

The other face of bureaucracy

Perception of bribery is worse than the practice

Richard Rose

Kurz gefasst:

In der globalisierten Welt kommt Bestechung in allen Gesellschaften vor, in Ländern mit entwickelten bürokratischen Standards ebenso wie in Ländern mit niedrigen Standards. Vergleichende Befragungen belegen große Unterschiede nicht nur zwischen EU-Mitgliedsstaaten und zwischen Kontinenten, sondern auch innerhalb einzelner Länder. Bestechung gibt es vor allem in gesellschaftlichen Bereichen, die einen persönlichen Kontakt zwischen Bürgern und Behörden erfordern, etwa im Gesundheits- und Bildungswesen, aber auch bei eher unfreiwilligen Kontakten, zum Beispiel mit der Polizei.

Summary: Globalization is making corruption important for countries where bureaucratic standards are high as well as low. Survey research shows that not only does the likelihood of bribery differ between EU member states and across continents but also within countries. Bribery affects public services where contact is high, such as health and education as well as services that people do not want, such as contact with the police.

When citizens and public officials deal with each other, there are many ways of getting things done besides following bureaucratic procedures laid down in laws. In parts of the world that are still modernizing, bureaucratic standards have not yet fully penetrated. Services that are nominally public may be given to relatives and members of a dominant ethnic group or sold to supplement official salaries. The Soviet practice of using “anti-modern” practices to favour party loyalists still affects public services in Russia. Even in modern European societies, public administration does not operate with the impartiality and automaticity of a vending machine. Laws can have gaps that give public officials discretion or vague provisions that officials interpret in the light of prevailing circumstances.

Bribery subverts the lawful delivery of public services. It involves a public official accepting a cash payment or material benefit to provide a service by violating rules. It is not the first choice of people seeking services to which they are entitled. When things do not work as they should, people are likely to contact the relevant office to find out the cause of a delay, turn to friends, or, if they can afford to do so, buy private health care or education. Contrary to the amoral view that the payment of a bribe is simply an economic exchange, surveys in Africa and post-Communist countries find that three-quarters of respondents think that bribery is wrong and public officials soliciting bribes ought to be punished.

There is now widespread recognition that bribery is a major problem of governance. Bribery facilitates the misallocation of EU cohesion funds intended to improve conditions in poorer member states. Foreign aid money intended to help the world's poorer countries can end up in the Swiss bank accounts of governors and this is also true of bribes paid by multi-national firms to obtain licenses to exploit a country's natural resources. Bribery tends to depress investment and economic growth; it also encourages citizens to distrust governors or take to the streets to protest against corrupt officials abusing their office.

Assessing the extent of bribery is not easy, because bribery is an illegal act. The best known measure is the Corruption Perceptions Index of Transparency International. It aggregates expert judgments from a multiplicity of sources in order to place countries on a scale ranging from 0 to 100. Nordic countries are consistently at the top of the scale, while the bottom countries are strife-torn like Afghanistan or very dictatorial, like North Korea. The median country is closer to being completely corrupt than completely honest; it has a score of 37. The basic limitation of this and similar holistic indexes is that they are indiscriminate; they lump together everything from the payment of bribes for contracts to build highways and dams to getting a child a place in a good school. Reducing different forms of law violation to a single index number makes it impossible to identify points for intervention to reduce bribery.

When a research professor at the WZB at the time the Berlin Wall fell in 1989, I began developing a questionnaire to survey how ordinary people behaved in response to the collapse of Communist institutions. The Soviet-era literature made clear that paying bribes was one way to get things done. A battery of questions was developed asking people whether they had contact with a range of common public services and, if so, whether a bribe was paid. Questions have

been routinely included in the New Europe and New Russia Barometer surveys conducted in the two decades since (www.cspp.strath.ac.uk/baromteer); incorporated in Transparency International's Global Corruption Barometer; and in major continental surveys of Africa, Latin America, the European Union and post-Communist states.

Instead of dividing countries into black and white categories of corrupt and honest, as aggregate indicators do, surveys show the extent to which citizens within a country do or do not need to pay a bribe for public services. The 2010 Global Corruption Barometer found that in a mixture of developed and developing countries an average of 21 percent reported that someone in their family had paid a bribe in the past year. More than one-quarter of families in Africa, Asia and formerly Communist regions had paid bribes, while a tenth or less did so in Latin America or EU member states. However, generalizations by continent can be misleading, since there are big differences in the incidence of bribery within every continent too. The range is as much as 76 percentage points within Asia and 71 percent among post-Communist countries to 30 percentage points between the EU-member states of Romania and the Netherlands.

Unlike taxes, which are paid into a government's general revenue fund, bribes are paid for specific public services. Some are services that people want to have, such as health care and education, whereas others are unwelcome obligations such as dealing with the police, courts or tax officials. The 2010 GCB survey found an average of 9 percent of families paid a bribe to get health care to which they were entitled; 8 percent to avoid problems with the police; 6 percent to obtain better education; and 5 percent to get a bureaucratic permit or document. The extent of paying bribes tends to vary between continents; it is higher in African and Eurasian countries where bureaucratic rules are less institutionalized.

The extent to which corrupt services affect people depends on the percentage using them as well as on the proportion paying bribes. In every country there are big differences in contact with services. In Global Corruption Barometer countries, an average of 62 percent reported a member of their family had been in contact with health services in the past year, 46 percent in contact with education, 30 percent had to get an official permit, and 24 percent had contact with the police. Five-sixths of GCB respondents reporting contact with health and education did not pay a bribe. By contrast, one-third having contact with the police report paying a bribe and one-fifth seeking an official permit or document do so.

The analytic question is: Why do some people pay bribes while others do not? Up to a point, survey data supports the conclusion that the country you live in is significant: Germans are much less likely to pay bribes than Ghanians. But this does not explain why a substantial fraction of Ghanians do not pay bribes and some Germans do.

Public services differ in the likelihood of bribery. Services that are more automated, such as pensions, are less likely to involve bribery than policing, which is high in discretion. The post office is little involved in bribery, since paying a bribe to a clerk when sending a parcel cannot guarantee what will happen while it is in transit. Contact with some services is a function of a household's position in the life-cycle: a pensioner's household is much less likely to have contact with education services than a younger family. The size of a household matters too: in a single-person family there are fewer contacts with public services than in a household of four or five. Income effects are ambiguous. Insofar as better off people are able to buy health and education services in the market, this will increase the proportion of poorer people paying bribes. However, where the state has a monopoly, as in the provision of permits and policing, better-off people may be more likely to pay bribes.

In countries where bribery is relatively high, it is irrational for people to display trust in untrustworthy institutions. According to Robert Putnam's definition, this means that social capital should be low. However, our research defines so-



Richard Rose is professor and director of the Centre for the Study of Public Policy at the University of Strathclyde Glasgow. Currently he works on a project funded by the British Economic and Social Research Council and in association with Transparency International. Richard Rose is a frequent guest researcher at the WZB. (Foto: privat)

prof_r_rose@yahoo.co.uk

cial capital as networks for producing or obtaining goods and services. Every society offers three types of networks: political networks involving elected and other public officials; social networks of face-to-face contacts in a local community; and networks of church members. Our preliminary analysis of surveys in Africa and Latin America indicates that engagement in social capital networks tends to make people more likely to pay bribes rather than making democracy work better. This is because networks make it easier for people to find who can deliver a service in return for a bribe, and a go-between can act as a guarantor of the delivery of a service for which a bribe has been paid.

Policy implications for dealing with wholesale bribery at the top levels of national government differ from those for grass-roots bribery. Tough compliance laws have a better chance of enforcement against multi-national corporations that make payments to national ministers than do edicts prohibiting the payment of bribes in towns and villages distant from the national capital and international scrutiny. Surveys show a positive readiness of many public employees in the caring professions, such as teachers, doctors and nurses, to act in accord with professional ethics and give their services without extracting a bribe. Given the difficulty of enforcing rules on carers who have substantial discretion in dealing with people, promoting positive ethics among these groups is an appropriate strategy. However, this is hardly the case for promoting ethics among people who are motivated to work in institutions where they can make a lot of money.

The redesign of services can reduce the opportunities for public officials to benefit themselves by collecting rents (that is, bribes). Measures may include reducing the number of activities requiring permits and making it possible to obtain permits through the Internet, the contemporary equivalent of Max Weber's vending-machine bureaucracy. Decriminalizing soft drugs would, among other things, reduce the opportunity for police to collect bribes for not enforcing anti-drug laws. In education and health, vouchers could offer individuals the opportunity to shop around among competing institutions rather than being at risk of paying a bribe to a monopoly supplier of what is meant to be a free public service.

There is a threat to the political stability of corrupt regimes if people prepared to pay a bribe resent doing so. In democratic societies, popular resentment of abuse of office by governors can lead to the rejection of established parties, as has happened in Greece and Italy. In undemocratic societies it can mobilize people to mass demonstrations that can threaten the repudiation of the political regime that allows public officials to extract bribes.