Corruption, Inequality, and the Rule of Law

Corruption flouts rules of fairness and gives some people advantages that others don’t have. Corruption is persistent; there is little evidence that countries can escape the curse of corruption easily – or at all. Instead of focusing on institutional reform, Eric M. Uslaner suggests that the roots of corruption lie in economic and legal inequality, low levels of generalized trust (which are not readily changed), and poor policy choices (which may be more likely to change). Economic inequality provides a fertile breeding ground for corruption, which, in turn, leads to further inequalities.

Just as corruption is persistent, inequality and trust do not change much over time, according to Uslaner’s cross-national aggregate analyses. He argues that high inequality leads to low trust and high corruption, and then to more inequality – an inequality trap – and identifies direct linkages between inequality and trust in surveys of the mass public and elites in transition countries.

Eric M. Uslaner is Professor of Government and Politics at the University of Maryland–College Park, where he has taught since 1975. He has written seven books including *The Moral Foundations of Trust* (Cambridge University Press, 2002) and *The Decline of Comity in Congress* (1993). In 1981–2 he was Fulbright Professor of American Studies and Political Science at the Hebrew University, Jerusalem, Israel, and in 2005 he was a Fulbright Senior Specialist Lecturer at Novosibirsk State Technical University, Novosibirsk, Siberia, Russia. In 2006 he was appointed the first Senior Research Fellow at the Center for American Law and Political Science at the Southwestern University of Political Science and Law, Chongqing, China.
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The Bulging Pocket Makes the Easy Life

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Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party Internet Web sites referred to in this publication and does not guarantee that any content on such Web sites is, or will remain, accurate or appropriate.
To Avery,

whose keen insights have always combated

any temptations to assume that corruption can be conquered easily
Contents

Preface  ix

1 Corruption: The Basic Story 1
2 Corruption and the Inequality Trap 23
3 Corruption, Inequality, and Trust: The Linkages Across Nations 58
4 Transition and the Road to the Inequality Trap 94
5 The Rocky Road to Transition: The Case of Romania 121
6 Half Empty or Almost Full?: Mass and Elite Perceptions of Corruption in Estonia, Slovakia, and Romania 151
7 The Easy and Hard Cases: Africa and Singapore and Hong Kong 180
8 Corruption Isn’t Inevitable, But . . . 214
9 Conclusions 234

Appendix 251
References 297
Index 317
Somehow I think that I was always destined to write about corruption (see Chapter 1). This has been an unintended project starting with some brief discussions of corruption in my 2002 book, *The Moral Foundations of Trust*, and in a few papers that stemmed from it. An invitation to a conference on corruption in 2002 at the University of Göttingen – sponsored by Transparency International – led me to think more seriously about writing about corruption. Over the next five years, this project took many unexpected turns, even as I thought I had completed the research.

One thing that hasn’t changed is my overall framework, despite many challenges to my argument and the challenge of applying the framework to cases that I had not considered when I started. Some of these detours (especially Hong Kong and Singapore) came about because wise people challenged me; others came about as I read popular accounts of corruption (Africa) and saw my framework reflected in these stories. Along the way, I have had the good fortune to have friends and colleagues who posed tough questions to me, often as the “price” for inviting me to many interesting places throughout the world – where people were always more than willing to share their stories of corruption with me (some of which I have retold here).

I have accumulated a lot of intellectual debts along the way. Bo Rothstein has been a consistent source of strong argumentation and good friendship throughout the journey to completing this manuscript. He, Mark Warren, and Jong-sung You read the entire manuscript for me and caught numerous problems. Jenny Hunt and Ming Sing read substantial portions of the manuscript and also gave very helpful comments. Gabriel Badescu, Ronald King, and Paul Sum taught me most of what I know about Romania – and then some. Gabriel Badescu and I have worked together on many of these issues, and part of Chapter 5 is a revised version of our joint work. I am also grateful to others who have commented on different parts of the manuscript, listed here alphabetically: Claudio Weber Abramo, Kems Adu-Gyan, Michael Bratton, Nick Duncan, John
Preface

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I have been fortunate enough to present my work at a range of forums, both academic and in the “real world.” I list these presentations on the following page and I am grateful to the wonderful audiences I had at each venue for asking demanding questions that often made me rethink my arguments. Speaking to people across continents has given me a fresh perspective on the issues of corruption, inequality, and trust in so many different contexts. I am grateful to the many people who arranged these invitations, especially the Southwest University of Political Science and Law, Chongqing, China (especially Fu Zitang and Larry Li), which appointed me its first Senior Research Fellow, as well as Li Bennich-Björkman, Yoji Inaba, Johann Graf Lambsdorff, Fred Lazin, Robert Leonardi, Joseph Lewandowski, Ferdinand Müller-Rommel, Emerson Niou, Susan Rose-Ackerman, Bo Rothstein, Kim Sonderskov, Fengshi Wu, and Milan Znoj.
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In 2001: At the conference on “Political Scandals: Past and Present” at the University of Salford (United Kingdom), and the conference, “Toward a New Paradigm: Social Capital and Poverty Reduction in Latin America and the Caribbean,” sponsored by the World Bank, the United Nations, and the Social Capital Initiative of Michigan State University, Santiago, Chile.

In 2002: At the conference on “Corrupt Transactions Exploring the Analytical Capacity of Institutional Economics,” University of Göttingen, Göttingen, Germany; the International Institute in Institutional Analysis of the University of Tübingen (Germany), Sofia, Bulgaria; and the Collegium Budapest Project on Honesty and Trust Conference, Workshop on Formal and Informal Cooperation, Budapest, Hungary.

In 2004: At the Conference on the Caux Initiatives for Business Conference for Business and Industry, Caux, Switzerland.

In 2005: At the University of Uppsala, Uppsala, Sweden; the Conference on the Quality of Government, Göteborg University (Sweden); the WIDER Jubilee Conference, Helsinki, Finland; the Society for the Advancement of Socio-Economics, Budapest, July, 2005; and as a Fulbright Senior Specialist Lecturer at Novosibirsk State University, Russia.

In 2006: At the Southwest University of Law and Political Science, Chongqing, China, as my inaugural lecture as the Senior Research Fellow at the University’s Center for American Political Science and Law; the symposium on “Democracy and Social Capital: A Czech-American Dialogue,” at the Woodrow Wilson Center, United States Embassy, Prague, Czech Republic, sponsored by the Czech Fulbright Commission, the United States Embassy (Prague), and the Institute of Political Science, Charles University (Prague); the Chinese University of Hong Kong, April 4, 2006; the City University of Hong Kong; the Czech Academy of Sciences, Institute of Sociology, Prague, Czech Republic; the Japan Productivity Center for Socio-Economic Development (Tokyo), at Osaka University (Japan); the conference on “Achieving Global Equity: The Challenges Facing Universities, Governments and Business,” University of Plymouth (United Kingdom); the conference on “Social Capital, Sustainability and Socio-Economic Cohesion Within the EU MLG Structure in Development Policy,” London School of Economics, London, England; the workshop on “Research on Corruption and Its Control: The State of the Art,” The Wharton School, University of Pennsylvania; the seminar on “Public Policy and Ethics in the U.S.A.,” Program for Chinese Visitors, Center for Intercultural Education and Development and the International Program in Governance and Policy, Department of Government, Georgetown University; the Conference on “Comparative Reflections on Developing Democracies and the Case of Turkey,” sponsored by the Center for International and Comparative
Studies at Northwestern University and the Institute of Turkish Studies, Northwestern University; as a lecturer at the ECPR/DAAD Ph.D. Summer School 2006 on Democracy and Governance in Central Eastern Europe, Center for the Study of Democracy (Zentrum für Demokratieforschung), University of Lüneburg (Germany); and the Economic and Social Policy Institute Summer School in Economic Policy, Belgrade, Serbia.

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Preface

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I have tremendous debts to my late parents, Abe and Irene Uslaner. My father
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so covert, requiring inside knowledge, could be measured. My mother was ever
the optimist – except as she introduced me to The Threepenny Opera. Of course,
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this book to him.