Conceptualizing Political Corruption In a Democracy: A Contested Domain

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Corruption has always been present in society and structures of state but the theoretical as well as the practical understanding of corruption has evolved only in the recent past. Corruption has either been understood as a structural problem of politics and economics or as a cultural and moral problem that makes the study of corruption multi-disciplinary. Notwithstanding this complex understanding of political corruption, theorists have generally identified lack of accountability as one of the major reasons for explaining political corruption. In a democratic setting this implies the failure of political institutions in a society.

At the outset it is important to understand that lack of accountability and failure of political institutions results from an imbalance between the processes of acquisition of political power, rights associated with these positions of power, and rights of the people to control the use of that power. This imbalance has to be disciplined by the institutions that represent the rights of the people, failure of which leads to corruption. Recent research on corruption has made an attempt to relate corruption to various other phenomena or processes and has tried to understand the struggle against corruption in terms of broader process of democratization, which is reflected in the "neo-classical" approach towards corruption. One of the attempts of this paper is to understand the relationship between political institutions and corruption, which is important for an analysis of how we might root out corruption. Acknowledging the importance of political institutions in tackling political corruption, the study also presents its limitations by pointing out that existence and creation of political institutions are not enough to address political corruption and there is a need to look beyond institutions. There is a need to design a control mechanism that can prove to be effective in addressing political corruption, which need not be in the form of a new institution, rather, it can be found in the effective participation of the people.

A successful fight against corruption requires a critical probe into the link between the political institutions and corruption and there is need to acknowledge the link between reducing corruption and the broader process of democratization. It is important to understand that

corruption takes away the rights of the people as citizen of the nation. Corruption puts at stake the basic rights of life, liberty, equality and dignity, which constitute the basic human rights of people. High levels of corruption in any society disable the state from fulfilling its duties to respect, protect and fulfill the human rights of its citizen. Corruption undermines the ability of states to comply with its human rights obligations because it erodes the capacity and confidence of a state to deliver services to the public. Corruption not only depletes the resources available for public spending it also weakens government's ability to deliver on various other services like health, education and welfare services. In such a situation economically and politically disadvantaged suffer from the consequences of corruption as they are largely depended on public goods. With such consequences of corruption there can be no two opinions to the fact that its existence in a democracy makes a state less democratic.

UNDERSTANDING POLITICAL CORRUPTION: DEFINITIONAL DEBATES

The meaning, nature and definition of corruption have always been a matter of debate and have evolved over time, with classical conceptions of corruption focused mainly on the moral understandings, whereas modern conceptions conceiving it mainly in terms of specific actions of specific individuals (JOHNSTON, 2001). Though corruption is always identified as a serious threat to any society, it never received due attention from the point of view of eradicating the problem. Corruption has received serious attention only in the recent past. One of the reasons as to why corruption did not get due attention in the past is that corruption was seen as a universal and inevitable phenomenon which could not be tackled rationally. Another reason is the argument put forward by the neo-liberal economists that corruption was considered as the result of proactive regulated state and its commitment to planned development. For them a socially corrupt act is only a result of scarcity conditions created by the state which can be tackled by addressing this issue of state's role in economic management. Another set of argument is given by the "revisionists" who believe that some form of corruption may prove to be helpful in governance and development. So there can be different ways to explain the causes and consequences of corruption. There is Marxian perspective that conceives corruption as a system of general social principle and relation in a community which can be explained in terms of the interest of the dominant class, there is sociological perspective that considers corruption context specific with different societies experiencing different forms and degrees of corruption, there is techno-bureaucratic perspective

which sees corruption as a result of over-regulated state and there is political perspective that tries to draw a distinction between bureaucratic corruption and political corruption and calls for the inclusion of the struggle against corruption in the political agenda. Bureaucratic corruption in this view involves those acts of bureaucrats in which they accept bribes for illegal acts or for "speedy works" to meet their personal needs or greed. In political corruption, apart from the above acts, politicians try to seek legitimacy for their corrupt behavior as something that is an integral part of political competition and hence challenges the very essence of the political process (PANDEY, 2001). So corruption, viewed from this perspective, is damaging to the democratic institutions.

Trying to understand corruption in a democracy, Mark E. Warren (2004) points out that the topic of corruption has been absent from democratic theory and the reason behind this is that there have been missing links between concepts of corruption and democracy. Warren argues that corruption is a form of harmful exclusion of those who have a claim to inclusion and hence involves an unjustifiable disempowerment. Warren is trying to provide, what he calls a democratic conception of corruption and believes that corruption in a democracy usually indicates a deficit of democracy, breaking the link between people and the state and reducing the domain of public action by adversely affecting peoples' power to influence the collective decision-making process. He argues, "corruption in this way diminishes the horizons of collective actions and in so doing shrinks the domain of democracy. Corruption undermines democratic capacities of association within civil society by generalizing suspicion and eroding trust and reciprocity." (WARREN, 2004, p. 329) The conceptual link between corruption and democracy can be identified if corruption is seen as "a form of duplicitous and harmful exclusion of those who have a claim to inclusion in collective decision and actions." (Ibid, p. 329)

A democratic conception of corruption must be broad enough to widen the area where the notion of political corruption applies so that political corruption includes not only state but also any institution that has control over the resources that people need or want. This is important, as Warren points out, because "the corrupt use their control over resources to achieve gains at the expense of those excluded in collective decision making or organization of collective actions." (Ibid., p. 333) However he clarifies that though every form of corruption involves exclusion, every form of exclusion cannot be considered corruption. "Democratic corruption", according to Warren, "resides not in greed per se, but in serving this greed by excluding those affected from the processes of collective decision making that might justify the actions." (Ibid., p. 333)

It has become a general practice that the politicians try to deflect criticisms on account of widespread corruption by arguing that corruption is not systemic but is accidental and try to

socialize people in such a way that they start viewing corruption as a problem of just a few officials or leaders rather than a systemic problem. Thus, "one plausible failure of the political market-place arises if the minimal relevant knowledge about corruption is not available." (KURER, 2001, p.79) People are not able to assess the effects of corruption properly and focus is generally on the individuals who perform the corrupt acts, which problematizes the general understanding of the nature of political corruption. In the cases of political corruption, attention is not given to the victims of the corrupt act i.e. those who get affected by the corrupt action and the focus is generally on those who perform the act and hence corruption is not seen as anti-people or anti-human, it is seen only as a violation of abstract principles (TRIPATHY, 1996, pp. 5-10). Ratnakar Tripathy argues that our notions of corruption are highly moralistic and idealistic. He is of the opinion that "when we take a public stance we distance ourselves from the practical view and assume an idealist posture as guardians of public morality." (Ibid., p. 10) This notion neglects the visualization of the effects of corruption. Tripathy argues, "we have not set for ourselves a chain of causation which links political corruption with public suffering" (Ibid., p. 9), and hence "corruption unfortunately has an aura of 'victimless violence'." (Ibid., p. 9) Corruption sustains because people relate it to just few leaders or officers and do not consider it systemic and people believe that by getting the corrupt out of the office the task is completed, which is a false belief from which people need to come out. The different perspectives on political corruption makes it a complex phenomenon, which can be understood in different ways and help in understanding the causes and consequences of corruption from different stand points, making the task of defining corruption even more difficult and complex. Political corruption has got a complex nature and cannot be defined through a single statement. However, it may be understood in terms of the actors involved and also in terms of the purpose of the corrupt behavior, which involves private or group enrichment or power preservation. Often these two forms are connected and sometimes political corruption involves both the processes, i.e. on the one hand there is accumulation of wealth and on the other hand there is misuse of public money for political purposes. When the public officials misuse their power to extract from private sector, government revenues and from economy in general, political corruption takes the form of accumulation. Such processes of accumulation are called extraction, embezzlement, rent-seeking, plunder, kleptocracy ('rule by thieves'), as the case may be. On the other hand, when the extracted resources are used for political purposes like power preservation, it takes the form of favouratism and patronage politics which may include distribution of these resources to build loyalty and political support that may involve buying votes and other benefits through favours in different forms. Political corruption can be distinguished from administrative

or bureaucratic corruption as it is witnessed at the highest level of political system. In a report on corruption research it is argued that

> the distinction between political and bureaucratic corruption is rather ambiguous. It depends on the Weberian separation of politics from administration, which has proved difficult to implement in most poor countries and hence is difficult to observe. The distinction is nevertheless important in analytical terms (ANDVIG, 2000, p. 19).

Bureaucratic corruption takes place at the implementation side of politics, whereas political corruption usually takes place at the formulation end of politics, where policies regarding distribution of nation's wealth are made. What can be more damaging is when these two work together to perpetuate each other.

Any attempt to understand political corruption must confront the task of defining the concept. Varieties of definitions have been employed to explain corruption but none of them explains it in a holistic manner. Contemporary social science definitions of corruption can be categorized within three strands explaining corruption by relating it to either public office, or to demand supply and exchange concepts of economic theory, or to the concept of public interest. These are called the pubic-office centered definitions, the market-centered definitions, and the public-interest centered definitions respectively.

The public-office centered definitions define corruption as any deviation from normal duties of a public role because of private regarding gains. J. S. Nye's definition of corruption well illustrates the public-office definition which is as follows:

Corruption is behavior which deviates from the formal duties of a public role because of private regarding (personal, close family, private clique) pecuniary or status gains; or violates rules against the exercise of certain types of private regarding influence. This includes such behavior as bribery (use of reward to pervert the judgment of a person in a position of trust); nepotism (bestowal of patronage by reason of ascriptive relationship rather than merit); and misappropriation (illegal appropriation of public resources for private-regarding uses) (Cf. HEIDENHEIMER, 1970, p. 5)

The market-centered definitions consider a corrupt public official is the one who regards his/her public office as a business, trying to maximize the income and is reflected in Robert Tilman's definition of corruption who states that:

Corruption involves a shift from a mandatory pricing model to a free-market model. The centralized allocative mechanism, which is the ideal of modern bureaucracy, may break down in the face of serious disequilibrium between supply and demand. Clients may decide that it is worthwhile to risk the known sanctions and pay the higher costs in order to be assured of receiving

the desired benefits. When this happens bureaucracy ceases to be patterned after the mandatory market and takes on characteristics of the free market (Cf. HEIDENHEIMER, 1970, p. 5)

In the same vein Van Klaveren goes on to state that "a corrupt public servant regards his public office as a business, the income of which he will seek to maximize. The office then becomes a "maximizing unit". The size of his income depends upon the market situation and his talents for finding the point of maximal gain on the public's demand curve." (Cf. HEIDENHEIMER, 1970, p. 5) Some theorists have argued that market-centered definition cannot be used to define corruption. Mark Philp (1997) argues that though the market-centered definition may be one way of understanding corruption, it is certainly not a way of defining it. According to Philp "what defines an act as corrupt is not that it is income maximizing, but that it is income maximizing in a context where prior conceptions of public office and the principles for its conduct define it as such." (PHILP, 1997, p. 27) He is of the opinion that all the cases of income maximizing need not be corrupt and hence to consider any interest or income-maximizing act as corrupt, it requires construction of public office and the public interest which are based on certain norms and values, which provide certain normative constraints on income maximizing.

The public-interest centered definition conceives corruption as violations of common interest for special advantage. The public interest-centered definition is exemplified by Carl Friedrich who argues:

The pattern of corruption can be said to exist whenever a power holder who is charged with doing certain things, i.e., who is a responsible functionary or office holder, is by monetary or other rewards not legally provided for, induced to take actions which favour whoever provides the rewards and thereby does damage to the public and its interests (Cf. HEIDENHEIMER, 1970, p. 6).

These different understandings of corruption have made political corruption a complex phenomenon. A careful examination of the above definitions would reveal that public office and public interest are intimately connected. The open character of politics demands the politicians to be guided by public interest. Politicians are not simply to fulfill promises made to electorate rather politics is also about the projection of conceptions of public interest. The idea, therefore, should not be to strive for formulating one line definition of political corruption, as it requires identifying proper conception of the public interest.

Thus, these definitions are vague until certain norms are identified to distinguish between corrupt and non-corrupt acts. Any normative judgment about political corruption requires a point of view and a standard of "goodness" and the definition of political corruption should be based

on certain conception of non-corrupt politics, which requires identification of proper standards to distinguish between corrupt and non-corrupt acts. In a democracy usually these standards are democratic principles and values which form the basis to identify politically corrupt acts.

CORRUPTION AS VIOLATION DEMOCRATIC PRINCIPLES: EFFECTS OF CORRUPTION IN A DEMOCRACY

Over the ages the relationship between individuals and states has changed and therefore our expectations of what "the state" or "the individual" has to do have also changed. Earlier it was the state that defined the code of behaviour for everyone and within that established context corruption meant failure to behave according to that moral code. In the present context, however, the ruler is not expected to define morality as she/he reflects the morality of the ruled and acts according to the established norms and within this context corruption is linked to the behavior of the rulers. Michael Johnston emphasizes this idea by arguing that "corruption is today most often seen as an attribute of specific actions by specific individuals: those holding public positions and those who seek to influence them." (JOHNSTON, 2001, p. 13) He further draws upon a more recent school of thought, which he calls "neo-classical" approach, that links corruption not just with the actions of the individuals but rather it believes that it is a deeper problem with politics. Though this approach agrees to the basic idea that corruption involves abuse of public roles and resources for private benefit, it does not specify a precise category of behavior as corrupt. The idea of corruption as a problem more with politics has been further explored by Dennis Thompson who believes that an act can be considered corrupt by virtue of its ability to damage the democratic process. These acts, Thompson believes, are mediated by the political processes and therefore he calls it "mediated corruption" (Cf. Ibid., p. 22). This idea of "mediated corruption" takes the notion of corruption beyond the conventional idea that limits the idea of corruption to bribery and extortion and in this sense it is different from the general concept of corruption which includes three main elements — a public official gain, a benefit received by a private citizen and improper connection between the gain and the benefit. "Mediated corruption" differs in all these three elements, as for Thompson, the gain that a politician receives is political and not personal and it is not illegitimate in itself, as in the case of conventional corruption. He further points out that the benefit received by the private citizen by the public official is not in itself improper, what is improper is the way the public official provides the benefit. Finally, he points out that the

connection between gain and benefit is improper not because the public official provided the benefit with a corrupt motive, but because it damaged the democratic process. "In each of these elements", Thompson argues, "the concept of mediated corruption links the acts of individual officials to qualities of the democratic process" (Ibid., p. 22). Thompson further explains that all personal gains are not wrong, only a certain kind of personal gain is wrong and that too not because it is a personal gain but because of its effects on the system — because they avoided the democratic process. The democratic process to which Thompson regularly refers involves certain values like representation, accountability, open debate and equality (Ibid., p. 23). The points explored by Jhonston and Thompson explore a broad aspect of corruption in which the acts that avoid the democratic process and overlook the democratic values like equality and open debate, can be considered as politically corrupt acts. Such acts lead to the exclusion of a certain section of the population, which makes corruption an important aspect to be dealt in any democracy.

HOW DOES CORRUPTION THRIVES IN A DEMOCRACY? A THIRD WORLD PERSPECTIVE

It is now clear that corruption in a democracy undermines democratic structures as well as democratic values. Focus on effects of corruption in a democracy helps in better conceptualization of the concept and in understanding the fact that there is a kind of inverse relationship between corruption and democracy which means that as corruption increases democracy is undermined and as democracy is strengthened opportunities of corruption are minimized. However, whether there is a negative correlation between corruption and democracy is something on which theorists have different opinions. Some recent studies of Transparency International and Freedom House on the effect of regime type on levels of corruption, revealed that there is a negative relationship between democratization and corruption but this correlation is not very strong as this is a statistical relationship and not necessarily a causal one (AMUNDSEN, 1999). Paldam (1999) too believes that direct effect of democratization on corruption is spurious. In his study he found that corruption would generally decrease with increasing levels of democracy, but this covariance depends upon the level of democracy or upon the stage of democratic transition. In the similar vein, through a cross national study on corruption, Daniel Treisman (2000) came up with the hypothesis that democratic countries with freedom of press and vigorous civil society can have greater ability to expose corruption and thus will have lower levels of corruption, as freedom of

press and association help in monitoring public officials and exposing abuse of power. Interestingly the study found that the relationship between democracy and corruption can be established not by just looking at the present condition of a country's political system or by just looking at the fact that a country is democratic in the present time. How corrupt a country is, can be decided only by looking at whether or not it has been democratic for decades. He is of the opinion that countries with long duration of democracy had some impact on reducing corruption. Michael Coppedge and others' approach to conceptualize and measure democracy brings out the importance of historical approach and argue that conceptualizing democracy in the present time and its future is depended upon a sound understanding of how democracy has shaped till now or knowing the past of democracy. They believe that historical data-gathering is important and essential for conceptualizing and measuring democracy (COPPEDGE et. al, 1999). But the question that emerges now is how corruption sustains in a democracy? India, which is one of the largest democracies in the world, is grappled with the problem of corruption which forces us to think whether there are some structural faults in the functioning of democracy that helps corruption to survive. This section is devoted to investigate this aspect from the third world perspective and examine whether third world provides some special context as a breeding ground of corruption.

One of the main concerns in the present third world democratic theories is the problem of democratic consolidation. Democratic consolidation requires not only legitimate and institutionalized governance, but also civil society participation in the process of governance. There are basically two major schools of thought in the discourse of democratic consolidation. One is the institutional approach, which focuses on the performance of institutions and tries to identify the best procedures and institutions within the constitutional framework to deal with the problem. Another approach is the political culture approach which dwells on people's attitudes and values with respect to the democratic governance, culture and practice. According to Larry Diamond (1999), consolidation involves behavioural and institutional changes that normalize democratic politics and narrow its uncertainty. This normalization requires the expansion of citizen access, development of democratic citizenship and culture, broadening of leadership recruitment and most urgently it requires political institutionalization. According to Diamond (1999), consolidation takes place in two dimensions of norms and behavior and at three different levels. The elites comprising of decision makers, political activists, organizational leaders, are at the highest level and also most important in democratic consolidation. At the intermediate level are the parties, organizations and movements that have their own beliefs and norms. At the bottom is the mass public that helps in consolidation by accepting democracy as the best form of government in principle. Developing

countries face the problem of bringing about such changes. According to Samuel Huntington, the third wave democracies face the problem of sustainability and consolidation in different areas, one of them being the systemic problem that emanates from the internal workings of a democracy, such as centralization of power, personalization rather than institutionalization of politics, hegemonic politics and domination by vested economic interests (Cf. Ibid., p. 64).

Corruption in developing nations can be attributed to the social situations that make corruption more likely. Developing nations provided the social context where the governments in most of the cases acquired control over the disposal of posts and privileges and they had to face the electorates, mostly poor, who could be easily influenced by material incentives. Corruption is rampant in developing nations because the rate of change (social, economic, and political) in these nations is more rapid and there is clash between old and new values (SCOTT, 1969). Developing countries lack well-developed structures for expressing and combining important political interests. The effect of this lack of interest structures is that political demands that originate outside the elite class have minimal influence on legislation, which is one of the reasons behind little or no influence of the public on the 'output' of the government. Demands of the people or groups reach the political system only at the implementation stage and not before the laws are passed. The influence before the passage of legislation is called 'pressure group politics' and the influence at the enforcement stage often involves 'corruption'. For example, agitation of peasant groups through their union for reduction in land tax is different than making an illegal monetary contribution to the concerned officer for avoiding their land taxes. The latter influences the outcome of government policy. In this sense corruption is not just a reflection of the failure of the formal political system to meet the demands of important sectors; it is also representative of the efforts of individuals and groups to mould the political system according to their wishes. People who feel that their interests are ignored by the formal political system often take up the informal ways to influence which is corruption.

Electoral competition is one area in a political system that widens the arena of political influence. Since people's vote makes a difference in the affairs of those who seek power and manage the state, the power-holders and power-seekers adopt different methods to influence the voters.

> If class consciousness and ideological concerns are of importance to the electorate, promises of satisfactory policies may be all that is required in the way of inducements. But if, as in most developing nations, the desire for immediate particularistic gains predominates, leaders of political parties will find it more difficult to provide appropriate inducements without violating formal standards of public probity. In the short run, at least, competitive political parties are more likely to respond to the incentives that motivate their clientele than to transform the nature of these incentives" (Ibid., p. 332).

In this sense the control over votes has proved ineffective in ensuring accountability of the political leaders. The major political resource today is control over coercive force and not control over votes. Thus it is not always true that people vote because they want to replace the corrupt leader as there can be several other reasons why people vote in a democracy. Sometimes people vote because of the material incentives it supplies. The ordinary voters desire immediate material rewards and therefore they vote for those who can give them maximum favour. When voters think that their best interests are not being served by the political system, they may support a corrupt politician who serves their interest rather than an honest politician who represents others as well. Such assumptions rest on the belief that voters are well aware about the nature of corruption as well as its effects, which is not true in reality because voters are ignorant about the effects of corruption and hence they are not able to assess the effects of corruption correctly which makes them falsely believe that corruption serves their material interest.

The most important factor that leads to political corruption in a democracy, according to Oskar Kurer, is the "barrier to entry into the political market place" (KURER, 2001, p. 76), which helps a corrupt regime to hold on to power and thus leaving no option for the voters to go for non-corrupt parties. The cost factor plays a vital role for competing in politics because if entry into politics would involve lower cost then it would be easier for a new party to hold the same position as held by the older party. Kurer is of the opinion that "after a corrupt regime has established itself, barriers to entry may help to keep it in power" (Ibid). However, he further states that barrier to entry should not be considered as systemic element of democracy. They are only distortions of democracy and "it is not democracy that causes corruption, but its malfunctioning" (Ibid).

POPULAR APPROACHES TO TACKLE POLITICAL CORRUPTION

Reasons for the existence of corruption are many and so are the ways suggested for tackling it. Ades and Di Tella (1997) propose three possible approaches to reduce corruption. First, is a "layer's" approach which talks about strengthening laws and their proper enforcement. Layer's approach increases the cost and risks associated with corruption, as it focuses on punishment of the corrupt. Second, is a "businessman's" approach which is in favour of giving proper incentives to public officials which would reduce their temptation to engage in corrupt activities. One way of providing such incentive is to provide higher wages. A businessman's approach would reduce the incentives of corruption as the motivation for engaging in corrupt act is reduced by providing

different kinds of incentives to the public officials. Third, is an "economist's" approach that advocates increasing competition so that opportunities for exploitation in different transactions can be minimised. Economist's approach would reduce opportunities for corruption, as competition reduces the chances of abuse of power. It is important to study some cases of successes and failures in the anti-corruption reform process. The following sections provide an account of different approaches employed in different parts of the world to address corruption. It presents a comparative study of why certain reforms were successful in a specific country and why some countries could not successfully fight corruption which will help in providing a wider perspective to examine democratic institutions fail to tackle political corruption in India.

THE POWER-SHARING APPROACH

Some theorists consider the idea of power-sharing as one of the effective ways to check abuse of power, as they see mutual surveillance as a counterbalance to political decay, such as bribery and corruption. Robert Dahl preferred to call the power-sharing democracy as "Madisonian democracy" as it was Madison who warned that if power is concentrated there is always a risk of its abuse and hence concentration of power must be avoided. He did not accept regular election and internal checks like conscience, attitudes and personality of individuals, as sufficient to provide necessary checks on the abuse of power, rather he insisted on external checks, through dispersion of power into different hands.

Arendt Lijphart advocated power-sharing model by bringing in the idea of "consensus democracy" to avoid abuse of power. Different mechanisms that he thought would be instrumental in arriving at "consensus democracy" are "grand coalition", "decentralisation", "minority veto", and "proportional representation." It means that if everyone has a share in governmental power, there is delegation of power, minorities have a veto regarding issues concerning them and losers too have representation, the risk of abuse of power would be greatly minimised. He believed that if all are able to take part in government through their chosen representatives, then they would be able to ensure that no injustices are done to them. When different parties will be represented in the parliament and no party has a majority, they will form coalition to make the government and in this situation minorities will also have a say in the government. Lijphart firmly claims that the proportional method would counteract political corruption and hence considers proportional representation as the most fundamental institutional value. Though there is also a view that in a

majoritarian democracy, the opposition in minority provides necessary check on the abuse of power and with regular elections people have the opportunity to throw out the corrupt and it is the best way to ensure accountability, Lijphart is critical to this view, as for him, regular election is not an effective way to fight corruption, at least not as effective as would be in a case of "consensus democracy" having mutual oversight. According to him, abuse of power and corruption are less prevalent in consensus democracy than in majoritarian democracy. However, Lijphart's consensus democracy model does not seem to provide any mechanism for ensuring accountability because if everyone will have a say in decision making process then it is not clear who should be held responsible for the decisions. It seems that for Lijphart what is more important is that the government should reflect popular opinion and whether people hold their leaders accountable or not is not important for him.

Though theorists have considered power-sharing as an effective method to check abuse of power, empirical evidence suggest just the opposite. One such case where the power-sharing model failed is the case of Italy where both proportional and majoritarian systems were tested and proved to be ineffective in tackling political corruption. Italy practiced proportionalism with a firm belief that dispersing power into many hands reduces the risk of abuse of power which proved to be wrong, as in early 1990s far-reaching corruption came to light in the Italian politics. As a response to this crisis the Italians made transition to majoritarian democracy hoping that this would clean up the politics but that too proved to be ineffective. In such a situation it becomes interesting to explain political corruption in Italy because it was precisely to check such abuse of power that the principles of proportionalism and power sharing were incorporated into the constitution.

The framers of the Italian Constitution had thought that by incorporating power-sharing they could guarantee a just and fair reflection of the popular will which was soon proved wrong by the developments that followed. Even if the largest party could not achieve majority, it could secure power through negotiations with other parties. In this situation there was hardly any option for alternative government, as there was no fear of losing office. The leaders of the parties became the masters of the country and the negotiations took place within this "elite cartel" that decided the course of action and in this way the decisions taken were not the expression of popular will. Governments were short lived but the same politicians returned to power on different posts. Gradually the negotiation process started involving bribes and benefits and corruption became widespread. Both voters and organisations could be bought with money or political benefits, the courts, police, and social insurance system were politicised, cooperation with organised crime deepened and the mafia became a political power factor (LEWIN, 2007, p. 105).

In February 1992, Mario Chiesa, a Socialist politician, was arrested for taking bribes for offering contracts to several companies in exchange of political support and money. This scandal gradually grew big and became the biggest scandal in the political history of modern Italy which resulted in the fall of the First Republic and the end of consensus democracy. In a referendum in 1993 more than 80 per cent of voters wanted a change to majority elections. Thus, the Second Republic with a majoritarian system came into being. However, democracy under the Second Republic too was fragile and it was too marked by the tradition of corruption and authoritarian tendencies.

Italy's case suggests that proportional representation is no guarantee for a clean government. The belief that if all had a share in power and kept watch over each other, politics could become cleaner, was proved wrong. The change into a majoritarian democracy too did not bring about any significant improvement. The abuse of power was part of both majoritarian and proportional system.

THE SINGLE-AGENCY APPROACH

Corruption occurs when there are sufficient incentives and opportunities to engage in corrupt acts and there is also very less probability of being caught and punished. So for some theorists effort should be to reduce or eliminate the incentives and opportunities and increase the risk of being caught and punished so that corruption could be controlled. In this regard government should try to make corruption a "high risk and low reward" activity (JING, 2011, p. 11), which can be possible, as some theorists argue, if a single-agency is created to look into the matters of corruption, which is operationally independent and able to function without fear or favour. It is often argued that in certain cases there can be political interference as it could be dictated from above regarding the cases it is going to investigate and also establishing an anti-corruption agency with extensive legal powers in the absence of effective oversight procedures is questioned on the ground that such an agency can add another layer of (ineffective) bureaucracy to the law enforcement sector, divert resources from existing organisations, function as a 'shield' to satisfy donors and public opinion, and even operate as a political police force. Countering such criticisms, supporters of single-agency approach argue that in order to overcome such difficulties and maintain public trust, the independence of such an agency needs to be enshrined in national legislation or the constitution, and it should be a criminal offence to interfere with its operational independence.

In reality, such anti corruption agencies require the support of other structures to do their job properly. According to M. Manion (2004), properly-designed and timely interventions by government could successfully reduce corruption and improve credibility of the government and in order to shift the equilibrium from "widespread corruption" to "clean government" there is need to have proper design of government intervention. She studies this transformation in the case of Singapore and Hong Kong, on the one hand, and mainland China on the other, where the former is an example of successful transformation and the latter gives an account of the difficulty in bringing out anti-corruption reforms. Manion draws upon three fundamental differences in the approach of anti-corruption reforms in Singapore and Hong Kong and that of mainland China. Firstly, Singapore and Hong Kong granted independent and absolute authority to an independent anti-corruption agency, while in mainland China multiple agencies were granted partial and often overlapping authority. Secondly, in Singapore and Hong Kong corruption is addressed at multiple levels attacking corruption in all forms and in all places, while in mainland China corruption was addressed in a piecemeal manner. Thirdly, the difference lies in different constitutional design that has an important influence on constraints on power. Thus, according to Manion anti-corruption efforts can be studied by focussing on three things — anti-corruption agency, anti-corruption strategy, and the context that puts constraints on power.

ANTI-CORRUPTION AGENCY

Anti-corruption agencies are responsible to enforce anti-corruption legislations. In a situation where there is widespread corruption with corrupt enforcers and there is scarcity of enforcement resources, there emerges various obstacles in the path of anti-corruption reform and an independent agency can play a vital role in these circumstances. According to Manion, the ICAC (Independent Commission Against Corruption) in Hong Kong succeeded in overcoming these obstacles which enabled Hong Kong to make the "equilibrium shift" from widespread corruption to clean government. She further mentions that the key components of agency design that enabled ICAC in controlling corruption was its independence, its draconian power and adequate financial resources. All these three components were instrumental in efficient enforcement. The ICAC is independent in terms of structure, staffing, finances and power. Similarly in Singapore the POCA (Prevention of Corruption Act) was strengthened and more powers were given to the officers of CPIB (Corruption Practices Investigation Bureau) which greatly helped in the anti-corruption

reform process. Manion compares this with Mainland China and points out that Mainland China does not have any independent anti-corruption agency. The agencies that are functioning have overlapping jurisdictions and unclear division of labour which often leads to routine delay in transforming cases for criminal investigation and consequently people develop the believe that their government does not have the ability and credibility to control corruption. Thus, the basic difference in the anti-corruption agencies in Hong Kong and Singapore taken together and Mainland China lies in their level of independence and effectiveness.

The democracy assessment of Philippines has a similar story to tell about corruption in Philippines. Philippines had a long history of widespread corruption, and after the restoration of democracy in 1986, a number of laws and policies were enacted to prevent and curtail corruption. The 1987 Constitution came up with a number of bodies to ensure integrity and accountability such as the Office of the Ombudsman was created to protect graft and corruption; Sandiganbayan, a special court was created for senior officials for cases involving graft and corrupt practices; the Civil Service Commission, and the Commission on Audit were also institutionalised. Despite these laws and policies the problem persists, as the democracy assessment of Philippines demonstrates, because of weak enforcement. The report of the democracy assessment of Philippines came up with many findings to show various causes of persistence of corruption. These findings revealed that the range of responsibilities and functions are so wide that they often overlap and the environment of Philippines too does not encourage integrity. The report further revealed that annual declarations of assets by public servants are just formalities and in actual practice the properties, income and assets are never disclosed. It went on to state that the nature of anti-corruption laws is dual, whereby high ranking officials are seldom investigated or convicted, which makes the enforcement of anti-corruption laws almost impossible. The report also highlighted the fact that election in Philippines is the main economic activity for political players and it is used as a means to create and consolidate core constituencies. It was further pointed out that political parties do not provide strong internal checks and there is absence of external control on spending, which make elections quite expensive activities and hence the high cost of election together with other contributing factors build up a perfect context for corruption to flourish, as because of expensive campaign process the elected officers are forced to focus primarily on the recovery of this expense. The study revealed that the Commission on Election is ill prepared to police campaign overspending and other corrupt and illegal actions and there was an impressive gap between electoral laws and reality (MILLARD, 2007). Thus, the experience of Mainland China and Philippines exemplify the failure of anti-corruption agencies in dealing with corruption, which

exposes the fact that merely creating anti-corruption institutions cannot be an answer for corruption and hence brings out the need for an in-depth analysis of the problem.

ANTI-CORRUPTION STRATEGY

A public servant while acting as an economic agent calculates the costs and benefits of engaging in corrupt activities. Therefore, for a successful government intervention it is important that these interventions are aimed at reducing the corruption payoffs as well as the incentives to engage in corrupt activities. Hong Kong came up with a three-pronged strategy to tackle corruption which involved enforcement, prevention and education. Enforcement is to increase the probability of being caught and being punished; prevention reduces the opportunities for corruption; and education is to increase the moral cost of corruption. The purpose, in this sense, is to strike at the root causes of corruption. Singapore's anti-corruption strategy focuses on both the incentives and opportunities for corruption, which has been possible by strengthening enforcement through POCA and CPIB. The prevention work taken up by various departments also forms part of the strategy. The incentives of corruption are taken care by increasing the salaries and working conditions. Thus, both Singapore and Hong Kong emphasised on enforcement, to increase the cost of corruption and on prevention, to reduce the opportunities for corruption and at the same time they also emphasised on reducing the incentives of corruption.

CONSTRAINTS ON POWER

It is important to realise that small-scale government interventions won't be of much help unless there are some proper and systemic constraints on power. For anti-corruption reforms to succeed it is important that government's commitment is respected by people and this is possible only within a specific context with shared understanding of government's responsibility, which is possible through a constitutional design that provides constrains to all kinds of power operating within a political system. According to Manion, one of the basic differences between Hong Kong and Mainland China lies in their different constitutional designs. Countries that uphold rule of law would be able to put constraints on corrupt actions more effectively, which was evident in the case of Hong Kong and Singapore, than in countries having ambiguous laws and where legal authority

is politicised, as was seen in the case of Philippines. In such cases rule of law cannot become a meaningful constraint on the abuse of power.

Thus, both Singapore and Hong Kong initiated a comprehensive anti-corruption strategy which aimed at reducing both the opportunities and incentives for corruption. The anti-corruption efforts comprised of specific and non-specific measures (RAHMAN, 1986, p. 147). The specific measures involved activities carried out under the anti-corruption agencies and the non-specific measures involved administrative measures taken by various government agencies which included, in the case of Singapore, disciplinary proceedings by Public Service Commission, scrutiny of government expenditure by the Auditor General and so on (Ibid., p. 151).

It is important here to consider that apart from rule of law that was successful in Singapore and Hong Kong to curb corruption, political freedom too provides limits on the abuse of power which is measured on the basis of political rights and civil liberties. The former enable people to freely participate in the political process and the latter provides people a set of freedoms that they may exercise without the interference of the State. In a country where people have high degree of political freedom can actively participate in the political process and can empower them to monitor the exercise of power which in turn would help in alleviating corruption.

THE "BIG-BANG" APPROACH

Often remedies suggested to tackle corruption is thought to be a well set mechanism and it is believed that once it is operationalized an incremental process of change is put into a path, where with every step the society is taken away from corruption and with some 'initial steps' or minor institutional changes the society is put into this "path" and it is taken out of the grip of corruption. According to World Bank, for example, the implementation of anti-corruption policies requires an important entry point for anti corruption efforts. In one of the reports it is stated that "it is critical to begin at a point where the goals are feasible and tangible results can be realized within a time frame that builds support for further reforms. Small gains can provide essential levers to sway public and official opinion" (WORLD BANK, 2000, p. 75). Within this approach small and minor changes are expected to bring big changes in the political system. The proponents of the "big-bang" approach are critical of this point of view and are of the opinion that corruption cannot be tackled through minor or small changes. Bo Rothstein (2007), for example, is critical of the approaches that insisted for minor institutional changes and believes that there is no magical

key or institutional device for fighting systemic corruption. He is of the opinion that small changes are likely to aggravate the problem and what is required is a "big bang" change. The problem with corruption, Rothstein argues, is that it seems to be very "sticky", which means that once a system gets corrupted it becomes very difficult to take it out from the grip of corruption and "once corruption becomes systemic and the existence of widespread corrupt practices becomes "common knowledge", we seem to have a case of an extremely robust inefficient equilibrium" (ROTHSTEIN, 2007, p. 5). Corruption is a "sticky" problem, Rothstein points out, because there is no good reason for corrupt to move out of the "game" because those who are at the bottom of the corrupt system believe that even if they, as individuals, start behaving honestly, nothing will change as long as most of their colleagues do not change their behaviour and in such situations collective action for the common good is impossible to establish as long as people try to maximize their expected utility. The implication of such an approach is that it develops an understanding that a corrupt system cannot be changed from below (ROTHSTEIN, 2005).

Despite regular efforts to fight corruption, the success rate is very low and one of the reasons is that while leaders do have the necessary means for launching successful policies against corruption, they usually have no incentives to do so as they are often the ones who stand to gain most from rents in a corrupt system (JOHNSTON, 2005). Another reason for the difficulty in bringing about the change is that corruption has become a "standard way of life" and therefore "for the average citizen, it seems that corruption has broken down all barriers and dictates of the rules of life. That is not very different from saying that they interpret life in terms of corruption" (UNDP, 2002) and when life is viewed in terms of corruption, it takes the form of deeply entrenched belief system. According to Rothstein, it is not easy to change such belief systems and hence in order to change such deeply held systems of beliefs, something "big" and "non-incremental" is necessary.

Rothstein is critical of those approaches that focus merely on the structural changes and on reducing the incentives of corruption. A society that is committed to tackle corruption must have to take up at least two important questions at the outset. First, what types of structural reforms are necessary in order to reduce corruption? Second, which types of processes will be successful to operationalize such reforms? Most research on corruption has mainly focused on the first, structural question suggesting to create new or to change existing institutions, while ignoring the second one about the change of processes. William Easterly, for example, has suggested two measures to tackle corruption. "First, set up quality institutions…Second, establish policies that eliminate incentives for corruption" (Cf. ROTHSTEIN, 2007, p. 10). Examining the effect of

different types of political institutions on the degree of corruption in 38 African countries, Alence in his Political Institutions and Developmental Governance in Sub-Saharan Africa concluded that a combination of electoral competition and institutional checks and balances on executive power has a negative effect on the frequency of corruption. In other words, the study suggests that the ideas and the practices of liberal democracy work counter to corruption (Ibid). Sandholtz and Koetzle have shown in their study that the presence of liberal democratic institutions minimizes the chances of corruption. They are of the opinion that formal democratic structures facilitate citizen oversight and control, and in a culture characterized by democratic values, it is against normal behaviour to act corrupt (Ibid). According to Rothstein, such examples of anti-corruption strategies suggest that the problem of corruption can be solved by merely "fixing the incentives" (Ibid., p. 11) and when the institutions are created such that fear is greater than greed, corruption can be controlled. However, Rothstein is of the opinion that creating such institution is itself a collective action problem and it won't be solved unless a society ceases to be dominated by corrupt agents. He argues that explaining corruption and providing solutions to it on the basis of some universal values and institutions such as transparency, democracy, independent judicial anti-corruption agencies or "good governance" is not enough because in societies where these institutions function effectively accountability will automatically be facilitated and problem arises only when there are systematically corrupt institutions. "In the search for universal theories on causes and solutions concerning corruption, many researchers do not recognize the inbuilt inertia (or path-dependency) of corrupt institutional systems" (Ibid., p. 12). Rothstein further argues that if new institutions have to be created then the question of agency becomes central and the approach that advocates for structural changes often ignores the kind of agents that are present and what strategies they use. He insists that for a successful reform process research must start from identifying the roles and interests of agents and broadened his idea by arguing that the research must begin by identifying the groups that are expected to oppose the reform and how such opposition can be dealt with and identifying those who can support the change and finding out the way they can be involved in the struggle against corruption.

In the context of Romania, Alina Mungiu-Pippidi argues that the problem in campaigns against corruption is that they do not take into account the fact that corruption is rooted in "a particularistic political culture" in which almost all public goods are distributed on a "non-universalist basis that mirrors the vicious distribution of power within this type of society" (Cf. Rothstein, 2007, p. 13) and therefore systemic corruption must be understood in terms of "particularistic political culture", which is at its root. "Particularistic political culture" is defined as

a system in which the government treats its citizen according to their status in the society which means that in such particularistic political culture whatever one gets depend upon our connections or our ability to bribe and hence within such political culture, creating some new institutions will not be helpful in tackling corruption. The point that is being emphasized here is that "corruption and similar practices are rooted in deeply held beliefs about the proper order of exchange in a society — personal-particularistic versus impersonal-universalistic" (Ibid., p. 14). It implies that in order to curb corruption political culture must move from personal particularistic to impersonal universalistic forms of exchanges. Rothstein points out that

> if an agent tries to reform a single or a small set of the institutions in a corrupt-particularistic-limited access political culture, it will, in all likelihood, backfire since the new institutions will be overtaken by the corrupt networks and practices which, in its turn, will increase cynicism among the population and serve to de-legitimize all future anti-corruption efforts (Ibid., p. 16).

If an effort is made to reform one set of institutions, corruption would creep in another. It is important to realize that if anti-corruption measures are limited then the agents will not be convinced for leaving their corrupt practices and this makes Rothstein believe that doing small things for reducing corruption will not work; gradual reform process cannot become a panacea for corruption and what is required is a "Big Bang" change.

The different approaches to tackle corruption demonstrate that any one measure to tackle corruption cannot prove to be effective and merely setting up of anti-corruption institutions is not the panacea. Even Rothstein argues that merely setting up of institutions won't be of much help and there is need to have a series of changes. International literature produced by NGOs such as Transparency International (TI) and the United Nations Global Program Against Corruption (GOPAC) indicate that effective anti-corruption reforms should be a 'home-grown' multi-dimensional national strategy that includes a long term, sequenced approach to entrench reforms that promote public integrity, i.e. reforms that promote accountability in citizens' interaction with the state. They have also identified the importance of providing sufficient resources, skills, independence and powers to anti-corruption agencies and institutions. They propose a partnership approach to tackle corruption that includes all stakeholders.

Thus, a number of conditions are required to ensure that anti-corruption reforms in any context are effective, sustainable and not easily subverted. These conditions need to be backed by having the necessary data to inform policy and strategy; comprehensive legal and institutional safeguards to prevent corruption and protect public interest; and, the most difficult to secure, the

necessary political leadership and will to tackle corruption credibly and put in place long-term reforms. It is clear that to be effective, national anti-corruption/integrity systems require more than a single agency approach and they need to be supported by an institutional matrix of legal and oversight systems to ensure effective prosecution of offenders. A partnership approach, including active engagement by civil society and the media, is also important. Above all, the reforms need to be implemented by ethical leaders who scrupulously observe rule of law.

CONCLUSION

This paper underlines the need to understand the systemic nature of political corruption and focuses more on its effects rather than its manifestations. It does not seek to present any grand theory of political corruption, nor a watertight set of prescription for how to end corruption, rather it has tried to question the popular understanding of corruption that relates it to actions of few individuals by arguing that a more objective and useful approach is to consider political corruption as a systemic problem. It is also argued that institutional reform is not enough to curb political corruption and that there is a need to look beyond institutions. It is important to first find out where and what kind of reforms can be most effective in a particular context. The paper argues that the link between political institutions and corruption and also between politics and corruption is tied to the way corruption is understood and when this understanding is not well formulated, measures suggested to tackle the problem will be deficient in significant ways.

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Pawan Kumar

Conceptualizing Political Corruption In a Democracy: A Contested Domain

Abstract

Political corruption reflects a failure of political institutions in a society. One of the attempts of this paper is to understand the relationship between political institutions and corruption, which is important for a successful fight against corruption. The paper tries to theorize political corruption in a democracy and then discusses various approaches that are employed in different parts of the world to address the problem highlighting the fact that merely creating new institutions to tackle corruption is not the panacea. The attempt is to show that there is a gap in the popular conception of corruption because of which connections between corruption and democracy are not drawn. Corruption essentially indicates a deficit of democracy and there is need to understand that corruption is not just a problem of few individuals but it is more a problem of the system itself. The systematic approach towards corruption helps and ensures in arriving at a realistic problem solving mechanism.