Syndromes of Corruption

Corruption is a threat to democracy and economic development in many societies. It arises in the ways people pursue, use, and exchange wealth and power, and in the strength or weakness of the state, political, and social institutions that sustain and restrain those processes. Differences in these factors, Michael Johnston argues, give rise to four major syndromes of corruption: Influence Markets, Elite Cartels, Oligarchs and Clans, and Official Moguls. Johnston uses statistical measures to identify societies in each group, and case studies to show that the expected syndromes do arise. Countries studied include the United States, Japan, and Germany (Influence Markets); Italy, Korea, and Botswana (Elite Cartels); Russia, the Philippines, and Mexico (Oligarchs and Clans); and China, Kenya, and Indonesia (Official Moguls). A concluding chapter explores reform, emphasizing the ways familiar measures should be applied – or withheld, lest they do harm – with an emphasis upon the value of “deep democratization.”

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 Syndromes of Corruption: 

*Wealth, Power, and Democracy*

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For Betsy, always.
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Preface

“I have seen the future, and it is very much like the present, only longer . . .”

Dan Quisenberry, critic, social commentator, and right-handed reliever

There was a time not long ago when few policymakers or scholars cared much about corruption. Whatever the reasons for that long dry spell—the scarcity of systematic evidence, a wish to avoid the appearance of naïveté, vested institutional interests, or just an honest reluctance to venture into a domain full of colorful stories and characters but seemingly devoid of theoretical interest—by the end of the 1980s corruption was climbing back onto the agenda. During the years that followed it became a certified “hot topic” drawing the attention of governments, international aid and lending agencies, business, and a growing number of scholars in many disciplines. By now we have learned a great deal about corruption, its links to development, and the complexities of reform, and possess a body of knowledge, data, and experience impossible to envision a generation ago.

For all that has been accomplished, however, we seem to have reached a plateau. As I suggest in the early chapters of this book, the dominant view of corruption is a partial one, treating bribery—usually involving international aid and trade, and often at high levels—as a synonym for corruption in general. Much empirical work focuses on statistical analysis of single-dimensional corruption indices, or case studies that are richly detailed but not integrated into a comparative framework. Those two research traditions remain largely separate, rather than complementing each other. The effects of corruption are often reduced to economic data, facilitating statistical work but too often equating human wellbeing with trends in GDP, and saying even less about justice. Much of the debate has been driven by groups advocating the bundle of changes commonly called globalization—outlooks and policies that I see as more positive than not, but that have a way of framing corruption issues in terms of obstructions to free markets, and reform as primarily a task of continued economic

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liberalization. Finally, while much is said about understanding diverse settings, reform recommendations tend to vary rather little.

This book is hardly a direct assault on those interests and outlooks: we have learned far too much during the past fifteen years to say that the major debates and findings are fundamentally wrong in any sense. Rather, it offers the thoughts of a friendly critic who does not want the future of corruption research, at least, to be “very much like the present, only longer.” While I am critical of some of the arguments, findings, and policies of liberalization advocates, and of several US government agencies, I have been involved in their debates and work as a scholar and consultant, and have always been given a fair hearing. I have methodological reservations about Transparency International’s famous Corruption Perceptions Index, and express them at many points in this book. But (full disclosure here) I also have been associated with the US chapter of TI for a decade, share the organization’s overall goals, and have great respect for what TI – and its index – have done to put corruption issues on page one and keep them there.

Instead, I argue for a more differentiated and comparative view of corruption, and of the reforms we must pursue. The goal is to start with deeper trends and difficulties in development and trace their implications for the contrasting sorts of systemic corruption problems various societies experience. Those development issues, and corruption itself, are found in affluent market democracies as well as in societies undergoing more rapid change. Indeed, some of the corruption problems of those poorer and less democratic countries originate in more developed parts of the world. I propose the existence of four major corruption syndromes, consider case studies of each, and engage in some speculation – useful, I hope – about the different sorts of reform required for each. That discussion emphasizes the ways we should (and should not) deploy familiar reform measures, rather than searching for silver bullets. As I note at the beginning of the final chapter, it is highly unlikely that all who care about corruption will be persuaded by the chapters to come. Instead, the goal is to spur renewed debate over just how corruption differs in various settings, what the underlying causes of those contrasts might be, and what needs to be done by way of more appropriate remedies.

Whatever the merits and failings of this book, it could not have been written without a great deal of support and advice. My wife, Betsy, and our sons Michael and Patrick, have put up with more talk about corruption and reform than anyone should have to endure in one lifetime. Colgate University, and before that the University of Pittsburgh, have encouraged me to teach and do research in this field for (egads . . . ) thirty years now. Colgate’s Research Council has provided funding for research
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During the 2002–3 academic year I had the good fortune to be a Member of the School of Social Sciences, and a National Endowment for the Humanities Fellow, at the Institute for Advanced Study in Princeton, New Jersey. The Institute provided superb support, a real community of scholars working on corruption and other issues and, best of all, a year’s unencumbered time. All have proven essential to the development of this book. Michael Walzer organized a stimulating thematic seminar at the Institute with a focus on corruption issues. I benefited immensely from his comments, and from those of Clifford Geertz, Eric Maskin, Philip Bond, Brenda Chalfin, Neil Engebret, John Gerring, Jennifer Hasty, Rasma Karklins, Madeline Kochen, Wolf Lepenies, Sankar Muthu, Roberto Serrano, and Ralph Thaxton. Linda Garat, the Members’ Secretary, was indispensable. My thanks to all at the Institute, and to NEH, for a great year. I also thank Professors William Heffernan and John Kleinig, at John Jay College, City University of New York, for the opportunity to present an early version of my corruption typology at an excellent conference they organized in September, 2002. Anne Lauer and her colleagues in Washington gave me excellent feedback about cases in the course of a series of presentations in recent years. Members of a seminar at Harvard University’s Weatherhead Center for International Affairs, directed by Professor Susan Pharr, provided challenging questions and suggestions in response to my presentation on Asian cases in October, 2004. The advice of John Haslam of Cambridge
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University Press, and of his anonymous reviewers, has been useful in many ways. All of these people helped make this a better book, and of course none bears any responsibility for its shortcomings.

In the mid-1970s I began teaching my upper-level lecture course on political corruption. It began as a discussion of the United States with a few comparative examples added, and has evolved into an examination of international corruption and development issues in which the US is but one of many examples. Over the years I have also had the opportunity to visit a variety of countries to study and take part in their reform efforts, to lecture, and to participate in conferences. The students, scholars, citizens, and officials I’ve met along the way have never failed to provide questions, challenges, and new ideas. That is one part of the future I hope will be very much like the present.

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