decade later was earning $3 billion in annual revenue. A fifty-one percent share of oil company Sidanko sold for $130 million, and two years later was valued at $2.8 billion. Nickel company Norilsk Nickel was sold for $170 million and today has annual profits over $2 billion."[59] Although Russia and Mexico are not the only countries where a lot could be learned from the interactions between privatizations and crony capitalism, they certainly do remain its most relevant examples.

Not all forms of private corruption pursue a slice of the public budget. Some of them benefit handsomely from lenient legislation and/or negligent oversight, and there is no better way to secure both than through state capture. Campaign contributions offer a common way to attract sympathy to specific legislative "perspectives"[60], and although there are legal and illegal ways to conduct this kind of business, often the result is the same. Events leading to the largest financial crisis in contemporary history could be explained by the appointment of former financial executives as heads of regulating agencies in charge of oversight of their former(?) employers. Grateful companies could always give former or future employees the benefit of a *revolving door*[61], as the reward waiting for them when their tenure in public office is over.

These are but a few examples of the most pervasive form of corruption: State Capture, where private interests craft legislation fit to their needs, even at expense of the public interest and governmental agencies surrender their guarding purpose to an illegitimate master. Corporate

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[59] http://www.dailykos.com/story/2015/3/1/1364639/-Privatization-Billionaires
[60] the link between them found by Grossman and Helpman (2001) has already been commented few paragraphs above.
[61] This term is currently used to exemplify how careers could be made consecutively between the private and the public sector, particularly in the case of regulating agencies and the industries they were supposed to keep in line.

corruption and state capture share a relationship of means and end. Clearly, large corporations are mindful of their return on investment, and there is evidence that purchasing influence pays off (Kaufmann & Kray, 2002; Helman 2000). Evidently, the best time for such a market is during political campaigns, with each becoming more expensive than the previous one. Although almost every consolidated and developing democracy has legal restrictions aimed at reducing the impact of money over politics (from both legal and illegal sources) it is evident that they have been outsmarted and outspent by vested interests.

2.2.4   Arranging corruption along a scale

As seen, corruption types could be assorted via associative categories or plain inventories, but there is another way to classify them when they share an ordinal relationship. Scale classification of corruption is rather useful in highlighting increasing or decreasing echelons of this phenomenon. For example, although many different actions or omissions qualify as corrupt, not all of them are subject to the same degree of public contempt, which also varies according to cultural standards across regions (Hooker 2008, Rose-Ackerman 2008). As Hooker suggests, "Activities such as nepotism or cronyism that are corrupting in the rule-based cultures of the West may be functional in relationship-based cultures. Practices such as bribery that are often corrupting across cultures are nonetheless corrupting for very different reasons" (Hooker 2008,1).

Alemann (1995) had already pointed out that countries with "traditional family-based systems as well as in patron-client based systems," are arguably more tolerant to corruption, while those fully democratic nations with active media reflect less pervasiveness, whereas transitioning countries fall somewhere in between. Therefore, a suggested scale could arrange different countries according to moral leniency towards specific corrupt arrangements. Precisely, considering the repulsion to some forms of corruption, Heidenheimer (1998) devised a scale based on different shades of grey according to social perceptions of the severity of the offense. On such a scale, **black corruption** is reserved for acts long catalogued under criminal labels such as bribery or embezzlement; **grey corruption**, on the other hand, considers acts of lesser liability but not as unanimously reprehensible, such as patronage or favors derived from positions of power; while lastly, **white corruption** includes acts with the lowest outcry for prosecution of any kind, such as string pulling (Poeschi et al. 2015). Unfortunately, the strong association to cultural perceptions of correctness within Heidenheimer's typology limits its ability to travel well across different regions.

Alemann (1995) also presents a couple of ordinal arrangements that classify corruption according to its relationship with hierarchical authorities (petty level, low level, and high-level corruption) or according to its regularity (routinely or aggravated corruption). The first of those typologies is consistent with the types set forth by the Primer on Corruption published by the UNDP (2013), where corruption is mentioned to occur at the broader political system, within public sector agencies, as well as at the lowest echelons of public services delivery.

As discussed before, distinct types of corruption involve specific hierarchical levels of the bureaucratic apparatus. Higher appointments are rarely involved in cases of petty corruption, just as cases of state capture are beyond the grasp of bureaucratic foot soldiers. The role of hierarchy and the way it affects corrupt initiatives is deserving of further research, particularly in cases of transitions from authoritarian regimes (Holmes 2006), eventually leading to scale-like measures depending on the bureaucratic echelons involved.

After revising the complexity behind the concept of corruption, as well as different issues pertaining its taxonomy, characteristics, and measurement, it can be safely assured that this is indeed a remarkably rich and multifaceted concept. Although actions or omissions tainted with dishonesty could be intuitively identified, specific nuances associated with certain instances of corruption pose a challenge for establishing causality and associated measurement, making it necessary to delve deeper into the intricacies of the subject of corruption causes and consequences.

CHAPTER 3.   ON THE COMPLEX ISSUE OF CORRUPTION'S CAUSALITY

3.1   Important considerations on corruption´s causality

As previously discussed, corruption is a multifaceted phenomenon with several relevant ramifications and a ghastly global effect, with the underdeveloped world being the most impacted, but also clearly present in developed countries. The challenge of measuring and defining it is no small feat, and the task of analyzing the weight of historical, economical, sociological, cultural, and institutional cause is also dauting. Nonetheless, this chapter will discuss an inventory of most causes and factors most discussed within the literature and some schools of thought behind them. It will show that some of the most influential causes have large and entrenched roots posing substantial difficulties for recent policy solutions.

3.1.1   Factors impacting corruption's causality

Developing an exhaustive catalogue of mechanisms enabling corruption and the social dynamics they are embedded in is already a difficult task that complicated even further by at least four problematic issues: the ideological conflict regarding the relevance of different causes, the converging causality of multiple factors, the reciprocal causality between causes and consequences, and the evident challenge of attributing alleged causes over a most elusive phenomenon such as corruption.

The debate over corruption causes is ideological-laden because while opposing paradigms do share for the same contempt for corruption in general, they differ sharply regarding its causes and mechanisms. For example, while those with a liberal perspective sustain that corruption is caused mainly by the intervention of an engorged and overregulated State, opposing views sustain that lack of regulatory oversight and enforcement encourage the exploitation of a system plagued by state capture mechanisms by profit-seeking individuals and corporations. Both sides claim that their adversaries' policies promote corruption; ironically, both could be partially correct. As Breit, Lennerfors and Olaison (2015) point out, "corruption is an emotionally and ideologically vested concept, and corruption research is often characterized and/or motivated by normative descriptions and analyses of corruption (321)". Unsurprisingly, research conducted by economists focuses

mostly on causes associated with economic variables, and occasionally institutional ones; likewise, efforts with a sociological and anthropological perspective focus their attention on societal, historical, and cultural factors. While both sides have contributed valuable findings, dialogue between them is scarce. In sum, research over corruption's causality is often an ideological and political battleground, hindering cross-fertilization among competing schools of thought.

The issue of multiple causality complicates this matter further, both in the case of multiple corruption varieties spurred by a single factor, as well as corruption cases requiring several nurturing elements. Corruption has a plethora of manifestations, such as cronyism, embezzlement, nepotism and bribe, all siblings of a rather large family springing from different factors that need no collusion or coordination to cause severe damage to the credibility of democratic institution. Although most types of corruption share common elements, often the list of ingredients, their proportion, and the "cooking instructions" do vary. Therefore, in the quest for finding better explanations for corruption, perhaps it is time to stop looking for a single smoking gun and instead search for alternative hypotheses forming a puzzle that came with missing pieces right out of the box. Even at the expense of overstating the obvious, it may be necessary to emphasize that corruption is caused by many factors, and results in plenty maladies, where multiple interactive variables often affect, reinforce, or complement each other.

Often, the consequence of a corrupt action triggers others, and are occasionally converge at precedent(s) to this. Corruption breeds more corruption in a continuous circular loop, nurturing conditions and incentives that eventually create fertile ground for even more corruption, the causality of which is also oftentimes in itself an effect as well. Reverse and multiple causality even further complicates the selection of appropriate "antidotes" for specific types of corruption that need to be crafted in accordance with its enabling factors. As Begovic points: "the analysis of corruption factors is a prerequisite for an effective strategy for fighting corruption, as the strategy should consider and address the main sources of corruption" (2005,5). Thus, perhaps a promissory approach could advise to look beyond causes and consequences –in the strictest sense of the word—and consider factors heavily associated with corruption itself or its nurturing environment, as well as enabling mechanisms or perverse incentives, making it possible.

Finally, when studying corruption, researchers face at least two prominent methodological challenges: first, establishing the "existence" of an intrinsically elusive phenomenon; and second, attempting to measure such a "ghost." Simply labeling the problem as corruption and therefore

asserting the undisputable existence of such phenomenon, is a challenge intrinsically associated with the issue of its definition, which was previously discussed here. The existence of a corrupt act depends not only on the illegitimate exchange of favors, but whether such an act is precisely catalogued as corruption, and although there may be an overarching consensus, it withers away as we discuss different examples of corruption across borders. Not all countries share the same regard for equal practices labeled as corrupt within the Western Hemisphere.

Corruption's elusive nature further complicates its measurement. Parties involved in any corrupt transaction invest heavily on keeping their tracks hidden, even in countries where corruption is not efficiently prosecuted and punished. Measurement of this sort of phenomena becomes quite a challenge, particularly because accurate measurement requires close observation and comparison with a previously determined scale, as well as a precise account of the number of iterations observed. Thus, the nature of this peculiar malady calls for measurement by approximation of the alleged events. Plenty of the best-known datasets about corruption are not based upon convictions of corrupt officials, but on the perceptions of businessmen or average citizens. These corruption estimates are at best shadow figures, with the inherent methodological shortcoming of perceptions surveys.

3.1.2 Relevant approaches exploring corruption causality and remedies associated with them

Rational Choice

Over fifty years ago, an economic perspective on criminal behavior presented by Becker (1968, 1974) laid the foundations for the theory of Rational Choice. This theory may have been a late comer to a longstanding debate on the causes of corruption between the institutional and the moral-based approaches; nonetheless, its impact has been felt to this day despite its limitations and rebuttals. Unlike the moral approach, the perspective of rational choice is intended to be value free. In contrast to the institutional approach, a rational choice perspective focuses on the individual sphere of influence and choice, which is eager to exploit opportunity loopholes that are unchecked or poorly scrutinized by democratic institutions.

Initially, rational choice theory was regarded as an apt framework for modelling for criminal behavior, but it soon showed a potential for analyzing corrupt acts and estimating their impact, as well as the environment of incentives and decisions surrounding them. Under this theory

then, an individual would engage in corrupt behavior considering the expected gains of the act, the chance or risk getting caught and convicted, the harshness of likely penalties, and any appealing legal alternatives of income (as Dimant 2013 recalls from Witt and Dryden-Witte economic theory on Crime Causation). Corruption, then, would be explained "as the function of calculating, strategic, self-interested behavior. In this view, corruption is particularly likely to occur in situations of power asymmetry, where some individuals (agents) hold power over others (principals)" (Dupuy and Neset 2018, p.1).

As such, a rational choice argument would not consider diversity in the moral backbone of the public workforce, the character traits of individuals in charge of such decisions, nor institutional efficacy to keep those temptations at bay (or at least not letting them go unopposed or unpunished). Not surprisingly, these assumptions have faced significant criticisms and rebuttals over the decades. Daniel Kahneman (2011), for example, pointed out that the logical coherence demanded by a purely rational calculation of this sort "demands adherence to rules of logic that a finite mind is not able to implement" (411). Conversely, bounded rationality theory contends that individuals lack complete or perfect information, as well as the skills and time to appropriately calculate corrupt opportunities, risks, and consequences, particularly when they present themselves unexpectedly. As Tversky and Kahneman (1986) once warned: "The modern theory of decision-making under risk emerged from a logical analysis of games of chance rather than from a psychological analysis of risk and value. The theory was conceived as a normative model of an idealized decision maker, not as a description of the behavior of real people" (p. 251). Similarly, another shortcoming of the rational choice theory is its reliance on the homo economics ideal type of rationality, which often "leads to untenable solutions that do not consider nonstrategic forms of rationality, collective identity formation, and the crucial effects of place-specific social relations" (Miller 1992, 22).

Torsello (2013) also criticizes how rational choice theory only considers rational acts with selfish inclinations: "the rationality which imbues corruption practices has often been studied from the perspective of a failure, be it systemic-institutional or individual, to assess and recognize the true ethical value of acting in compliance with laws, norms and regulations" (120). Should every public servant act in his own self-interest without regard for law or collective welfare, it seems likely that the social landscape would look more like a dystopic novel. Clearly that is not the case,

as there are reasons to suppose that, despite the deviant behavior of some, most bureaucrats act in accordance with legality and honesty.

Developments on the area of social psychology and behavioral economics have revealed new aspects of corruption research, highlighting "social psychological determinants of unethical behavior, such as the influence of group norms, interactions, and dynamics" (Dupuy and Neset 2018, p.2). Furthermore, progress on the study of neural connections leading to specific patterns of decision-making have recently opened a new perspective on individual decision-making under bounded rationality. "The impact of biological, genetic, and neuronal structures as well as psychological conditions have come to the forefront, trying to explain the ambivalence and variability of the individual mindset" (Dimant 2019, p. 19).

Regardless of rational choice's multiple criticisms and its contributions to the fields of political science and economics, the important question is whether this theoretical approach allows for better understanding of some features of the corruption phenomena. There are at least two analytical devices serving this purpose: principal-agent and collective action theories. The first of them provides a model of how and under which circumstances dishonest public officials could betray their mandate. On the other hand, collective action theory enlightens us as to how some members of society may decide on their own interest after considering the decisions or attitudes of their fellow citizens. Principal agent theory shows us that asymmetry of information empowers abuse, while collective action theory shows us how plausibility of a socially encompassing anticorruption effort depends strongly on collaboration incentives.

Corruption as Moral Flaw

A traditional and popular alternative to explain corruption, and one that is often imbued by religious undertones, is the lack of a moral backbone. In other words, that corruption exists because of the moral decay of societies or individuals. In fact, there is an ancient association between corruption and concupiscence (an amoral desire for terrain goods and pleasures) acquired after the "fall from grace." With slight variations, these warnings on human concupiscence can be found in Catholic, Protestant, and event Muslim theologies. Corruption of the flesh, however, is of no interest here, but the strong influence of religion over societal values, which advises personal virtue as the best antidote against corruption. Nonetheless, moral righteousness is not linked to any specific religious belief, and true believers could be extremely amoral, while atheists can follow a

moral code without the need of fear of eternal punishment. While religious moral codes doubled for centuries as civic ones, they have always faced the challenge of enforcement and cultural dissonance among citizens who may share similar moral codes, yet different degrees of observance.

Ever since the dawn of civilization, artificial-normative barriers had to be established to prevent or ameliorate abuse, a safeguard at those openly threatening the group's well-being, as well at those simulating their true intentions. Trusting human virtue alone was never a safe way to preserve any society, and there had to be institutions charged with defending believers and heathens alike from illegitimate appetites or actions. Clearly, early normative barriers were deeply influenced by prevailing religions. The law of the land was a codification of the law of God. In time however, as most societies evolved into secular nations, religious undertones of legislation became merely symbolic. Modern restrictions need to be grounded in a secular ethic to be legitimately enforced in plural, contemporary societies. Ethical guidelines entirely based upon religious beliefs are not only unpractical in terms of enforcement, but deeply antidemocratic. This section will focus exclusively on secular moral strategies aimed at deterring corruption, as well as their respective intellectual influences.

This moral perspective regards corruption as the failure to follow a set of values, advocating their promotion and enforcement as a policy against wrongdoing. A better understanding of its ethical stance requires a concise revision of its philosophical background, preceded by disentangling theoretical nuances between three interwoven concepts: moral, ethics and integrity.

There is a powerful reason for the common confusion between morality and ethics, the origins of which can be traced back to ancient times. The word ethics[62] comes from *êthos*, a Greek word strongly linked to character traits (either good or bad, vice or virtue) and the virtuous behavior associated with it[63]. Eventually, *ethikos*, the adjective for ethical behavior, was translated to Latin as *moralis*, an adjective associated with the term *mores*, which is related to the traditions, customs and habits regarded as correct within roman society. Moral can be interpreted with the set of values shared by a community, while ethics is the code that makes them functional, or as

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[62] According to the Peer Reviewed Internet Encyclopedia of Philosophy Available at [May 20, 2020]:
https://www.iep.utm.edu/ethics/
[63] See Aristotle´s Nicomachean Ethics

Ozumba 2004 suggests: "morality tells us that an action is either good or bad, ethics gives us the principles and the reasons why an action is good or bad" (as quoted by Ochulor 2011, p.224).

Integrity is another word commonly associated with morality and ethics, commonly defined as "*doing what is right, even if no one is watching.*"[64] Its origins can be traced to the Latin *integritatem*, a word implying wholeness, with no additions, and thus deemed as pure. Eventually, this term became associated with individuals whose behavior seemed consistent, with no double standards, and as such, admirably virtuous. Intending to base an anticorruption strategy on overarching integrity from every public servant is problematic, to say the least. As Cooper-Enchia (2018) suggests, "Integrity is personal, it is a character trait and not a generality applied across a society. Integrity is different from what we call ethics, which has external rules and beliefs, checks, balances, and consequences for non-compliant behavior. Integrity and ethics are close relatives; however, one is individual the other communal."[65]

According to the moral perspective on corruption, a person imbued with morals, guided by ethics, and acting with integrity will endure temptations of any kind, particularly those offering illicit or illegitimate gains. However, integrity's largest challenge is not good behavior in the absence of external scrutiny, but resistance from managerial, social and per-pressure, forcing to betray a personal code of conduct. A good example are conscientious objectors, who have faced scorn, harassment and even prison before betraying their moral codes.

Following Cooper, considering ethics-based strategies as a more reasonable approach than morality or armies of righteous citizens, it would be convenient to establish which ethical frameworks could serve to deem acts as ethically appropriate.

3.1.3   On the ethical perspectives of acts

Ethics is not only a code of appropriateness, but also the branch of philosophy that has pondered for centuries on the merits of human deeds as moral or immoral. It considers not only the ends to an act, but also the means employed in its realization; thus, different philosophical perspectives could have their own say on the balance between the means and ends for specific actions, depending on whether they are moral or not. Aristotle, for example, prescribed exercising the "golden mean," to ensure that one's behavior is firmly placed between the extremes of excess

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[64] According to a quote popularly attributed to C.S. Lewis
[65] https://www.chemonics.com/blog/how-can-we-reduce-corruption-if-integrity-is-a-personal-choice/

and deficiency. Kant called for a "categorical imperative," where an act would be deemed ethical only if the well-being of others is not compromised. Additionally, he insisted that a truly ethical act could not have questionable ends nor means.

Aristotle and Kant are two prominent examples of an impressive list of philosophers who have directly or indirectly discussed ethics. Though it would take an entire doctoral dissertation to describe their contributions on this matter, here we will look into different philosophical perspectives that could better illustrate where they stand on ethics.

Table 3. Prominent ethical perspectives on the morality of acts

Ethical Perspective	Criteria
Teleology	Consequences determine the morality of the acts causing them
Utilitarianism	An act could be deemed as moral if it carries greater happiness over the largest number of persons
Intuitionism	An intrinsic moral sense allows to identify morality of acts
Deontology	The act is moral or not by itself, consequences cannot qualify it
Character theories	Moral acts can be identified by the character trait they exhibit

Based on Garofalo et al. (2001)

The question arises, if there are different perspectives on the merits of an ethical act, could there be agreement among different societies? What are the implications of these different approaches for universally regarding an act as corrupt? dup (2018) attempted to answer these and other questions in his interesting volume *Can different cultures think the same thoughts?* by sustaining that "philosophers in all traditions have argued that our beliefs about how to behave are grounded in our conception of reality, which implies that ethics is ultimately grounded in metaphysics" (2018, 1). By comparing Greek, Chinese, Indian and Western philosophy, Dorter makes the compelling case that despite cultural differences and nuances, basically ethical acts share striking similarities across different cultures and ages. Previously, Garofalo et al. advocated for a unified ethical theory able to bridge different ethical stances from teleological, utilitarian, intuitionist, and deontological perspectives. "We argue that there is a single underlying moral structure that reflects a universal respect for a common core of moral virtues. If we are correct, that common core of moral virtues can become the basis for common understanding" (2001, 6).

3.1.4   Debating the effectiveness of moral strategies

Effectiveness is the key factor in any anticorruption strategy, including those based on ethics, which have traditionally been subject to skepticism because of failed attempts that rely more on political posturing that mixed approaches combining a focus on ethics with a structure of incentives and rewards. Peter De Leon (1993) is an open sceptic of this approach "which, like any morality play, has an easily identified culprit and, with exorcism, a remedy (…) Moreover, and more disheartening, the solution has demonstrated to be futile. Corruption has repeatedly reoccurred, despite the many reforms initiated and *bad apples* discovered and discarded" (1993, 10). Solutions based upon the moralistic model "can be seen as naively optimistic and ineffectual" (Op.cit., 12). Garofalo, Geuras, Lynch, and Lynch (2001) openly disagree with De Leon and defend policy approaches with a strong ethical component, emphasizing character development.

Perhaps it is important to clarify the difference between an anticorruption policy reinforced by an ethical framework, and naïve attempts to evangelize employees and managers for the public and private sector. Relevance of the ethical component is essential in predicting the odds for success. A policy entirely based on moral praise or condemnation is different than placing the ethics component as a axiological reinforcement, or another where both ethics, incentives and punishments have the same importance.

Despite the salutary effects of ethical awareness workshops, there are some warnings worth considering, like the one voiced by Aristotle on how ethics cannot be taught, but rather experienced, and requiring constant exercise like any functional muscle. No matter how good the syllabus, professor, or pedagogy, if members of any organization witness a lack of consistency in its upper echelons, awareness efforts may be meaningless or short lived. Some other difficulties can be circumvented, such as the intrinsic challenge of measuring and testing abstract ethical concepts, because, as Frederickson acknowledges, even if moral truths or human values cannot be empirically testable, "they can be judged to be honest or dishonest as long as the concept of honesty is defined. Democratic government, including the Constitution and the laws, can be seen as a collective expression of agreed-upon values or as the definitions of values" (1993, 4).

It would not be hard to assert that, despite bureaucracy's bad reputation, most public servants work long work hours for little compensation without compromising their commitment nor their integrity; nonetheless, it only takes a few well positioned and dishonest individuals to taint a whole office. Therefore, an effective strategy that is heavily reliant upon an ethical approach

should be able to account for several issues. These include the pervasiveness and toxicity of more than a few "bad-apples," decent compensation, promotion, and recognition for public servants going beyond the call of duty, and incentives along with protection for the few valiant whistleblowers and proper leadership by ethically exemplary high officials. Advocacy for moral strategies should always consider not only the facet of desirability but effectiveness above all, otherwise, calls for an honest public exercise ends un in vacuous moral grandstanding, or naïve wishful thinking.

Institutional Failure

Another relevant explanation for corruption is found in institutional failure or absence of institutions. Following North (1981), Institutions are the rules and constraints agreed upon, expected to "shape human interaction" through political, social, or economic incentives. They establish a common sense of what is right within a given society or group, establish how its members should interact, and determines rewards or punishments accordingly. However, when these institutions fail to deliver on their purpose, corruption is expected to flourish and grow. In fact, institutional failure and corruption share a symbiotic relationship. Clearly corruption benefits from an environment of failing institutions, and sometimes corruption could be the cause of such failure, where "not only officials are corrupt, but corruption is official" (Ubi et al. 2011, p.75). Thus, institutional failure could develop slowly and sometimes imperceptibly when deviant agents betray the institutional purpose by taking advantage of their position's discretion. When this behavior left unchecked and unpunished, a termite effect will develop, rotting the institutions from the inside out. Another central source of failure comes from delegitimatizing processes (Schleifer and Bloomfield 2015), eventually depriving them from "key resources and competencies that they require to attain their stated goals" (p.1).

Thus, institutions could fail for varied reasons, such as unclear purpose, insufficient funding or resources, lack of legitimacy, poor capacity to enforce its norms, and lack of results, to mention a few. When the predictability institutions provide in economic, political, or social exchanges start to vanish, people will still look for a way to accomplish their means or meet their needs, which is where opportunistic "entrepreneurs" will offer their services in exchange for a fee or a benefit. When institutions provide a reliable and accessible path, cutting unnecessary red tape, it could be expected that citizens looking for legitimate ways to exercise their rights and receive

their benefits, will not look for "facilitators." Nonetheless, corruption could still happen within an environment of functional institutions, where powerful interests see in them as an obstacle to illegitimately increase their profits through rigged public procurement, ad hoc fiscal legislation, and regulatory bypass. In such cases, institutions should be able to detect when someone within their ranks is "working for the enemy" and proceed accordingly. An efficient institution should not only provide a clear, sensible, legal way to process requests, but should also be able to detect and punish deviant behavior. In sum, the notion of institutional failure as a cause of corruption implicitly assumes that an environment of functional institutions will be able to provide social, political, and economic stability by mediating the demands and exchanges of its constituents, while also being able to discourage, deter or punish deviations from the norm.

Sadly, sometimes it seems that perfectly functioning institutions are an ideal abstraction, a legitimate but unrealistic democratic aspiration; nonetheless, not even their staunchest critics could deny that, regardless of their intrinsic and sometimes congenital defects, democratic institutions are not only essential to discouraging and fending off corruption, but also far superior to autocratic alternatives. In any case, more and better research on which kind of conditions favor the work of institutions, and which lead them to failure, will always be necessary (Acheson 2000).

Aware of institutional failure and failure within institutions, today numerous efforts are being made to strengthen their mandates and perfect their abilities to deliver. Over the last two decades, that have been increasingly vigorous initiatives geared towards measuring and explaining corruption, demanding more transparency and accountability on behalf of governments and international organizations. Pioneering these efforts, Daniel Kaufmann and his colleagues at the World Bank, 20 years developed ago a measurement system for democratic governance, including variables such as government's selection, accountability, and replacement, as well as "respect for the institutions that govern economic and social interactions" (Kaufmann, 2015, p.21)

Lately, a new sort of institution has emerged in the face of widespread corruption, in charge of preventing, detecting, prosecuting, and even reverting corruption. Paradoxically, the institutions in charge of neutralizing a prominent culprit of institutional failure (corruption) have fallen prey to institutional failure themselves. There is an important number of Asian anticorruption agencies facing gridlocks, sabotage, and defunding, with strikingly similar problems that have received more attention from burgeoning literature attempting to explain why and how what should have

functioned is in peril of irrelevance (Nualnoi, 2004; Choi & Thum 2005; Mutebi, 2006; Kim, P.S. 2008; Quah, 2009).

Latin America, another region plagued by endemic corruption has cases of its own. Guatemala had a successful agency in 2015 and 2016, whose efforts lead to the incarceration of the former President Otto Pérez Molina. The United Nations' backed International Commission against Impunity in Guatemala (CICIG, for its Spanish acronym) was disbanded by the incoming president Jimmy Morales, who also severely defunded the Specialized Attorney Against Impunity (FECI, for its Spanish acronym). Eventually, Morales himself was also indicted on charges of fraudulent electoral funding. Corrupt authorities enjoy the international prestige of promoting anti-corruption efforts unless they have a potential for delivering results.

In the case of Mexico, a wave of prominent corruption scandals surrounding former President Peña Nieto, followed by a public outcry that was catalyzed by vigorous efforts from civil society, forced his administration to sponsor the creation of the National Anticorruption System in 2015. This unprecedented system created a high-level coordination board where the six most prominent agencies in the field sit along with a citizen presiding over the board. The purpose of the system is to better coordinate efforts and information exchange among agencies. Sadly, the incumbent President, who arrived at the post with an anticorruption platform, openly dislikes any glimpse of institutional autonomy, and at this moment, the future of the anticorruption system looks anything but certain.

Though this section serves as a brief discussion on institutional failure and the dynamics leading into the disarray of distinct types of institutions, the complexity of the relationship between corruption and institutions, requires further analysis found in the last section of this chapter.

3.2   Sets of Factors associated with corruption's causes and consequences

At least three sets of factors compete for the intellectual and political saliency behind corruption. These signal corruption as the failure of normative barriers (as the institutional approach suggests) the mere calculation of potential payoffs and plausible risks regardless of moral considerations (according to an economic-centered perspective), or because of the influence of sociocultural variables such as civic-ness or public spirited-ness (Della Porta and Vannucci 2014). Each of these perspectives claim to point the most influential set of factors influencing corruption, thus their claims call for a detailed review.

3.2.1 Sociocultural Factors

Culture matters when it comes to the study of corruption and plenty other subjects from the fields of anthropology, sociology, economics, and political science. In their volume Culture Matters, How Values Shape Human Progress, Harrison and Huntington (2000)[66] gather several essays from colleagues emphasizing the role of culture on multiple relevant variables, such as behavior of elites, economic development, rule of law, and of course, corruption[67]. Several years before, Almond and Verba (1963)[68] had published their groundbreaking contribution on how Civic Culture shaped political attitudes of five very different nations (United States, Germany, Mexico, Italy, and the UK). These volumes belong to the vast literature exploring the effects of culture on contemporary societies, which undoubtedly due to the Weberian insights laid out in the seminal book on the Protestant Ethic and the Spirit of Capitalism, as well as anomie theory of Durkheim.

The cultural hypothesis of corruption competes with the economic and institutional approaches for the intellectual and political saliency of their propositions, although most scholars acknowledge the importance of all these factors. Corruption can certainly occur as a failure of normative barriers (as the institutional approach suggests), as a mere calculation of potential payoffs and plausible risks, regardless moral considerations (according to an economic-centered perspective) or as result of the influence of sociocultural variables such as civic-ness or public spirited-ness (Della Porta and Vannucci 2014).

The subject of culture and its controversial impact on societies has been reviewed and discussed from quite diverse perspectives in every field of social sciences; however, this ancient debate remains open. While the use of these cultural variables could raise concerns for the potential of ethnocentric biases, it is equally true that certain sociocultural variables do affect the permissiveness of corruption in a society including "cultural traditions, social norms and interiorized values" (Della Porta and Vannucci 2014). Ultimately, cultural boundaries do shape a notion of correctness within societies, and thus what could be regarded as inappropriate, distasteful, rude, dishonest, and eventually corrupt. These cultural standards do vary across

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[66] Harrison, L.E. and Huntington, S.P. (eds.) (2000) Culture Matters, How Values Shape Human Progress, Basic Books

[67] Lipset and Lenz contributed an interesting chapter entitled Culture, Markets and Corruption.

[68] Almond, G. and Verba, S. (1963) The Civic Culture: Political Attitudes and Democracy in Five Nations. Princeton: Princeton University Press.

countries, and those daring to go beyond what is socially sanctioned bear a hefty "moral cost" for defying them (Della Porta and Vannucci 2014). Conversely, when some forms of corruption enjoy generalized social leniency, a normalization of such acts should also be expected (Dimant 2013).

Klitgaard once stated that corruption was a crime of calculation, not passion, while acknowledging that "…there are both saints who resist all temptations and honest officials who resist most" (1998,4). Still, the sociocultural approach aims to unveil how those cases came to be, as well as explain why some individuals effectively resist the lure of illegitimate dealings. That is why it is still relevant to uncover the mechanisms which allow "actors to enter and operate within networks of corrupt exchanges, through a selection and socialization process which – besides transmitting "routines" and informal norms – also shapes them along time their interiorized values" (Della Porta and Vannucci 2014, 4). Eventually, tolerance or leniency towards an environment of corrupt transactions nurtures path dependent routines and tends to develop a protective superstructure[69] for this sort of unethical transactions. As Della Porta and Vannucci (2014) suggest: "Once a certain organizational texture and 'cultural adaptation' to corruption has developed, informal codes and governance structures provide internal stability and enforcement mechanisms to illegal dealings in specific areas of public activity, reducing uncertainty among partners in relationships, which thus appear more lucrative and less morally censurable" (2014, 4). As discussed, culture is a relevant variable for corruption research; however, before delving into its three most-commented mechanisms (colonial heritage, ethnic fragmentation, religion) it is important to briefly review some important caveats to this approach.

Culture is just as relevant as it is relative, and what is regarded as clear-cut example of corruption in one country may not be deemed as such by other nations. Legal lobbying in America could be regarded as corruption in many European countries and around the world; conversely, hiring spouses as staff members of legislators is not banned in Europe, while illegal in the United States (Pellegrini 2008). In fact, an important shortcoming of many international corruption indices is the subjective source of their measurements: a survey of businessmen's perceptions on their likelihood to pay a bribe for conducting business in some countries. Most of the time these businessmen come from wealthy nations in the West, where corruption may not be rampant, but whose companies have a long history of dealing with corrupt officials in less developed countries;

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[69] Such as "Informal norms, learning of specialized skills, organizational shields and other mechanisms of protection against external intrusion by the authorities and internal friction" (Della Porta and Vannucci 2012, 219)

thus, the debate on the appropriate behavior of public officials and the correct handling of public resources should consider that Western standards of public performance do not fit accurately in other societies. Nonetheless, it is equally true that the notion of "abuse of power for private gain is more or less universal and not confined to western societies" (Pellegrini 2008, 4). In this respect, Bo Rothstein (2014) makes a compelling point, referring to examples in India and Africa—with evidence from Widmalm (2008) and the Afrobarometer—where the illegitimate appropriation or use of public goods is both frowned upon and socially punished, while the western notion of rule of law and appropriate governance will not be found in pristine form in underdeveloped societies where there is a deep-rooted appreciation for impartial public officials[70].

Another important problem with corruption research from a cultural perspective lies in the contentious grounds where it sits upon, between the universalistic and particularistic perspectives. This dilemma is best explained by Pellegrini (2008): "Choosing one characterization of these concepts [corruption], presumably from a model society, and casting in stone a single model of public office and moral conduct would entail an ethnocentric approach (…) At the same time, in the converse relativistic approach, in which norms differ according to the cultural context, nothing can really be called corruption, and it is not possible to pass normative judgments on any social phenomenon" (4). It seems paradoxical then, that a commonly acknowledged definition of corruption, as *abuse of public office for private purposes,* has an intrinsic problem: the shifting meaning of "*abuse"* across different political cultures, and between different instances of corruption (Rothstein 2014). On the other hand, nepotism, lobbying or "speed money," could be clearly identifiable anywhere in the world, with the moral condemnation for each of them and the ensuing classification as examples of corruption varying significantly.

Finally, there is another important limitation of the cultural approach. While cultural related variables have shown a degree of correlation with corruption, it is also true that economic development tends to undermine the relevance of historical, legal, religious, or ethnic effects (Treisman 2015). Despite such limitations, discussion on the relationship between corruption and colonial heritage, ethnic fragmentation, and religion, will show why the cultural perspective is worthy of consideration.

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[70] Rothstein and Theorell (2008) repeatedly call to start considering impartiality as a more universal measurement of quality of government

3.2.2 Colonial heritage

Several nations in the world share a colonial past whose influence has been studied by numerous scholars from several branches of social sciences. This group claims that attitudes toward corruption are somewhat influenced by colonial nations' cultural legacy, or colonial heritage. Such an argument sustains, among other things, that British colonial heritage supported "systems and government institutions more favorable to the development of markets and thus less inclined towards the presence or development of corruption patterns" (Alonso and Garcimartin 2011, 48). Mauro (1995) also suggested that honest and efficient bureaucracies —and their opposites—can be explained, in part, by a set of values inherited from their colonial ancestors.

An important problem behind the colonial hypothesis lies in the fact that colonial empires did not consistently exert the same kind of rule over all their colonies. The British Empire, for example, treated its American Colonies, the Western Indies, India, and Nigeria quite differently (Alonso and Garcimatin 2011). Furthermore, the common law legal system was not implemented on Egypt, Malta, Mauricio, and Kuwait (Alonso and Garcimartin 2011). Some hypotheses could explain this fact; for example, the significantly long span of time of the British Empire ruled by starkly diverse rulers facing equally different global conditions. Additionally, each of the colonies had its own unique history, composition, and social dynamics, explaining their diverse reactions to the British Monarch of the time. Nonetheless, despite these limitations of the colonial heritage theory, the influence of different Imperial powers can still be felt in their former colonies around the world to a greater or lesser extent.

Political culture and institutions of Colonies were shaped by norms and values, both promoted and enforced by the British, Spanish, and French Empires, more successfully so in colonies where weather, local diseases, and lower native belligerence allowed for the settlement of large groups of European colonizers. Harsh hostile territories, on the other hand, would only suffer extraction of their natural resources (Acemoglu, Johnson and Robinson 2001). Despite these differences, colonial heritage still deeply affected those nations under imperial influence via evangelization, trade, and ethnic fragmentation. Nonetheless, while Protestants and Catholics pursued the dissemination of their faiths with ardent fervor, both British and Spanish empires agglutinated different tribes, territories, and nations under the same rule, planting the seeds of bitter ethnic conflicts, particularly in the Middle East and Sub-Saharan Africa. The sequence of events of Acemoglu and colleague's theory is best summarized by themselves in the following manner:

| Settler mortality (potential) | → | Settlements | → | Early institutions | → | Current institutions | → | Current[71] performance |
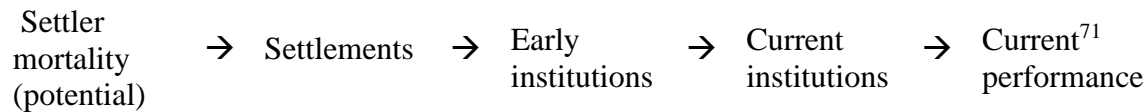
Few institutions are as influential over nations' fate as their legal system and its respective enforcement, or what Treisman (2000) calls legal culture, or the "prevailing practices and expectations about how the law is administered" (401). Although both variables—legal system and legal culture—have significant overlap, it has been observed that nations sharing the same colonial influence do not necessarily carry the same sort of legal culture and thus the same degree of susceptibility to corruption (Treisman 2000). Thus, although La Porta et al. (1999), among many others, are correct in insisting on the relevance of the legal system when it comes to corruption, the way such a system interacts with local culture and administrative morass seems just as important.

3.2.3   Ethnic fragmentation

Ethnic fragmentation has been associated with higher degrees of corruption, mostly through nepotism in flawed democracies; Yehoue (2007) for example, has closely studied such connection in African countries, whose political parties are deeply interwoven across rival ethnic groups. Eventually, tribal leaders reaching a king maker position tend to offer their support in return for cabinet positions and/or other benefits. (Yehoue 2007). Under such conditions, elections in countries ridden by ethnic divisions become an arena for the exchange of future favors, nurturing several forms of corruption. Mauro (1995) warned about the risk of illegitimate rent extraction, pointing out that "The presence of many different ethnolinguistic groups is also significantly associated with worse corruption, as bureaucrats may favor members of their same group" (693). Furthermore, ethnic fractures may also have negative effects on investment, political instability, and the pace of "the diffusion of ideas and technological innovations within a country" (Mauro 1995, 698).

While ethnic fragmentation is relevant in many issues, such as human rights and political stability, there are mixed opinions about its influence on corruption (Dreher et al. 2007). Easterly and Levine (1997) suggest that ethnically diverse societies, where corrupt officials tend to

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[71] Acemoglu, Johnson and Robinson (2001), page 2

disregard the impact of their actions outside their group, are more conducive of graft. Treisman (2000) nonetheless, claims that there is no considerable evidence of such relationship. Similarly, Lederman, Loaiza and Soares (2001), who include ethnic fragmentation in their analysis of factors inducing corruption, sustain that decentralization, balance of power and electoral competitiveness are more significant variables. Conversely, La Porta, Lopez-de-Silanes, Shleifer, and Vishny (1999) affirm that ethnolinguistic fractionalization[72], along with legal origin, do shape the political history of nations, affect governmental quality and performance, and provide an apt environment for corruption. The relevance of this variable, however, fades in comparison to others, such as per capita income and geographical proximity to the equator (La Porta et al. 1999).

It must be noted that the relationship between rising corruption in early stages of democratization is not exclusive to Africa. Yehoue's insights were based upon the work of reputed scholars (Huntington, 1968, 1991) who claim that there is a spike in corruption in the early stages of any nation's independence, like in the case of Colonial America and the first independent century of the United States. Similarly, Colombia, Mexico, Thailand and Russia have also experienced an increase in corruption reports and perceptions since their transition to democracy[73]. Thus, there was no reason to expect that African democracies would have fared any better. Furthermore, within an environment where coup d'états may be more common than periodic elections, high-ranking public officials fear more for their life or freedom than just being ousted from office. These conditions favor opportunistic unethical decisions aimed at obtaining available benefits, even at the expense of the foggy notion of the common good (Ghazanfar & May 2000).

3.2.4 Religion

It would be truly hard to find another colonial cultural legacy as profound, influential, and lasting as religion, the impact of which has been felt by a vast list of former colonies around the world[74]. Although most colonial powers were primarily interested in trade and extraction, both the Spanish and British empire also left a deep religious footprint on their former colonies. Among other social and cultural variables, religion enjoys a remarkable position given its heavy impact

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[72] Not everyone uses fragmentation

[73] It could be argued though, that democratization fosters accountability and transparency mechanisms that may expose entrenched corruption, less notorious under authoritarian or colonial rules; additionally, it may be about time to delete Russia from such a list, not for lack of corruption but of democracy.

[74] Influence over the history of colonial empires goes without mention.

over norms, social attitudes, hierarchies, traditions, and any sort of exchanges—even corrupt ones (Dreher, Kotsogiannis, and McCorriston 2007). For his article on religion and corruption, Paldam (2001) draws on Weber (1905), Tawney (1926) and Deppak Lal (1998). Most of the literature on the axiomatic imprint of religions over countries has strongly focused on comparisons of Protestantism vs the rest of religions, suggesting that—among other things—some strands of Protestantism tend to encourage a particular set of values related to individual agency, honesty and saving, while other religious creeds such Buddhism and Hinduism would value personal restraint as a virtue (Paldam 2001). Religious influence could be deleterious to public service, as La Porta and colleagues (1997) affirm that governments in predominantly Muslim and Catholic countries tend to perform poorly, to be more interventionist, as well as less efficient and democratic.; Furthermore, both Catholicism and Islam tend to discourage independent thought through ample interference within the personal life and decisions of their followers.

Though almost all religious practices call for a pious life and moralistic code of behavior, there are some interesting differences between the outcome of their teachings and its practice. The theoretical link between corruption and religion is based on two main premises: beliefs affect behavior, and some religious creeds are less tolerant of corruption. Lipset and Lenz (2000) explain this in the following manner: "The Protestant religion ethos is more conducive to norm adhering behavior. Protestants, particularly sectarians, believe that individuals are personally responsible for avoiding sin, whereas other Christian denominations, particularly the Catholic Church, place more emphasis on the inherent weakness of human beings, their inability to escape sin and error, and the need for the church to be forgiving and protecting" (120). Given the nebulous nature of culture as a concept, religion could be used as a reasonable proxy thanks to the related wealth of statistical data (Paldam 2001).

Currently, consensus is that countries with a larger Protestant population –(where protestant values transcend religious membership into mainstream culture) are associated with lower levels of corruption (Treisman, 2000; Lipset and Lenz, 2000; Gerring and Thacker 2005; Pellegrini and Gerlagh, 2008; La Porta et al. 1997, 1999; Paldman 2001; Pellegrini 2008; Alonso and Mulas 2011). Some key variables for the study of the relationship between corruption and religion are religious diversity, degree of secularization, hierarchical profile and "familistic" predispositions, all of which deserve further discussion following.

Religious diversity

Countries lacking religious diversity tend to display legal and governmental systems of questionable quality (La Porta et al. 1999), thus welcoming distrust and corruption. Monopolistic religious figures, as well as a low tolerance for religious diversity is usually found in countries with a predominantly Catholic, Muslim, or Orthodox faith (Dimant 2013). Should the observation of La Porta et al. be correct, then we can then assume that those countries also suffer from poor governance and are corruption ridden. While homogeneity may encourage social cohesion, and thus lower the probability of social instability, a lack of diversity does not tend to foster tolerance and accountability, becoming a liability in the fight against corruption (Paldam 2001).

According to Adam Smith and David Hume's respective theories of good competition and dynamic group collusion, Paldam (2001) argues that more hierarchical religions in an environment of low, diversity lack of competition are not incentivized to show the best version of themselves. Likewise, religious clerks would tend to collude for their own gain, even at the expense of the rest of the community. Therefore, granting that teaching by example is a rather powerful pedagogy, it could be expected that large portions of the faithful would mirror their pastor's behavior in the civil sphere. It is also worth noting the relationship between low rates off secularization and equally lower warranties for civil rights pointed by Landes (1998).

Degree of secularization

The separation of church and state found in secular societies facilitates the questioning of authority (Treisman 2000), unlike countries where the state is an instrument of faith or a rigid enforcer of religious dogma. In these cases, religious and state hierarchies long ago entered into a symbiotic agreement where both resist any significant changes to the status quo. Some scholars, however, argue that not all religions share the same distaste for plurality and disagreement. According to Treisman (2000) for example, "Protestantism instills a distrust of state institutions (…) [encouraging] greater tolerance for challenges to authority and for individual dissent, even when threatening to social hierarchies" (421). A particular case could call this theory into question, the Anglican Church; however, Treisman (2000) argues that given the circumstances of its inception (during a time of bitter opposition to the Church of Rome in one of its most corrupt eras)

it could be argued that Anglicanism is also intolerant of corruption[75]. Even considering the problematic exception of the Anglican church, predominantly Protestant countries generally enjoy more secular societies that demand a clearer separation of church and state. On the other hand, both Catholicism and Islam received remarkably privileged treatment from their host states, including religious monopoly, promotion, and protection in return for legitimizing rulers' empire, wars, alliances, and successions. Understandably, Catholicism and Islam had a stake in preserving the social, economic, political, and religious status quo, discouraging and openly persecuting those who dared to question or challenge it. A political culture emerging from such an oppressive perspective could not be conducive to criticism and active citizenry, leaving ample leeway for corruption. Therefore, corruption gains extra religious clout in nations lacking a secular state and society. This is one of the reasons why Rothstein and Teorell (2015) insist on paying attention to the secular balance within nations, suggesting that corruption is lower in countries with a more secular population.

Hierarchical structure

In comparison to Catholicism, Islam, Christian Orthodoxy, and Protestantism display a more decentralized church and a less rigid and hierarchical structure. This is important in the view of La Porta et al. (1997) and Pellegrini (2008) who sustain that tolerance towards power abuses and corruption is lower in countries with a less hierarchical religious profile. Accordingly, Treisman (2000) claims cultural attitudes towards social hierarchy are deeply influenced by the prevalent religion of the land. As discussed earlier, Paldam (2001, 2002) argued that hierarchical churches usually entice their clergy to collude in covering corruption scandals from within their ranks, "for the sake of the faith."

A solid and vertical hierarchy is an undisputable instrument of power for these churches; thus, they aim to preserve it by discouraging or even sabotaging other sorts of competing bonds among their faithful. Building upon Putnam's (1993) insights, La Porta and colleagues point out that the Catholic Church has consistently privileged its vertical bonds of authority, even at the expense of horizontal bonds of fellowship among their faithful. This argument would extend to "any dominant, hierarchical, organized religion in a country" (La Porta et al. 1997, 336). Highly

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[75] Alas, it would be naïve to oversight Anglican leniency towards the abuse of Britain´s sovereign, although that is not matter of discussion here.

hierarchical churches thrive in countries with "less efficient judiciaries, greater corruption, lower-quality bureaucracies, higher rates of tax evasion, lower rates of participation in civic activities and professional associations, a lower level of importance of large firms in the economy, inferior infrastructures, and higher inflation." (La Porta et al. 1997, 337).

3.2.5 Familism and individual relevance

Finally, there is the problem of Familism, a theory developed by Banfield (1958), suggesting that certain societies tend to overemphasize loyalty for the nuclear family at the expense of the rest of society. Not surprisingly, such an environment is conducive to nepotism. Following Banfield's insights derived from observations made in Sicilian towns, Treisman (2000) points that Protestantism tends to emphasize the relevance of the individual over other social structures, while other religions like Catholicism tend to stress the importance of the family above anything else, eventually leading to instances of "amoral familism," where common good is displaced by family allegiance. This view is also shared by Kupendeh (1995), Lipset and Lenz (2000) and, long before any of them, by Apter (1955), who pointed that "The traditional African family pattern is an excellent example of some of the conflicts to which Africans are subject. Nepotism, for example, is considered a grave offense in Western bureaucratic practice, yet in African practice providing jobs for the members of one's own family is socially compulsory. It is one of the normal forms of social security and job recruitment in traditional society and one of the crucial elements in the satisfactory maintenance of tribal social structure. When such practices are carried over into the administrative service, they break down into favoritism, corruption, and graft, in a Western-type bureaucratic setup" (1955, 6). As discussed, there are several ways to assess the influence of religion over the prevalence of corruption among different societies; however, as a component of the cultural perspective reviewed in this section, there are some caveats worth considering.

A relevant problem with the religious approach to corruption is that countries with higher income, higher levels of education, and better rule of law are also predominantly Protestant, while those under Catholic or Islamic religions tend to be poorer, unstable and with rather questionable rule of law—or with legal proceedings directly dictated by religious standards, such as the Sharia law. Therefore, correlations associating Protestantism with lower degrees of corruption may be capturing only a part of the picture. It is true, however, that trade was the primordial drive of the British empire. Accordingly, there was a strong emphasis on regulations fostering commercial

exchange and investment, with religious tolerance being one of them. Nonetheless, there are other criticisms to the religious hypothesis, claiming for example, that controlling for wealth alone erodes any significance (Connelly and Ones, 2008), that a sufficiently large sample also downgrades the significance of the correlation (Sandholtz and Gray 2003), that there is not even sufficient evidence to uphold such a claim (Marquette (2012), or that "institutional and economic development itself clearly reduces corruption" (Treisman 2000, 428). In sum, there are reasons to infer that religion does have an important degree of influence that is neither easy or clear to establish or accurately assess.

3.2.6   Economic factors

The perspective of liberal economics

Research on corruption is inextricably connected with the discipline of Economics on many levels and forms. Unsurprisingly, several economic factors and decisions play a decisive role as an incentive or deterrent to corruption. Insights coming from the perspective of economics are rather important given corruption's power to create abuse and distrust, hinder institutions and alter the ideal environment of certainty and reciprocity necessary for economic prosperity. Ultimately, corruption is good for bad "business," and bad for good, legitimate business, by fueling crony capitalism in underdeveloped countries, enabling the rise and consolidation of plutocratic cadres in former and current socialist nations, and eroding or capturing regulatory prowess across the Western hemisphere.

This situation demands a profound revision of the complex relationship between economic factors and corruption. Angles worth mentioning include the amount and quality of regulation, the degree of economic freedom, and government size, shape, and degree of decentralization. Other matters just as relevant are economic development and growth, poverty, privatization, globalization, and economic competition. An appropriate discussion of these matters must also consider the ideologically laden perspective of many economic schools of thought when dealing with the subject of corruption.

The liberal approach to economics, for example, regards individuals as benefit maximizing agents primarily moved by selfish motives, prone to engage in profit-seeking behavior if shirking benefits outweigh the costs—under a reasonable degree of risk of course, and putting ethical or

moral considerations aside (Goel and Nelson 1998). Any restriction to otherwise free markets ought to be considered as an invitation to circumventing it; thus, governments—at least from this perspective—should be held accountable for imposing restrictions in the first place, as well as for failing to enforce the rule of law on those who violate it. Therefore, corruption functions as a system presenting individual incentives that are framed by contextual opportunities, which ultimately incite corrupt behavior (Della Porta and Vannucci 2014). Those contextual opportunities are commonly exploited by bureaucrats abusing their mandate and enticed by private citizens willing and able to provide compensation (bribes) for such behavior.

According to the economic approach to corruption, only notable citizens escape its allure: "there are both saints who resist all temptations and honest officials who resist most. But when bribes are large, the chances of being caught are small, and the penalties if caught meagre, many officials will succumb" (Klitgaard 1998, 4). This approach presents corruption as a thriving market for illegal favors, where individuals act as maximizing agents, and little to no attention is given to ethical considerations: "In a study of corruption, one can make substantial progress with models that take tastes and values as given and perceive individuals as rational beings attempting to further their self-interest in a world of scarce resources. Information may be imperfect; risks may abound; but individuals are assumed to do the best they can within the constraints imposed by a finite world" (Rose-Ackerman 1978, 5). Often, contributions from this perspective resort to analytical models compatible with the incentive-driven approach to corruption, such as the principal-agent theory, which has made a sizable contribution to the study of this matter (Rose-Ackerman 1975; Becker 1968; Stigler 1970; Macrae 1982; Husted 1999).

Through the lens of this theory, corruption is regarded as the betrayal of trust of a public agent who bestows illegitimate or illegal benefits to a person, group, or entity that otherwise would not have received it. Corruption then, becomes merely a matter of incentives and enticing opportunities, where public servants abuse citizen's mandates, given the factual impossibility of keeping them under close and perennial supervision. Empowered by information asymmetry and unaccountable mandates, corrupt officials offer discretional benefits to "clients" able to afford them, turning public office into a market of illegal contracts with massive transaction costs (Begovic 2005). For all its benefits, when the principal-agent theory is applied to the study of corruption, we find significant shortcomings. One of them is the implicit omission of a third essential actor: the ruthless sponsor of such deviant behavior. Sadly, research on the complicit role

of the private sector in corrupt transactions is scarce, with few notable exceptions, such as Della Porta and Vannucci (2014).

For quite some time the principal agent-theory provided an unchallenged approach to corruption, restraining its scope to a matter of an unspeakable and secretive arrangement between a crooked bureaucrat and their "client." Truly, the principal-agent model provides a parsimonious explanation of how betrayal of public trust develops, making an emphasis on how asymmetry of information disproportionally empowers duplicitous agents at the expense of principals who are unwilling or unable to hold them accountable. Nonetheless, while this analytical tool seems suitable for countries where corruption is primarily a collection of episodes of opportunism by corrupt agents, instead of a widespread reality where lack of compliance in these illegitimate exchanges carries dire consequences. Private citizens (the principal) of plenty disadvantaged nations lack the instruments to oppose a melee of formidable foes such as shirking bureaucracies, complicit or weak institutions, unaccountable politicians and voracious "entrepreneurs."

Regardless of the implicit analytical limitations of the principal-agent theory for non-western contexts, it was still presented as the preferred explanation for the problem by several multilateral organizations, international NGOs and influential foundations. Always at the offset of their reports and studies, it contributed to a "theoretical mischaracterization of systemic corruption" (Persson, Rothstein and Teorell 2013), that even if involuntary, delayed and misguided the approach of anticorruption policies for countries that needed them the most.

A better understanding of corruption outside most developed countries should come from an approach that considers strategic choices of individuals under an environment of deep public distrust, weak institutions, and poor rule of law. Public trust, or the lack thereof, becomes an essential part of the analysis in countries with rampant corruption because citizens gear their distrust not only towards public officials, but to everyone else outside their immediate circle (and often within), inertially reinforcing antisocial behavior, and implicitly encouraging citizens to preemptively dupe other fellows before being duped, or to compensate for past and future grievances (Rothstein and Uslaner 2005). This sort of behavior produces a self-fulfilling prophecy of mutual and societal abuse, where every citizen will abuse as much as possible, whether in office, a private firm, among neighbors or even within his own family.

As Persson et al. (2013) warn, endemically corrupt nations carry out their public and economic affairs within an atmosphere of mistrust, given the intrinsic costs of acting fairly and the

benefits of acting corruptly. Hence, the need for a theory able to model choices available to disadvantaged individuals opting for strategies of passive resistance (or reprisal), depending "critically on how many other individuals in the same society are expected to be corrupt" (Persson et al. 456). Tragically, individuals immersed in such a context are not enabled, empowered principals able and willing to hold their agents accountable and are most likely confined within a social trap where "even people that think corruption is morally wrong are likely to take part because they see no point in, or cannot afford to, do otherwise" (Rothstein and Teorell 2015, 89). Here, within the context of rampant corruption and scarce alternatives, the collective action paradigm exceeds the analytical power of the principal agent model.

If the design of anticorruption policies seemed correct at the desk of policy makers and scholars, then, is context to blame for their mediocre performance? Was it overlooked or taken for granted? In the face of ineffective anticorruption policies that over the decades have had little to no effect in corruption ridden countries (Mungiu-Pippidi, 2006; Persson, Rothstein & Teorell, 2013; Hough, 2013) it seems only reasonable to advice against policies grounded in analytical paradigms that overlook the dire conditions of citizens from underdeveloped countries, conditions undermining their liberties and limiting their alternatives. In any case, preference for either of the analytical paradigms revised (principal-agent, collective action) should carefully consider the contextual constraints of specific countries. Policy must adapt to the context and not the other way around. A good way to look at the way contextual constraints shaping a principal's when it comes to anti-corruption policies (or perhaps any other kind) is provided by the following grid developed by Della Porta and Vannucci (2014), where formal institutions and enforcement mechanisms are juxtaposed with normative societal barriers.

Table 4. Institutional Matrix shaping agent´s choices

		Formal Institutions and Enforcement Mechanisms	
		Ineffective	Effective
Normative Barriers and societal mechanisms of control	High moral and social barriers against corruption	(1) Irregular intermittent corruption. Temptation resisting agents	(2) Sporadic corruption. Official rules-oriented agents
	Low moral and social barriers against corruption	(3) Systemic corruption (centripetal / centrifugal) Unrestrained agents	(4) Macular corruption Opportunity seeking agents

(Della Porta and Vannucci, 2014, 12)

In the end, these two paradigms (principal agent and collective action) are not mutually exclusive (Mungiu-Pippidi 2013). In fact, Marquette and Peiffer (2015) claim that they even share a blind spot, and that although corruption is always a problem that needs to be unequivocally addressed, "[it] can sometimes provide a way of dealing with deeply rooted social, structural, economic and political problems. Anti-corruption interventions need to better understand the functions that corruption may serve, particularly in weak institutional environments, and find alternative ways to solve the real problems that people face if anti-corruption work is to be successful" (Marquette and Peiffer 2015). This "neo-functionalist" approach is inspired by a fifty-year-old theory discussed below.

Emphasis on corruption as a societal suboptimal "solution" is by no means new; actually, the functionalist perspective on corruption, dates back to Huntington's contribution on modernization theory, where corruption is seen as "a measure of the absence of political institutionalization" (Huntington, 1968, p.59), and as an unethical, yet effective, remedy for a society to mediate its relationship with power. Within societies traversing the modernization path, corruption may fill the void of "stable relationships among groups and of recognized patterns of authority" (Huntington 1968, p. 71). The functionalist theory of corruption gave rise to a debate, where those backing this theory claimed that corruption helped to "grease the wheels" of government in the absence of sound institutions, while those opposing such a view sustained that in the end corruption would end up throwing sand in these wheels. This debate spurred a "fairly

large but inconclusive body of literature (…) with authors finding evidence that both supports and challenges the greasing the wheels theory" (Dupuy[76]). Ultimately, when institutions are lackluster, corruption tends to work as an informal buffer mediating individual and universal interests (Smelser 1971, Graeff and Mehlkop 2003).

Having reviewed these two popular insights into corruption causality (collective action and principal-agent theory) it seems only convenient to review the relationship between corruption and plenty economic factor and conditions, either as a cause, an effect, and occasionally both. The size of government, the ensuing amount of regulation, and the degree of economic freedom as prescribed by liberal standards are but a few that are worthy of close analysis. The impact of corruption over development, economic growth, and poverty will also deserve further discussion.

Government size, Economic Freedom and Corruption

The size, shape, and role of government, as well as its impact on corruption is a subject that could be discussed both under the institutional section and this one; however, given the strong debate on how economic freedom has an inversely proportional impact on the size and role of government, a larger, over-regulatory government is deemed detrimental to economic freedom and the fight against corruption. This claim shall be discussed below.

When it comes to government, economic schools of thought have several postures, and quite few are flattering. A moderate liberal stance regards government as a *necessary evil* in charge of correcting market failures and assuring the enforcement of contracts. Some fewer moderate perspectives, however, think of government as the *source of all evil*, eroding human liberties in return for no practical purpose whatsoever. Such an extreme approach regards corruption as an intrinsic byproduct of government; thus, its disappearance or radical downgrading should automatically extinguish any trace of it (Lambsdorff 2006). This perspective, however, does not display the same degree of scorn to corruption by sponsors and beneficiaries from the private sector, and instead overlooks or downplays the relevance of corrupt entrepreneurs, only strengthening the belief in a single governmental culprit that is solely responsible for the spread of

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[76] https://www.u4.no/functionalist-and-rational-choice-theories-of-corruption

corruption[77]. Not all postures, however, are tainted by such a deep distrust on the public sector and a blind faith in entrepreneurial self-restraint (Lambsdorff 2006).

Consistent with the claim that government could only lead to corruption opportunities, several scholars suggest that private actors would behave better under an environment free of public sectors, thus operating in economic freedom (Chafuen and Guzman 2000; Treisman 2000; Broadman and Recanatini 2000; Goldsmith 1999; Paldman 2002; Ades and Di Tella 1995; Goel and Nelson 2005). Allegedly, economic freedom has the power to hinder the web of illegitimate opportunities and perverse incentives that are typical of closed economies, thus leading to lower corruption, and is also expected to stimulate an environment of higher competition and openness, both of which are known deterrents to. Therefore, any sincere effort to derail corruption should be concerned with the promotion of economic freedom and its accompanying virtues, at least from this liberal economic perspective. Lambsdoff (2006) however, warns that unbridled and ruthless competition incites the use of illegitimate and illegal practices, such as bribes disbursed to get ahead of competitors. Furthermore, there are plenty instances of eastern European countries where the disappearance of highly interventionist governments only enabled the advent of corrupt plutocrats, talented at exploiting state privatizations, and public procurement in the name of free markets. Examples of failed or deeply corrupt privatizations from Easter Europe and Latin America contradict the laconic and popular suggestion of Becker (1995) "if you want to cut corruption, cut government," a phrase that is as catchy as it is ideologically loaded.

Consistent with Becker's opinion, critics of government intervention suggest that corruption has only risen since the advent of the welfare state. While acknowledging that corruption has been prevalent since ancient times, LaPalombara (1994) insists that --with the exception of Scandinavian nations-- bigger governments and larger budgets necessarily imply numerous opportunities for corruption: "big government implies even bigger bureaucracies. Within these vast organizations, many of which administer enormous sums of money and can determine who becomes or stays rich, the temptations to engage in deviant behavior are often overwhelming" (1994, 388). LaPalombara goes as far as calling legislative oversight a joke, while

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[77] In fact, each time any private actor extracts rents from the public sector –either unethically, illegally or illegitimately—the amount extracted should surpass the amount of the bribe many times over, if any profit is to be made

voicing his skepticism of the efforts of concerned whistleblowers and civil society organizations, it seems that it is economic freedom or nothing else.

Such nihilism against the role of government is not unprecedented and has been advocated by some scholars and activists of libertarian predispositions long before the advent of the welfare state when government was not even big, or a large cause of concern. Nonetheless, such strong disdain for government fails to acknowledge that abuse occurs in large and small public coffers, particularly when impunity is unchallenged by strong accountability systems and adequate enforcement of the rule of law. Secondly, Scandinavian governments are known for their efficiency and remarkable honesty— and they are indeed among the largest governments. Its existence and stability present an important counterargument against the big government-big corruption hypothesis, even if LaPalombara insists on discarding these cases as outliers.

Although the hypothesis linking larger governments—engorged by bigger bureaucracies, budgets and lengthier regulations—with more corruption enjoys some support, such connection remains disputable. For example, Adsera et al. (2000) claim that larger governments, fueled by larger public budgets, tend to offer better public services and public wages, thus lowering the incentives for bribes. However, they also suggest that a "bigger state may signal more opportunities for corruption and inefficiencies" (2000, 17). Similarly, Elliott (1997) unveiled a relationship between declining public budgets and rising corruption rates. Although such finding could be counterintuitive, it could also point towards bitter competition for scarce public resources. Whichever the case, Elliot's work questions the liberal consensus by associating larger budgets with more corruption. This theory is reinforced by the work of Graeff and Mehlkop (2003), who claim that "big governments in rich countries are not equivalent to a high level of corruption (…) one has not only to investigate the relationship between the size of government and corruption but also the legal and institutional capacity of monitoring and sanctioning illegal bargaining" (615). Apparently, Tanzi (1998) was right when he pointed that "the way the state operates and carries out its function is far more important than the size of the public-sector activity" (Tanzi 1998, as cited in Graeff and Mehlkop 2003, p. 615). Furthermore, corruption could also be tackled via regulation geared towards higher transaction costs, even at the expense of legitimate economic actors (Graeff and Mehlkop, 2003). In sum, countries with a large presence of corruption could be under such distress not only by the mere size of their governments, but by their poorly designed institutions, defective regulations, and limited capacity to enforce anti-corruption measures.

It is true however, that both size and shape of governments should be legitimately established according to their public purpose. Otherwise, they become easy prey to rampant clientelism, state capture, and the natural propensity of bureaucracies to expand turf and budgets. Usually, administrations unable or unwilling to control their "waist-line" are become unable efficiently fulfill their mission. Furthermore, a disproportionately large government could be the result of successful clientelism of political groups securing public appointments for their allegiants, offering dangerous potential for budget misappropriation and ad hoc policy making. Large governments are also prone to issuing superfluous restrictions on an otherwise free exchange of goods and services, enticing opportunistic behavior of public officials who are eager to monopolize fraudulent licensing for those able and willing to pay for it, thus diverting resources that could have been otherwise engaged to a productive activity (Begovic 2005). Here it should be noted that regulation could become a corruption enabler whenever its text is lax, unclear, cumbersome, ambiguous extravagant or plainly excessive (Paldam 2002). Often, legal loopholes become golden nuggets for unscrupulous bureaucrats and their "clientele." While these problems are prevalent among developing democracies, established ones cannot claim to be immune to such nefarious tendencies.

Paradoxically, perhaps the most vocal sector calling for de-regulation in the name of economic prosperity, was the culprit of the latest and largest meltdown of financial markets, precisely caused by de-regulation and lack of oversight enabled by state capture of key regulatory agencies. Three years before this meltdown Goel and Nelson (2005) claimed that a scantly regulated financial sector could lead to lower corruption indices, and that liberal economic policies could prove more effective than political measures or institutions at curbing corruption.

Before finishing this section, a word must be said on economic competition. Some authors claim that higher degrees of economic competition and openness drive down corruption (Treisman 2000; Broadman and Recanatini 2000; Goldsmith 1999; Paldman 2002. Ades and Di Tella 1995). Lambsdorff (2005) however, are not so optimistic, arguing that more bribes are offered under an environment of open competition. Here the role of government matters as an arbiter against fraudulent practices, and as author of regulation aimed at leveling the playing field of economic competition. Paradoxically however, in the face of state capture, there are plenty instances when regulation has been drafted to promote the particular interests of some firms, as well as unfair

rulings "sponsored" by prevaricating arbiters. Perhaps it is not the sword but the hand that wields it, and how well such authority is counterbalanced.

Unsurprisingly, if regulation is seen as an unnecessary and abusive restraint over rightful economic freedom, deregulation will be regarded as deliverance, a way to foster entrepreneurship, cut public sector budgets and effectively deter corruption. However, deregulation, particularly when aggressively pursued, has produced havens for corruption, such as in the cases of Russia and Mexico. Regulation by itself, however, means close to nothing in the absence of strong institutions with enforcement capacities. In the end, to curb corruption there is a need for government intervention under intense scrutiny by free press and a sound system of checks and balances, which should not be asking too much.

3.2.7 Corruption on economic growth and development

Consensus on the effect of corruption on growth experimented a 180 degree after several decades of uncontested dominance of the functionalist paradigm. This paradigm regraded corruption as a lubricant that could help to "grease the wheels of progress", in the absence of solid institutions and reliable rule of law; this questionable "crutch" was supposed to help underdeveloped counties and societies to walk the path towards progress, at least according to a functionalist perspective endorsed by prominent scholars (Huntigton 1968, Leff 1964, Lui 1985, Becker and Maher 1986)

Corruption was deemed as an unavoidable event that could have a silver lining in some instances, for example, by expedite "burdensome" red tape and forfeit revisions upon companies willing and able to compensate the efforts of crooked bureaucrats. If modernization and progress was supposed to propelled underdeveloped nations into the first world, then investment should be allowed to proceed unimpeded, regardless the fiscal cost or social consequences. Unfortunately, scholars and practitioners recklessly overlooked at least four essential perils: the kind of investments lured by this type of permissiveness, the overall loss of public income, the voracious appetite of corrupt officials, and the long-term impact of corruption over the institutional sanity of those countries.

Industries in need of facilitated permits circumventing, labor, environmental regulations, deploy an exploitative business model aimed at extracting as many resources from the land or as much abuse from underpaid populations, both without the burden of being accountable to any

authority. In second place, a large part of the artificially "forfeited" taxes for those industries would not enter the public coffers of the host country, but into a discrete address in a tax heaven, where single PO Boxes are shared by dozens of companies. Corrupt public officials would also take a cut, but never as significant as the amount that their country ultimately lost. The appetite of entrenched rent seeking bureaucracies is by no means small and continues to grow over time, so it is predictable that new regulations, and procedures would eventually appear to have the chance to extract increasingly larger bribes (Myrdal 1968, Kaufmann and Wei 2000); in the end, not even industries accustomed to disbursing diverse sums in return of "facilitation" would have to leave. According to the functionalist perspective, corruption would serve the purpose to offer stability and predictability, in the absence of strong and reliable institutions, however, these sorts of arrangements develop clienteles and cadres willing to furiously defend their livelihood, blocking, or sabotaging any attempts to displace them. Seemingly, decades down the road, the only wheels that got greased were those of large corporations, pillagers of natural resources and public budgets of underdeveloped countries. Of course, in all fairness, corruption was not implanted on those countries by the advice of the functionalist paradigm, that merely saw on corruption no cause for alarm and perhaps even an opportunity in the absence of authentic democratic institutions.

Not only corruption fails to support growth, but it also produces a significant harm by diverting monetary and human resources from legitimate and necessary productive activities (Murphy, Schleifer and Vishny, 1991); furthermore, corruption "hinders or even blocks the creation and development of enterprises and hence, disadvantages economic growth" (Dridi 2013, p.4). As Rose-Ackerman (1997) and Tanzi (1998) have repeatedly pointed, Corruption erodes certainty, necessary for the consolidation of any free market economy.

However, even if it has been painfully proven that corruption does not promote growth, how do they interact? Does the absence of corruption offer a positive boost for growth? Well, different efforts have come with a mixed bag of results, while some have found a negative correlation between corruption and growth (Mauro 1995, 1997; Knack and Keefer, 1995; Tanzi and Davoodi 2001), such effect seems to become not significant once conditioning variables such as investment, openness, political instability, or structural reforms are introduced (Mauro, 1995; Brunetti, Kisunko and Weder, 1998; Abed and Davoodi 2000; Pellegrini 2011). Recently, while trying to discern the interaction between corruption and growth from a sample of 82 countries, Dridi (2013) got three types of results: no significance, eroded significance in the presence of

intervening variables and a third group where corruption effectively impacted growth on a negative manner.

Even if the effect of corruption is indirect or not as strong as it could have been inferred, when government is plagued by it, its ability "to impose necessary regulatory controls and inspections to correct for market failures. When the government is not able to satisfactorily perform its regulatory role over states distributive institution it loses part of its basic raison d'etre" (Verhezen 2009[78], p. 135). A government unable to enforce the rule of law, and offer protection for private and intellectual property, becomes a liability for free markets and economic growth.

While a sizable part of the corruption problem for underdeveloped countries came from the outside, valuable help may also come from the same place; as Mauro points: "without outside intervention, governments may be unable to break the vicious circles their countries seem to be stuck in. This may strengthen the case for outside bodies or nongovernmental organizations to press governments to undertake ambitious reforms" (2004, 16). Governments are also pressed or rewarded by investment grades of international rating agencies, favoring those with better records at public deficits, tackling corruption and providing a reliable investment climate (Mauro 2004).

Corruption, Development and Poverty

There has been a long-acknowledged correlation between human development and corruption; as the pairing the Corruption Perception Index and the Human Development Index[79] attest, more developed countries tend to have lower corruption perception scores. Even if the lack of corruption does not assure automatic increase in human development, its presence perpetuates structural conditions leading to poverty. More than a lever for progress, corruption was unequivocally proven to be a social anchor, a "corruption tax" levied on the poorest on the form of public faulty infrastructure, resulting from fraudulent procurement practices affect both growth and reach of public investment (Tanzi and Davoodi 2001).

Corruption works as a mechanism allowing illegal and/or illegitimate capture of public goods, by those with sufficient economic or political power; thus, it benefits a few dishonest and connected individuals and corporations as the expense of the rest. In this perverse game, the powerless have no say nor power to alter the outcome, but to develop coping strategies to endure increased

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[78] Gifts, Corruption, Philanthropy: The Ambiguity of Gift Practices in Business, Peter Verhezen (2009)
[79] Conducted by the United Nations Development program every two years since 1990.

hardship provoked or worsened by corrupt, captured governments. As Transparency International (2008) has warned: "Corruption undermines the pillars of development, human rights, and the legal frameworks built for their protection. Countries whose governments sanction policies and budgets without public consultation nor accountability for their actions, suffer undue influence, unequitable development and poverty" (2008, p.3)[80]. Previously, Gupta, Davoodi and Alonso (1998) had found that, directly or indirectly, corruption undermined "core functions of government", essential for redistributive policies, aimed at poverty alleviation, such as, tax progressivity, social spending, and unequal access to education.

Therefore, poverty is reinforced through several mechanisms linked with corruption, enlarging the list provided by Gupta and colleagues: among them disincentives for foreign direct investment unrelated to extractive industries[81], frauds in procurement for public goods, questionable outsourcing of public services, uneven access to justice and weak accountability as a byproduct of democratic alienation; all of them will be discussed following.

Corruption discourages foreign direct investment and its ensuing jobs, by promoting excessive and discretional red tape, higher risks for private and intellectual property and poor rule of law. Within this context, success in business is not associated with innovation, quality, or entrepreneurial prowess, but with the ability to reach agreements with specific, powerful officials, willing and able to facilitate their activities, artificially restrain or exclude competence, and bypass labor, commercial or environmental regulation; clearly, for a prize. This dire and unpredictable context is toxic for long term investments, and stable employment associated with it; unsurprisingly, large capitals and industries fly to countries with a more reliable rule of law, while leaving or refraining to invest in many underdeveloped countries. Therefore, a way that corruption increases poverty is by crippling the necessary certainty and assurances for competitive industries, thus hurting the creation of well paid, and stable employment. Under such a climate, the informal economy, and its precarious but "foldable" jobs thrives, in part for its intrinsic adaptability and tax avoidance (also enticed by corruption).

Corruption encourages inefficiency, and or fraud in public procurement processes, harming impoverished citizens with expensive and defective public infrastructure and services, commonly

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[80] Transparency International, working paper series #2, 2008
[81] Plenty companies from extractive industries love weak states "blessed" by abundant natural resources, ignoring environmental and labor atrocities.

outsourced by cronyism instead of competitiveness. It is a double tragedy that already scarce funds of less fortunate countries, end up diverted or misspent. Several international organizations such as the InterAmerican Human Rights Commission, have voiced their concern on this matter: "Social programs are public policies aimed to satisfy human rights; therefore, the States has an obligation not only to create such programs, but to be vigilant for the adequate administration of their resources and fulfillment of the purpose for their creation"[82]

On top of that, a survey conducted by Transparency International during 2007 in Mexico, discovered that corruption also acts as a disproportionate "tax" on the poor, by forcing the least fortunate to pay around 25% of their income on kickbacks to get essential public services, such as health, education, or police assistance. Better off segments of Mexican society do not feel the impact of corruption in such proportion, primarily because they can afford the provision of plenty public goods in a private form, and because their social position allows them to report those instances of corruption without fear of retaliation or deprival of those services. Thus, corruption chips away close to a quarter of the already meager income of the Mexican poor; being poor in Mexico is quite expensive.

Among different atrocities stomached by poor populations of equally poor countries[83], inequality before the law is perhaps the most insulting of them all. When rule of law is dubious at best, justice becomes a merchandise unaffordable by the have-nots; even if both parties are above the line of poverty or are affluent, in many cases justice will be at the reach of the highest bidder. Although there cannot be absolute certainty that the entire judiciary of poor countries is tainted, there are reasonable concerns to fear unaccountable judge's rulings. But not only sparse judicial integrity haunts justice on underdeveloped countries, excessive, arbitrary, and poorly drafted regulation are also part of the equation, by creating legal loopholes available for the highest bidder (Paldam, 2002). On the other hand, aggressive, chaotic deregulation, and privatization, particularly encouraged by multilateral organizations, can also lead to unfathomable opportunities for large corruption, Russia and Mexico being prominent examples.

Corruption also takes a sizable bite out of the democratic process, both on developed and underdeveloped nations, by making political competition increasingly expensive, thus allowing wealthy interests to buy influence from elected officials. This process may be conducted on legal

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[82] CIDH, Corruption and Human Rights, 2019, Washington DC (page 78)
[83] It must be acknowledged that minorities in rich countries also endure differential, discriminatory treatment.

grounds or illegal "undergrounds", including not only affluent donors but also criminal groups[84]. When politics becomes an exclusive game where only affluent donors can get political representation, policies won't be necessarily drafted on behalf of best interest of the ample electorate. Normally, those donors will expect a good return on their investment with favorable tax exemptions, rigged public contracts and permits, further impoverishing a nation and its citizens.

Legislators able and willing to stand against governmental privileges granted in return for campaign expenditures and revolving door opportunities, will be an exception, with limited influence. Furthermore, when citizens lose the opportunity keep government accountable via their representatives, and when they witness election after election that the same interest are served by different faces, they become alienated and disenfranchised from the political system, thus leaving untouched and unchallenged structural conditions of poverty.

Finally, poor citizens also become electoral targets for political clientelism, a tactic feeding on the needs of the working poor, conditioning governmental aid, and benefits to a favorable electoral outcome of the incumbent party. Occasionally, this corrupt practice ventures a step forward by threatening to withhold those benefits should they detect electoral "disloyalty" for the ruling party.

In sum, a context of widespread of poverty, offers vested interests and corruptible public officials a terrain apt for exploitation of public rights, assets, and budgets. Poverty is good for corruption, and corruption returns the favor by assuring that structural conditions and entrenched inequalities, continue to perpetuate poverty itself.

3.2.8 Institutional Factors

Although there has been a long ongoing debate on alternative definitions for institutions, acknowledgement on their relevance for the subject of corruption is unanimous; actually, a look into the influential definition framed by North[85](1981) shows why institutions wield such saliency: "Institutions are the rules of the game in a society, or more formally, are the humanly devised constraints that shape human interaction. In consequence, they structure incentives in human

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[84] The impact of the Mexican and Colombian Narco over municipalities and governorships is a quite disturbing and seemingly unstoppable trend.
[85] Institutions, Institutional Change and Economic Performance, Cambridge University Press

exchange, whether political, social, or economic." (p.3). Thus, corruption will make the most of the latitude allowed by faulty or captured institutions, or quite the contrary will be halted, slowed, or minimized if a sound set of institutions deliver.

Institutions allowing for free, fair, and competitive elections guarantee the priceless prerogative of periodical political change, encouraging –though never guaranteeing- the best performance and behavior of elected officials; expectedly, corruption scandals hamper chances for reelection or a continuous political career. Free press, yet another democratic institution is essential for the exposure of dishonesty and questionable dealings. Among these and other institutions, a sound system of checks and balances helps to prevent the abuse of a single party, by "pitting ambition against ambition" as Madison once suggested, and by enforcing accountability norms and procedures.

Most of the comparative research about corruption has studied how different institutional settings correlate with diverse degrees of corruption. Lederman et al. (2005) for example, found lesser levels of corruption in democratic countries, with stable democracies, freedom of the press and a parliamentary system. Similarly, Lambsdorff (2005) also encountered a correlation with democracy and press freedom, adding other relevant variables such as government size, increased levels of political competition and an efficient judiciary. On a concurring note, Alonso and Mulas sustain that "corruption occurs, commonly, within systems with weak institutions (inefficient, unstable, or illegitimate) within societies uninclined to distinguish between the public and private spheres and where there is an excessive bureaucracy, or heightened governmental restrictions" (2011, 45).

An interesting, and regrettable paradox is that although sound institutions stand as the best remedy and antidote against corruption, corruption itself could also become entrenched through some informal institutions. When an environment of corrupt transactions endures, certain path dependent routines tend to develop a protective superstructure[86]. As Della Porta and Vannucci put it: "Once a certain organizational texture and 'cultural adaptation' to corruption has developed, informal codes and governance structures provide internal stability and enforcement mechanisms to illegal dealings in specific areas of public activity, reducing uncertainty among partners in relationships which thus appear more lucrative and less morally censurable" (2014, 4). This

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[86] Such as "Informal norms, learning of specialized skills, organizational shields and other mechanisms of protection against external intrusion by the authorities and internal friction" (Della Porta and Vannucci 2012, 219)

societal "normalization" incites ever more corruption, making it a customary, predictable, and endurable endeavor. Nevertheless, every time citizens engage in corrupt dealings, this informal equilibrium strengthens, creating a downward spiral that eventually erodes the rule of law and the institutional thread of society. Mishra (2006) describes such dialectic in quite a succinct manner: "it is possible to have a situation of low-compliance and pervasive corruption as an equilibrium outcome. If individuals expect to bear substantial cost from compliance and hope to get away cheaply by non-compliance, then the society is driven toward the equilibrium with very low levels of compliance. In such a situation, there is a general belief in the society that everybody engages in non-compliant behavior. This belief becomes self-fulfilling" (356). If left unchallenged, corruption will institutionalize.

Thus, in the case of corruption and plenty other subject, institutions matter, hence, the remainder of this section will discuss in further detail how specific democratic institutions are expected to impact the prevalence of corruption within a country. Democracy itself, centralization vs decentralization, checks and balances, rule of law, and judicial control will be reviewed.

Effect of Democracy over Corruption

Democratic regimes, while not impervious to corruption, offer better institutional safeguards to fend off corrupt appetites of their rulers (Montinola and Jackman 2002); among them we could cite a more reliable rule of law, a system of checks and balances, a nurturing environment for the enjoyment of freedom of speech, assembly, and organization, essential to effectively oppose governmental abuse or policies. Two more features deserve special mention, such as free press, willing and able to question governments motives and proceedings, and free, periodic, and competitive elections, allowing for alternation of power. There is ground to affirm that these features of democratic regimes show a positive effect on the fight against corruption; for example, Lederman and colleagues (2005) have found that lower levels of corruption are associated with democratic stability, freedom of the press and a parliamentary system. On a similar note, Lambsdorff (2005) claims that democratization, institutional quality, government size, an efficient judiciary, and increased levels of political competition are also strongly correlated; following suit, Persson, Tabellini & Trebbi (2003) insist on the power of enhanced accountability to deter corrupt practices, and when strong accountability comes from an effective legislative even stronger results are to be expected (Montinola and Jackman 2002)

An important paradox, however, lays within every democratic country; democracies precise elections, and elections parties, and while increased electoral competition has been correlated to less corruption (Persson, Tabellini & Trebbi 2003) it is equally true that elections within themselves have always been a prominent source for fraud, trickery and deception, a formidable challenge for electoral authorities, whose enforcing ability is constantly called into question. While some scholars see political parties as a benign force against corruption (Manow 2005), other views warn that corruption tends to increase when parties force their weight into electoral competition (Kunicova and Rose-Ackerman 2005).

Speaking of paradoxes, seemingly the transit towards democracy is paved with several corruption opportunities and the ensuing scandals. Democratic transitions from authoritarian regimes have shown that corruption tends to increase, particularly when transition is associated with ill-directed liberalization processes; a change of rules normally shifts the balance of power as well as the distribution of gains and privileges; however, in time, it could be expected that long exposure to democratic institutions will have a salutary effect over rampant corruption (Treisman 2000; Gerring & Thacker 2004; Montinola and Jackman 2002; Seligson 2006). In all fairness it is important to acknowledge that authoritarian regimes are not less corrupt than democratic ones, when the opposite could be fairly expected. Exposure of abuse during democratic transition could be regarded as an early glimpse of transparency.

Liberal Constitutionalism, also known as Madisonianism

The system of checks and balances is the most important safeguard against corruption, by placing "limits on the power of politicians and political institutions combined with independent monitoring and enforcement (…), these limits include the separation of powers between the legislative and executive branches" (Ackerman, 143, 1999). This matter has been amply discussed for centuries by political philosophy and political science since the argument for separation of powers was first introduced by Montesquieu in 1748[87]; back then he claimed that "there can be no liberty where the legislative and executive power are united in the same person, or body of magistrates". Some years later (1788), on the Federalist 47, Madison would strongly concur with Montesquieu on the importance of such republican principle: "There can be no liberty where the

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[87] Selected writings of James Madison (p.111) Ralph Ketcham, ed. Hackett publishing company (2006).

legislative and executive powers are united in the same person, or body of magistrates … [or] if the power of judging be not separated from the legislative and executive powers"[88].

Although Montesquieu started the discussion about separation of powers and its modern relevance, Madison is to be duly credited for emphasizing the importance of checks and balances as the core mechanism making it possible: "such devices should be necessary to control the abuses of government (…) In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself" (Federalist 51). In the end, checks and balances are the most important safeguard against abuse and corruption when men, admittedly, are not angels, nor ruled by such, as Madison warned.

Actually, Madison's contribution regarding the institution and functioning of checks and balances is so relevant that such arrangement has long been referred to as Madisonianism, recipient of praise as well as harsh criticism such as Burns' (1963) who denounced it as the deadlock of democracy, whose institutionalized stalemate should be accountable for governmental ineptitude, public mistrust in political leadership, as well as manipulation of political decisions by the media (Grady, 1993).

Commonly, the Madisonian system of checks and balances is contrasted with the pure Westminster model, where citizens are served by one direct agent whose power is maximized. The Madisonian approach, on the other hand, offers a system of delegation over a set of agents, with specific and cross-controlled responsibilities, aimed at minimizing the harm of the strongest partisan agent (Bergman and Strom 2011). The strength of the system of checks and balances set forth by Madison relies on the preemptive mistrust of political agents' behavior, and safeguards to repress or ameliorate reprehensible behavior. Madisonianism, as any other political arrangement, has plenty room for outcomes that could betray the best intentions, nonetheless, it remains a strong provision against tyranny. Furthermore, Madisonianism never claimed to be an ideal solution, but a remedy for the unipersonal concentration of power whose pervasiveness and proclivity for corruption could be summarized by Lord Acton's[89] aphorism: "Power tends to corrupt, absolute power tends to corrupt absolutely (…) Great men are almost always bad men". Madison was

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[88] Op Cit. P. 111
[89] Lord John Acton was an English historian and politician from the second half of the XIXth century whose aphorism is perhaps his most notorious and widespread contribution.

anything but naïve by strongly emphasizing that "ambition mut be made to counteract ambition (…) Giving to those who administer each department, the constitutional means, and personal motives, to resist encroachments of the others[90]." He clearly insisted thar men's character is far from angelic, thus advising measures grounded not on men's virtue but on counterbalanced fallibility.

The system of checks and balances, as its name implies, works by dividing relevant state matters among the executive, legislative and judicial powers; transcendental decisions are then subject to oversight and intervention by more than one power, according to a set of specific rules, under public scrutiny by the media, with the aim to difficult and often prevent abuse by one person or faction. By proceeding in this manner, Madisonianism complicates capture intentions by political factions and private interests. Nonetheless, it should be admitted that under some circumstances, the effectiveness of the system becomes compromised, such as the case of a unified government –when a single party has control of the executive and the house—or when state capture schemes compromise either key legislators or the presidency (occasionally both). Alt and Lassen clearly state that "When government is unified, no effective separation exists even within a presidential system" (2008, p. 33).

The political regime of the United States could be used as a good example for illustrating the works of the checks and balances arrangement[91]; particularly in the case of three relevant procedures: the passing of legislation and the appointments of high-level officials, as well as the yearly approval of the budget.

When it comes to laws, Congress has the power to draft them, as well as to override a presidential veto[92]. Conversely, the Supreme Court, as guardian and interpreter of the Constitution determines whether such law is unconstitutional via the power of Judicial Review, and it can establish the meaning of specific pieces of legislation whose interpretation may be contested. The appointment of Supreme Court Justices, invested with such serious responsibilities, is a joint task

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[90] The Federalist 51.

[91] The process of impeachment is perhaps the most powerful mechanism for the House to counterbalance worrisome and illegal presidential behavior; however, this procedure is truly rare, and its effectiveness is extremely dependent on the consistency of the case, as well as legislators placing their duty ahead of partisan interest (another rare instance).

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exercised by the Executive and the Legislative, where the former offers a nomination subject to the approval of the Senate; ambassadors and some high-level officials are appointed via the same degree of scrutiny and intervention.

The passing a budget also involves a proposal submitted by the Executive to the Budgetary Committees of the House and Senate, who in turn pass budget resolutions, whose Appropriations subcommittees markup the respective appropriation bills. A vote by the House and the Senate should then reconcile any differences and vote on the appropriation bills before the presidency gets to stamp them, enacting the budget as law. Thus, by exercising its powers for oversight and approval of the budget proposal, the Congress enforces a check on funds allocation and balances over the presidential prerogative of budget drafting.

Judicial control of corruption

Another institutional path to keep corruption at bay relies on the power of the courts to deliver justice against those who have betrayed or abused public trust. Judicial control of corruption is relevant under a functional system of checks and balances, but essential whenever it becomes compromised; ultimately, a strong and independent judiciary is the last safeguard for the rule of law. Actually, Alt and Lassen (2007) sustain that a unified government impairs the effectiveness of the checks and balances institutional arrangement, accountability over state powers can only exist under a divided government, when such is not the case only an independent judiciary could restore the balance.

Corruption can be prevented by curtailing opportunities and incentives making it possible, by state powers enforcing a system of checks and balances among them, and through judicial approach, aiming to punish those cases where the first and second alternative mentioned above fails as preventive countermeasures. An effective control of corruption via the judiciary demands two essential pre-requisites: reasonably consistent legislation determining unambiguously characteristics and modus operandi of corrupt actions, and justices appointed by merit, politically independent, promoted by results, competitively compensated, and closely supervised by disciplinary bodies. When all these incentives fail to promote an impartial and efficient system for justice delivery, the judiciary becomes the last nail in the coffin of impunity. Both prevention and enforcement are the two legs required to make any progress on the long, never-ending path towards

corruption control. The leg dealing with enforcement via trial, and its intrinsic problems require to be discussed in more detail.

Severe transgressions of public servants and their private accomplices in a corruption case, should end in court to determine the strength of the case against them, and in its case, should they be found guilty, a proper punishment according to applicable penal codes. The National Conference of State Legislatures has acknowledged that different states may apply varying penalties for the same offenses depending on "the harm a violation may cause. The most severe consequences are normally reserved for cases of bribery involving large sums or similar types of intentional violations of ethics or anti-corruption laws"[93]. Those cases deserving of a "day in court" usually make the headlines and increase the already large mistrust of the average citizen over public servants and authorities. The only way to reverse such trend is to increase the effectiveness of judicial control of corruption, currently under a concerning handicap in bringing to justice powerful public and private agents, as well as those in lower echelons of their ranks.

Now, while judiciaries are usually better suited to withstand the lure of corruption than the adjacent legislative and executive peers, they are not impervious to it. Civil service systems, competitive compensations and merit recruitment measures indeed help in providing more competent justices; however, they offer no ironclad assurance of their ethic zeal. Disciplinary commissions of the courts occasionally impose diverse punishments over judges' equivocal or intentionally biased rulings; sometimes, when the judiciary becomes the last link on a chain of corruption, "solution ends up in the hands of the problem".

The paradox of counting on the judiciary to deliver us from corruption is that the judiciary itself could be also riddled with corruption, basically, of two kinds: administrative and operational, the former performed by administrative employees receiving kickbacks for delaying or expediting clerical procedures, the latter involving corrupt judges issuing "politically-motivated court rulings, buying or selling decisions, plain extortion, and/or undue changes of venue where judges stand to gain economically and career-wise as a result of their corrupt act" (Rios, 2-3, 2008)

It should be noted that, effectiveness of a judge ruling over a case of corruption is largely dependent on argument and evidence presented by the prosecutors; also, prosecutors' own efficiency and impartiality could become compromised by the private interest and willingness of

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[93] National Conference of State Legislatures, https://www.ncsl.org/research/ethics/50-state-chart-criminal-penalties-for-public-corr.aspx

a superior to push or undermine compromising investigations. This hazard could become evident when prosecutors serve at the discretion of the president, and both president and prosecutor hold their interests on higher esteem than their oath of office; the case Trump – Barr is perhaps the grossest representation of this peril.

Throughout the first century of the American Republic, independent prosecution was held in high regard; however, by 1870, "as federal law grew in scope and complexity, there was an increased need to consolidate and rationalize the legal arm of the government. Ultimately, the Department of Justice assumed this function under the Executive Branch" (Green and Roiphe 2018). Apparently, by the late nineteenth century, time of the inception of the Department of Justice, Congress relied on attorney's professional ethics and norms as a barrier to partisan appetites (Green and Roiphe 2018); in all fairness it would be hard to imagine such egregious abuse of power, but then again, Madison always warned us about the fallibility of human character.

Placement of the prosecutorial organ varies across countries, for example Mexico's Attorney General used to be appointed directly by the Executive and his office remained within the same power. Recently, the attorney general's office was granted independence, and its tenure raised to nine years; the appointment of the A.G. depends on the Senate approval of a presidential proposal. It became painfully evident however, that such approval lacks any meaning if the president enjoys a unified government, with a comfortable majority in the Senate, and an A.G. unwilling to upset him. Chile and Brazil also have an independent attorney general, while Italy and Colombia have placed the prosecutorial organ within the judiciary (Rios 2007).

Precise location of the prosecutorial organ poses a dilemma, as Rios (2007) points, a prosecutor under the sphere of influence of the presidency represents a dangerous temptation to affect or deflect politically charged cases. A prosecutorial organ within the judiciary has other problems, like placing two separate procedures (prosecution and trial) within the same power, offering a potential for undue or harmful influence of judges over prosecutors; here, impartiality is the value at peril. In contrast, while an autonomous prosecutorial organ "may reduce the possibility of collusion between the judge and the prosecutor but it may also create unnecessary administrative and organizational burdens" (Rios 2012, page 198). Each of these arrangements poses the problem of unjustified and counterproductive bias or excessive red tape, all of them harmful not only for corruption prosecution in specific, but for justice to be worthy of that name.

The question of independence and impartiality is cause of even greater concern on the ranks of the judicial branch, and with a good reason, independence is an essential condition for the protection of the core value of impartiality, and no place impartiality more important than when delivering justice. The importance of justices' independence when dealing with corruption cases is well defined by Ackerman: "Independence implies that judges' careers do not depend on pleasing those with political and economic power. Such separation of powers is necessary both to prevent politicians from interfering with judicial decision-making and to stop incumbent politicians from targeting their political opponents by using the power of civil and criminal courts as a way of sidelining potential challengers" (2007, 16).

Whereas political or economic influence over judges and justices is pervasive by itself, absolute, unchecked independence could also lead to undesirable outcomes: "A completely independent judiciary, one that is not accountable, could increase corruption because it would add an additional unchecked veto point that would have an incentive to engage in corruption" (Rios 2008, 6). Judges' authority precise to be checked by an office or council impervious to their pressure, as Ackerman insists: "an independent judiciary might itself be irresponsible or corrupt. If judges operate with inadequate outside checks, they may become slothful, arbitrary, or venal" (2007, 16). Then, a question arises, if both extremes are unhealthy for a sound delivery of justice, where lies the advisable middle? It is impossible to advise a blanket solution for an ideal balance granting enough independence to protect impartiality, but not too much as to allow self-dealing within the judiciary. Common Law and Civil Law Systems have different degrees of independence and different approaches at self-regulation within their judiciaries, that often fall short to deliver adequate results. As Ackerman (2007) acknowledges, "a favorable institutional design is necessary but not sufficient", any selected alternative should consider not only the kind of law system (civil law vs common law) but specific characteristics pertaining to judge selection, promotion, and tenure as well as court organization and staffing (Ackerman 2007).

As seen although judicial control of corruption is indispensable for any considerable effort at tacking corruption, the judiciary itself is riddled with it or surrounded by threats to its integrity. Still, the dismal situation observable in most countries of the world, should be an indicator of what is needed to be taken care of, before aspiring to effectively keep corruption at bay.

A review of influential factors around corruption shows that some of the most powerful are truly long-lasting and were original implanted by the historical event of their respective colonial

heritage, which in turn determined majoritarian religion, judicial tradition, and cultural profile. All these factors could change over time but in an extremely slow and imperceptible fashion. If these factors have something to do over corruption, as suggested by an important number of sources, then it could be expected that short term political reforms are bound to have a marginal effect over this set of causes. Nonetheless, the unbearable weight of rampant corruption has fed up civil society around the world, thus increasing the push towards meaningful and effective reforms, leading from minor legal changes to remarkable institutional overhaul.

Some remarkable achievements in this direction are related to rule of law strengthening, increasing democratic development via participatory mechanisms, and a boost on transparency over public matters and governmental budgets and proceedings. Before delving into the empirical part of this dissertation, the following chapter will deal in more detail with the essence of transparency reforms and the expectations surrounding them.

CHAPTER 4.   TRANSPARENCY, A THEORETICAL PRIMER

The discussion thus far has shown that a multifaceted, multicausal and ubiquitous phenomenon such as corruption is hard to define, measure and track; caused by plenty factors with varying influence depending on context and nation. Then, what sort of remedy could alleviate the effects of this congenital malady? One of the most recent and popular approaches is public transparency, grounded on an intuitive theory that opacity is the perfect breeding ground for corruption. If so, then how transparency works over questionable dealings from the public and private realms? What sort of reforms have been implemented across the globe and what is their prospect of success over a phenomenon so deeply rooted and inertial such as corruption? This chapter is an attempt to answer these and other pertaining questions surrounding the institutional bet on transparency.

4.1   The Relevance of Freedom of Information for Democratic Rule and Governance

Although Freedom of Information (henceforth FOI) by itself lacks the power to transform any autocratic regime into a democratic one, contemporary democracies would be pressed to function under an environment of compromised transparency. FOI strengthens the consolidation of young democracies and prevents old democracies from decay. Democratic rule precise form Freedom of information both at a micro-individual level, as well as at a macro-systemic one. In the case of individuals, FOI informs, enlightens, and empowers citizens who are willing to play a meaningful role in their democracies. At the same time, FOI regulations set the conditions to receive and distribute timely, accurate, and sufficient evidence for decision-making and accountability purposes.

Neither horizontal nor vertical accountability[94] (O'Donnell, 1996) can be effectively exercised without sufficient, pertinent, and timely information. FOI becomes essential for political inclusion in regimes where government is supposed to rule in accordance with the informed consent of its citizens. The quality and frequency of public participation is closely associated with sufficient information about governmental policies (Banisar 2006). Information is not only

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[94] The kind of accountability that voters exert over their representatives (vertical), as well as the Executive, Legislative and Judicial branches among themselves (horizontal).

essential for democratically held elections, but also paramount for public advocacy and policy process' input; as Mendel (2008) suggests: "It is difficult, for example, to provide useful input to a policy process without access to the thinking on policy directions within government, for example in the form of a draft policy, as well as the background information upon which that thinking is based" (8).

Democratic rule has become undeniably more complex over its reign; not only have citizens' expectations grown considerably[95], but there has also been an exponential growth in government complexity as well as in the amount of pertinent public policy information. The blessings and maladies of the *information age* permeate over every aspect of the human experience, including, of course, democracy; exposure to alternative sources of information is starkly different today than in the fifties in terms of amount, channels, and quality. This set of reforms and improvements have produced a virtuous circle accurately explained by Cain and colleagues (2003): (…) "Citizens have successfully obtained reforms at the ballot box (such as the initiative and referendum) and administrative changes (such as open meetings laws and sunshine laws) that inject them more directly into de democratic decision-making process. Greater participation in policymaking, by citizens and public interest groups requires more knowledge of government by these actors and therefore more transparency in government. Thus, in most nations democratic change has included rising expectations about openness and transparency in government." (115) Therefore, although FOI reforms are a later comer into the catalogue of democratic privileges, they are essential for the optimal development of contemporary democracies.

Most prerogatives of democratic regimes can only be fully realized in the presence of free-flowing information. Although it seems unnecessary to resort to truisms like: "Information is power," it is nonetheless true that a democratic society cannot deprive its citizens –or its institutions-- from access to vital information. Information is the ultimate power equalizer; to keep it within the elite class and away from the people is incompatible with the essence of democracy itself. Ultimately, "Democracy is about the ability of individuals to participate effectively in decision-making that affects them" (Banisar 2008, 8). In fact, information restrictions could have

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[95] The number and characteristics of the constituencies have also changed drastically. We tend to forget that the women's right to vote is not even a century old, and that important restrictions for minorities could be found well into the 1960s.

adverse effects on democracy, as Cain et al. (2003) asserts: "Citizens are unable to participate or to choose properly when they are denied critical information about the government and its actions. Democratic accountability assumes that voters know what their agents are up to and can reward or punish them accordingly. The core obstacle to accountability is the asymmetry of information (…) between governments and their citizens" (116). The larger the information gap between an agent and its principal, the bigger the potential for abuse of the former; in the end, constituents require accurate information to keep track of their representatives' activities and intentions (Heritier 2003). Uninformed or misinformed citizens are prey to opportunist politicians and their policies.

Within a democracy, FOI functions both as a "stand-alone" right, as well as a catalyst for other deeply cherished prerogatives, like free press, speech, and assembly. A free press, for example, cannot afford to be ill-informed; reputable journalism cannot be based upon speculation or rumors. Similarly, in terms of freedom of assembly, wide-spread Tea Party rallies remind us of the disservice paid to democracy by misguided and misinformed crowds; information and knowledge are the best vaccine against ignorance, fear, and prejudice. Information could well have weakened the efficacy of totalitarian regimes' propaganda, and perhaps prevented democratization reversals during the first half of the last century. Frequently, FOI is seen as a tributary of freedom of opinion and expression. In fact, the three of them are inextricably bundled in the article XIX of the Universal Declaration of Human Rights. It is often forgotten that information provides substance and meaning for opinion and expression; limitations or restrictions to the free flow of information severely deteriorate freedoms of speech and the press.

An important question ensues: Could there be democracy without FOI? Evidently, there is such a possibility. The problem at hand is the poor kind of democracy that it would be, the potential for abuse for public officials, and the prospects of its rapid deterioration. FOI reforms have flourished in regimes where the electoral issue had already been resolved (even if just relatively). In the developmental relationship between democracy and FOI, it stands clear that FOI has enriched the meaning of democracy as well as nurture accountability within it. Taking the matter a bit further, an invigorated access to information, along with the ensuing institutional support and sufficient media coverage could always help young democracies from reverting their recent transitions into diverse forms of competitive authoritarianism, with objectionable conditions for competitive elections, along with "varying degrees of autocracy" (Levitsky and Way 51, 2002). In more than a few of these regimes, opposition competed for power successfully, thus qualifying as

a democracy according to procedural definitions. The point here is that defining democracy under merely procedural terms has only led to more conceptual stretching by forcing authors to create a myriad of adjectives seeking to force some regimes into the classification, such as "neo-patrimonial democracy", authoritarian democracy", etc. (Collier and Levitsky 1997). A more encompassing definition that includes FOI among other relevant variables could help to sort out democracies better (Storm 2008). Coppedge, Gerring and colleagues (2011) make a convincing call for a novel approach to conceptualize and measure democracy, by proposing a multidimensional approach aimed at increasing reliability of current measurement efforts, "enhancing precision, validity, transparency and legitimacy of the resulting indicators" (252).

All of these are but a few of the arguments upholding the importance of unfettered access to public information for the sake of democratic life. In sum, as it was stated above, FOI surely won't create democracies out of thin air, but it could prevent them from decay by safeguarding and empowering their catalogue of democratic freedoms. Following, a brief description of how transparency and access to information gained recent notoriety, as well as a plea for scholarly relevance.

4.2   Enter the sunlight, the advent of transparency reforms

Great social and political disruptions provide rare, excellent opportunities for testing long held assumptions of political science; around the late eighties and early nineties, the tidal wave of transitions to democracy, became one of those disruptions. Either smooth or violent, sudden, or incremental, European, or Latin American, these democratization processes reinvigorated the discussion on what makes a democracy so, what makes it possible, or which perils transient countries will face in their journey. Years later, the wave of transparency reforms –known as the Sunshine Era— caused a rather similar effect on political science scholars, journalists, public administrators, development agencies and multilateral organizations. It seems only logical that after free, fair, and periodic elections became a relatively settled issue for nascent democracies, impulse for a more open and responsive government would have to gain momentum.

The historical collapses of the Berlin Wall and the Twin Towers engulf the era of what that Thomas Blanton[96] (2002) labeled as the "decade of openness", a decade benefited from an unseen

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[96] Executive Director of the National Security Archive

interest on transparency as a valuable democratic asset. The sunshine era came at a particularly propitious time, when notable developments on file compression and transmission, and an ever more ubiquitous and faster internet, made possible an unprecedented exchange and availability of information. In the time of Open Government, public records can be accessed by citizens, private firms, and organizations with exceptional ease; sadly, however, tactics for opacity have also stepped up by adding viruses to sensitive files, permanently deleting them, or by over flooding[97] citizens' information requests.

In a manner well described by policy diffusion theories, the Sunshine Era affected both nascent and consolidated democracies alike, as each Nation –either developed or not—sought international recognition for efforts served on the strengthening of their respective democracies. A survey from the Open Society Foundation[98] reported that by 1991 there were only twelve laws in the world guaranteeing access to public records. This finding implies that an important number of consolidated democracies, such as Ireland, Spain, United Kingdom and Japan, did not shared a high regard for this kind of norms; nevertheless, substantial changes have occurred around the world since the early nineties.

To this date, 119 countries have adopted a Freedom of Information Act[99]; surprisingly 9 out of 10 FOIAs have been enacted in the last fifteen years (more than half were enacted in this century). It surely seems a long way since the XVIII century, when Sweden enacted the first freedom of the press act[100]. Today, multilateral development banks and international organizations have adopted unprecedented disclosure policies, and freedom of information is now regarded more a fundamental human right than just another administrative governance reform (Mendel 2008).

As we can see, the history of transparency reforms may have few years of age but plenty breakthroughs and setbacks as well. Commonly, calls for improvements on access to information and transparency policies have been preceded by corruption scandals (Blanton 2002); by international pressures for modernization; or by a genuine interest in consolidating democratic freedoms in countries of recent transition.

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[97] Labeled "data smog" by Roberts (2002)

[98] Open Society Justice Initiative "Transparency and Silence. A Survey of Access to Information Laws and Practices in 14 Countries", New York 2006

[99] According to a closely kept tally by the Global Network of Freedom of Information Advocates http://www.freedominfo.org/resources/

[100] In 1766 Sweden enacted a Freedom of Press Act, legalizing the publication of government documents, thus granting access to them (Blanton 2002, 10)

Spite of foreseeable setbacks, shortcomings and in some cases blatant opposition, the drive for a more transparent government is becoming stronger each year; eventually this initial stage of institutional reforms will surely pave the way for a phase concerned on the perfection of such institutions and the objective assessment of their performance. Developments of this sort are already the focus of a fruitful research agenda, covering topics such as the relationship between transparency and political culture, accountability, effective public management, political competition, and foreign affairs. Three research perspectives will be highlighted here, the comparative perspective (Mendel 2003; Open Society Justice Initiative 2006; Banisar 2006) the prescriptive approach (Transparency International 2006; Article 19 1999); and the measurement perspective applied specifically to two different cases: Mexico and the United States.

All these changes have occurred within the lapse of a couple of decades; today, the list of datasets and cases grow every year, supplied by dozens of foundations, research centers, multilateral organizations, think tanks, watch dogs, and advocacy groups. Freedom of information is now cross-nationally researched from a comparative perspective, as well from a prescriptive one. Undoubtedly, the evolutionary study of democracy could benefit from these recent analytical efforts. Following, a plea backing such a proposal.

4.3   A place for transparency within democratic theory

Undeniably, any regime worthy to be called democratic guarantees periodic free and competitive elections, as well as effective protection of a basic set of freedoms such as speech, press and assembly. Although not as evident, the meaningful exercise of these essential democratic freedoms precise from sufficient, accurate, and timely information. No democracy needs speech without substance, press without relevance, or assembly lacking purpose or direction. The theoretical importance of freedom of information has been acknowledged by prominent scholars like Dahl (1971), by expressly prescribing access to alternative sources of information as a fundamental component of any Polyarchy. In fact, freedom of information is intrinsically related to responsiveness and inclusiveness, supporting pillars of Dahl's Polyarchic framework. However, spite of its inherent importance, only recently has FOI started to receive its well-deserved share of attention from scholars and policy makers. Part of this renewed interest in the subject stems from the impressive number of countries having passed related legislation.

Several decades ago, when democracies around the world were more an exception than the rule, the unchallenged Schumpeterian minimalist definition of democracy made perfect sense. However, the status quo has changed drastically since 1974, when only 39 democracies could be counted at the onset of the third wave of democratization (Diamond 2002)[101]. In the present day, reliable elections remain an essential requisite of democratic rule, but the definition of democracy has been widened; not only democracy has become more prevalent worldwide[102], democracy's meaning has also expanded.[103] This has led to a call for comprehensive standards to include other variables aside from electoral ones.

Contending visions of scholarly research on democracy differ on their appreciation of freedom of information as a relevant variable for their work. Those preferring minimalist or procedural definitions usually restrict their selection to electoral variables, while those in favor of broader definitions of democracy are more receptive to a wider list. It must be noted, however, that earlier definitions were adopted at times when the number of democracies was considerably smaller, and the expectations of their citizens were not as lofty as today. Nowadays, not only democracy is more prevalent, but it is also increasingly complex, and, in the age of information, FOI acts as a crucial catalyzer. If so, which could be the reasons behind such a disregard for transparency among advocates of the minimalist definition of democracy, as well as from most supporters of its gradated measurement? Perhaps a brief discussion of their respective main tenets, as well as the long-held debate among them, might result enlightening.

4.3.1 The Dichotomy-Gradations Debate

What makes a democracy so? This seemingly simple question has invigorated the scholarly debate within political science for most part of the twentieth century, causing an important theoretical divide. At the onset of this argument, Joseph Schumpeter (1942) framed a lasting definition: "The democratic method is that institutional arrangement for arriving at political decisions which realizes the common good by making the people itself decide issues through the election of individuals who are to assemble in order to carry out its will" (250). While no scholar

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[101] Actually, by current non-minimalist standards, no country in the 1900 could have been categorized as a democracy (Diamond 2000).

[102] The Freedom House counted 120 in 2000 (Diamond 2000)

[103] Consider for example, Electoral, Liberal, Majoritarian, Participatory, Deliberative and Egalitarian definitions (Coppedge and Gerring 2011).

could disagree with Schumpeter on the importance of elections as a crucial difference between democratic and non-democratic regimes, democracies are also known for endorsing a qualitatively distinct set of institutions. That is, democracies differ from autocracies in more significant ways than just holding elections[104]; democracies uphold liberties thwarted by autocracies.

There is a theoretical divide making a distinction between dichotomous and gradated scales of democracy. A dichotomous approach regards democracy as an indivisible bundle of norms. Giovanni Sartori, a fervent advocate of this posture and a fierce critic of gradated measures, stated that: "What is completely missed by this *degreeism* or *continuism*, is that political systems are systems, which is bounded wholes characterized by constitutive mechanism and principles that are either present (albeit imperfectly) or absent (albeit imperfectly) (1987,184)". For scholars like Sartori, establishing the existence or absence of a democratic regime is a task different than assessing its quality. However, the perfection –or imperfection—of a regime should not be considered a trivial matter, since a deeply flawed democracy could be on the brink of becoming a "benign" autocracy.

Prominent scholars defend the use of a dichotomous scale (Sartori 1987, 1991; Linz 1975; Huntington 1991; Geddes 1999; and Alvarez, Limongi, Chiebub & Przeworksi 1996). However, gradated measurements also have an important number of proponents (Dahl, 1971; Bollen and Jackman, 1989; Coppedge and Reinicke, 1990), as well as no shortage of valid arguments. Among those arguments is the call for placing democracy as a concept grounded in reality (Dahl) and making effective use of "Improvements in both the quality and availability of data" (Bollen and Jackman 1989, 612). In the end, the study of democracy should consider both the historic and international background. The use of dichotomies made perfect sense in a world with a lot fewer democracies and where the ideological competition was held between those systems holding elections and those ruling by force and intimidation. Today, almost 40 years since the beginning of the third wave of democracy, there are an overwhelming number of democracies. In addition, there has been considerable progress on the availability of data and methods, making the use of gradated measures even more productive.

Almost two decades ago, Coppedge and Reinicke (1990) observed that: "Until recently, comprehensive studies were not possible due to the lack of adequate political data on the smaller,

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[104] In fact, some autocracies like to hold elections too; albeit mock or non-competitive ones; and it has been noted recently a worrying surge of competitive authoritarianism. (Levitsky and Way, 2002)

newer and least-developed nations (…) Today the data are much more detailed and complete" (53). The increase in the number and quality of global "barometers" allowing today for better measurements of democracy, is a methodological accomplishment also acknowledged by Foweraker and Krznaric (2001). Just as worldwide transitions to democracy fostered research on comparative democratization, recent reforms and the enactment of transparency frameworks have also benefited from inquiry on freedom of information[105], some of which deserve further discussion.

4.3.2   Freedom of Information and Gradated Definitions of Democracy

Those who ventured beyond the procedural definition of Schumpeter had to deal not only with bitter criticisms from established scholars, but also with the task of defining a democratic regime beyond mere electoral procedures. Initially, Dahl (1956) noted that such a task required a conceptual definition grounded in reality, composed by the proper attributes of a democratic polity. Under the concept of Polyarchy, Dahl (1971) includes relevant characteristics of modern democracies such as freedom of assembly, expression, the right to vote, and access to alternative sources of information. Although every democracy must carry out periodical elections, not all of them rank equally well when compared through Dahl's originally framed perspective (Coppedge and Reinicke 1990). In the real world, where there is no such thing as a perfect democracy, these sorts of frameworks help to determine areas deserving of particular attention. The importance of FOI for Dahl's polyarchy is expressly acknowledged by including *access to alternative sources of information* as a defining element.

Building upon Dahl's contribution and employing datasets from Freedom House and Gastil (1985), Coppedge and Reinicke (1990) would later devise a Polyarchy scale assessing which nations were closest to a full polyarchy. Although they only employed half of the elements suggested by Dahl, they were careful to also include availability of *alternative sources of information*. Eventually, Dahl (1989) would further develop his framework by considering public challenge and inclusiveness, categories that also require access to timely, sufficient, and accurate public information.

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[105] There is a pattern implicitly acknowledged by Munck (2009), whereas important political events at global scale -- such as the end of World War II and the collapse of the Berlin Wall—provoke equally important changes, and the ensuing incentives for research.

Bollen (1990) continues the search for an "Adequate theoretical definition" of democracy by defining it as *"The extent to which the political power of the elites is minimized and that of the non-elites is maximized"* (1980, 372); and, if we think closely about it, a shift in power is heavily determined by a shift on who has access to strategic information, the elites or the general public. Bollen bets heavily on the mix of political liberties and political rights as a mean to determine how democratic a determined nation is. On the side of political liberties, Bollen includes freedom of the press, and freedom to form opposition parties without interference from the government. When it comes to political rights, he also considers fair elections, access to public office, and congressional effectiveness. Clearly, access to public information is not included within Bollen's model; however, the full exercise of any of the political rights and liberties cannot be realized without access to information, the proper mean to challenge the influence of elites. After all, access to information is David's slingshot, without it Goliath would have had a better day.

Gasiorowsky (1990), leader of the Political Regimes Project, builds on previous research by adding the variable of democratic performance. He assumes that democratic, authoritarian, and totalitarian regimes behave differently, and that such behavior can be registered along a continuum. Aiming to test such an assumption, Gasiorowsky employs an impressive number of variables and cases (117 nations). Nevertheless, just like Bollen before him, he also omits freedom of information and goes even further by compounding freedom of speech and press into a single variable. Following the same pattern, Hadenius (1992) considers even more cases (132 countries), but implicitly disregards freedom of information as an essential characteristic of democracy, unlike organization, opinion, and freedom from oppression, all of them included in his model.

A sharp critic of the limitations behind previous efforts at measuring democracy, Arat (1991) calls for higher consideration of mechanisms and principles that enable popular control. *Participation, Inclusiveness, Competitiveness, and Civil Liberties*, are all essential attributes of a democratic regime, within Arat's model. As we can see, freedom of information is also absent; actually, the author himself warns about complications in gathering data for the whole variable of Civil Liberties: "Because of the lack of reliable information on the extent to which governments recognize and respect civil liberties[106], this aspect of the system is measured through the employment of an indirect method. The coerciveness of governments, which is treated as an opposite indicator of civil liberties, is estimated to this end (Arat, 1991, 25-26)." Arat's

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[106] Amongst which we could include freedom of press, speech and information

contribution, written right at the onset of the Sunshine era, could have benefited from the wealth of data now available; the general category of Civil Liberties, however, would first have to branch out into more specific items.

Jaggers and Gurr (1995) also attempted to test democratic consolidation from a comparative perspective. They analyzed the degree of coherence of 150 regimes, employing data from the Polity III survey. An incoherent democracy was defined as a political system "With primarily democratic elements that also place substantial limits on participation, competition, and/or civil liberties" (Jaggers and Gurr 1995, 479). Participation, Political Competition and Openness are the main variables of their model while others such as "Rule of law, systems of checks and balances, freedom of the press, and the like, are treated as means to, or manifestations of, these institutional structures" (471). Although the prioritization of variables could be subject of a long discussion, the interesting fact is their explicit acknowledgement that democracies (or by the same account, autocracies) are not likely to be found in a "pure" state; therefore, the use of dichotomous scales might leave out relevant information.

Sharing Jagger's and Gurr's appreciation for competition and participation as elemental variables of democracy's measurement, Vanhanen (2000) designs a widely quoted index considering degrees of electoral competition and participation. Sacrificing depth for the sake of width, Vanhanen analyzes a vast range of countries (N=187), but at the same time leaves out some fundamental features of a democratic regime; he acknowledges: *"Other possible dimensions of democracy have been omitted here; for example, my index does not attempt to measure the level of civil and political liberties"* (256). Oddly enough, those two categories deemed as scarcely relevant by Vanhanen constitute the backbone of one of the most acknowledged scales for democracy, the Freedom House Index.

Originally devised in the fifties by Raymond Gastil as the Balance Sheet of Freedom, the Freedom House Index includes today almost 200 countries. Under the overarching categories of Political Rights and Civil Liberties, this index considers a set of attributes typical of contemporary democracies. Freedom of expression, assembly, organization, religion, and press are among the Civil Liberties; while the category of Political Rights encompasses freedom of the electoral process, political pluralism, participation, and the functioning of government. Clearly, freedom is not synonymous with democracy. Nonetheless, a democracy cannot be understood in the absence

of either political rights or civil liberties. For that matter, democracy can neither be effectively nor fully exercised when access to public information is compromised.

Taking this into account, Foweraker and Krznaric (2000) assume that a democracy should guarantee the delivery of liberal democratic values and build a conceptual framework around such a proposition. After reviewing 45 cross-national measurement efforts, they conclude that most of them consider a rather limited set of variables. They sustain that the measurement of liberal democratic performance cannot be dissociated with those values by enriching it. Just like Jagger and Gurr (1995), who had previously observed incoherent behavior within some democracies, Foweraker and Krznaric suggest that not all liberal democratic governments "Achieve in practice the values they endorse in principle" (2000, 759). In other words, there is little gain in observing the longevity of regimes claiming to be democratic, while they consistently fail to safeguard civil liberties and political rights.

In their Database of Liberal Democratic Performance, Foweraker and Krznaric are also constrained by the limited availability of reliable **data sets**. This dilemma, previously acknowledged by Gastil (1991), continuously forces researchers to choose measurements based not on "A theoretical approach to democracy, but on the availability of information" (1991 26). Facing this complication, Foweraker and Krznaric refuse to trade off conceptual coherence for the sake of a large N; hence their limited number of cases (40 country cases). Nonetheless, while they consider a considerable number of variables (21) --some of them rarely employed before, such as social exclusion, minority rights, and property—they also omit freedom of information in their model.

Well-versed critics of the literature dealing with democracy measurement, Munck and Verkuillen (2002) also contribute to the ongoing debate. Their Electoral Democracy Index, produced under the auspice of the United Nations Development Program, considers a rather specific (and highly comparable) universe, Latin America. The period selected might not be too lengthy (barely 15 years). Nevertheless, the fifteen years selected by the authors witnessed the most relevant changes of democratic transitions in the region. This index offers an alternative to dichotomous measurements of democracy. It shows that even by procedural standards, not all electoral frameworks are equally democratic. The variables chosen by Munck and Verkuillen were: The right to vote, clean and free elections, and the portion of public offices subject to electoral contest. Although the omission of FOI could be excused by arguing that this index is

focused only on the electoral feature of democracies, the value of FOI for electoral purposes is undeniable. It is through freedom of information –or transparency policies—that voters could have access to the names of financial backers of candidates; additionally, FOI allows for enhanced public scrutiny over those public offices subject to electoral challenge. In short, freedom of information should be considered as a variable that could "Curve the effective use of the formal right to vote, and significantly distort the value of the votes (Munck and Verkuillen 2009, 20)".

4.3.3 The problem with the approach of gradated measurements

Although gradated measurements may offer a detailed look at what makes a contemporary democracy, they also suffer from diverse problems like redundancy or conflation. In their detailed analysis of democracy measurements, Munck and Verkuillen (2009) discuss how indices such as Polity IV employ two different indicators for a single democratic attribute. A similar problem can be found in Hadenius' contribution, as his "Subcomponent Openness of Elections is hard to distinguish from the three components into which he disaggregates his attribute Political Freedoms" (Munck and Verkuillen 2009, 22). Conflation, the opposite problem, is present in Arat's model by trying to fit too many attributes into a single category (2009). In the end, as Munck and Verkuillen stress, any effort at measuring democracy must confront and overcome three substantial challenges: conceptualization, measurement and aggregation[107].

Diversity of measurements at hand enriches the discussion on how to better measure democracy; however, there are few original variables, and most could be counted under the macro-categories of participation and **contestation.** It seems that it is time for new efforts to focus more on the quality of democracy and its evolution under the impact of new technologies than on transitions to democracy. The role of FOI as a catalyzer of essential democratic freedoms could serve such a purpose.

4.3.4 Plausible explanations behind the omission of FOI as a relevant variable

While there is a sharp theoretical divide between the endorsers of a dichotomous measurement of democracy and those supporting a continuous approach (like Collier and Adcock 1999), both parties equally overlook the variable of freedom of information. According to the

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[107] They also claim that to the date no single index has satisfactorily overcome those three matters.

dichotomous model, political regimes around the world are primarily divided between autocracies and democracies, between those holding free and fair elections and those without them. Obviously, freedom of information cannot be observed among regimes thwarting any form of freedom; however, how significant could free and fair elections ever be when plagued by bigoted, misinformed voters? How worthy is a democracy under such terms? Although choice could be feverishly inspired by emotion instead of reason, it is sad when an election becomes a battle of hates instead of a contest of wits.

Scholars on the side of the lowest level of measurement (dichotomies) also show little appreciation for any other variables different than electoral ones; this could explain the absence of the freedom of information within their models. On the other hand, scholars endorsing gradated measurements of democracy may favor a wider catalogue of variables; nonetheless, some of them still refrain from including FOI within their models. It must be noted however, that the omission this variable could be explained for other reasons that just disregard for FOI. Among plausible explanations for this omission, we could consider the early focus on a ***transition to*** rather than on ***the quality of*** democracy. Another reason is that FOI has been traditionally regarded as either subsidiary or accessory to other long-acknowledged democratic freedoms (Jaggers & Gurr 1991). Finally, the availability of freedom of information measurements is relatively recent; a late comer into the debate of what makes a democracy so.

4.4 Research Approaches of Transparency Policies

Transparency policies have been approached basically through three perspectives focusing on a comparative method, as a policy prescription from multinational organisms, or as subject of study through different measurement tools. Each of them can provide valuable insights into the implications for public administration and corruption deterrence.

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4.4.1 Comparative Perspective

In 2003, under the auspice of UNESCO and Article 19[108], Toby Mendel[109]pioneered the challenge of reviewing and comparing the experiences of diverse countries in their quest for a more transparent government. Bulgaria, India, Japan, Mexico, Pakistan, South Africa, Sweden, Thailand, the United Kingdom, and the United States were selected for his analysis. Mendel's work focused on legal definitions, processes for requesting public information, core information publishing, as well as exceptions and specific appeals overriding them. Mendel enriched his contribution by including a review of two prominent international organizations: the United Nations Development Program and the World Bank. Mendel conducts his comparison through a benchmark of an ideal FOIA, this standard would eventually be the subject of a widely distributed memo of the World Bank (Mendel 2004).

A couple of years after Mendel's World Bank memo, the Open Society's Justice Initiative published *"Transparency and Silence. A Survey of Access to Information Laws and Practices in 14 Countries"*, a similar effort with an extensive comparison of implementation issues face by FOIA in diverse contexts[110]. Spite of relevant differences among the countries included, it became evident that context-driven issues are worthy of consideration; however cross-national comparisons are still plausible and enlightening. Some common problems among the sampled countries provided the background for twenty-five policy recommendations, aimed to serve as a guideline for future implementation efforts. Among other merits, this survey was conducted and analyzed with the help of local specialists, the best choice for worthwhile insights on contextual conditions.

Through the assessment of variables such as response time, information refusal, appealing process, and publication of core information, among others, this survey explores accomplishments and common setbacks found during the implementation process of the FOIA. Relevant findings show not only that those refusals remain a significant problem but also that they are rarely given in written format, further complicating legitimate efforts at accessing public information; they also

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[108] Influential NGO founded in 1987 in UK with representation in several countries and a mandate that specifies its interest for "monitor, research, publish, lobby, campaign, set standards, and litigate on behalf of freedom of expression wherever it is threatened"
http://www.article19.org/about/index.html
[109] Head of the Law Programme at Article 19
[110] Argentina, Armenia, Bulgaria, Chile, France, Ghana, Kenya, Macedonia, Mexico, Nigeria, Peru, Romania, South Africa, and Spain were included in this survey.

show that discrimination affect response rates, and that the involvement of civil society is significant in transition countries. Even more important, countries with a dedicated and specific freedom of information law were twice as responding as those nations without one

While Open Society's survey deserves credit for its depth, there is another example with no parallel in terms of extension. Covering sixty-nine countries, a survey from Privacy International provides a concise account of relevant events leading to the adoption of FOIA legislation around the world, as well as a brief account of some implementation problems faced. David Banisar (2006) author of this survey also presents a comprehensive overview of global developments –such as international conventions for freedom of information—decisive in the promotion of this right among developed and developing democracies. This survey is also a valuable asset for research in the field given the significant amount of cross-national information in it awaiting to be coded.

The work of David Banisar and Robert Vleugel deserve a special mention here; tracing back to the early years of the Sunshine Era, each of them has constantly updated their respective list of countries passing freedom of information laws and grouping them into distinct categories. Banisar divides countries between those with a comprehensive national legislation, those with just national legislation, those with a current initiative in process and finally those with no legislation whatsoever nor pending efforts towards an initiative. Vluegel separates them in three different lists: the A-list Nations with a National and sub-national legislation, the B-list for those with some sort of legislation close to the purpose of a FOIA and the C-list for those without nothing like it.

4.4.2 Prescriptive Perspective

This perspective includes those efforts aiming to provide a prescription for an ideal law, offering advice to "navigate" the challenging process of enactment, implementation, and consolidation; therefore, these surveys/studies/reports do not attempt to make a particular comparison nor assess the progress of a determined country. Two documents are relevant enough to fit within this category: the *"Public's Right to Know"* by Article 19[111](1999); and *"Using the Right of Information as an Anticorruption Tool"* by Transparency International (2006)

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[111] An International NGO named after the article of the Universal Declaration of Human Rights proclaiming Freedom of Information as one of them.

On the "Public's Right to Know", Article 19 sets forth nine principles that a good freedom of information law should observe: maximum disclosure, obligation to publish, promotion of open government, limited scope of exceptions, processes to facilitate access, adequate costs, open meetings, disclosure precedence over restriction, and protection for whistle blowers. Based upon these nine principles Article 19 has strongly advocated for the inception of FOIA legislation, primarily in Eastern Europe nations.

Transparency International, also a prominent actor of Freedom of Information across the globe, has published several manuals, guidelines and primers aimed to use FOIA as an anticorruption tool. The purpose of the primer mentioned above is to guide advocates of freedom of information through the challenging stages that any country should endure during the early years of any new law. The document is written in plain language, is brief and concise, fulfilling the objectives of this sort of publication. Both prescriptive guidelines by Article 19 and Transparency International have benefit tireless efforts by public officials, journalists, politicians, and advocates for freedom of information.

4.4.3   Measurement Perspective

Although the number of Freedom of Information Laws was estimated at 127 around the world in 2019[112], FOIA inception is a relatively recent trend. So recent that a body of research specifically assessing the impact of this kind of legislation over governance improvements and decrease of corruption, still awaits to be fully developed. Nonetheless, there are some relevant measurement efforts which could eventually serve as the backbone of such an endeavor. The cases of Mexico and the United States allow for an interesting comparison of the same phenomenon from different perspectives.

Evaluating Freedom of Information in México

The political reform of 1977 made significant constitutional reforms, one of them granted access to public information; however, specific legislation leading the way for the implementation of such right had to wait until June of 2002. The rest of the Mexican States[113] followed suit enacting

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[112] According to the Open Society Justice Initiative: https://www.right2info.org/resources/publications/countries-with-ati-laws-1/view
[113] With the exception of Sinaloa and Jalisco who had enacted access laws before to the federal one.

their respective laws; five years later, by February of 2007 every one of the 32 states had one. Unfortunately, few laws were remarkable, most were basically average and in some few cases they were a veiled setback, making access to information even more difficult than before (it seems also true that, in matters of transparency, "the devil is in the details").

The first round of transparency reforms at state level awoke a feverish interest among journalists, scholars, and transparency advocates; the first solid effort to measure how well state congresses designed their respective transparency laws has to be credited to *Libertad de Información Mexico* (LIMAC henceforth) –a nonpartisan research and advocacy group— presented the Decalogue of Information. Through a benchmark composed of ten variables, LIMAC assessed in 2004 how good state laws were at including essential concepts and provisions of access to information. Little over a year later[114], LIMAC improved its index and included 27 state laws enacted by that time.

The following year, around august[115], Eduardo Guerrero and Leticia Ramírez introduced a more concise index with only four parameters: coverage, compliance, number of items regarded as public, and expedite access to information. This benchmark also assessed those state laws current at the time (28); surprisingly, even though these two indices are supposed to measure "goodness of a FOIA", rankings came up somewhat different, as good state laws in one of them did not obtain an impressive mark in the other and vice versa. Clearly different instruments could yield slightly distinct readings however some of them are remarkably discordant. Additionally, the variable of compliance does not grade how effectively state governments fulfill the requirements of the law, rather, is a check list of institutions, agencies and regulations that must be set in place to exert compliance from the governments.

Transparency legislation in Mexico demands online publishing of core information, obliging any public office to upload any relevant file under its possession, unless specific restrictions apply. Given the lack of specific an expedite penalty for failing to publish in time, accuracy of the information displayed, or missing items, there is an opportunity to assess which offices make a better effort of compliance and compare them among states. Following this lead,

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[114] August 2005

[115] Guerrero E. & Ramirez L. (2006) Transparency in Mexico at the Sub national Level, A Comparative Assessment of State Laws. In Lopez-Ayllon, S. (ed.) 2006. Democracy, Transparency and Constitution, Proposals for a Necessary Debate, IFAI, UNAM.

the *Citizen Transparency Observatory*[116] conducted a survey of state level governments between May and June of 2005; both the amount and quality of information available on official websites were assessed. Three strategic agencies[117] were selected, as well as the local Congress and the capitol's municipality. Although compliance goes beyond publishing core information online, this survey at least illustrates political willingness from state governments in the early stages of freedom of information legislation.

Following the lead of the Citizen Transparency Observatory, a couple of years later[118] a team of researchers based at CIDE[119] repeated the effort with a very important modification; in this occasion response times for freedom of information requests were also assessed, finally walking into the territory of actual practice and not only web site availability. This survey --Metrics of Transparency in Mexico-- was replicated again in 2010, but given substantial increase in scope, length, and depth, it seems fair to admit that we are talking of a whole new level. This survey took nine months of substantial work, assessing several secretaries of the State Executive, the Local Congress, the Judiciary, the three largest municipalities and three autonomous public commissions: Human Rights, Transparency and The Electoral Institute. Not only web sites were surveyed but also response times of Freedom of Information requests, FOIA quality and both budget and institutional strength of the Autonomous Commission of Transparency. Findings of this survey are to the date the most important source of information for the analysis of the gap between alleged commitment and real practice in the 32 states of Mexico.

Years before the Metrics of Transparency in Mexico appeared, the record of largest survey assessing municipalities transparency was held by CIMTRA (Citizens for Transparent Municipalities). This nonpartisan umbrella organization was born in 2001 composed by other organizations, academic institutions and concerned citizens. CIMTRA developed an Index comprised of 37 indicators measuring reply to FOIA requests at the municipal level; its 2014 edition surveyed 70 municipalities of rather diverse states. Eventually, CIMTRA also developed a

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[116] Another non-partisan initiative created with the purpose of the "development of methodologies and indicators that allow objectively, the compared assessment of transparency and the access to information in the states and municipalities of Mexico" (www.observatoriotransparencia.org.mx)

[117] State Department, Economic Development and Social Development

[118] Performed between August and September of 2007, assessing the governor´s office, state´s departments of public security, social development ,and finance, as well as the state Congress and the Capitol´s municipality.

[119] Center for Economic Research and Teaching www.cide.edu

Congress Transparency Index assessing performance, budgetary practices, and public information access.

Freedom of Information Assessments in the United States

Provisions protecting freedom of information in America can traced back to the First Amendment, drafted in 1791; however, the specific body of legislation regulating this right, namely the Freedom of Information Act (1966), the Privacy Act (1974) and the Government in the Sunshine Act (1976) were enacted until the late sixties and seventies. The advent of the current information age provoked some necessary updates, available on the Electronic Freedom of Information Act Amendments (1996).

Freedom of information is a well-established right in the United States at the federal and state levels; nonetheless, Spite of the seniority of this sort of legislation, some remarkable restrictions remain at specific states, where local officials of diverse rank exert extraordinary levels of discretion often leading to abuse. Since 9/11, it seems clear that Freedom of Information at the Federal level has seen better years (Roberts 2006; Banisar 2006; Mendel 2003). The General Accounting Office for example reports a significant increase of pending requests, response time, and the number of backlogs. Similarly, the Associated Press has reported an increase of delays ranging from several months to few years (Banisar, 2006).

Freedom of Information around the world has been better served by advocacy of civil society organizations than from a genuine political commitment to transparency; the United States is no exception, although naming contributions from every organization and foundation could exceed the space and purpose of this dissertation, there are some examples involving relevant assessments at state level. For example, The Reporters Committee for the Freedom of the Press has been publishing the Open Government Guide since 1989, offering not only valuable advice but a standard to measure state's legislation on the matter. Similarly, the Integrity Index of the Better Government Association offers a truly comprehensive approach by measuring not only Freedom of Information Legislation, but also Whistleblower Protection, Campaign Finance, Open Meetings, and Conflict of Interest. Each piece of legislation is measured separately and then compounded into a state index, thus offering a remarkable outlook of commitment to transparency and best practices at the state level.

Interesting enough, just like in the case of Mexico, American state's ranking varies considerably depending on the measurement instrument. Vermont, for example, is praised by the Reporters Committee, as an "example with traditionally strong access laws (…) which provides virtually unfettered access on many levels"[120](RCFP 2006), but according to the Integrity Index, it has an average ranking in terms of FOIA and is one spot away from the bottom of the overall scale.

4.5 Targeted and collaborative transparency, beyond mere access to public records

While the actual efficacy of transparency to deter corruption await for undisputed determination, other alternatives with less public exposure have been yielding clear and measurable benefits for quite some time. Targeted transparency policies on one side and collective transparency efforts spearheaded by civil society organizations on the other side, enlighten the big public with relevant, concise, and comprehensible information. These two formats of transparency are amply discussed in the book *Full Disclosure, The Politics, Perils and Promise of Targeted Transparency (Fung, Graham, Weil 2007),* published by the Transparency Policy Project of the Ash Center for Democratic Governance and Innovation.

4.5.1 Targeted Transparency

Although research on transparency policies has recently experienced an exponential growth, most of its literature consists of descriptive studies developed either by practitioners or advocates of freedom of information. In depth analysis of successful transparency policies or the causes behind implementation pitfalls are extremely rare still (Winston 2008, Gruen 2008), thus the intrinsic value of the contribution by Fung and colleagues (2007).

Further comment of this subject precise some essential definitions. Targeted transparency policies are those aimed at increasing essential knowledge of specific citizens and/or consumers grouped by a shared characteristic. Although these kinds of policies disclose information by a legal mandate, firms also have interest on preserving or increasing the prestige of specific brands, products, or services; as Gruen (2008) puts it: *"Even if the market doesn't fully inform its customers, in principle the best performers should have an interest in accurately reporting their*

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[120] Retrieved from http://www.rcfp.org/ogg/item.php?pg=intro, on 10/05/2007

own performance" (2008, 63). In extreme cases, seeking to avoid the costs of litigation or brand's reputation, firms could issue recall notices of specific products; these are aimed at consumers of products known to be defective or even dangerous and inform both owners and potential buyers, making them aware of the hazards involved in the use of these products. Alternatively, if public standards are established, those firms with better products or services have a legitimate interest to show potential costumers how and why their offers rank better than those of their competition, just as in the case of the four-star ratings showing SUV proclivity to tip over.

Therefore, targeted transparency policies, though induced by public regulation, could also concur with market incentives; information could be disclosed by government or firms, either mandatorily or voluntarily. Succinctly, as Fung et al. (2007) define, targeted disclosure of information is established by legal mandate, implemented by corporations or public organizations, who issue information according to predefined standards in a disaggregated manner. Release of this information must be conducive to public good.

Precisely focused on this kind of policies, Fung and colleagues (2007) attempt to discern whether new information –structured by government mandate-- could actually improve the decisions and thus welfare of citizens and consumers, while at the same time create incentives for public organisms and private firms to improve their practices, products and services. Aiming to test their research question, the authors carefully dissect eight targeted transparency policies, delving on what makes them succeed at their initial aims or fail in the attempt. While corporate financial, mortgage lending and restaurant hygiene disclosure policies were proven successful, patient safety and plant closing disclosure policies were found ineffective; effectiveness of the three remainder policies[121] was classified as moderate.

Therefore, what makes for an effective targeted transparency policy? And, conversely, which factors compromise its perspectives for success? Well, Fung and his colleagues suggest having in mind that targeted transparency policies should be aligned with citizens/consumers' interests as well with their ability to make any sense of the information itself. These policies should also be sustainable, by gaining "use, accuracy and scope over time. Such improvement is important because policies inevitably start as flawed compromises, because markets and public priorities change, and because policymakers constantly need to fill the loopholes discovered by reluctant

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[121] Nutritional labeling, toxic releases disclosure, and workplace hazards disclosure

information disclosers" (Fung et al. 2007, 11). In plenty occasions, these reluctant disclosers could be public servants.

Although benefits of targeted transparency seem all too evident, politics behind disclosure of information or the potential harms caused by its distortion or delay are not that clear. As a matter of act, the politics of disclosure, which information gets to be released, by whom, when and in which format "are always the product of political compromise. When the information from the tug and pull among many interests is incomplete, inaccurate, obsolete, confusing, or distorted, it can contribute to needless injuries or deaths or to large economic losses" (Fung et al., 2007, 7). Therefore, it could be expected that most information disclosed had to vanquish the balance of interest opposing its release. Partial victories for transparency are also a possibility, since some essential fragments of information could remain hidden in the end, or at least for the time being. Pull for release of targeted transparency policies usually comes after tragedies of major proportions occur, like the Firestone tires recall, the chemical spill of Bophal, or systematic medical malpractice. It could be desirable that government eventually got ahead of the curve and design a transparency public and private system able to foresee potential dangers instead of just reacting to damage.

In some other cases, am accidental or purposeful release of inaccurate, obsolete, or incomprehensible information could end causing more harm than good by misleading important decisions from the public. As a compelling example Fung and his colleagues recall the case of the financial underreporting from ENRON which eventually caused not only the demise of that company but a regional energy crisis and millionaire losses from their stockholders.

4.5.2   Collaborative transparency

Transparency policies and initiatives are affected by the frantic and ever flowing exchange of information of contemporary life. Given the large amount of time spent online by citizens and consumers all over the world, and the ubiquity of smart phones, it comes as no surprise that social, private, and political entrepreneurs would find a way to use these venues of global discourse, competing with user friendly technological platforms.

Availability of information is a surpassed problem, the challenge today is to filter, customize and highlight information relevant to the user. Seeking constant interaction with the end user of information, virtual community managers savvy in the use of social media, funnel

massive amounts of information every day to a vast audience. It is important however to establish the difference between what Fung and his colleagues name collaborative transparency and the global dialogue of the World Wide Web.

Collaborative transparency implies the use of information disclosed by government, firms, and organizations, presented in a succinct manner through an attractive platform. This information must be relevant and suited to the needs and interest of their users, disclosed in a timely manner and open for interaction for everyone at the other end of the connection, who ultimately could append, rebut, enrich and broadcast any information they receive.

Thanks to collaborative transparency the Chinese government was forced to admit the existence and scope of the SARS pandemic of 2003, only after the alarm raised by several citizens, spite of their restricted communication capabilities. Eventually, that information got collected and electronically mapped, showing the rate of the infection and places where it was most evident, ultimately moving the World Health Organization to issue long delayed warnings (Fung et al 2007). Effectiveness of this alert was possible thanks to the involvement of poorly connected citizens, who in turn were helped by concerned activists in the western hemisphere who provided geo-reference services. Nonetheless, as beneficial, and altruistic as it may seem, collaborative transparency regrettably also has a dark side. "Experience has already shown that information technology, a neutral tool, can magnify intentional or accidental information distortions, spread deception, create sudden public scares, or serve as an instrument of manipulation" (Fung et al. 2007, 164).

The first wave of transparency of the nineties may have already subside, however it left behind at least three generations of transparency (Fung et al. 2007), all of them beneficial to the public good. Right to know reforms, targeted and collaborative transparency policies work very well together and separately. It should be always kept in mind that a public, efficient system of transparency[122], depends heavily on a well thought design, adequate strategies of deployment and up keeping and of course simplicity to make it available to the average citizens, empowering their ability to take informed, crucial decisions about their close interests. As Fung et al. acknowledge: "Ultimately, the effectiveness of transparency policies depends on the needs and capacities of ordinary citizens. The provision of information doesn't automatically enable people to make more informed choices. There is a need for an alert and engaged public that understands the dynamics

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[122] Fundamentally based on the referred generations of transparency

of transparency and is ready to participate energetically in using new information and in shaping more effective policies" (Fung et al 2007, XV, underline my own).

4.5.3   Alternative uses of Transparency

While a clear and undisputable effect over corruption awaits to be firmly established, there are some instances that help to support this view; one example is the use of transparency to keep extractive industries accountable for their proceedings as well for the consequences of their methods, often environmentally harmful to a major or lesser degree. Their impact over third world countries has been acknowledged by Peter Eigen, founder of Transparency International: "Today it is necessary to recognize that a system of widespread grand corruption has evolved in the globalized economy; this corruption is one of the main causes of poverty, conflict, violence, and even terrorism—particularly in the developing world. This fact is especially true in the valuable extractive industries sector where corruption and mismanagement have frequently turned the blessing of natural resources into a curse" (Eigen 2006, 333).

Multinational efforts such as the Extractive Industries Transparency Initiative help to keep track of the compensations in return of the natural wealth foregone by underdeveloped countries, as well as the environmental damage dealt through mining and other extractive methods. Transparency helps in revealing data that transnational extractive industries and host corrupt governments would prefer to keep hidden from public scrutiny.

When it comes to public budgets transparency could not be more beneficial. Transparency enhances accountability and strengthens the legitimacy of whole budgeting process; transparency also allows for close monitoring of the implementation process, accurate allocation of public resources and, eventually, a more objective outcome evaluation. There are several budget transparency initiatives sponsored by multinational institutions such as the OECD and the World Bank, and some other supported by civic organizations and Think Tanks. Budgets are the quintessential expression of a government's purpose and priorities, and transparency helps to disclose a myriad of items that abusive or corrupt officials would prefer to keep hidden. Budget analysis however holds an important degree of complexity demanding some training on the side of the layman's eye; nonetheless, several organizations offer short courses for civic groups slowly but surely growing the constituency of budget enthusiast willing and able to keep local, regional, and national governments accountable.

One of the earliest uses of transparency worldwide was not associated with controlling corruption but to keeping superpowers to annihilate each other and everyone else while at it. The missile crisis brough a new awareness of how easy and fast could tensions escalate among nuclear superpowers with enough stockpiles to destroy several worlds. Transparency has been essential to strengthen goodwill and trust among nuclear nations willing to step down their nuclear arsenals; in sharp contrast to the height of the cold war, 70,000 warheads in 1996, today the number barely reaches 18,000 (Podvig, 2012). Further reduction will depend not only in restoring the recently deteriorated diplomacy between the United States and Russia, but also from a close follow up of disarmament commitments, only feasible through greater transparency. Müller and Schaper (2010) agree by stating that "The most important prerequisite for continuously achieving progress in the disarmament process is increasing trust among participants. The disarmament strategy must emphasize systematically building up this trust." (I) Furthermore, the official posture of the Nuclear Non- Proliferation Treaty (NPT) Review Conference, acknowledges that "nuclear disarmament and achieving the peace and security of a world without nuclear weapons will require openness and cooperation, and (…) enhanced confidence through increased transparency and effective verification"[123].

Transparency is not only beneficial in the public sector, often can contribute to keep the corporate rank and file of the private sector at bay or at least increase the odds of getting caught. There are several cases of executive misconduct ranging from openly unethical to blatantly criminal behavior, accountable for dire consequences for their companies and the rest of the world left with the backlash of externalities. The cases of World Com and Enron in 2002 were unheard warnings of the financial meltdown of 2008.

Corruption has important implications for the sound development of the private sector by "destroying entrepreneurship, inhibiting free markets, and undermining the stability vital to successful economies. It also enables enormous flows of illicit money outside the real economy – in the form of unpaid taxes, bribes and laundered funds" (Transparency International 2012, 4). For quite some time it was believed that the penalty for the deeds of transnational companies would occur and remain in the third world; however, the recent financial catastrophe of 2008 came to

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[123] Final Document of the 2010 Review Conference of the Parties to the Treaty on the Non-Proliferation of nuclear weapons, document NPT/CONF.2010/50 (Vol. I), 2010 (Podvig 2012).

show than under such a financially connected world, opacity's externalities could certainly hit home.

Spite of the ominous consequences of 2008, there is a sense of prevailing negligence among vast areas of the high corporate sector. A recent report by Transparency International shown that more than half of the 105 largest publicly listed multinational companies do not publish any information about anti-corruption programs, organizational transparency policies or activities in underdeveloped countries involving infamous "facilitation payments", a politically correct euphemism for kickbacks and bribes. In most cases, as Transparency International notes, information of large corporations is not disseminated in country-by-country bases, further complicating detection of unethical or questionable operations in the third world.

Publicly trading companies are obliged by law to disburse essential information to the market they trade in, and more nuanced details to their stockholders; nonetheless, there are cases when even board members are kept in the dark about key facts. There is a tradition of opacity justified on the grounds of the fierce competition within the business world and trading nations; however, concealment makes internal accountability a challenge and invites CEOs to take risky, unusual, and illegitimate risks. Normally considered a private matter, corporate transparency has not received until recently its deserving share of attention. In 2004 Bushman and his colleagues posed a relevant question: What determines corporate transparency within a country and within a firm? After defining corporate transparency as the "availability of firm-specific information to those outside publicly traded firms"[124], the authors proceed to dissect the term into two factors: financial transparency and governance transparency. After producing a detailed factor analysis of publicly trading firms across forty-six countries they discover that, "governance transparency is primarily related to the legal/judicial regime, whereas financial transparency is primarily related to the political regime" (244). Another interesting finding is that superior financial transparency is correlated to firm size, however governance transparency is not. Furthermore, better governance transparency can be expected in countries with a "legal judicial regime characterized by a common law legal origin and judicial efficiency" (Bushman et al.244).

In their quest to avoid scrutiny about ties with their political connections, some firms avoid issuing publicly traded foreign securities, and prefer to obtain financing coming from state owned

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[124] Corporate transparency within a country was defined by the authors as "output from a multifaceted system whose components collectively produce, gather, validate, and disseminate information".

or backed financial institutions (Leuz et al. 2006). Clearly, this kind of loans come at a price, increasing illegal exchanges between corrupt politicians and unscrupulous financial elites of the third world; as Leuz et al. puts it: "high levels of public scrutiny can be difficult to reconcile with political favors of often dubious legality. These hidden costs of foreign financing can perhaps explain why few companies finance themselves globally despite the apparent benefits of doing so." (2006, 412). Expectedly, corporate transparency is much needed in such places; but even if local elites put up a fight against it, firms enjoying good reputation and legal scrutiny in the developed world would hardly take the risk to trade with them. Sometimes a way to put a fire is to isolate it. Thus, in a way, transparency could help curb corruption in the world of finance.

4.6 The alleged link between transparency and corruption

Influential Fora held on the issue of Aid Effectiveness such as the Paris Declaration of 2005 and the high level For a of Accra and Buzan (held in 2008 and 2011) advise on the relevance of transparency as an essential tool to discern the effectives of international aid and avoid the tragedy of ill spent Aid Funds. This link is often highlighted within the Anticorruption Handbook for Development Practitioners (2012)[125]; specifically, the handbook acknowledges transparency as "an essential cross-cutting aspect of the governance system, contributing to the efficacy of both the actors and the accountability relationships. Transparency is, of course, also important if a governance system is to be monitored regarding its effectiveness to produce development results" (2012, 16). Transparency is deemed an enhancer of development aid results. Furthermore, the handbook points that accountability efforts aee futile without the intervention of transparency and rule of law. Accordingly, the OECD Guidelines for Multinational Enterprises (2011), on its section for "Combating Bribery, Bribe Solicitation and Extortion" recommends an emphatic public commitment to transparency.

The United Nations Convention Against Corruption (UNCAC) signed on 2003 by 140 nations, the most prominent international convention in the matter, also endorses Transparency as an essential anticorruption resource, by mandating its signatories to establish access to information regimes, involve civil society in the effort and promote transparency measures into the private sector, under the assumption that: "Corruption flourishes in darkness and so any progress towards

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[125] Published by the Finland Ministry of Foreign Affairs.

opening governments and intergovernmental organizations to public scrutiny is likely to advance anti-corruption efforts." (2003, p.5). UNCAC's article 10, is particularly emphatic on this respect: "Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate" (2003, p.13). To achieve such purpose, the Convention recommends simplifying access to the public through procedures focused on the fullest disclosure possible.

Under the auspice of the Doha declaration, the UNODC and the Education 4 Justice Initiative[126], developed a series of open access web-courses devoted to a series of relevant topics such as corruption. Precisely, the corruption course[127] describes the relevance and the role of transparency in fighting corruption: "In addition to focusing on methods such as auditing and reporting, any discussion on detecting corruption should address a key factor that facilitates detection: transparency. While not itself a detection method, transparency facilitates efforts by responsible authorities to detect corruption as they might use data released by transparency measures to establish the existence of corruption"[128]. Transparency is clearly described as a precondition, helpful in lowering "the information barrier, allowing for scrutiny and monitoring (…) increasing the chances of getting caught"[129].

For all the intuitive and salutary benefits of transparency, its body of knowledge has at least one weak spot, the lack of emphasis on direct and measurable impact. As Calland and Bentley (2013) argue: "FOI advocates have been hesitant to look beyond greater transparency, as measured by access to disclosed information, towards questions of the impact that this transparency may have on a range of socio-economic matters" (S69) This cautious approach, however, has not being met by some transparency activists and sudden self-appointed "specialists", prone to promote true and unproven benefits of transparency within the same "basket". This "extravagant rhetoric", aptly labeled by Calland and Bentley (2013), is mostly based upon anecdotal references, and has had pernicious effects by artificially engorging unrealistic expectations, whose disappointment has

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[126] A joint effort between UNODC and UNESCO aimed at "promoting a culture of lawfulness through education activities designed for primary, secondary and tertiary levels" https://www.unodc.org/e4j/
[127] https://www.unodc.org/e4j/en/tertiary/anti-corruption.html
[128] https://www.unodc.org/e4j/en/anti-corruption/module-6/key-issues/intro.html
[129] https://www.unodc.org/e4j/en/anti-corruption/module-6/key-issues/transparency-as-a-precondition.html

recently surfaced, taking its toll on legitimate, evidence-based efforts to promote transparency within the public agenda. To be clear, transparency an essential prerequisite of democratic governance, not a miraculous "cure all" medicine for every imaginable ailment of the public life.

In the middle of the enthusiastic burst of optimism and opportunism for transparency reforms, Transparency International gave an example of intellectual honesty and caution by advising to take the promise of transparency with a grain of salt. Back in 2006, on the very preface of Using the Right of Information as an Anticorruption Tool, it clearly warned that it was early to know whether the impressive array of access to information laws around the world will eventually "serve as tools for obtaining information of use in fighting corruption" (3), or at least serve to improve the odds for finding public funds misappropriation and mismanagement. Today we know two things: transparency indeed provided invaluable access to critical public information, and pro-status quo forces have made an even more impressive effort on dragging their feet or covertly blocked consequences for their patrons.

Around the same time, Jonathan Fox (2007) had already questioned the conventional wisdom around the power of transparency to generate accountability. This intuitive and widely held believe deserves to be revised at least on the ground of two questions posed by Fox (2007): "First, the actual evidence on transparency's impacts on accountability is not as strong as one might expect. Second, the explanations of transparency's impacts are not nearly as straightforward as the widely held, implicitly self-evident answer to the 'why' question would lead one to expect" (664). While transparency, particularly its proactive variant, may count as a form of answerability, accountability demands the possibility of consequences for those who betrayed public trust or pried public coffers. The conditions by which transparency leads to accountability, and what types of transparency succeed in delivering (Fox 2007) is a matter that could use plenty more research and attention from the scholarly and practitioner communities.

The gap of knowledge detected by Calland and Bentley (2013) over eight years ago remains open: There is very little evidence of the effectiveness of FOI generally or transnationally, no systematic assessment of the impact of FOI on social change, and only limited assessment of its impact on institutional change. At best there is a small group of studies that examine the performance of the FOI regime, and compliance, which responds to a different analytical consideration." (S72) This dissertation is an effort to offer a mere brick of evidence for a wall asking to be built, because in the end the worst disservice we could do to transparency is to

advertise it as something that it is not. A radiology report cannot be blamed for lacking the power to mend broken bones by itself, nonetheless its findings are essential for the task, but useless unless someone acts on them.

An effective way to test a theory is through the detailed analysis of a specific case. Therefore, the next two chapters will delve into the Mexican and American cases, aiming to assess whether transparency policies had any effect on the short or medium term for corruption levels on each country.

CHAPTER 5.   ASSESSING THE RELATION BETWEEN TRANSPARENCY AND CORRUPTION, AT STATE LEVEL IN MEXICO

At the turn of the century, Mexico experienced a milestone on its incremental transition to democracy, alternation in the presidency for the first time in seventy years; while there is no consensus on the starting point Mexico´s transition towards democracy (late 80s, mid-nineties, or the election of 2000), it was evident that the arrival of a different party´s candidate to the presidency, under an electoral process conducted by an agency with no ties to the government, could be regarded as a true landmark. After twenty years from that event, alternation on the presidency has occurred across diverse political parties, from equally varied ideological stances without major altercation[130]; since then, an important stream of research has been invested on exploring features of democratic quality, accountability, transparency, and corruption control among them.

Measurement has been a salient feature of this research stream, over the last two decades several indices have been developed aimed at grasping size and variation of both corruption and transparency; the interaction between them however has not been sufficiently researched yet, in part because the intuitive theory on how transparency affects corruption has been taken at face value: theoretically, transparency in the public sector should have the power to unveil traces of corrupt transactions, help prosecution of related crimes and misdemeanors, enhance public outrage and political pressure by exposing cases and culprits, and thus raise associated risk for corruption rings.

Although these and more effects make perfect sense, could their impact be traced via the interaction of transparency and corruption indices? More precisely: A high figure on transparency at a given Mexican state is associated with a low measurement of corruption in the same state? Should other variables such as impunity, rule of law or democratic development be regarded as transparency reinforcement? Indices discussed following may help to elucidate such questions.

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[130] Of course, it could not be said that elections and their aftermath have been uneventful, still institutional renovation in the presidency has occurred spite of important public demonstrations of scorn from sore losers.

5.1 A note on Corruption indices

Transparency International, perhaps the most prominent organization in transparency related research and advocacy, developed the Corruption Perception Index (CPI) published every other year since 1995. The release of every edition always makes global headlines, and governments around the world scramble to take credit for improvements noted within their tenure, or try to allocate blame on political competitors, should they decrease steps along the scale. Whichever the case, the CPI stands out as one of the most noteworthy and periodic measures for corruption at global scale.

In Mexico, Transparencia Mexicana, local chapter of Transparency International, developed a nuanced subnational measurement for corruption, by keeping track of thirty-five public services or processes delivered by the three levels of government at each of the thirty-two states. Every two years, between 2001 and 2010[131], Transparencia Mexicana surveyed over fifteen thousand household on its effort to ascertain the prevalence of corruption. States were then ranked on a scale from 0 to 100, where a higher number is associated with an equally larger corruption. The name of this index was National Survey of Corruption and Good Government (NSCGG)[132].

Eventually, at the end of the first decade, Transparencia Mexicana passed the torch of corruption tracking to the National Bureau of Statistics and Geography (INEGI), a government agency renowned for its methodological expertise and political neutrality, in charge of the national census and several other relevant measurements for Mexican society, government, and industry.

The National Survey of Quality and Governmental Impact[133] (NSQGI), is conducted every other year by INEGI, and has five editions already: 2011, 2013, 2015, 2017, 2019. This survey covers over 33 thousand households and offers a nuanced look at corruption at state level. Although both consecutive surveys are not identical, collaboration between teams ensured that continuity could be appreciated through the permanence of some variables and perspectives. Specifically, the section 4.8 of its 2019 edition provides the statistic used here as the dependent variable for corruption at state level: the rate of population over 18 years that has directly suffered a corruption act, multiplied for 100,000 inhabitants, allowing for cross-states´ comparison.

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[131] The Index appeared on the years 2001, 2003, 2005, 2007, 2010. The last edition took a while longer because of funding issues. Spite of this minor setback it allows for a decent comparison of this variable across time and among Mexican states.

[132] Available at: https://www.tm.org.mx/indice-nacional-de-corrupcion-y-buen-gobierno-incbg/

[133] Available at: https://www.inegi.org.mx/programas/encig/2019/

Therefore, it could be safely assumed that although slightly different, the NSQGI by INEGI and the NSCGG by Transparencia Mexicana, offer a reliable coverage of corruption in Mexico over the first twenty years of the century.

A noticeable degree of correlation between both indices (.505, significant at 0.01), speaks not only about how closely related are they (notice the scatterplot of the figure 1below), but also on how corruption moves glacially over the years –if at all. This is important because notable reforms came to fruition over the last couple of decades (see table 5) and yet corruption remained quite stable, as it has been previously noted on the theoretical section about corruption.

Therefore, there is room to question the alleged power of transparency reforms over corruption because of how little has changed over time, or at least to emphasize the main point of this dissertation: "It takes more than transparency". Corruption is rather constant at state level and, predictably so, it is also stable at national level: Over the last 25 years of the Corruption Perception Index (1995-2020) Mexico has an average rating of 3.26 out of 10, with its lowest point in 1997 (2.6) and its highest at 2001 (3.7).

Table 5. Relevant Transparency, Accountability and Anti-corruption Reforms in Mexico

Year	Reform
2002	Freedom of Information Law is enacted
2007	1st mayor reform of Freedom of Information
2014	2nd mayor reform of Freedom of Information
2015	National Anticorruption System is created, several major laws created or amended.
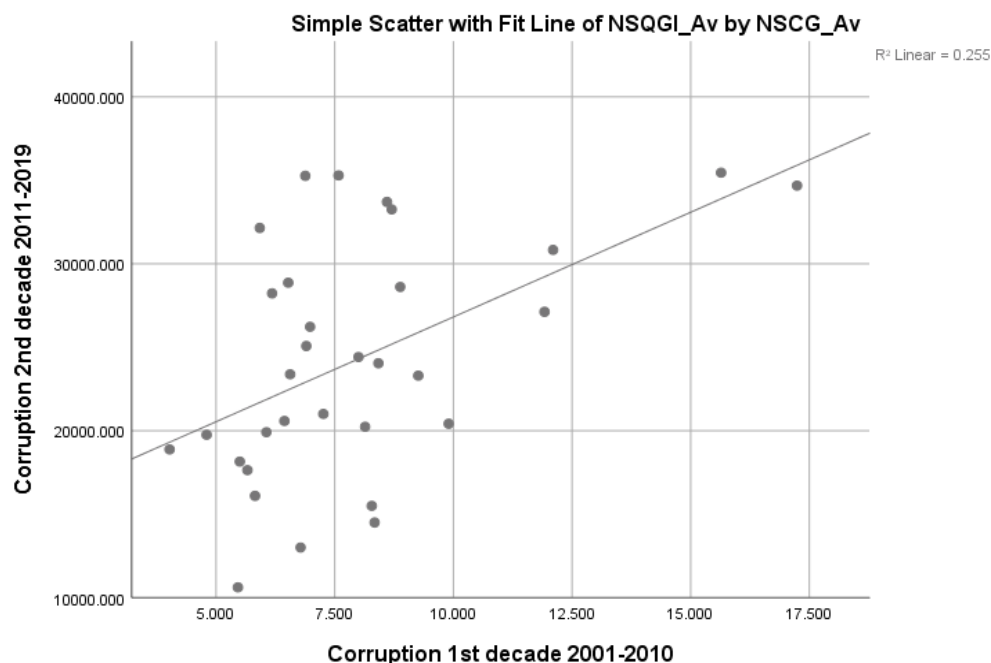
Figure 1. Correlation of corruption statistics at state level in Mexico 2001-2010 decade vs 2011 2019 decade.

On the other hand, although stability across decades is rather noticeable, it is not perfect; then, it would be interesting to look at the seven states whose average scores of the first decade placed them as the least corrupt, compared to those seven states who ranked equally on the second decade. Similarly, we can observe, on the table below, those seven states placed at the opposite end –as the most corrupt-- during the first and second decade. This table shows that several states ranked as the least corrupt over the first decade remain in the same group during the second decade; similarly, although the listing of the most corrupt varies a little more, the national capital (DF) and the largest sate (State of Mexico) remain on it. This continuity could be regarded as a sign of the "glacial" movement of corruption over the years.

Table 6. Ranking variation across time (1ˢᵗ vs 2ⁿᵈ decade) of the least and most corrupt states

Rank	Least Corrupt		More Corrupt	
	1st decade average (T. Mexicana)	2nd decade average INEGI	1st decade average (T Mexicana)	2nd decade average INEGI
1	BCS (4.02)	Colima (10.61)	DF (17.24)	Edomex (35.46)
2	AGS (4.8)	Tamaulps (13.00)	Edomex (15.64)	Chihuahua (35.27)
3	Colima (5.46)	Veracruz (14.50)	Guerrero (12.1)	Sinaloa (35.29)
4	Nayarit (5.5)	Zacatecas (16.10)	Puebla (11.92)	DF (34.68)
5	Chiapas (5.66)	Chiapas (17.64)	Tabasco (9.9)	Durango (33.70)
6	Zacatecas (5.82)	Nayarit (18.15)	Tlaxcala (9.26)	Morelos (33.26)
7	Sonora (5.92)	BCS (18.88)	Jalisco (8.88)	Sonora (32.15)

5.1.1 Corruption across states, graphically

A graphical representation of corruption size across Mexican states helps to size some nuances across decades. Corruption measurements from the first decade (showed on green by figures 2A and 2B below) show the degree of corruption perception among citizens at the dawn of the century (2001-2003), but when actual victimhood was finally measured over the second decade (on blue) it can be appreciated that in most cases perception fell short of reality. Difference across states is also sizeable, complementing the perspective shown above by table 6.
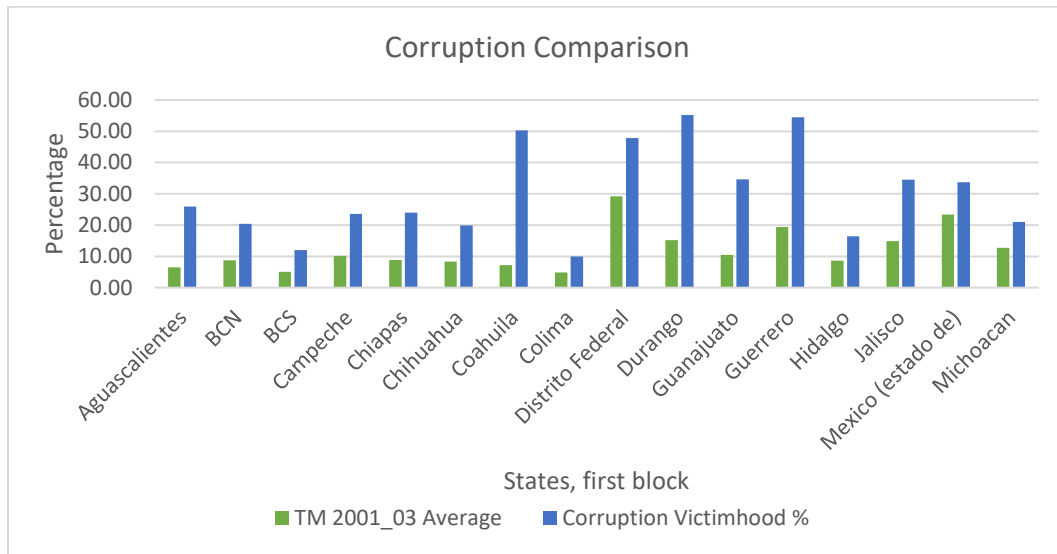
(a)
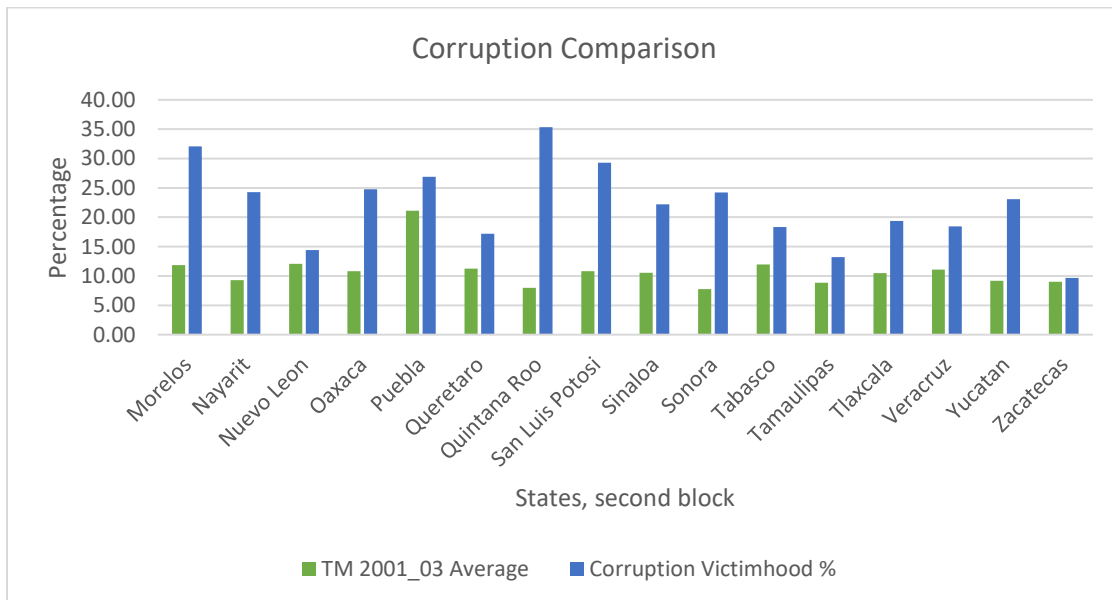
(b)

Figure 2. Comparison between corruption perception vs actual victimization (a) First half of Mexican States and (b) Comparison between corruption perception vs actual victimization

5.2 How has Transparency been measured?

Freedom of Information was originally enacted on the Mexican Constitution by 1977, but more than twenty years had to pass before serious legislative efforts enabled such a right to become a reality, in the year of 2002. In that particular year, the Federal Law of Transparency and Access to Information, explicitly specified responsibilities, and procedures of such a process, accompanied by an autonomous public institution in charge of disciplining reluctant bureaucrats and politicians, as well as of safeguarding information delivery. Eventually, the rest of the states followed suit to the federal standard between 2002 and 2008; however, most of them created mediocre or even counterproductive legislations, further bureaucratizing actual access to public information. In time, by order of constitutional reforms of 2007, backward states were forced to end legislative farces, and updating even higher mandatory standards of subsequent reforms (2012 and 2014).

Right from the beginning, several efforts headed by scholars and consultants aimed to rank related legislation mostly based on their normative allegiance to freedom of information core values; throughout the years however, a series of subsequent indices evolved in complexity by paying close attention to the actual implementation of the laws themselves, as results seemed scarce.

The first effort aimed at measuring intrinsic quality of freedom of information legislation was conducted in 2004 with a follow up in 2005 and 2007. The Legal Index for Public Information Access (LIPIA), developed by the civic organization Freedom of Information Mexico (LIMAC), assessed the 18 existing transparency laws in place during late 2004, through 126 variables, then grading them over a 0 to 100 scale. A recalibrated version was employed a year later to assess the growing number of state laws (27). By 2007, once every state had a transparency law, a final edition of the LIPIA was conducted. This index basically measured consistency between state legislation and transparency standards and procedures.

On a similar manner, Guerrero and Ramírez (2006) created the States Law´s Evaluation Index (SLEI), fit for a qualitative assessment of freedom of information laws across four different features: comprehensiveness, extent of obligations for public officials, easy access to information, and law compliance. The SLEI had two editions, the first one considering 28 states with a law by 2006, and the second in 2008 including all states.

Attempting a "virtual" assessment of the amount, characteristics, and quality of information provided on states' websites, as a proxy for proactive access to information and legal compliance, the Citizen Transparency Observatory[134], conducted a web site assessment during summer of 2005, revising three key agencies for State Executives: State Department, Economic Development, Social Development, as well as the websites of the Congress, the Judiciary, and the capitol municipality.

Following a similar approach to that of the Citizen Transparency Observatory, a team of researchers based at the CIDE[135] developed a comprehensive survey aiming to assess state governmental websites in terms of transparency. The variables under consideration where: clarity and quality of information available on the web; quality of the service; and successful fulfillment of the request. Public agencies targeted included the governors' office, and the state departments of public security, social development, and finance; additionally, the state Congress and the capitol municipality were also surveyed. This survey –the Metrics of Transparency in Mexico[136]— was conducted in 2010 and 2014 and represented an important effort worth reviewing despite its caveats and shortcomings of the first edition.

Another effort spearheaded by CIDE, with the collaboration of FUNDAR (a Mexican Think Tank) was the Latin American Index of Budget Transparency, involving several countries of the region[137]. Methodology was latter adapted to measure state level budget transparency in 2001, 2003 and 2005. Eventually, with the help and endorsement of the Open Budget Initiative, interests on transparent budgets experienced a still vibrant renaissance during over the following decade.

Among plenty transparency indices one stands out for a strong emphasis on the institutional side of freedom of information: The National Index of Institutions Responsible for Freedom of Information (INOGDAI), employed to measure performance of FOI enforcement institutions on the years of 2014 and 2016. Developed by Article 19, an independent civic organization deeply invested on promoting and protecting freedom of speech, INOGDAI ranks features such as

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[134] Another non-partisan initiative created with the purpose of the "development of methodologies and indicators that allow objectively, the compared assessment of transparency and the access to information in the states and municipalities of Mexico" (www.observatoriotransparencia.org.mx)
[135] Center for Economic Research and Teaching www.cide.edu
[136] www.ifai.org.mx/descargar.php?r=/pdf/eventos/&a=MetricaTransparenciaFINAL.pdf
[137] Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Nicaragua & Peru.

freedom of information, oversight of governmental institutions, issuing of clarifying regulation and dispute resolution.

Another interesting effort was performed by FUNDAR, a Mexican think tank working from the angle of advocacy and research of human and civil rights; they developed the Index of Access to Information in Mexico (IDAIM), presenting a 2010, 2014 and 2015 editions. IDAIM aims to show strengths and shortcomings of transparency normative framework, allowing for improvement and progress. Three relevant features are measured by this index:

- Normative framework
- Institutional design
- Process to access information along with transparency obligations

5.3 Other variables worth considering: Rule of Law, Impunity, and Democratic Development

While the foremost objective of this dissertation aims to discern effects of transparency over corruption, it would be unfortunate to waste the opportunity of exploring related variables when there is data fit for such purpose, like indices measuring impunity, rule of law and democratic development, also at state level on the same period, below a brief description.

5.3.1 Impunity, the IGI-MX index

The Center for Studies of Impunity and Justice (CSIJ) located at the Universidad de las Americas[138], developed a Global Impunity Index (GII) with 3 editions thus far since its presentation (2015, 2017 and 2020). Given the poor performance of Mexico within that index, the CSIJ decided to create a similar one focusing on the impunity prevalence at state level, giving birth to the Global Index of Impunity-Mexico (IGI-MEX)[139]. The IGI-Mex has had 2016 and 2018 editions and is composed of data reported by Law Enforcement and Justice Institutions; this survey involves 17 variables across two dimensions: structural and functional, and two systems: security and justice. The 32 Mexican states are then graded and divided on five categories according to the

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[138] Located at the State of Puebla
[139] Available at: https://www.udlap.mx/cesij/default.aspx#indicesGlobales

appreciated degree of impunity: low, medium, high, exceedingly high, and atypical impunity for a couple case when reported data lacks consistency.

The GII and IGI-Mex identify impunity in accordance to the definition coined the Human Rights Commission of the United Nations: "the impossibility, *de jure* or *de facto*, of bringing the perpetrators of violations to account – whether in criminal, civil, administrative or disciplinary proceedings – since they are not subject to any inquiry that might lead to their being accused, arrested, tried and, if found guilty, sentenced to appropriate penalties, and to making reparations to their victims"[140].

Impunity is perhaps the most attractive incentive of corrupt trespassers; thus, lower levels of impunity should awake risk aversion in some of them; although exceeding greed cannot be deterred easily, even those who harbor it would still prefer better odds in their favor. Thus, the relationship between low corruption and low impunity deserves to be tested and it will, both by itself and as a reinforcement for a strong freedom of information framework (see models 3 and 7 respectively).

5.3.2 Rule of Law by IMCO and World Justice Project

Originally developed by the Mexican Institute of Competitiveness (IMCO) The State Competitiveness Index is comprised of plenty 10 sub-indices and over 100 variables, measuring different features encouraging investment and development at state level. Right from the onset in 2012, Rule of Law has been one of its strongest components.

Over the last decade, the World Justice Project has measured allegiance to the notion and practice of Rule of Law in 120 countries through an open survey reinforced by expert commentary. Mexico has been included since 2018 in the last couple of editions and is the only country where such feature is currently measured at subnational level. This index considers 8 different variables such as: open government, limits to governmental power, corruption, civil and penal justice.
It makes sense that a state with a stronger rule of law should be able to prosecute more efficiently those trespassing at it, both common criminals as well as corrupt bureaucrats or white-collar criminals. Therefore, the relationship between lower corruption and stronger rule of law will also

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[140] Updated set of principles for the protection and promotion of human rights through actions to combat impunity, available at: http://derechos.org/nizkor/impu/principles.html

be tested by itself as a strengthening catalyst of freedom of information, on models 3 and 6 respectively.

5.3.3 Democratic Development, by the Konrad Adenauer Foundation

Perhaps the case of Mexico illustrates the most incremental transition to democracy of them all; at least three milestones (1968, 1985, 1997) spanning over three decades could be regarded as turning points away from hegemonic rule. Consensus grows stronger when admitting that the first presidential transition of power in 2000, under contested elections organized by an independent agency, could be considered at the starting point of Mexican democracy; imperfect as most, and fragile as few, but a democracy, nonetheless. Although twenty years of democratic rule allowed for some degree of consolidation, recent arrival of populism leadership with little regard to free press and checks and balances has Mexican democracy in tatters.

Between 2010 and 2019, the Index of Democratic Development (IDD) performed nine yearly and consecutive assessments at the state level, through 22 indicators across four features:

a) Full exercise of rights and liberties, as well as allegiance to democratic core values
b) Efficiency of the accountability framework
c) Social variables associated with well being
d) Economic Prosperity and Inequality

Intuitively, corruption should face more challenges to prosper within states showing stronger democratic development, somewhat reinforced by the strength of freedom of information framework. The effect of democratic development over corruption is tested on model 5, as well as on model 8.

For good measure, before delving into the regression analysis of these independent variables, a correlation analysis might elucidate redundancy among some of them. As it can be appreciated on the correlation table below, the index for democratic development (IDD) and those measuring rule of law (IMCO 2012 and World Justice Project), share a significant correlation of .463** and .630**, respectively. However, they are not tested together within the same model.

Table 7. Correlation of Independent Variables

		IGI 2016_2018	WJP 2018_2020	INOGDAI 2013_2016	IDD 2010_2019
IGI 2016_2018	Pearson Corr.	1	-.066	-.023	-.273
	Sig. (2-tailed)		.720	.900	.130
	N	32	32	32	32
WJP 2018_2020	Pearson Corr.	-.066	1	.091	.630[**]
	Sig. (2-tailed)	.720		.621	.000
	N	32	32	32	32
INOGDAI 2013_2016	Pearson Corr.	-.023	.091	1	-.133
	Sig. (2-tailed)	.900	.621		.469
	N	32	32	32	32
IDD 2010_2019	Pearson Corr.	-.273	.630[**]	-.133	1
	Sig. (2-tailed)	.130	.000	.469	
	N	32	32	32	32

**. Correlation is significant at the 0.01 level (2-tailed).

5.4 Analytical Strategy. Tests, Models, and Results

Corruption is clearly a multicausal and elusive phenomenon, nonetheless, if salient variables such as transparency, rule of law or impunity have any effect, it should be evident, even if only slightly. Conducive to test that hypothesis, some of the indices described paragraphs above were selected to assemble eight models aimed at assessing the same number of scenarios, where transparency –or related features-- may operate in some manner to control corruption. These models share the same Dependent Variable, corruption (NSQGI by INEGI, 2019 edition) and the same lagged variable for prior corruption (average of 2001 and 2003 editions of the Transparencia Mexicana Index), aimed at controlling for the influence of preexisting levels of corruption.

As previously discussed, Mexico has had three major transparency reforms: 2002, 2007, and 2014, the first and second being the most relevant. It should be noted that the 2002 freedom of information law was enacted until June and its enforcement timetable granted a yearlong grace period; therefore, it could be safely assumed that freedom of information was effectively in place until June 2003. It is important to bear this in mind when setting landmarks before and after the alleged effect. A proposal for a causal timeline is shown below.

Moment 1	Moment 2	Moment 3

Corruption before intervention (Average of 2001 and 2003 Index by Transparencia Mexicana)

Corruption after intervention. Last edition of Corruption Index by INEGI (2019)

Intervention: 2002 and 2007 Reforms
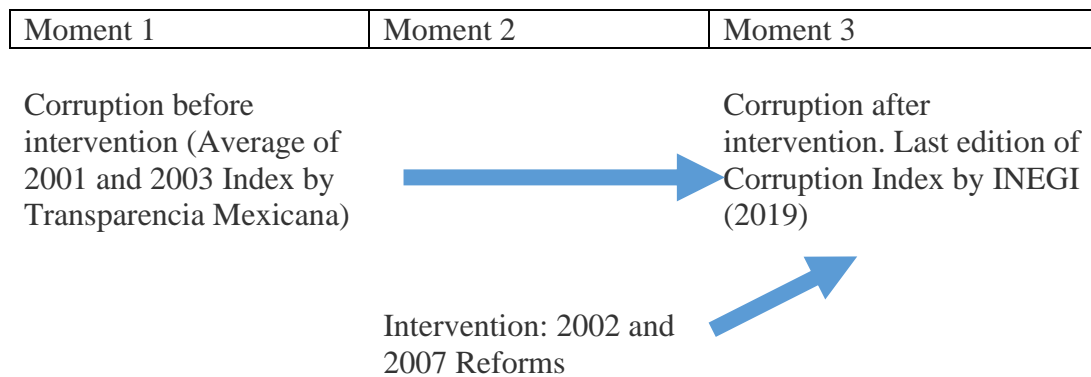
Figure 3. Context where the assumptions of the eight models will be tested

The effective enjoyment of freedom of information as a right requires a true commitment from the State in the form of ensuing legislation, institutions safeguarding such a right, and a sufficient budget. This "ecosystem" is labeled here as the *Freedom of Information Framework (FoIF)*, essential part of the previously discussed Integrity Framework. Assessing the strength and efficacy of this ecosystem is essential for the purpose of this analysis, and it was tested on the first and the second model, by employing the Index of Institutions for the Right to Information Access, known as **INOGDAI (2014-2016)[141]**. Although the significance of the model testing the strength of the **FoIF** to deter corruption, was relevant (.007) with an R^2 of .290, a revision of the t-test scores shows that the lagged variable of previous corruption holds by itself the significance of the model. These scores, and those of each model tested can be tracked on tables 8A and 8B.

The second model employed additional variables assessing the state of transparency between 2010 and 2017, like the average of the 2010 and 2014 editions of the Transparency Metrics Index by CIDE[142], the average of the 2014 and 2015 editions of the Access to Information Index (IDAIM) by FUNDAR[143], and the average of the 2009-2017 yearly editions of the Index of Budget Information by IMCO. INOGDAI (2014-2016) was also included within this model aimed at assessing whether the quality and delivery of effective freedom of information bears any weight over corruption levels. Results, however, mimicked the previous test, although the model was significant (.027) with an R^2 of .369, the lagged variable for previous corruption, still carries by itself the significance of the model (.023).

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[141] An average of the 2014-2016 editions will be used here. INOGDAI is its Spanish acronym.

[142] A noteworthy research center and university for their contributions to public administration, policy and economy.

[143] A prominent Mexican think with decades´ long experience on civil rights research and advocacy.

If freedom of information by itself seemed to make little difference, then what could be told about related variables such as rule of law, impunity, or democratic development. Aiming to test the first of those variables, **the third model** evaluated whether rule of law by itself has any effect over corruption, by employing two different indices, one developed by IMCO in 2012, and the other developed by the World Justice Project, averaging its 2016 and 2018 editions. The model, overall, displayed significance (.017), with an R^2 of .300; however, just like before, the lagged variable for corruption carried the lion share of the model´s significance (.009).

Looking to test the same sort of relevance in the case if impunity (or lack thereof), **the fourth model** employed the average of the latest two editions (2016-2018) of the Impunity Index, IGIMx by UDLAP. The story repeated itself showing a significant model (.006) with an R^2 of .296, but, then again, the lagged variable for corruption seemed to be the only one that mattered in the end, judging by the significance on the t-test.

Testing of the relevance of democratic institutions to fend off corruption was left to **the fifth model**, with the help of the Index for Democratic Development of the Konrad Adenauer Foundation, specifically the average of the 2010 to 2018 yearly editions. The model also came out significant (.005) with an R^2 of .311, but just like its predecessors, the lagged variable for prior corruption also carried all the weight for significance in the t-test (.021).

After testing the stand-alone relevance of transparency on the first and second models, and then the importance of three salient and related variables. **The sixth, seventh, and eight models** attempt to discern whether if the most relevant transparency index (INOGDAI) made any difference when combined with rule of law, impunity, and democratic development. Results, however, showed the same pattern. Combination of INOGDAI and rule of law was significant (.041 with an R^2 of .301), like the combination with impunity (.018 with an R^2 of .297), and just like the combination with democratic development (.014 with an R^2 of .311) in all three cases, the t-statistic for the lagged variable of prior corruption kept displaying the only value of significance (.014, .003, and .026, for the sixth, seventh and eight models respectively).

**Table 8. Models and variables tested (a) Are lower levels of corruption associated with…
and (b) Scores of Models and Variables**

(a)		
Model	**Hypothesis tested**	**Independent Variables**
1	…a better freedom of information framework?	Freedom of Information, INOGDAI (2014_2016 average)
2	…the compounded effect over time of a better freedom of information framework?	Freedom of Information INOGDAI (2014_2016 average) Transparency Metrics by CIDE (2010/2014 average) Access to Information Index IDAIM by FUNDAR (2014/2015 average) Budget Transparency IMCO (2009-2017 average)
3	… a stronger rule of law?	Rule of Law by IMCO 2012 and by World Justice Project (2016_2018 average)
4	... lower levels of impunity?	Index for Global Impunity, Mexico, IGIMX (2016_2018 average)
5	… higher levels of democratic development?	Index for Democratic Development IDD by Konrad Adenauer Foundation (2010-2018 average)
6	…a stronger Freedom of Information Framework accompanied by strong rule of law?	Freedom of Information INOGDAI (2014_2016 average) Rule of Law IMCO 2012 and by World Justice Project (2016_2018 average)
7	…a stronger freedom of information framework accompanied by low levels of impunity?	Freedom of Information INOGDAI (2014-2016 average) Index for Global Impunity, Mexico, IGIMX (2016_2018 average)
8	…a stronger freedom of information framework accompanied by enduring democratic development?	Freedom of Information INOGDAI (2014-2016 average) Index for Democratic Development Konrad Adenauer (IDD, 2010-2018 average)

Table 8 continued

	R²	Ad_R²	Signif.	Variables	t-stat	Signif.
(b)						
#	R²	Ad_R²	Signif.	Variables	t-stat	Signif.
1	.290	.241	.007	INOGDAI (2014/2016)	.023	.981
				Lagged variable for previous corr. (2001/2003)	3.349	.002
2	.369	.248	.027	INOGDAI (2014/2016)	-.399	.693
				Metrics of Transparency, 2010/2014	.229	.821
				Access to Information Index (IDAIM) 2014/2015	1.564	.130
				Index of Budget Information, 2009-2017	.190	.850
				Lagged variable for previous corr. (2001/2003)	2.417	.023
3	.300	.225	.017	Rule of Law by IMCO (2012)	-.496	.624
				World Justice Project 2016/2018	-1.95	.847
				Lagged variable for previous corr. (2001/2003)	2.810	.009
4	.296	.248	.006	Impunity Index, IGIMx 2016-2018	.528	.601
				Lagged variable for previous corr. (2001/2003)	3.437	.002
5	.311	.264	.005	Index for Democratic Development 2010-2018	-.947	.351
				Lagged variable for previous corr. (2001/2003)	2.431	.021
6	.301	.197	.041	INOGDAI (2014/2016)	.087	.931
				Rule of Law by IMCO (2012)	-.475	.639
				World Justice Project 2016/2018	-.208	.836
				Lagged variable for previous corr. (2001/2003)	2.620	.014
7	.297	.221	.018	INOGDAI (2014/2016)	.039	.969
				Impunity Index, IGIMx 2016-2018	.520	.607
				Lagged variable for previous corr. (2001/2003)	3.284	.003
8	.311	.237	.014	INOGDAI (2014/2016)	.018	.986
				Index for Democratic Development 2010-2018	-.931	.360
				Lagged variable for previous corr. (2001/2003)	2.345	.026

Table 9. OLS Regression on the effects of Freedom of Information, Stronger Rule of Law, Low impunity, and Democratic Development

Dependent Variable: Rate of Corruption per 100K by INEGI (NSQGI 2019)

Dependent Variable Rate of corruption per 100K by INEGI (NSQGI_2019)	*Model 1*	*Model 2*	*Model 3*	*Model 4*	*Model 5*	*Model 6*	*Model 7*	*Model 8*
INOGDAI 2014/16	4.960 (211.174)	-86.529 (216.944)				19.811 (226.871)	8.429 (213.985)	3.708 (211.667)
IDAIM 2010/14 by FUNDAR		3869.668 (2474.418)						
Transparency Metrics 2010/14 by CIDE		7027.741 (30695.274)						
Budget Transparency 2009/17 by IMCO		3980.535 (20897.041)						
Rule of Law 2012 by IMCO			-103.285 (208.029)		-193.454 (230.486)	-101.149 (213.122)		
Rule of Law WJP 2016/18			-12952.642 (66495.619)			-14738.135 (70726.507)		
Impunity Index IGIMx 2016/18				137.674 (359.985)				
Index Democratic Develop. 2010/2018					-2828.153 (1248.076)			-1316.896 (1414.905)
Corruption 2001/2003 Transp Mex **[Control]**	1241.72** (370.691)	982.194** (406.451)	1137.014** (404.636)	1237.253** (260.552)	1027.669** (422.651)	1126.303** (429.874)	1233.968** (375.720)	1026.256** (437.627)
R^2	.290	.369	.300	.296	.311	.301	.297	.311
Adjusted R^2	.241	.248	.225	.248	.264	.197	.221	.237
Constant	11637.617** (10942.766)	-1226.773** (23526.557)	24388.834** (26303.277)	2495.416** (18313.309)	21340.27** (10954.471)	24066.39** (27035.524)	2076.027** (21463.680)	21164.40** (15002.360)
	n=32	n=32	n= 32	n=32	n= 32	n=32	n=32	n=32

*p<0.10; **p<0.05; *** p< 0.01; Standard errors in parentheses

5.5 Since we are here, we might as well…

If neither of these variables --transparency, democratic development, impunity, and rule of law--- were as relevant as expected in affecting levels of corruption, what could be learn then, on the importance of the necessary political disposition towards this sort of reforms? This question seems relevant because legislators, governors and high-ranking bureaucrats hold the power to thwart the design and institutional performance of transparency legislation, as well as undercut funding for key agencies. This sort of trickery aimed at slowing or disabling much needed change is hard to objectively spot, what is not is the political disposition invested on providing higher budgets –proportionally compared to other states— as well as a sense of urgency to adopt legislative reforms conducive of higher standards of transparency.

5.5.1 Swiftness in Passing Transparency and Anticorruption Legislation

Mexico is a federal state where most transcendental reforms are passed at federal level with a mandate for states to follow suit, drafting or adjusting local legislation in accordance with the new standards set usually by a constitutional amendment[144]. The Law of Transparency and Access to Information was enacted on June 11, 2002, although a couple of states went ahead with a progressive design in their respective laws, most had to draft their own, adopting the new set of definitions, criteria, principles, and procedures drafted in federal regulation. Expectedly, local elites of some states were not looking forward to becoming subject to a higher degree of public scrutiny and plausible consequences, thus they opted for two strategies, either to slow the legislative process almost to a halt, or promote legislation plagued by contradictions, and omissions; in some instances, it took more than seven years to finally draft a transparency law. Actually, in lieu of so many reproachable stratagems, an amendment to the federal law in 2007 made even more stringent demands to local legislatures.

The whole legislative process in the states occurred between 2002 and 2008, thus, it could be assumed that political disposition of local elites, could be measured in a matter of months

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[144] Unlike the American Constitution, its Mexican counterpart has been amended and reformed in numerous occasions; actually in 250 instances since its inception on the year 1917.
http://www.diputados.gob.mx/LeyesBiblio/ref/cpeum_crono.htm

invested to draft their own transparency legislation. The fewer the months, the higher political disposition towards a new set of standards of transparency[145].

Another relevant reform occurred in 2015, when all political forces agreed to draft a constitutional amendment creating the National Anticorruption System, and the local equivalents. This amendment required a specific law and major changes or draft of/on other seven relevant pieces of legislation. Just like in the case of the transparency law, the national anticorruption equivalent provided for a whole year between its passing by the Congress (July 18, 2016) and its actual enactment (July 19, 2017). Also, like in the case of the transparency law, states took their time to draft and pass their own legislation in accordance with standards set by the federal law; thus, the amount of time invested could also be regarded here as a proxy for political disposition.

Now, if political disposition for laws increasing accountability (e.g. transparency and anticorruption) has any effect over the sense of urgency pushing this sort of legislation through State Houses, then those state with a higher regard for accountability should have acted consistently over the years. That is, if state A moved swiftly on passing pro-transparency legislation, then, such a state should also have shown equal swiftness when passing Anticorruption legislation. This assumption was tested by a running a Pearson correlation between months elapsed on the passing of both legislative process at State Houses. Number of months varied across the states, with a maximum of 60 in the case of transparency reforms and 43 in the case of anticorruption amendments. The mean for transparency was 23.92 (SD=18.85), while the mean for Anticorruption was 11.82 (SD= 6.11). The relationship between them, however, resulted statistically insignificant (r (30) = -1.22, p = .507).

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[145] In the case of transcendent laws with no precedent, as it was the case of transparency legislation, there is a waiting period between the approval of the Congress and the actual enactment of the law, that is the time when it becomes mandatory. In this case, the Federal Congress passed this legislation in June 11 of 2002, but it took a whole year (June 12, 2003) to be officially enacted. The same criteria apply to the states; thus, months are measured between the federal and local enactment.

Table 10. Correlation of swiftness between the passing of two laws at State Houses

		Transparency	Anticorr.
Time Trans	Pearson Correlation	1	-.122
	Sig. (2-tailed)		.507
	N	32	32
Time Corr.	Pearson Correlation	-.122	1
	Sig. (2-tailed)	.507	
	N	32	32

A few explanations could lay behind these results, such as changing legislatures[146], differentiated clout between governors and House majorities, or just that two events intuitively related, are not that similar, at least in terms of legislative "enthusiasm". It is interesting to note that those five states enacting transparency legislation at the very same time than the Mexican Federation –when not earlier— required close to a year to follow Anticorruption legislation, ten years later.

If there is no correlation among the "swiftness" of two related pieces of legislation, could there be any correlation between observable corruption at a given state, and political disposition abut legislation expected to control, or at least ameliorate it? This political disposition could be tested at two points in time with a decade apart, using the corruption measurement compatible with that decade.

Table 11. Variables employed to test legislative "swiftness"

Legislative speed	Corruption Measurement	
Transparency legislation passed between 2002- 2008	Transparencia Mexicana Index for years 2000-2010	Correlation A
Anticorruption legislation passed between 2016 -2018	INEGI Index for years 2011-2020	Correlation B

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[146] Mexican Federal and Local legislatures have a three-year term and 2021 will be the first occasion when Congressmen/women will be allowed to run for reelection

In the case of the Pearson **correlation A**, the relationship is neither significant nor existent (r (30) = .069, p = .707). The same occurs in the case of Pearson **correlation B**, the relationship is neither significant nor existent (r (30) = .255, p = .507). Therefore, the status of corruption in a given state (either low or high) is not related with any sense of urgency to pass legislation aimed at curtailing it.

Table 12. Correlation A

		Corruption 2000_2010	Time Trans
Corruption 2000_2010	Pearson Correlation	1	.069
	Sig. (2-tailed)		.707
	N	32	32
Time Trans	Pearson Correlation	.069	1
	Sig. (2-tailed)	.707	
	N	32	32

Table 13. Correlation B

		Corruption 2011_2020	Time Corr
Corruption 2011_2020	Pearson Correlation	1	.255
	Sig. (2-tailed)		.159
	N	32	32
Time Corr	Pearson Correlation	.255	1
	Sig. (2-tailed)	.159	
	N	32	32

5.5.2 Do higher anticorruption budgets make a difference?

Another way to test if governors or representatives are genuinely invested into a given policy or issue is the amount of budget allocated for it. In Mexico, several institutions take part in corruption prevention, detection, and sanction, but two stand out given their degree of independence required for accomplishing their purpose: The Transparency Institute and the State Audit Office. The former is responsible for the effectiveness of right to information in every citizen

request to public institutions, the latter audits financial reports of state and local governments seeking for an array of punishable irregularities. Intuitively, a well-funded institution is in a better position to deliver, therefore if both institutions are crucial in corruption control, and at least well-funded, it could be somewhat noticeable in corruption levels.

Not all Mexican states have the same size, nor the same budget, therefore valid comparisons ought to consider budget share allocated to Transparency and Audit institutions, as a fraction of the State total budget. Results take time, and budgets tend to shift between years, to account for these variations, an average of the last six years´ budget (2015-2020) was used for the purpose of a linear regression with corruption as dependent variable and average budget share of each institution as independent variables.

Therefore, a multiple linear regression was calculated to predict whether size of budget share of relevant accountability agencies (Transparency and Audit Offices) had any bearing over corruption scores observed at state level. A nonsignificant relationship was found (F (2,29) = .555, p = .580), with an R^2 of .037. Therefore, it could be concluded, according to available data, that corruption does not necessarily diminishes in those states where funding for accountability institutions is comparatively large. Given those results, it comes as no surprise the lack of coincidence between the budgets and corruption performance observed below:

Table 14. Comparison between budget share in key agencies and corruption levels

State	Transparency Budget Share 2015-2020 Average	State	Audit Budget Share 2015-2020 Average	Scores of States with less corruption 2011 -2020 Average
Quintana Roo	1st place (.120)	San Luis P.	1st place .517	10.61 Colima
Campeche	2nd place (.101)	Quintana R.	2nd place .440	13.00 Tamps.
Aguascalientes	3rd place (.094)	Zacatecas	3rd place .399	14.50 Veracruz
Coahuila	4th place (.094)	Tlaxcala	4th place .305	15.50 Nuevo L.
Morelos / Chihuahua	5th place (.079)	Coahuila	5th place.301	16.10 Zacatecas

5.6 A comment on counterintuitive findings

The purpose stated at the onset of this dissertation insisted on the necessity to determine whether transparency or related variables have any traceable impact over corruption figures,

seeking to test the intuitive claim that the advent of transparency reforms would impact decisively on the prevailing status quo of abuse and dishonesty. Although there is much to say on the evident benefits of transparency for democratic governance around the world, results of these eight models do not show an evident impact over corruption.

This counter-intuitive findings offer multiple interpretations. In first place it is evident that long term forces a leave behind a hard to erase footprint. This is not to say that there is nothing to do on the cultural and institutional legacy endured by several countries such as Mexico; however, it is a humbling invitation to carefully assess the promise and reach of administrative reforms.

The subject of the following chapter becomes even more relevant considering these results, not only because it will test the same approach on a different country, but because these two nations have different colonial heritage, legal tradition, and religious background. Therefore, the next chapter offers the possibility to assess the inertial pull of forces such as these over corruption levels.

CHAPTER 6.   ASSESSING THE RELATIONSHIP BETWEEN TRANSPARENCY AND CORRUPTION AT STATE LEVEL IN THE UNITED STATES

Freedom of information, freedom of speech, and freedom of the press have long been regarded as a part of the democratic fabric of the United States as a nation. However, while freedom of speech and freedom of the press require a laissez fare approach from the State, and occasionally judicial protection when under threat, freedom of information demands an active stance from governments to guarantee safeguard and access to public records. Freedom of information requires a normative and institutional framework able to make such a right a reality; in America, this normative framework includes the Freedom of Information Act enacted in 1966, followed by the Privacy Act of 1974, the Government Sunshine Act of 1976, and finally, the Electronic Freedom of Information Act from 1996.

More than fifty years have passed since 1966 and, despite all the federal and state level regulations, it is still quite problematic to access some public records not only for regular citizens but for experienced journalists, scholars, and even lawyers. Some of these restrictions, setbacks and shortcomings have long been denunciated by civic and research organizations such as the National Freedom of Information Coalition, and the Reporters Committee for the Freedom of the Press (RFCP), authors of the Open Government Guide[147], offering comparable reviews of freedom of information laws of every state.

Other noteworthy efforts include the Integrity Index by the Better Government Association (BGA), the SWAMP Index by the Coalition for Integrity (CFI), as well as the State Integrity Investigation conducted by the Center for Public Integrity (CPI) and Global Integrity. Each of these organizations have deployed committed advocacy and thorough research on topics revolving around integrity and transparency.

All this wealth of research and measurement is essential for the task to determine whether freedom of information legislation, or a normative accountability framework, hold any sway over the degree of corruption at state level, not only for the case of Mexico, but for the case of the United States as well; hence the purpose of this chapter, provide the necessary alternative to deploy

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[147] https://www.rcfp.org/introduction-to-the-open-government-guide/ with editions in 1989, 1993,1997, 2001, 2006, 2011, and 2019

J.S. Mill´s method of agreement. Therefore, before delving into the characteristics of all the indices that will infuse their data into the dependent and independent variables, it is necessary to describe differences and similarities between these neighbors.

6.1   Mexico and the United States, so alike yet so different

Mexico and the United States not only share one of the largest and most problematic borders of the world, but they also make one of the most formidable markets in global terms; their common history is also ridden with episodes of clash (even war) and convergence. Historically, Mexico reached its independence four decades after the United States, forging its institutional framework inspired on American and French influences, embedded over a frame of its colonial Hispanic heritage.

Like the United States, Mexico is a Federal Republic, with a Bicameral Congress and division of powers between three separate branches. Local administration in Mexico is entrusted to municipalities, while the United States also considers a range of local authorities such as counties, townships, and boroughs; thus, from an institutional and governmental perspective, Mexico and the United States could be regarded as highly related.

This chapter will specifically deal in more detail with institutional and normative variables as an alternative explanation for such a dismal disparity in efficacy, previously it is necessary to discuss some other relevant differences found in the literature around corruption and its associated causes. Differences in the legal tradition seem relevant, as it was discussed that those countries with a Roman legal tradition experience worst degrees of corruption than those following the Common Law canon (Ackerman, 2007; Bushman et al. 2004; Alonso and Garcimartin, 2011). Similarly, countries of Protestant predominance had a lesser problem of corruption than the rest (Treisman, 2000; Lipset and Lenz, 2000; Gerring and Thacker 2005; Pellegrini and Gerlagh, 2007; La Porta et al. 1997, 1999; Paldman 2001; Pellegrini 2008; Alonso and Mulas 2011).

The kind of colonial rule had also an impact, former Hispanic colonies eventually developed higher degrees of corruption than those with a British colonial heritage (Alonso and Garcimartin 2011; Mauro, 1995). It must be acknowledged that these three categories go hand in hand; the American continent[148] could be divided between those that were former colonies of Spain

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[148] Except for Brazil, Belize, Haiti, Guyana, Surinam, and the French Guyana

and those that were formerly colonized by the British. Each settler brought along its religion and legal tradition. Evidently, Mexico belongs to a group, the United States to the other.

Although Mexico is indisputably more corrupt than its neighbor, corruption is by no means a secondary problem in America, quite the opposite; however, a comparison of the last twenty-five years of the Corruption Perception Index of Transparency International, eloquently shows that while the United States has a problem of corruption, corruption is THE problem of Mexico. Aiming to tackle such a problem, both Mexico and the United States have developed over the years a set of norms and regulations aimed at deterrence and punishment of corrupt practices in the public sector. Similarly, further regulations on the right to know date back to the seventies in both countries, with subsequent reforms and amendments. Even though institutional structures and norms are rather similar in both cases, results in terms of efficacy are rather distant; while the United States has sufficient evidence to be a case of concern, the Mexican case seems almost a *basket case*.

Table 15. Corruption Perception Index scores and Rankings from the United States and Mexico over the last 25 years, by Transparency International[149]

	1995	1996	1997	1998	1999	2000	2001
US	7.7 (15)	7.6 (15)	7.6 (16)	7.5 (17)	7.5 (18)	7.8 (14)	7.6 (16)
Mexico	3.1 (32)	3.3 (38)	2.6 (47)	3.3 (55)	3.4 (58)	3.3 (59)	3.7 (51)
# Countries	41	54	52	85	99	90	91

	2002	2003	2004	2005	2006	2007	2008
US	7.7 (16)	7.5 (18)	7.5 (17)	7.6 (17)	7.3 (20)	7.2 (20)	7.3 (18)
Mexico	3.6 (57)	3.6 (64)	3.6 (64)	3.5 (65)	3.3 (70)	3.5 (72)	3.6 (72)
# Countries	102	133	146	159	163	180	180

	2009	2010	2011	2012	2013	2014	2015
US	7.5 (19)	7.1 (22)	7.1 (24)	73 (19)	73 (19)	74 (17)	76 (16)
Mexico	3.3 (89)	3.1 (105)	3 (100)	34 (105)	34 (106)	35 (103)	31 (111)
# Countries	180	178	183	176	177	175	168

	2016	2017	2018	2019	2020	2021	2022
US	74 (18)	75 (16)	71 (22)	69 (23)	67 (25)	67 (27)	
Mexico	30 (123)	29 (135)	28 (138)	29 (130)	31 (124)	31 (124)	
# Countries	176	180	180	180	180	180	

*Between 1999 and 2011 a perfect score was 10; from 2012 on, such score became a 100.
**In parenthesis the global rank of that country in that particular year.

6.2   Relevant Research and Datasets at State Level in the United States

Both Mexico and the United States have an impressive wealth of research and statistics pertaining to the subjects of corruption and accountability, both at federal and state level, allowing for a close comparison of the alleged effects and mechanisms of freedom of information, and pro-integrity institutions, over corruption. Although indices employed in America are not identical to their Mexican counterparts, they are sufficiently similar for a legitimate comparison. Three research and advocacy centers have produced over the years cumulative observations both of transparency at state level as well as of the normative framework in place to ensure --or at least promote—accountability. These three organizations are the Better Government Association, The Center for Public Integrity (in collaboration with Global Integrity) and The Coalition 4 Integrity, their work is described following.

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[149] https://www.transparency.org/en/cpi/2020/index/nzl

6.2.1 Integrity Index 2002, 2008, 2013 by Better Government Association

The Better Government Association (BGA), an Illinois based nonprofit (dating back to 1923) has followed an encompassing perspective on integrity by assessing the quality of the institutional and normative frameworks at state level; thus far, they have presented three editions of their Integrity Index (2002, 2008, 2013) where they measure statutes and norms of relevance such as Freedom of Information (FOIA), Whistleblower Protection, Campaign Finance, Conflict of Interest and Gifts, Trips and Honoraria. The BGA has long studied these subjects in depth, Freedom of Information in particular; for example, in 2002 they partnered with Investigative Reporters and Editors[150] on an effort to rank FOIA of American states; eventually, in 2007, they collaborated with the National Freedom of Information Coalition to assess responsiveness to information requests. An evolution of the variables included on different editions of the Integrity Index can be appreciated below:

Table 16. Variables employed by the Better Government Association on successive editions of their index

YEAR	VARIABLES					
2002	FOIA	Whistleblower Protection	Campaign Finance		Conflicts of Interest	Gifts, Trips & Honoraria
2008	FOIA	Whistleblower Protection	Campaign Finance	Open Meetings	Conflicts of Interest	
2013	FOIA	Whistleblower Protection		Open Meetings	Conflicts of Interest	

6.2.2 State Integrity Investigation 2012, 2015 by the Center for Public Integrity and Global Integrity

The Center for Public Integrity (CPI) partnered with Global Integrity (GI) to assess "the state of integrity in all 50 states"[151], their results were originally published in 2012. This effort was aimed at diagnosing "the strengths and weaknesses of the institutional safeguards applied against corruption in each state mechanisms of openness, transparency, and accountability rather than

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[150] At https://www.ire.org/ they define themselves as "a grassroots nonprofit organization dedicated to improving the quality of journalism. We educate, empower and connect journalists across the globe, so we can live in a better, more informed world".

[151] https://publicintegrity.org/2015/11/09/18316/how-we-investigated-state-integrity

corruption itself"[152]. Conducive of such a purpose, this partnership summoned the collaboration of a vast number of experts with knowledge and experience in "good government and public sector reform"[153]; as a result, the original survey was composed of fourteen sections, and 330 indicators. Its second edition (2015) reduced the original number of indicators to 245 (92 *de jure* and 153 *de facto*). The final arrangement of the second edition can be appreciated on the scorecard for Indiana below, whose grades are the result of evaluations by local journalists specialized in reporting Integrity transgressions, malfeasance, and corruption scandals. This is an example of every state´s scorecard allowing for a compelling nationwide perspective when seen as a whole. The scorecard considers the achievement of each indicator over a scale of a hundred points, for example Indiana gets 47 out of a 100 in access to information, thus getting and F, and ranking on the 23rd place nationwide. Scorecard is shown in page 176 as table 16.

6.2.3   The SWAMP Index (2018-2020) by Coalition for Integrity

The Coalition for Integrity (C4I), a non-profit, non-partisan 501 (C)(3), organization, formerly operating as the United States chapter of Transparency International, developed the S.W.A.M.P.[154] index, aimed at assessing "the establishment and scope of ethics agencies, the powers of those agencies, acceptance and disclosure of gifts by public officials, transparency of funding independent expenditures and client disclosure by legislators"[155]. In short, they seek to assess the strength of the ethical-normative framework in preventing unethical and potential corrupt behavior from public servants. The questionnaire devised for such a goal was deployed in two consecutive editions (2018,2020) aiming to answer eight generic questions that can be appreciated in the Indiana scorecard (shown in the following page as table 17).

6.3   Corruption Estimation at State Level in the United States

Corruption at the state level in America has been studied from the analytical perspective of multiple disciplines, but efforts focused on determining comparable estimations have essentially pursued two methodological angles: either opinion surveys (Peters and Welch 1978; Boylan and

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[152] Ibid.
[153] Ibid
[154] SWAMP acronym stands for States with Anticorruption Measures for Public Officials
[155] http://swamp.coalitionforintegrity.org/#index

Long 2003) or statistical analysis of prosecution indices (Maxwell and Winters 2004; Meier and Holbrook 1992; Goel and Nelson 1998; Boylan and Long 2003). Before determining which approach could provide better data for the dependent variable of corruption, it is important first to dwell into their advantages and shortcomings.

6.3.1   The Approach of Surveys to Estimate Corruption

Attempting to gauge the degree of contempt to ten common political practices ranging from ethically objectionably to blatantly corrupt, Peters and Welch (1978a) mailed 978 questionnaires to state senators, ultimately retrieving 441 responses (from 24 states). Authors found that senator´s outrage was highly dependent on the allocation of illegitimate benefits from these practices; while there was consensus condemning officials monopolizing benefits for themselves and no one else, opinions became divided when considering exchange of political favors in return of benefits for their constituencies (Peters and Welch 1978a). Interestingly, a positive correlation was found between senators´ selective leniency and the frequency of corruption indictments within their states; however, Boylan and Long (2003) would later contest such findings pointing that corruption indictments were levied by Federal prosecutors, independent from Senators potential influence. Another shortcoming contested pointed that Peters and Welch omission failed to normalize the proportion between indictments and state size.

Table 17. Indiana scorecard of the State of Integrity Survey

Table 18. S.WA.M. P. Index scorecard for Indiana

2018-2020 Comparison Chart

#	Question	2018	2020	Δ
Q1	Is there an ethics agency, with the authority to conduct its own investigations, including public hearings and subpoena power?	5.00	5.63	+0.6
Q2	Does the ethics agency have the ability to sanction, including personnel actions, injunctions, and fines?	5.00	5.00	+0
Q3	Are the members of the ethics agency protected from removal without cause?	0.00	0.00	+0
Q4	Are elected and appointed executive branch officials and legislators prohibited from accepting gifts from high-risk sources (lobbyists, lobbyists' principals, government contractors) in an aggregate of $250 or more?	1.50	1.50	+0
Q5	Are elected and appointed executive branch officials and legislators prohibited from accepting gifts from persons other than high-risk sources in an aggregate of $250 or more?	1.50	1.50	+0
Q6	Are elected and appointed executive branch officials and legislators required to publicly disclose gifts that they receive?	2.50	2.50	+0
Q7	Does the state require reporting of contributors to independent spenders?	7.14	7.14	+0
Q8	Do legislators have to disclose client names as part of their financial disclosure reports?	0.00	0.00	+0
	Sum of Q1-Q8 (Max 80)	22.64	23.27	+0.6
	Score out of 100	28	29	1

Source: Coalition for Integrity, 2020 · Get the data · Created with Datawrapper

Boylan and Long (2003) would also use questionnaires to measure corruption perceptions, in this case from State House reporters on their perception of corruption at their respective state. Nearly 300 reporters from 47 State Houses replied (with the exceptions of New Hampshire, Massachusetts, and New Jersey). Questions of this sort were asked: How common do you think is corruption of government employees (including elected officials, political appointees, and civil servants) in your state?

Taking a step forward, Boylan and Long would later correlate survey results with the rates of prosecutions of public officials, as well of prosecutorial efforts for breaches of public trust. Data on prosecutions was obtained by calculating "average number of federal corruption prosecutions per thousand government employees in each state for 1993-1996" (Boylan and Long 2003)[156]. The Prosecutorial Effort variable would be construed by estimating the proportion of time devoted by federal prosecutors for corruption cases, paired with the perception of reporters on the importance given to corruption cases by prosecutors, obtained by second question of the survey[157]. Results from their model led Boylan and Long to an intuitive finding: corruption convictions rely more on the amount of effort devoted by prosecutors, than on the appreciated level of corruption within a particular state.

6.3.2   Corruption Assessment through Prosecution indices

The Public Integrity Section of the Department of Justice has gathered statistics on federal convictions for "criminal abuses of the public trust", by mandate of the Ethics in Government Act of 1977. Over the years, this impressive amount of data has proven extremely valuable for several scholars using prosecution indices as "a good surrogate for the level of corruption" (Meier and Holbrook, 1992). Some criticisms, however, have been leveraged at the shortcomings of this approach; Boylan and Long (2003) for example, point that some of the cases listed under this category by the Department of Justice cannot be considered as abuses of the public trust[158]; they also insist that not all prosecutors exert the same amount of zeal or resources when it comes to corruption related felonies. Furthermore, they also warn about the potential of endogeneity within

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[156] Based upon data from the Federal Justice Statistics Resource Center
[157] "Question 2. How high a priority for the federal prosecutors in your state is it to investigate and prosecute government corruption (including corruption of elected officials, political appointees, and civil servants) compared to investigating and prosecuting other crimes?"
[158] They offer as an example the conviction for cocaine possession of a second-tier public servant.

this approach. Maxwell and Winters (2004) also voice their concern by observing substantial variation among states; more precisely, the year when the national average of convictions was 15, New York had 80 and Vermont only 1; nonetheless the high correlation between state population size and number of convictions, warns for caution when drawing comparisons.

Regardless of the caveats around the use of corruption prosecution indices, some interesting correlations have been found through this approach, such as a positive correlation between increase of government spending –leading to larger bureaucracies and ample potential for bribery-- and corruption incidence. On the other hand, corruption appears less prevalent in the presence of an informed electorate, higher voter turnouts and competitive elections (Meier and Holbrook 1992); oddly enough however, it seems that structural factors such as campaign finance, expense reporting and direct democracy were not as salient as it could have been expected. Ten years later, after retesting and confirming the findings of Meier and Holbrook (1992), Schlesinger and Meier (2002) also found that potential for prosecution was influenced by race and partisanship, and that corrupt agents act rationally by estimating costs and benefits of questionable transactions.

Also employing prosecution indices, Goel and Nelson (1998) encountered that the impact of economic downturns over government wages could drive up corruption, and that increased policing impacts heavier on the side of corruption detection and not as strongly in corruption deterrence. After reviewing twenty-five years of prosecution data, Maxwell and Winters (2004) concluded that the number of governments within a state has a positive effect on the "observation, impact, evaluation and consequences [of corruption" (21). They also backed Meier and Holbrook's assertions about the role played by sociopolitical homogeneity, higher education, and citizen's political involvement as salient factors on the observed amount of corruption.

Corruption estimation either through opinion surveys or prosecution indices is not free from reproach; criticisms leveraged at the survey approach include their intrinsic propensity to bias and partisanship. On the other hand, prosecution statistics could be swayed by endemic corruption affecting the judiciary, particularly in the case of State Courts (Glaeser and Saks 2006); prosecution statistics have also been known to mix merely objectionable behavior of public officials[159] with blatant acts of corruption, both under the umbrella-label of abuses to public trust. Clearly, at least when it comes to corruption estimates, there is not such a thing as a flawless index, caution is soundly advised, as with any other socially constructed index.

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[159] Such as substance abuse.

6.3.3 Corruption across states, graphically

A graphic comparison of corruption growth across states —judging by the increase of prosecutions—over the last two decades shows important differences but also some unexpected increases in cases not originally thought as corrupt such as Montana and both Dakotas, other than that, high readings for the South, and Maryland could have been expected. Before jumping into conclusions there is an important caveat that should be considered. We are witnessing the average of whole decades between the columns dealing with the first (on green) and the second decade (on blue), if data is analyzed yearly and contrasted with specific cases and scandals prosecuted, it could offer a more precise perspective. Another of the caveats previously discussed about this sort of data is that some prosecutors could exert their mandate with higher zeal and equally higher efficacy, leading to a rise in prosecutions within a state that may be just as corrupt –or not—than others in the neighborhood. The large number of American states required to divide the graph in four alphabetical blocks. On these graphs we can appreciate the average number of cases prosecuted for corruption, over the first and the second decade.[160]

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[160] It is important to recall that these figures were normalized per 100 thousand inhabitants, aiming to draw fair comparisons across states remarkably different in size.
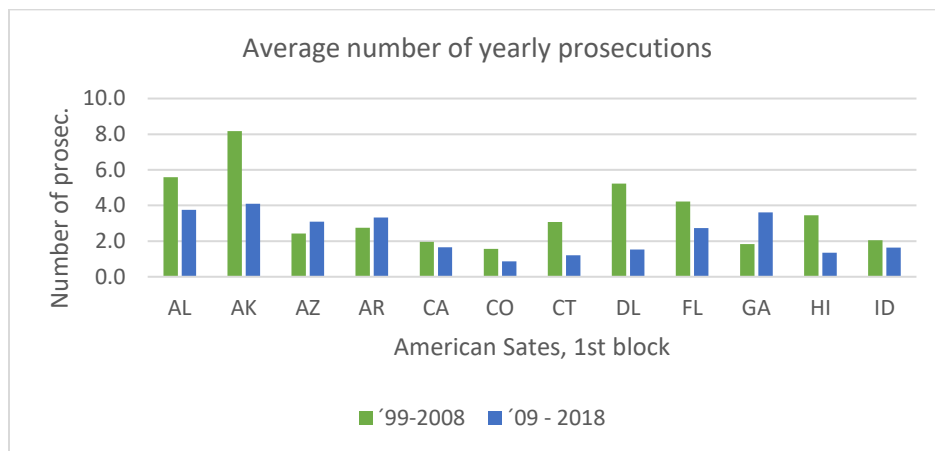
(a)
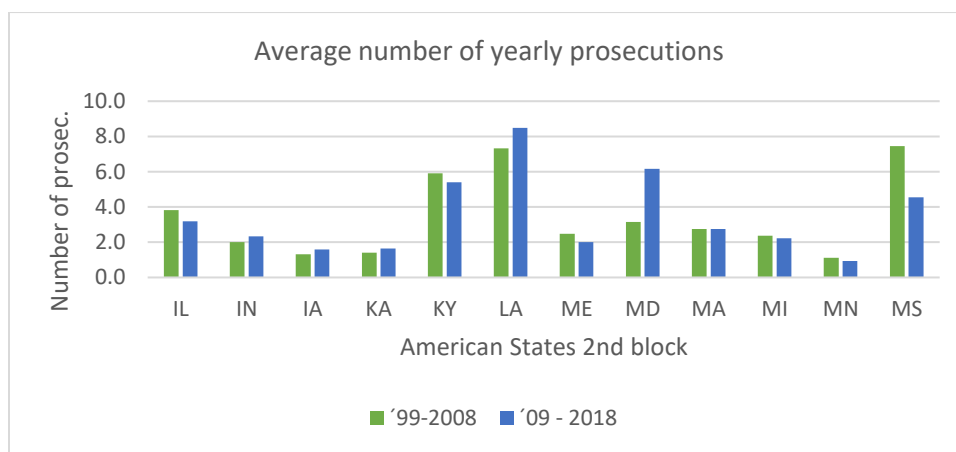
(b)

Figure 4. Comparison between corruption perception at state level, between two lapses of ten years (1999-2008 vs 2009-2018) (a) First Quarter of American States, (b) Second Quarter of American States, (c) Fifth Quarter of American States, (d) Fourth Quarter of American States

Figure 4 continued

Average number of yearly prosecutions

(c)

Average number of yearly prosecutions

(d)

6.4 Replicating the Corruption Analysis of Mexican Sates on their American counterparts

On the previous chapter, a series of assumptions related with corruption at Mexican states were tested; namely, whether freedom of information, rule of law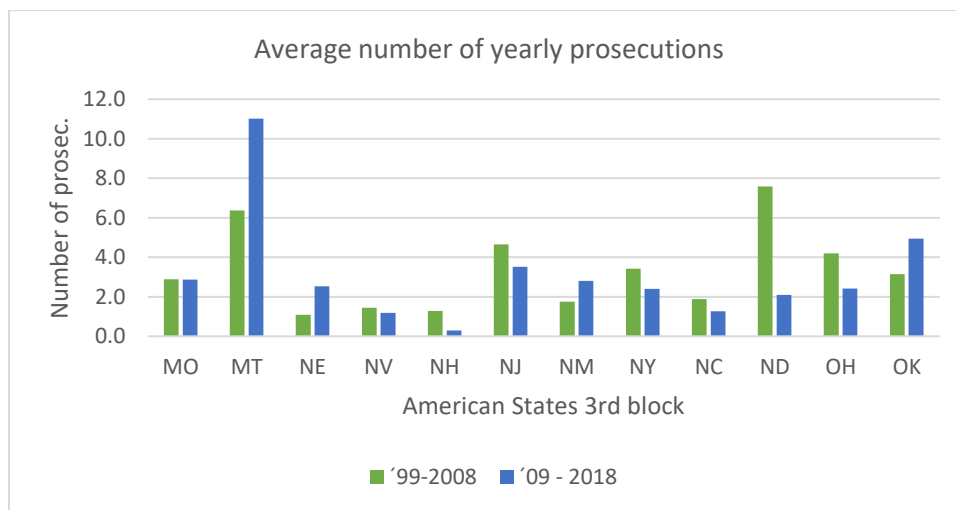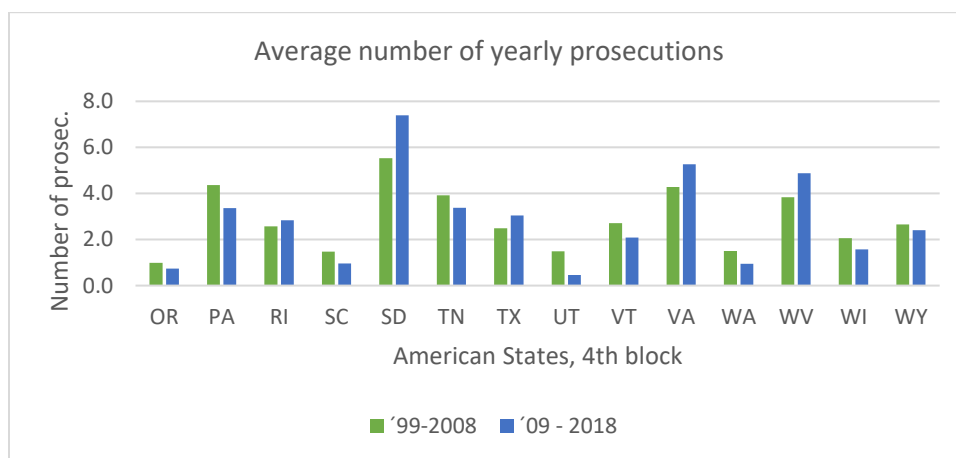, extent of impunity, and democratic development have any effect over corruption. In that case, metrics for the dependent variable of corruption, and the lagged variable of prior corruption, were taken from surveys conducted by Transparencia Mexicana and the National Bureau of Statistics, over the last twenty years (2001-2020).

Indices and data commented on the preceding sections allow for the same case of analysis in American states. Statistics from the Public Integrity Section of the Department of Justice, provide the best dataset available for the dependent variable of corruption --spite of the caveats warned on the preceding section. Independent variables can be nurtured by indices mentioned before, developed by the Better Government Association, the partnership of the Center for Public Integrity and Global Integrity, and the Coalition for Integrity. Although only two of these organizations have measured freedom of information separately, all of them have adjacent indices or indicators gauging relevant statutes, norms, and proceedings aimed at improving or safeguarding the ethical standing of state-level governments, referred here as the *integrity framework*. These components can be appreciated back-to-back in the following page as table 18.

As the table shows, there is some overlap in the way each of these organizations measure integrity, but there are also some differences worth of notice; for example, a remarkable difference is that the SWAMP index does not consider freedom of information, while placing more emphasis on power vested to state ethics agencies. The State Integrity Index is more interested than their counterparts on how each power enforces accountability over the others. On the other hand, while the Integrity Index of the Better Government Association may not have the specificity of the others, they still regard relevant features of an integrity framework, such as whistleblower protection, campaign finance, and conflict of interest.

These indices provide the statistical input for the models tested here, and even though they will be used separately, for good measure it is still important to revise how correlated are they. In the case for freedom of information, analyzed only by the Center for Public Integrity (CPI) and the Better Government Association (BGA), there is a significant (.057) yet feeble correlation of .282; whereas in the case of the integrity framework, there is a correlation of .404 between the CPI

and the BGA measurements, another of .449 between the CPI and the SWAMP Index, and another correlation of .431 between BGA and the SWAMP Index, all significant at the .01 level.

Table 19. Comparison of Indices and Variables

Integrity Index BGA	State Integrity Index Center for Public Integrity	SWAMP Index Coalition 4 Integrity
2002, 2008, 2013 editions	2012, 2015 editions	2018, 2020 editions
Freedom of Information	Freedom of Information	Not measured
Integrity Framework		
Whistleblower protection	Electoral Oversight	Independent Ethics Agency
Campaign Finance	Political Financing	Ethics Agency Punishment Power
Open Meetings	Executive Accountability	Safeguards against removal of Ethics Agency members
Conflicts of Interest	Legislative Accountability	Prohibition of gifts related to conflict of interest
Gifts, Trips, Honoraria	Judicial Accountability	Public disclosure of gifts received
	State Budget Process	Reporting of contributions from independent spenders
	State Civil Service Mgmt	Legislators obliged to disclose clients´ names
	Procurement	
	Internal Auditing	
	Lobbying disclosure	
	Ethics Enforcement Agency	
	State Pension fund Mgmt	

6.5 Tests and Variables of the American Replication

Since 1978, the Public Integrity Section of the Department of Justice delivers a yearly report to the Congress on its activities, every report includes a dataset including the previous ten years of convictions for abuse of public trust by public officials[161]. This dataset includes

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[161] The last available report belongs to 2018 at: https://www.justice.gov/criminal-pin/annual-reports

information at State level, thus becoming a suitable resource for replicating the analysis of corruption conducted on the preceding chapter with Mexican States. The dependent variable will be drafted from a selected sample of this database, specifically, the last 5 years of available data 2013-2018.

A comparison of correlations between these two cases (Mexico and the US) should help to determine how strong is the influence of prior over current corruption; thus, a correlation was drafted resorting to the last 9 years of available data (2009-2018) and the preceding decade (1999-2008)[162]. The Pearson correlation reached .645 (significant at 0.01), a rather similar result to that of the correlation performed in the same fashion for the Mexican case[163], where the score reached .505 (significant at 0.03).

A preliminary conclusion points that both in the case of Mexico and United States, prior corruption displays an important sway over the levels of current corruption. Therefore, it could be inferred that, in the case of both countries, corruption is a rather stable variable, a fact worth weighing while pursuing the purpose of the last two chapters: to assess whether the quality of reforms, norms and procedures exert any foreseeable effect over corruption.

6.6 Assumptions tested and their associated independent variables

The American replication of the Mexican case tests five assumptions through the equal number of OLS regressions. The first two assumptions under test consider whether superior freedom of information has any effect over corruption; the FOIA components of the Better Government and the State Integrity indices are employed for these tests. The last three assumptions under revision attempt to establish any effect of an *integrity framework[164] (labeled here as "IF")* over corruption levels. As previously discussed, three indices developed by the Center for Public Integrity, the Better Government Association, and the Coalition for Integrity (SWAMP index) include elements worthy of an apt integrity framework, tested on the fourth, fifth and sixth models against the dependent variable for corruption (Average of 2013-2018 state level convictions from the Justice Department). All these models include a lagged variable for prior corruption: average

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[162] Taking good care to normalize the state level statistic per 100 thousand habitants, according to the 2010 and 2020 census.
[163] where 2011-2020 vs 2000-2010 were correlated.
[164] Defined as the set of norms, procedures and institutions established to strengthen accountability.

of the previous 15 years of state level corruption (1999-2013). The pairing and context of dependent and independent variables is listed on the table below.

Table 20. Are lower levels of corruption associated with…

	Model	Independent Variables
1	… better Freedom of Information (FOIA)	FOIA (2013) by Better Government Association
2	… better Freedom of Information (FOIA)	FOIA (2015) by Center for Public Integrity
3	… a stronger Integrity Framework (IF)	IF (2013) by Better Government Association
4	… a stronger Integrity Framework (IF)	IF (2015) by Center for Public Integrity
5	… a stronger Integrity Framework (IF)	IF (2018) by SWAMP Index 2018
	Lagged Variable	Average of 15 years prior corruption at state level

(DV: Corruption 2013-2018)

These models assume that the strength of freedom of information and the integrity framework at a given time can impact on the level of corruption, verifiable on posterior measurements. Below, the figure 5 illustrates the sequence under test.

Moment 1	Moment 2	Moment 3
15 years of corruption at State Level (1999-2013). Normalized per 100 thousand		5 years of corruption at State Level (2014-2018). Normalized per100 thousand

FOIA 2013 by BGA
FOIA 2015 by CPI
IF 2013 by BGA
IF 2015 by CPI
IF 2018 by SWAMP
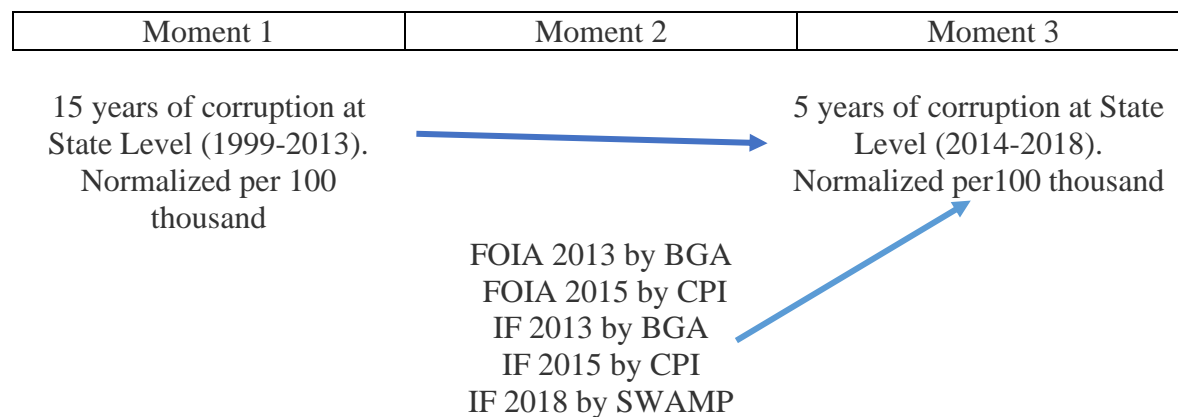
Figure 5. These assumptions will be tested under the following context…

6.7 Results and analysis of the American Case

After running the regression on all five models, and the ensuing analysis of their results, just like in the preceding case of Mexico, strength of freedom of information over present levels of corruption does not seem to be as relevant as expected. The first and second model tested such strength through FOIA indices developed by the Better Government Association and the Center for Public Integrity, and even though both models reported significance at the .01 level, with an R^2 of .307 for the first model, and an R^2 of .308 for the second one, a look at the t-test scores shows that in both cases, the lagged variable for prior corruption is accountable for such significance.

The set of norms and institutions labeled here as the Integrity Framework (IF), did not yielded impressive results either. The 3rd model, tested the *IF* developed by Better Government Association, reaching an R^2 of .350, significant the .01 level, but with a lagged variable solely accountable for such feat. The 4th model, tested another version of *IF*, developed by the Center for Public Integrity, achieving an R^2 of .302, also significant the .01 level, whose relevance, again, is again attributed to the lagged variable of prior corruption. Finally, the 5th model replicated the same results when testing an *IF* developed by the Coalition 4 Integrity, that is, an R^2 of .312, also significant at the .01 level, also at the expense of the lagged variable of prior corruption. Relevant scores, with the ensuing table of the OLS results can be appreciated on the following tables, whereas the formal write-up of results can be found as annex B.

Table 21. OLS Regression on the effects of Freedom of Information, Stronger Rule of Law, Low impunity, and Democratic Development

Dependent Variable: Rate of Corruption per 100K by INEGI (NSQGI 2019)

Dependent Variable Rate of corruption per 100K by INEGI (NSQGI_2019)	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
INOGDAI 2014/16	4.960 (211.174)	-86.529 (216.944)				19.811 (226.871)	8.429 (213.985)	3.708 (211.667)
IDAIM 2010/14 by FUNDAR		3869.668 (2474.418)						
Transparency Metrics 2010/14 by CIDE		7027.741 (30695.274)						
Budget Transparency 2009/17 by IMCO		3980.535 (20897.041)						
Rule of Law 2012 by IMCO			-103.285 (208.029)		-193.454 (230.486)	-101.149 (213.122)		
Rule of Law WJP 2016/18			-12952.642 (66495.619)			-14738.135 (70726.507)		
Impunity Index IGIMx 2016/18				137.674 (359.985)				
Index Democratic Develop. 2010/2018					-2828.153 (1248.076)			-1316.896 (1414.905)
Corruption 2001/2003 Transp Mex **[Control]**	1241.72** (370.691)	982.194** (406.451)	1137.014** (404.636)	1237.253** (260.552)	1027.669** (422.651)	1126.303** (429.874)	1233.968** (375.720)	1026.256** (437.627)
R^2	.290	.369	.300	.296	.311	.301	.297	.311
Adjusted R^2	.241	.248	.225	.248	.264	.197	.221	.237
Constant	11637.617** (10942.766)	-1226.773** (23526.557)	24388.834** (26303.277)	2495.416** (18313.309)	21340.27** (10954.471)	24066.39** (27035.524)	2076.027** (21463.680)	21164.40** (15002.360)
	n=32	n=32	n= 32	n=32	n= 32	n=32	n=32	n=32

*$p<0.10$; **$p<0.05$; *** $p< 0.01$; Standard errors in parentheses

Table 22. Relevant OLS scores of the models tested

	Model	R^2	Signif.	Constant	Regression Value B (IV1)	Lagged Corruption Unstandard B (std. error)	T-scores
Better FOIA							
1	IV: FOIA2013 BGA Better Govt Assoc.	.307	.000	.401 (.609)	-.596 (.951)	.247 (.057)	4.303 .000
2	IV: FOIA2015 CPI Center for Public Int.	.308	.000	.511 (.711)	-.009 (.013)	.248 (.057)	4.356 .000
Stronger Integrity Framework							
3	IV IF 2013 by BGA Better Government Assoc	.350	.000	2.014 (1.073)	-3.374 (1.790)	.239 (.055)	4.331 .000
4	IV: IF 2015 by CPI Center for Public Integrity	.302	.000	-.323 (2.019)	.006 (.032)	.254 (.057)	.000
5	IV: IF 2018 SWAMP Coalition 4 Integrity	.312	.000	-.358 (.586)	.811 (.923)	.260 (.057)	4.490 .000

* Dependent Variable: Corruption of last six years in record (2013-2018)
** Lagged Variable: Corruption from the previous 15 years (1999-2012)

The replication of the Mexican case under American settings and data has shown that a good way to determine actual figures and trends for corruption is to review their previous behavior; the most relevant factor in all cases was the lagged variable for previous corruption. Variations in corruption in both countries are extremely slow processes, and reforms aimed at accelerating that trend do not seem to work as expected, or at least not with the desirable speed.

Another important finding relates to the inertial pull of long-term influences over corruption. Literature discussed during the theoretical chapter of corruption indicated that countries with a Spanish colonial legacy were likely to have higher levels of corruption than those with an English colonial legacy. Both legacies also determine the kind of legal tradition adopted by a country (common law or Napoleonic model) and the prevalent religion (Protestant or Catholic). However, judging by the results on the American case, it can be noticed that corruption is an enduring feature of societies regardless of their historic and cultural backgrounds or at least that policy challenges can be expected in either scenario.

CHAPTER 7.   CONCLUSIONS

This dissertation was aimed to assess whether evidence of the alleged impact of transparency legislation or *integrity frameworks* over corruption could be estimated via their most prominent indices. Based on a quantitative analysis involving corruption and transparency indices at the state level both in Mexico and United States, it can be assumed that lower degrees of corruption are not necessarily associated with better freedom of information laws, institutional performance enforcing them or an improved *integrity framework*. While transparency policies yield undeniably benefits for governance and institutions, the specific degree by which better design or enforcement impacts the metrics of corruption[165], awaits to be undisputedly corroborated.

The aim to determine specific effects of transparency over corruption demanded sufficient data measuring both the policy and the phenomena at similar intervals, over two different contexts, with significant institutional similarity, and yet relevant nuances. A notable resemblance between the institutional features of the United States and Mexico (Presidential, Republican, Federalist, Bicameral) and the availability of yearly, subnational statistics on corruption and transparency, motivated their selection as cases fit for analysis under the "method of agreement" developed by Mill.

Once the cases were selected and associated data was sufficiently organized, a choice had to be made on which statistical methods could best serve the purpose of assessing the nature of the relationship between dependent and independent variables, hence the choice for Ordinary Least Squares Regression and Correlation.

Variables embodying corruption, transparency, and what was labeled here *as freedom of information framework* or *integrity framework[166]*, had to contain sufficient observations, at subnational level, as to allow a reliable analysis of their effects within their country, as well as feasible comparison with their most-similar correlate. Tables below lists those indices selected for such purpose, as well as their respective years.

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[165] As tracked via noteworthy indices
[166] The first for Mexico´s case, the second for the United States

Table 23. Dependent and independent variables used to test the power of FOIA over corruption in both countries

Variables	México	United States
DV: Corruption	National Survey for Quality of Government INEGI-2019	State level Convictions for breaches of public trust of the last five years / Department of Justice
IV: Transparency	Average of INOGDAI 2016 2019[167]	FOIA Index (2013) BGA FOIA Index (2015) CPI

If freedom of information by itself is a genuine deterrent of corruption, it could also be expected that, in the presence of reinforcing variables, its power should be invigorated; to estimate whether this assumption holds water, this dissertation framed the concepts of *Freedom of Information Framework* and *Integrity Framework*, as engulfing categories including those variables presented in the table below. These frameworks were regressed against corruption, both by themselves as well as in conjunction with freedom of info. Regrettably, the poor scores attained forbid to assume that there is a foreseeable invigorating effect for transparency when accompanied by those frameworks, either for the case of Mexico or the United States.

Table 24. Freedom of Information Framework (FOIF) and Integrity Framework (IF)

Index	Components		
Mexico / FOIF	Rule of Law Index 2012, by IMCO Rule of Law Index 2018, by World Justice Project Impunity Index 2016 and 2018, by Universidad de las Americas Index of Democratic Development 2010-2020, by Konrad Adenauer Foundation		
USA / IF	Integrity Index BGA	State Integrity Index CPI	SWAMP Index Coalition 4 Integrity
	Whistleblower prot. Campaign Finance Open Meetings Conflicts of Interest Gifts, Trips, Honoraria	Electoral Oversight Political Financing Executive, Legislative and Judicial Accountability State Budget Process State Civil Service Procurement Internal Auditing Lobbying Disclosure Ethics Agency	Ethics agency Independent & with punishing power Tenured Gifts limits Disclosure of conflicts of Interest, and client names of Legislators

[167] INOGDAI is the Spanish acronym standing for National Index of Transparency Agencies and Access to Information.

7.1   The Mexican Case

Although this dissertation mirrors a couple of countries in their respective quests for controlling corruption, a proper analysis of the Mexican case has always been the underlying motive behind this effort; hence the enhanced focus on it, the inclusion of more models, and testing of additional hypothesis regarding political dispositions towards reform, evident on allotted budgets and legislative swiftness of reforms.

Eight models were deployed for the Mexican case, the first one tested the effect of the FOIF by itself, after that, a variation of it (model 2) tested whether extended periods of time strengthened FOIF; stronger rule of law, lower levels of impunity and higher levels of democratic development were later tested as the models 3, 4, and 5. Then each of those variables was paired with the original FOIF, aiming to determine by how much would they strengthen –if such was the case—freedom of information. A list of these models can be appreciated in the table below.

Table 25. Are lower levels of corruption associated with…

Model 1	…a better freedom of information framework?
Model 2	…the compounded effect over time of a better freedom of information framework?
Model 3	… a stronger rule of law?
Model 4	... lower levels of impunity?
Model 5	… higher levels of democratic development?
Model 6	…a stronger freedom of information framework when accompanied by strong rule of law?
Model 7	…a stronger freedom of information framework when accompanied by low levels of impunity?
Model 8	…a stronger freedom of information framework when accompanied by enduring democratic development?

Certainly, lofty expectations on the power of transparency reforms were not endorsed by this analytical effort, it still seemed reasonable to encounter at least moderate effects, verifiable via some modest reaction over corruption indicators; however, such was not the case. Significance of all those models was heavily carried by the lagged variable of prior corruption. In view of these results, under the methodology and variables employed, it is hard to assert that transparency has a significant and verifiable effect over corruption, either by itself, or in company of selected variables such as rule of law, impunity levels, democratic development.

When neither of those institutional variables showed relevance, it was time to explore de-facto variables such as a favorable political disposition towards transparency and accountability. Political disposition was coded as the swiftness of state legislation in adopting the federal mandate by producing the state law that ought to be compliant with federal standards; thus, the faster the local Congress´ approval, the stronger the alleged disposition. Given the sway traditionally exerted by governor´s over local congressmen, this swiftness could also be interpreted as a favorable political disposition from the most powerful person in that state. However, the correlation analysis conducted to test faster approval and lower corruption did not showed significance allowing to suggest a relevant relationship between them.

Another way to gauge political disposition could be found on the budget allocated to key institutions such as Transparency Agencies and the Audit Agency; both enjoy technical autonomy and a remarkable institutional leverage for their mandates. The yearly budget, however, is an Executive´s proposal, discussed and eventually amended in the Legislative; therefore, there is room to question if higher budgets for key anti-corruption agencies are correlated with lower corruption scores in Mexican states. This approach could serve not only to test political disposition, but also to assess effectiveness (budget-wise) of these key agencies and help to find out if heftier budgets lead to superior enforcement and results. Nonetheless, the correlation analysis between corruption levels and proportional budgets[168]for agencies, did not showed any significant relationship (as we can see tables 9 to 11).

7.2   The American Case

The American and Mexican cases resulted strikingly similar. The first relevant similarity relates to corruption stability in both countries, as it can be seen by comparing correlations of previous and current corruption. A correlation contrasting the last two decades of corruption metrics in both cases –Mexico and the US—confirmed that the best predictor of current corruption is its preceding stance, thus reinforcing the theory of a glacial movement of corruption, regardless well intended policies. In Mexico the Pearson correlation yielded a score of .505 whereas in the United States reached .645, both significant at the .03 and the at the .01, respectively.

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[168] Budgets were normalized in a proportional manner, given the high disparity between Mexican states and their respective budgets.

Models of the American case tested a couple of indices measuring Freedom of Information and three more indices measuring what was labeled here as the Integrity Framework. Five models in total, each with their respective index, ended at the same point: R^2 scores as unimpressive[169]as its Mexican counterpart, whose weight was carried, almost exclusively by the lagged variable of prior corruption.

Table 26. Are lower levels of corruption (DV) is associated with…

	Model	Independent Variables
1	better Freedom of Information (FOIA)	FOIA (2013) by Better Government Association
2	better Freedom of Information (FOIA)	FOIA (2015) by Center for Public Integrity
3	a stronger Integrity Framework (IF)	IF (2013) by Better Government Association
4	a stronger Integrity Framework (IF)	IF (2015) by Center for Public Integrity
5	a stronger Integrity Framework (IF)	IF (2018) by SWAMP Index 2018

7.3 Matters worth discussing further

These results are somewhat puzzling because, theoretically at least, transparency diminishes opacity and by doing so, increases reputational costs of those parties involved and, more importantly, enhances the viability of prosecution.

Transparency has long been promoted as an essential tool against corruption, and evidently has plenty benefits for the health of democratic regimes, far beyond corruption control; however, its effect is not as apparent as it has been vehemently claimed. Explanations behind these results - or lack thereof, deserve further discussion; the most evident, suggests that transparency is not as powerful tool to deter corruption in a significant manner, or that such impact depends on other unaccountable variables and context, over longer periods of time.

Considering those two hypotheses, another look to the table 14 results enlightening, because by looking at the scores of Corruption Perception Index for the Mexican and American cases, we see that over the last twenty-five years (1995—2020), grades of both nations remain rather stable. On a scale of 10, Mexico´s grades fluctuate between 2.8 and 3.7; similarly, grades of

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[169] Ranging between .307 and .350.

the United States oscillate between 6.7 and 7.8. Grades go up and down without a discernable pattern, and without drastic jumps or descents, usually moving to adjacent decimal points.[170]

This appreciation asserts the point that corruption is an extremely stable phenomenon, and that it may take several decades to appreciate significant improvement or deterioration. The last twenty-five years have witnessed unprecedented interest, policy and research on this topic, multiple reforms have been enacted in several countries, and yet corruption remains basically at the same level, at least in the two cases analyzed here. This does not imply that transparency is meaningless for public life, quite the contrary transparency does deliver plenty benefits for contemporary governance, both in the public and private sectors, however, originally overblown expectations are now a burden over its credibility.

There is also room for a counterfactual argument, if spite all these reforms and institutions corruption runs as rampant as it does, perhaps without them, the status quo could fare far much worse.

Long term factors influencing corruption, such as culture, religion, and colonial legacies, are forces deeply entrenched within the fabric of a society, and in a way accountable for what a particular nation is --for better or worse. Efforts to strip a group of people from their essence is not only futile but deeply authoritarian. Nonetheless, there should be a discussion on which cultural nuances are more permissive of corruption and ways to evolve beyond them, in a healthy way.

It should be noted however, that in both cases, institutional features and reforms were not as powerful as expected in fending of corruption; two countries with different colonial heritages[171] arrive at the same result. Evidently, these forces exert an important sway, but they are by no means determinant.

It takes more than transparency, was deemed a proper title for this analytical effort, because in this case, as in many others, it is important to keep in mind that necessary and sufficient cause are quite different concepts for a good reason. If we are ever to cause a significant dent over corruption, globally or locally, transparency will be essential for sure, whenever empowered by a fierce commitment to accountability, fairness, and justice.

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[170] The score system of the Corruption Perception Index of Transparency International was originally based on a scale of 1-10, and modified into a scale from 1-100 since 2011, but grades remain equivalent, in order to avoid confusion, they were mentioned here as if the scale had not been altered, yet results are equivalent.
[171] and the ensuing religious and legal byproducts brough by the Spanish or English influences.

Methodological caveats could also be a reason behind the observed results. Corruption is indeed a shadow phenomenon, hard to observe and measure, and the sources for the independent and dependent variables have been called into question before. Perception indices, for example, have an intrinsic degree of subjectivity, and conviction rates are a suboptimal proxy that could have a dual interpretation: lower conviction rates for corruption does not automatically imply a diminished presence of this phenomenon, it could also mean a minor zeal or efficacy on part of the authorities. Spite limitations of these indices, they have been two of the most sought-after representations for corruption. Even if they precise some caution in their use, they still have provided valuable insights for this phenomenon over the years.

Other methodological issues begging for further research include separate measurements of actual occurrence of corruption, apart from measurement of institutional efforts and readiness to tackle it. This is of course easier said than done being corruption a shadow phenomenon, always elusive and hard to account for. There is also ample room for improvement on the study of policy efficacy and the context fostering better results, separating preventive measures from normative enforcement.

Variables accounting for transparency also have weak spots worth considering. An adequate or superior design of a freedom of information law means little in states with poor rule of law and flawed enforcement, Mexico falls into that category. Paradoxically, Mexican freedom of information law was ranked in 2016 as the best in the world by the Global Right to Information Rating (GRTI), issued by the Center for Law and Democracy[172]. Currently, Mexico holds the second position of this index of 112, right after Afghanistan; this last update places Austria as the country with the worst Right to Information Law, followed closely by Germany. The discrepancy between these results and global corruption rankings expectedly raises eyebrows, and that is why is important to look closely at what the authors mention within the methodology section: "*It is important to note that the RTI Rating is limited to measuring the legal framework and does not measure quality of implementation. In some cases, countries with relatively weak laws may nonetheless be very open, due to positive implementation efforts, while even relatively strong laws cannot ensure openness if they are not implemented properly*"[173].

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[172] Directed by Toby Mendel, based in Halifax Canada
[173] https://www.rti-rating.org/methodology/

In all fairness, it should be noted that superior normative design of Mexican freedom of information is closely matched by the zeal of those autonomous institutions in charge of promoting and defending such a right. The proactive online catalogue of public information, and the ensuing penalties endured by those departments and agencies failing to update public information, are both remarkable features that have received international acknowledgement. However, just as important as having access to information is what kind of consequences does it trigger for those betraying public trust and abusing public coffers. Perhaps, the poor correlation scores between transparency and corruption are not an open indictment to the value of transparency but to the lack of enforcement.

While these conclusions may cast a shadow over the power of Transparency as an almighty medicine able to cure most illnesses of the public life, the original intention of this effort is to acknowledge that it takes more than transparency to effectively deter corruption on a more noticeable manner, strongly enough as to cause a dent on corruption perceptions indices, and more importantly, on actual corruption itself.

This is not an indictment against an undelivered promise from transparency, a promise than in any case transparency never did by itself, but a call to develop more and better ways to measure the impact of anticorruption policies and the verifiable effect of institutions and norms over corruption, transparency among them.

APPENDIX A. WRITE UP OF AND OLS RESULTS TABLE OF CHAPTER 5 MODELS

Model 1. Lower levels of corruption are associated with a better freedom of information framework.

> ***Dependent Variable:*** *Last edition (2019) of the National Survey of Quality and Governmental Impact by INEGI.*

> ***Independent Variable:***

> - Average of 2014-2016 edition of INOGDAI (National Index of Transparency Agencies and Access to Information)

> ***Lagged Variable:***
> - Average of 2001 and 2003 editions of the Corruption Index by Transparencia Mexicana.

> ***Hypotheses:***

>> H_0: An improved freedom of information framework is not associated with lower levels of corruption.

>> H_a: An improved freedom of information framework is associated with lower levels of corruption

> ***Report***

A linear regression was calculated to predict Corruption at a given year (2019) based on the strength of a Freedom of Information Framework (according to the INOGDAI 2014_2016 Index). The equation found for the model was: ($F_{(2, 29)}$ = .5.915, p < .007, with an R^2 of .290. Predicted Corruption at 2019 is equal to 11637.61 + 4.960 (INOGDAI 2014-2016) + 1241.72 (lagged corruption 2001/2003) where the Freedom of Information Framework (FOI) 2014-2016 by INOGDAI is coded or measured as a scale ranging from 0 to 100, the highest the better FOI, and where the lagged variable for corruption is coded or measured as a scale ranging from o to 100, the highest value, the most corrupt.

However, when revising the t-test scores, it can be appreciated that the weight of this significance is heavily carried by the lagged variable of prior corruption (.002) instead of the Freedom of Information framework (.981). Given these results, under the available data and through this model, it is not possible to affirm that a strong freedom of information framework by itself has a noticeable effect over corruption levels.

Model 2. Lower levels of corruption are associated with the compounded effect over time from an improved information framework

Dependent Variable: Last edition (2019) of the National Survey of Quality and Governmental Impact by INEGI.

Independent Variables:

- Average of 2014-2016 edition of INOGDAI (National Index of Transparency Agencies and Access to Information) +
- Average of 2010 to 2014, Transparency Measurements by Transparency Metrics (TM2010-2014) +
- Average of 2010-2014, Access to Information Index (IDAIM 2014-2015) +
- Average of 2014-2018, Budget Transparency Index (BT_ 2014-2018)

Lagged Variable: Average of 2001 and 2003 editions of the Corruption Index by Transparencia Mexicana.

Hypotheses:

H_0: The compounded effect over the years from an improved freedom of information framework is not associated with lower levels of corruption.

H_a: The compounded effect over the years from an improved freedom of information framework is associated with lower levels of corruption.

Report

A multiple linear regression was calculated to predict Corruption at a given year (2019) based on the strength of a Freedom of Information Framework (according to the average of the INOGDAI 2014-2016 edition), as well as on the average strength of transparency as measured by three concurring indices: Metrics of Transparency by CIDE (2010-2014 average), Access to Information Index (2014 – 2015 average) and Budget Transparency Metrics by IMCO (2009-2017).

The relationship tested by the model did not result significant, spite of its p-value. The regression equation found: ($F_{(5, 26)} = 3.047$, $p < .027$, with an R^2 of .369, predicted that Corruption at 2019 is equal to -11226.77 – 86.52 (INOGDAI 2014_2016 as IV1) + 7027.74 (Transparency Metrics 2010-2014 as IV2) + 3869.86 (Access to Information Index, IDAIM 2014-2015 as IV3) + 3980.535 (Budget Transparency Metrics, BTM 2009-2017 as IV4) + 982.194 (lagged corruption 2001/2003).

Where INOGDAI 2016 (IV1) is coded or measured as a scale ranging from 0 to 100, the highest the better FOI; where TM (IV2) is coded or measured as four decimals´ scale where the better transparency standard is that closest to the unit; where IDAIM (IV3 is coded or measured as a 0-10 scale, the highest the better FOI; and where BTM (IV4) is coded or measured as a scale of 1 to 100, where the highest value represents the highest transparency;

and where the lagged variable for corruption is coded or measured as a scale ranging from o to 100, the highest value, the most corrupt.

However, after verifying the t-test scores, it can be appreciated that the weight of this significance is significantly carried by the lagged variable of prior corruption (.023) instead of INOGDAI (.693), Transparency Metrics-TM (.821), IDAIM (.130), and Budget Transparency Metrics (BTM by IMCO) (.850).

Thus, given the results, under the available data through this model, it is not possible to affirm that a strong freedom of information has a noticeable effect over corruption levels, even considering the whole catalogue of indices available to measure diverse features of transparency at state level in Mexico.

Then, if lower corruption patterns cannot be necessarily explained by stronger transparency frameworks, neither at their most current measurement of 2014/2016, nor over a sizeable amount of time such as the full second decade of this century, then how salient are other variables? How important is the degree of impunity, the strength of rule of law, or democratic development of a given state? Following models attempt to answer this question.

Model 3. Lower levels of corruption are associated with stronger rule of law

Dependent Variable: *Last edition (2019) of the National Survey of Quality and Governmental Impact by INEGI.*

Independent Variables:

- Rule of Law Index 2012, by Mexican Institute for Competitiveness (IMCO2012)

- Rule of Law Index 2018, by World Justice Project (WJP 2018)

Lagged Variable Average of 2001 and 2003 editions of the Corruption Index by Transparencia Mexicana.

Hypotheses:

H₀: Stronger rule of law is associated with lower levels of corruption.

Hₐ: Stronger rule of law is not associated with lower levels of corruption

Report

A multiple linear regression was calculated to predict Corruption at a given year (2019) based on the strength of the prevailing Rule of Law, according to the Rule of Law Index by IMCO 2012, as well as on the Rule of Law Index 2018 by World Justice Project. The relationship did result significant, spite of its p-value. The regression equation: $F(3, 28) = 4.008$, $p < .017$, with an R^2 of .300, predicted Corruption at 2019 is equal to 24388.83 − 103.285 (IMCO 2012 as IV1) − 12952.64 (WJP 2016/2018 as IV2) + 1137.014 (lagged variable for corruption 2001/2003).

Where Rule of Law (2012) by IMCO is coded or measured as a scale ranging from 0 to 100, where the highest the number the strongest the rule of law at a given state; likewise, Rule of Law (2016/2018) by the World Justice Project is coded or measured as a two decimal´s scale where the strongest rule of law at a given state is the closest to one, and where the lagged variable for corruption is coded or measured as a scale ranging from o to 100, the highest value, the most corrupt.

Spite of the slight significance of the model, a careful look at the t-test scores show that the weight of this significance is heavily carried by the lagged variable of prior corruption (.009) instead of either Rule of Law by IMCO (.624) or rule of law by WJP (.847). Therefore, under the features and variables of this model, it is not possible to affirm that the strength of rule of law at a given state exerts a significant pull over corruption.

Model 4. Lower levels of impunity are associated with lower levels of corruption

> ***Dependent Variable:*** *Last edition (2019) of the National Survey of Quality and Governmental Impact by INEGI.*

> ***Independent Variables:***

> - Global Index of Impunity Mexico, Average of 2016 and 2018 editions, by BUAP[174] (IGIMX 2016-2018)

> **Lagged Variable:** Average of 2001 and 2003 editions of the Corruption Index by Transparencia Mexicana.

> ***Hypotheses:***

> - H_0: Lower impunity is associated with lower levels of corruption.

> - Ha: Lower impunity is associated with lower levels of corruption.

> ***Report***

A multiple linear regression was calculated to predict Corruption at a given year (2019) based on the degree of impunity observable at a given state, according to the average of two consecutive editions of the Impunity Index (IGIMX 2016_2018). The following regression equation was found: ($F_{(2, 29)} = 6.111$, $p < .006$, with an R^2 of .296, predicting that Corruption at 2019 is equal to 2495.41 + 137.67 (IGIMx 2016/18 as IV1) + 1237.25 (Lagged variable for corruption 2001/2003).

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[174] Benemérita Universidad de las Américas, Puebla, México.

Where impunity, is coded or measured as a scale ranging from 0 to 100 where the highest values represent the lower impunity at a given state, and where the lagged variable for corruption is coded or measured as a scale ranging from o to 100, the highest value, the most corrupt.

Spite of the slight significance of the model, a revision of the t-test scores shows that the weight of this significance is heavily carried by the lagged variable of prior corruption (.002) instead of the impunity variable IGIMx2016/18 (.601). Intuitively, corruption and impunity should go hand in hand, and higher levels of impunity offer an incentive for corrupt transactions; however, under the approach suggested by this model and its variables impedes to affirm the existence of a significant relationship, regardless of what intuition hints.

Model 5. Lower levels of corruption are associated with the compounded effect over time of democratic development

Dependent Variable: Last edition (2019) of the National Survey of Quality and Governmental Impact by INEGI.

Independent Variable:

- Average of Democratic Development indices 2010-2019 (IDD 2010-2019)

Lagged Variable Average of 2001 and 2003 editions of the Corruption Index by Transparencia Mexicana.

Hypotheses:

- **H_0**: The compounded effect of democratic development over the years is not associated with lower levels of corruption.
- **H_a:** The compounded effect of democratic development over the years is associated with lower levels of corruption.

Report

A linear regression was calculated to predict Corruption at a given year (2019) based on the degree of democratic development, over time, observable at a given state, according to the average of nine observations across the same number of years, as measured by the Democratic Development Index. The relationship tested by the model yielded the following regression equation: ($F_{(2, 29)} = 6.546$, $p < .005$, with an R^2 of .311, and predicted Corruption at 2019 is equal to 21340.27 – 1317.053 (Democratic Development Average as IV1) + 1027.669 TMx (Lagged variable for corruption 2001/2003).

Where Democratic Development is coded or measured as a scale ranging from 0 to 10, whose higher scores signal equally higher echelons of advancement, and where the lagged variable for corruption is coded or measured as a scale ranging from o to 100, the highest value, the most corrupt. Spite of the slight significance of the model, the t-test scores also

shows that the weight of this significance is heavily carried by the lagged variable of prior corruption (.002) instead of the impunity variable IGIMx2016/18 (.601)

Democratic development was measured consistently at state level over the whole second decade of this century, it should make sense that states with higher regard for democratic rule and stronger institutions ought to be more resilient to the influence of corruption, thus showing lower scores; nonetheless, significance is rather poor just as the R^2 scores. This also a counterintuitive finding.

Thus, if neither low impunity, stronger rule of law or enduring democratic development by themselves seem relevant enough to explain the behavior of corruption indices, nor do the strength of transparency frameworks, then what would happen if these variables acted combined? Aiming to determine which combination could yield better results, an OLS regression test for these pairings was conducted:

Freedom of information framework + strong rule of law

Freedom of information framework + low impunity

Freedom of information framework + enduring democratic development

Model 6. Lower levels of corruption are associated with a better freedom of information framework, when accompanied by strong rule of law

Dependent Variable: *Last edition (2019) of the National Survey of Quality and Governmental Impact by INEGI.*

Independent Variables:

- Average of 2014-2016 edition of INOGDAI (National Index of Transparency Agencies and Access to Information) +
- Rule of Law Index 2012, by Mexican Institute for Competitiveness (IMCO2012) +
- Average of Rule of Law Index 2016- 2018 editions, by World Justice Project (WJP 2018)

Lagged Variable: Average of 2001 and 2003 editions of the Corruption Index by Transparencia Mexicana.

Hypotheses:

- **H$_0$**: An improved freedom of information framework is not associated with lower levels of corruption, even in the company of stronger rule of law.
- **H$_a$:** An improved freedom of information framework is associated with lower levels of corruption, particularly when accompanied by a strong rule of law.

Report

A multiple linear regression was calculated to predict Corruption at a given year (2019) based on the strength of a Freedom of Information Framework (according to the average

of 2014_2016 editions of the INOGDAI Index), as well as on the strength of the prevailing rule of law in a given state, according to the Rule of Law Index by IMCO 2012, also based on the Rule of Law Index by World Justice Project (2016-2018 average). The relationship tested by the model was not found significant, spite of its p-value. The regression equation: ($F_{(4, 27)}$ = 2.901, $p < .041$, with an R^2 of .301, predicted that Corruption at 2019 is equal to 24066.39 + 19.811 (INOGDAI 2014_2016 as IV1) − 101.149 (IMCO2012 as IV2) - 14738.13 (WJP 2016/2018 as IV3) + 1126.303 TMx (Lagged variable for corruption 2001/2003)

Where INOGDAI 2014-2016 (IV1) is coded or measured as a scale ranging from 0 to 100, the highest the better FOI; where Rule of Law 2012 by IMCO (IV2) is coded or measured as a scale ranging from 0 to 100, where the highest the number the strongest the rule of law at a given state; likewise, Rule of Law_2018 (IV3) by the World Justice Project is coded or measured as a two decimal´s scale where the strongest rule of law at a given state is the closest to one. Where the lagged variable for corruption is coded or measured as a scale ranging from o to 100, the highest value, the most corrupt.

Spite of the slight significance of the model, a look at the t-test reveals that, again, its weight is heavily carried by the lagged variable of prior corruption (.014) instead of the Freedom of information Framework, INOGDAI (.931) Rule of Law by IMCO2012 (.639) or Rule of Law by the World Justice Project (.836). After testing separately strength of Freedom of Information and the influence of rule of law over corruption to no avail, seemingly a pairing of both elements remains just as ineffective, at least under the settings of this model and its ensuing variables.

Model 7. Lower levels of corruption are associated with a better freedom of information framework, when accompanied by low impunity

Dependent Variable: *Last edition (2019) of the National Survey of Quality and Governmental Impact by INEGI.*

Independent Variables:

- Average of 2014-2016 edition of INOGDAI (National Index of Transparency Agencies and Access to Information) +
- Global Index of Impunity Mexico, Average of 2016 and 2018 editions, by BUAP[175] (IGIMX 2016-2018)

Lagged Variable: Average of 2001 and 2003 editions of the Corruption Index by Transparencia Mexicana.

Hypotheses:

- **H0**: An improved freedom of information framework is not associated with lower levels of corruption, even in the presence of low impunity.

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[175] Benemérita Universidad de las Américas, Puebla, México.

- **H$_a$:** An improved freedom of information framework is associated with lower levels of corruption, particularly when accompanied by a low impunity.

Report

A multiple linear regression was calculated to predict Corruption at a given year (2019) based on the strength of a Freedom of Information Framework (according to the average of the INOGDAI 2014-2016 Index), interacting with the degree of impunity observable at a given state, according to the Impunity Index (IGIMX 2016_2018 average). The relationship was not found significant, spite of its p-value. The regression equation: ($F_{(3, 28)} = 3.934$, $p < .018$, with an R^2 of .297, predicted Corruption at 2019 is equal to 2076.027 + 8.429 (INOGDAI 2014_2016 as IV1) +138.00 (IGIMX as IV2) + 446.787 (WJP 2018 as IV3).

Where INOGDAI 2014_2016 (IV1) is coded or measured as a scale ranging from 0 to 100, the highest the better access to information, where impunity, both at 2016 and 2018, is coded or measured as a scale ranging from 0 to 100 where the highest values represent the lower impunity at a given state, and where the lagged variable for corruption is coded or measured as a scale ranging from o to 100, the highest value, the most corrupt.

Spite of the slight significance of the model, and just like its predecessors, a look at the t-test reveals that the weight of this significance is heavily carried by the lagged variable of prior corruption (.003) instead of the Freedom of information Framework, INOGDAI (.969) or the degree of impunity IGIMx (.607)

Like the preceding model, variables included in this one where previously tested separately and neither an invigorated FOI Framework nor lower levels of impunity showed any significant impact over corruption statistics; similarly, their combination turned inconsequential, providing ground to affirm that the interaction of freedom of information and lower levels of impunity, under the data and model employed, showed no difference.

Model 8. Lower levels of corruption are associated with a better freedom of information framework, when accompanied by enduring democratic development

Dependent Variable: Last edition (2019) of the National Survey of Quality and Governmental Impact by INEGI.

Independent Variables:

- Average of 2014-2016 edition of INOGDAI (National Index of Transparency Agencies and Access to Information) +
- Average of Democratic Development indices 2010-2019 (IDD 2010-2019)

Lagged Variable Average of 2001 and 2003 editions of the Corruption Index by Transparencia Mexicana.

Hypotheses:

- **H$_0$**: An improved freedom of information framework is not associated with lower levels of corruption, even in the presence of low impunity.
- **H$_a$:** An improved freedom of information framework is associated with lower levels of corruption, particularly when accompanied by a low impunity.

Report

A multiple linear regression was calculated to predict Corruption at a given year (2019) based on the strength of a Freedom of Information Framework (according to the INOGDAI 2014 2016 Index average), interacting with the aggregated effect of several years of democratic development (according to the average of nine years' worth of observations measured by the Democratic Development Index). The relationship tested by the model was not found significant. Its regression equation: (F $(3, 28)$ = 4.214, p < .014, with an R^2 of .311, predicted Corruption at 2019 is equal to 21164.405 + 3.708 (INOGDAI 2014-2016 as IV1) – 1316.896 (IDD Average as IV2).

Where INOGDAI 2014_2016 (IV1) is coded or measured as a scale ranging from 0 to 100, the highest the better access to information. Where Democratic Development (IV2) is coded or measured as a scale ranging from 0 to 10, whose higher scores signal equally higher echelons of advancement. Where the lagged variable for corruption is coded or measured as a scale ranging from o to 100, the highest value, the most corrupt.

Spite of the modest significance of the model, a look at the t-test reveals that the weight of this significance is heavily carried by the lagged variable of prior corruption (.003) instead of the Freedom of information Framework, INOGDAI (.986) or the degree of democratic development IDD (.360).

Results from this model suggest that the interaction between strengthened freedom of information and higher democratic development, just like its predecessors, make no difference on terms of the level of corruption.

APPENDIX B. WRITE UP AND OLS RESULTS TABLE OF CHAPTER 6 MODELS

Model 1. Lower levels of corruption are associated with stronger freedom of information legislation (FOIA component of BGA Index)

Hypotheses:

- **H_0**: Strong Freedom of Information **is not** associated with lower levels of corruption.
- **H_a:** Strong Freedom of Information **is** associated with lower levels of corruption.

Dependent Variable: Corruption at state level over the last five years (2014-2018, total) as measured by statistics from the Public Integrity Section of the Department of Justice (rate by 100,000 for size normalization)

Independent Variables:

- Integrity Index 2013_Better Government Association, FOIA component.

- Corruption statistics from 15 years prior: 1999-2013 (rate by 100,000 for state-size normalization).

Report, model 1

A multiple linear regression was calculated to predict Corruption of a given five-year period: 2014-2018 based on Freedom of Information (according to BGA 2013 Index), and preexisting corruption from the previous fifteen years (1999-2013). However, the relationship resulted not significant, according to its regression equation: ($F_{(2, 47)}$ = 10.404, $p < .000$, with an R^2 of .307. Predicted Corruption (2013-2018) is equal to .401 - .596 (FOIA 2013 by BGA) + .247 (corruption of 15 years prior), where FOIA by BGA2013 is coded or measured as a scale ranging from .0000 to 1.0, where 1.0 represents an ideal FOIA, and corruption of 15 years prior is coded or measured as the number of convictions for abuse of public trust within a given state, then normalized on an index by 100,000, to make states with divergent population size comparable.

The model lacked sufficient explanatory power of the relationship among variables to claim a significant effect. Although freedom of information has an intuitively plausible effect over corruption deterrence because of the increased risk of exposure for corrupt or irregular transactions, the explanatory power of this model resulted insufficient to prove such assertion.

Model 2. Lower levels of corruption are associated with stronger freedom of information legislation (FOIA component of CPI Index)

Hypotheses:

- **H$_0$**: Strong Freedom of Information **is not** associated with lower levels of corruption.
- **H$_a$:** Strong Freedom of Information **is** associated with lower levels of corruption.

Dependent Variable: Corruption at state level over the last five years (2014-2018, total) as measured by statistics from the Public Integrity Section of the Department of Justice (rate by 100,000 for size normalization)

Independent Variables:

- State Integrity Index 2015_Center for Public Integrity, FOIA component.

- Corruption statistics from 15 years prior: 1999-2013 (rate by 100,000 for state-size normalization)

Report model 2

A multiple linear regression was calculated to predict Corruption of a given five-year period: 2014-2018 based on Freedom of Information (according to FOIA CPI Index of 2015), and preexisting corruption from the previous fifteen years (1999-2013). However, the relationship resulted not significant, according to its regression equation: (F $(2, 47)$ = 10.459, p < .000, with an R^2 of .308. Predicted Corruption (2013-2018) is equal to .511 – .009 (FOIA 2015 by CPI) + .248 (corruption of 15 years prior), where FOIA by CPI2015 is coded or measured as a scale ranging from 0 to 100, where 100 represents an ideal FOIA, and corruption of 15 years prior is coded or measured as the number of convictions for abuse of public trust within a given state, then normalized on an index by 100,000, to make states with divergent population size comparable.

Just like the previous model, the model 2 lacked sufficient explanatory power of the relationship among variables to claim a significant effect. Although freedom of information has an intuitively plausible effect over corruption deterrence because of the increased risk of exposure for corrupt or irregular transactions, the explanatory power of this model resulted insufficient to prove such assertion, with similar scores.

Model 3. A stronger integrity framework is associated with lower levels of corruption (BGA Index)

Hypotheses:

- **H_0**: A stronger integrity framework **is not** associated with lower levels of corruption.
- **H_a:** A stronger integrity framework **is** associated with lower levels of corruption.

Dependent Variable: Corruption at state level over the last five years (2014-2018, total) as measured by statistics from the Public Integrity Section of the Department of Justice (rate by 100,000 for size normalization)

Independent Variables:

- "Integrity framework" of Integrity Index 2013_Better Government Association.

- Corruption statistics from 15 years prior: 1999-2013 (rate by 100,000 for state-size normalization)

Report, model 3

A multiple linear regression was calculated to predict Corruption of a given five-year period: 2014-2018 based on the strength of an Integrity Framework (according to Integrity Index 2013 by BGA) and preexisting corruption from the previous fifteen years (1999-2013). However, the relationship resulted not significant, according to its regression equation: ($F_{(2, 47)}$ = 12.665, $p < .000$, with an R^2 of .350. Predicted Corruption (2013-2018) is equal to 2.014 – 3.374 (FOIA 2015 by CPI) + .239 (corruption of 15 years prior), where the Integrity Framework (IF) 2013 by BGA is coded or measured as a scale ranging from .0000 to 1.0, where 1.0 represents an ideal IF, and corruption of 15 years prior is coded or measured as the number of convictions for abuse of public trust within a given state, then normalized on an index by 100,000, to make states with divergent population size comparable.

In the same fashion of the previous 2 models testing alternative indices of FOIA, the model for a strong Integrity Framework as a nice predictor for lower corruption lacked sufficient explanatory power of the relationship among these variables to claim a significant effect. Clearly a set of sound norms and regulations aimed at curtailing the dynamics of corrupt transactions could only have a salutary effect over this phenomenon, however that fact cannot be appreciated under the design and settings of the present model.

Model 4. A stronger integrity framework is associated with lower levels of corruption (CPI Index)

Hypotheses:

- H_0: A stronger integrity framework **is not** associated with lower levels of corruption.
- H_a: A stronger integrity framework **is** associated with lower levels of corruption.

Dependent Variable: Corruption at state level over the last five years (2014-2018, total) as measured by statistics from the Public Integrity Section of the Department of Justice (rate by 100,000 for size normalization)

Independent Variables:

- "Integrity framework" of State Integrity Index 2015_Center for Public Integrity.

- Corruption statistics from 15 years prior: 1999-2013 (rate by 100,000 for state-size normalization).

Report, model 4

A multiple linear regression was calculated to predict Corruption of a given five-year period: 2014-2018 based on the strength of an Integrity Framework (according to Center for Public Integrity Index 2015) and preexisting corruption from the previous fifteen years (1999-2013). However, the relationship resulted not significant, according to its regression equation: ($F_{(2, 47)} = 10.152$, $p < .000$, with an R^2 of .302. Predicted Corruption (2013-2018) is equal to -3.23 + .006 (Integrity Framework by CPI Index 2015) + .254 (corruption of 15 years prior), where the Integrity Framework (IF) 2015 by BGA is coded or measured as a scale ranging from 0 to 100, where 100 represents an ideal IF, and corruption of 15 years prior is coded or measured as the number of convictions for abuse of public trust within a given state, then normalized on an index by 100,000, to make states with divergent population size comparable.

Interpretation

The case for the significance of the Integrity Framework as measured by a distinct organization (Center for Public Integrity in contrast to Better Government Association) resulted equally insignificant, by lacking sufficient explanatory power of the relationship among these variables to claim a significant effect of an Integrity Framework over corruption, spite of the previously referred salutary effect of such a normative apparatus.

Model 5. A stronger integrity framework is associated with lower levels of corruption (SWAMP Index)

Hypotheses:

- **H$_0$**: A stronger integrity framework **is not** associated with lower levels of corruption.
- **H$_a$:** A stronger integrity framework **is** associated with lower levels of corruption.

Dependent Variable: Corruption at state level over the last five years (2014-2018, total) as measured by statistics from the Public Integrity Section of the Department of Justice (rate by 100,000 for size normalization)

Independent Variables:

- "Integrity framework" of Swamp Index 2018_Coalition4Integrity.

- Corruption statistics from 15 years prior: 1999-2013 (rate by 100,000 for state-size normalization)

-

Report, model 5

A multiple linear regression was calculated to predict Corruption of a given five-year period: 2014-2018 based on the strength of an Integrity Framework (according to Coalition for Integrity Index of 2018, known as the SWAMP Index) and preexisting corruption from the previous fifteen years (1999-2013). However, the relationship resulted not significant, according to its regression equation: (F $(2, 47)$ = 10.676, p < .000, with an R^2 of .312. Predicted Corruption (2013-2018) is equal to -.358 + .811 (Integrity Framework by C4I Index 2018, known as SWAMP Index) + .260 (corruption of 15 years prior), where the Integrity Framework (IF) 2015 by BGA is coded or measured as a scale ranging from 0 to 100, where 100 represents an ideal IF, and corruption of 15 years prior is coded or measured as the number of convictions for abuse of public trust within a given state, then normalized on an index by 100,000, to make states with divergent population size comparable.

The effort conducted by the Coalition for Integrity (C4I) of its 2018 SWAMP index is yet another attempt to grade norms and statutes at State level aimed at providing superior degrees of integrity, nonetheless, when paired against observed corruption (measured by statistics of the Justice Department), the same lack of significance was observed as in the preceding models.

APPENDIX C. CORRELATION TABLES OF INDEPENDENT VARIABLES OF THE AMERICAN CASE

Correlations

		CPI_FOIA 2015	BGAFOIA13
CPI_FOIA 2015	Pearson Correlation	1	.282*
	Sig. (2-tailed)		.047
	N	50	50
BGAFOIA13	Pearson Correlation	.282*	1
	Sig. (2-tailed)	.047	
	N	50	50

*. Correlation is significant at the 0.05 level (2-tailed).

Correlations

		CPI_Ethics 2015	BGAEthics13	2018_SWAMP
CPI_Ethics 2015	Pearson Correlation	1	.404**	.449**
	Sig. (2-tailed)		.004	.001
	N	50	50	50
BGAEthics13	Pearson Correlation	.404**	1	.431**
	Sig. (2-tailed)	.004		.002
	N	50	50	50
2018_SWAMP	Pearson Correlation	.449**	.431**	1
	Sig. (2-tailed)	.001	.002	
	N	50	50	50

**. Correlation is significant at the 0.01 level (2-tailed).

Correlations 1st vs 2nd decade US Corruption

		100K_1st dec	100K_2nd dec
100K_1st dec	Pearson Correlation	1	.645**
	Sig. (2-tailed)		.000
	N	50	50
100K_2nd dec	Pearson Correlation	.645**	1
	Sig. (2-tailed)	.000	
	N	50	50

**. Correlation is significant at the 0.01 level (2-tailed).

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