

Fighting corruption: Identifying foundational obstacles and new directions

By Hiram Chodosh

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Exploring the conceptual and practical weaknesses of efforts to combat corruption is not enough. The identification of obstacles alone, however useful in itself, would be insufficiently responsive to the considerable challenge of anti-corruption reform. This article takes stock of foundational obstacles and offers some novel directions forward on legal, theoretical, and political levels of reform.

Blurred definitions, inadequate empirical measures, and competing theories all contribute to the infirmity of available reform strategies. If conceptions or definitions are too narrow, if the empirics are imprecise on the nature of the practice to be curtailed, and if the prevailing theories are limited in their explanatory power, then the responsive reform strategies are unlikely to be effective. These are some of the foundation problems which must be recognized and squarely addressed.

Anti-corruption reforms must also take note of other basics: first, they are threatening to those who benefit from corruption, and vested interests will not stand down easily. Forms of resistance can range from unaccountable stonewalling in the political process to brazen violence in the street. As the stakes of the battle between reform and the status quo increase, the corruption of those institutions responsible for reform and implementation becomes more likely.

Second, anti-corruption reforms are difficult to scale. The smaller the unit of human organization, the easier the intervention. Reforms in large, dispersed, complex societies are far more difficult to manage on a national level.

Third, repressive anti-corruption interventions are costly in terms of the public expense of personnel, investigation, prosecution, and incarceration, as well as in the private costs of regulating clean behavior through banking regulations and other public disclosures. Reforms must take account of available resources to ensure effectiveness and protection for those on the front line.

Many anti-corruption reforms fail because individual and collective interests are poorly aligned or perversely set against one another. Reforms that accentuate a conflict between the interests of individuals and the collective interest pose a social dilemma. A lawyer may have strong feelings about supporting anti-corruption reform, but may still offer a bribe to a policeman to get an official report for the lawyer's case or may delay a case for as long as possible if the client wishes that result. Criminal prosecutions are unpopular with those charged to conduct them.

These all create social dilemmas in which the interests of the individuals and groups are inconsistent with even the agreed interests of the collective. Anti-corruption

reforms confront unsatisfactory tradeoffs in design and implementation. Should the reform be slow and incremental or fast and systemic? Should the reform be top-down (imposed by a central government) or bottom-up (pushed by civil society)? How will the reform balance accountability against other important values of public service, such as independence? Will aggressive transparency measures discourage even honest persons from taking positions in government?

Such dilemmas may be resolved by mitigating the lesser harms, generating non-polar alternatives, disaggregating the cluster of issues into specific, manageable ones, producing more subtle views of competing values in relative rather than absolute terms, making the hard choice for the lesser harm among competing risks of failure, and most importantly, putting people together to work through social dilemmas. Novel approaches are also needed.

One such innovation is to realign public functions and private interests through a process of legalization, which is to realign the incentives of public officials for doing their work. This entails economic incentives in the form of direct payment from the state for providing a satisfactory service or a direct, standardized fee-for-service approach.

Consider the case of an official who is responsible for administering death certificates to families of the deceased. In a corrupt system, the official makes very little money and supports his or her family by soliciting small payments from those in need of the public service. If the official's pay is dependent on the quality of his service (both the provision of the certificate and the satisfaction rating of the customer), the incentives for discharging the public responsibility would be more aligned with the private interest of the private citizens seeking the certificate. If the citizen made a legal, transparent, over-the-table payment based on the reasonable value of the service provided – with a system for fee waivers or reductions for the poor, corruption gets trumped by transparency and effectiveness.

One can take this a step further. Legalization eliminates the demoralizing impact of paying fees for public services. But can the ethical threshold and reward for resisting temptation be further strengthened? Here the internalization of psychic incentives for good behavior is key. New developments at the intersection of ethics and cognitive science demonstrate that human beings experience benefits from altruistic behavior. Selfless behavior is, paradoxically, self-interested. This requires internalizing ethical norms capable of competing with economic incentives.

Reformers often search for large systemic reforms that presuppose immunization of reformers from the very underlying problems and perverse incentives they seek to change. Increasingly, social science is turning its attention to the tipping factors, the small things that make a big difference in social behavior. Anti-corruption reformers, therefore, may stand to benefit from thinking hard about minor changes that can figuratively fix “the broken window” in environments that foster corruption. Innovative studies are looking at multiple variables to see what statistical hunches remain sustainable.

Yet another innovative approach in the study of anti-corruption focuses on the peer-to-peer dynamics of corruption. Even in the animal world (e.g., schools of fish or ant

colonies), relatively primitive agents produce a higher level of intelligent, systemic behavior through peer-to-peer interaction. Most thinking about reform has tended to focus on the individual without enough attention to social interactions in the dynamics of corruption. For example, a person is more likely to bribe a judicial official if he or she thinks the opponent will do the same. A person is more likely to accept a bribe if they feel that everyone else does it. Payoffs and kickbacks, vertical and hierarchical patronage, are common. Even refusals of bribes may provoke threats of violence, as ethical behavior in the face of concerted corruption threatens vested interests.

Sociological research also supports this view with recent studies that human conditions ranging from obesity to happiness are reinforced by the composition and behaviors of immediate peers. If one's friends are happy, the probability of happiness increases. If one's friends are overweight, he or she is also more likely to be overweight. Compliance with tax obligations also appears to be affected by the perception of whether one's neighbors are paying their taxes or not. Peer-to-peer interactions are as important as the dynamics from a more individual point of view. Societies need practical strategies to confront foundational obstacles because complex, organized systems tend to defy top-down, command-control solutions. Non-threatening, open-ended communication about the nature of the social dilemma and the values at stake may do more to advance reform than any particular resolution advanced by a single leader or individual. Because corruption is filled with value judgments, harsh assessments may get in the way of effective approaches to reform.

Experimental research shows that non-threatening communication may generate more cooperative behavior by creating conditions for the internalization of social costs. It may be useful to recall that in the paradigmatic case of the prisoners' dilemma, the two detainees were NOT allowed to confer. Without this restriction, a more collaborative, bottom-up process of individual and collective self-assessment and problem solving may help to break down the constraints imposed by social dilemmas in anti-corruption reform. More focus on social coalitions and other community interventions provides a promising avenue for anti-corruption reformers.

No one approach will be provide a panacea to the infirmities of anti-corruption reform, and the critical eyes cast upon pre-existing approaches will need to focus equally on any new approach. All those who suffer directly or indirectly from corruption deserve our concerted efforts to exhaust all available strategies.

Professor Hiram E. Chodosh is Dean of the S.J. Quinney College of Law at the University of Utah. He is a world expert on comparative law and author of "Global Justice Reform: A Comparative Methodology," published in New York in 2005. This is the last in a series on combating corruption. Previous articles appeared on this page on September 25, October 8 an 22, and November 5.