

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)



## *The Quest for Good Governance*

Why do some societies manage to control corruption so that it manifests itself only occasionally, while other societies remain systemically corrupt? This book is about how societies reach that point when integrity becomes the norm and corruption the exception in regard to how public affairs are run and public resources are allocated. It primarily asks what lessons we have learned from historical and contemporary experiences in developing corruption control, which can aid policy-makers and civil societies in steering and expediting this process.

Few states now remain without either an anticorruption agency or an ombudsman, yet no statistical evidence can be found that they actually induce progress. Using both historical and contemporary studies and easy to understand statistics, Alina Mungiu-Pippidi looks at how to diagnose, measure, and change governance so that those entrusted with power and authority manage to defend public resources.

ALINA MUNGIU-PIPPIDI teaches democratization and policy analysis at the Hertie School of Governance in Berlin. She chairs the European Research Centre for Anti-Corruption and State Building Research and is Chair of Policy Pillar of the EU FP7 five-year research project, ANTICORRP. Professor Mungiu-Pippidi has served as an adviser on issues of governance measurement and anticorruption to the European Commission, UNDP, Freedom House, NORAD, and the World Bank, among others. She is also a popular op-ed writer and the author of two film documentaries: *Where Europe Ends* and *A Tale of Two Villages*, screened by the BBC.

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control  
of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)

---

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)

# The Quest for Good Governance

How Societies Develop Control of Corruption

ALINA MUNGIU-PIPPIDI



**CAMBRIDGE**  
UNIVERSITY PRESS

Cambridge University Press  
978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control  
of Corruption  
Alina Mungiu-Pippidi  
Frontmatter  
[More information](#)

**CAMBRIDGE**  
UNIVERSITY PRESS

University Printing House, Cambridge CB2 8BS, United Kingdom

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning and research at the highest international levels of excellence.

[www.cambridge.org](http://www.cambridge.org)

Information on this title: [www.cambridge.org/9781107534575](http://www.cambridge.org/9781107534575)

© Alina Mungiu-Pippidi 2015

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2015

Printed in the United Kingdom by Clays, St Ives plc

*A catalog record for this publication is available from the British Library*

*Library of Congress Cataloging in Publication data*

Mungiu, Alina.

The quest for good governance : how societies develop control of corruption / Alina Mungiu-Pippidi.

pages cm

Includes bibliographical references and index.

ISBN 978-1-107-11392-3 (hbk) – ISBN 978-1-107-53457-5 (pbk)

1. Political corruption–Prevention. 2. Public administration–Corrupt practices–Prevention. 3. Government accountability. 4. Transparency in government. I. Title.

JF1525.C66M8 2015

352.3'5–dc23 2015010006

ISBN 978-1-107-11392-3 Hardback

ISBN 978-1-107-53457-5 Paperback

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

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)

*The research for this book was funded in part by the European Union Seventh Framework Research Project ANTICORRP (Anti-corruption Policies Revisited: Global Trends and European Responses to the Challenge of Corruption grant agreement number 290529). The views expressed are solely those of the author and the European Union is not liable for any use that may be made of the information contained therein.*

*This book is the first from Cambridge University Press related to the ANTICORRP project ([www.anticorrrp.eu](http://www.anticorrrp.eu)).*

*Alina Mungiu-Pippidi (2015) The Quest for Good Governance*



*This project is co-funded by the Seventh Framework Programme for Research and Technological Development of the European Union*

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control  
of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)

---

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)

## Contents

|  |           |
|--|-----------|
| <i>List of figures</i>   | page viii |
| <i>List of tables</i>  | ix        |
| <i>List of abbreviations</i>   | x         |
| <i>Acknowledgments</i>   | xii       |
| 1 Understanding control of corruption  | 1         |
| 2 Diagnosis and measurement  | 27        |
| 3 The road to Denmark: historical paths to corruption control  | 57        |
| 4 Structure and agency: determining control of corruption  | 83        |
| 5 Understanding contemporary achievers   | 130       |
| 6 Domestic collective action capacity  | 161       |
| 7 International agency and its anticorruption impact   | 186       |
| 8 From critical mess to critical mass: some tentative policy conclusions                                 | 207       |
| <i>Appendix 1 Explaining bribery</i>   | 227       |
| <i>Appendix 2 List of variables and sources</i>  | 228       |
| <i>Appendix 3 Brief description of databases and surveys used</i>  | 247       |
| <i>Appendix 4 Impact of anticorruption interventions on control of corruption: bivariate regressions</i> | 252       |
| <i>Appendix 5 HDI differentials from Figure 4.1</i>  | 253       |
| <i>Appendix 6 Classification of countries by governance orders</i>                                       | 259       |
| <i>References</i>  | 265       |
| <i>Index</i>   | 289       |

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)*Figures*

|     |   |                |
|-----|---|----------------|
| 1.1 | Individual tolerance of corruption by education level                                 | <i>page</i> 21 |
| 1.2 | Context attributions by bribe payers  | 22             |
| 2.1 | Change of fortune for top public contract winning companies after election, Hungary   | 38             |
| 2.2 | Perceptions of corruption in the judiciary and parliament (2004–2009)                 | 41             |
| 2.3 | Evolution of the WGI control of corruption average by region (1996–2013)              | 52             |
| 4.1 | Predicted control of corruption scores based on the modernization model               | 93             |
| 4.2 | Theoretical path model of control of corruption                                       | 120            |
| 5.1 | Selected achievers' evolution   | 133            |
| 5.2 | The Chilean path. Governance more stable than politics                                | 137            |
| 6.1 | The association between civil society and control of corruption in post-Soviet states | 176            |
| 7.1 | Democracy and governance in Poland, 1985–2010   | 198            |



Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)*Tables*

|     |   |               |
|-----|---|---------------|
| 1.1 | The faces of particularism  | <i>page</i> 6 |
| 1.2 | Satisfaction with public service by bribe   | 8             |
| 1.3 | Incidence of bribery and perception of equality in healthcare service provision                   | 9             |
| 1.4 | Level of observation and empirical analyses of corruption across disciplines                      | 16            |
| 2.1 | Governance regimes and their main features  | 29            |
| 2.2 | Allocation of disaster fund per ruling party mayors in Romania over three electoral cycles        | 36            |
| 2.3 | Correlations between different corruption indicators  | 43            |
| 2.4 | Indicators for measuring corruption by data collection type                                       | 47            |
| 4.1 | Impact of modernization components on different corruption measurements                           | 89            |
| 4.2 | The development of institutional interventions  | 103           |
| 4.3 | Impact of anticorruption interventions on control of corruption: multivariate regressions         | 107           |
| 4.4 | Impact of anticorruption interventions on control of corruption: interaction with social openness | 111           |
| 4.5 | Equilibrium cross-sectional models  | 123           |
| 4.6 | Panel regressions   | 126           |
| 5.1 | Contemporary achievers at a glance  | 157           |
| 6.1 | Effect of press freedom on corruption: panel regression   | 168           |
| 8.1 | Checklist of good governance progress-tracing indicators for borderline countries                 | 219           |

*Abbreviations*

|           |  |
|-----------|--|
| ACA       | Anticorruption agency  |
| ACI       | Anticorruption interventions   |
| ANTICORRP | Anticorruption Policies Revisited: Global Trends and European Responses to the Challenge of Corruption |
| BDP       | Botswana Democratic Party  |
| CoC       | Control of Corruption (World Bank)   |
| CPI       | Corruption Perceptions Index   |
| CSOs      | Civil society organizations  |
| DPP       | Democratic Progressive Party, Korea  |
| EITI      | Extractive Industries Transparency Initiative  |
| EQI       | European Quality of Government Index   |
| EU        | European Union   |
| EVS       | European Values Survey   |
| FCPA      | Foreign Corrupt Practices Act  |
| FDI       | Foreign direct investment  |
| FIFA      | International Federation of Association Football (Fédération Internationale de Football Association)   |
| FOIA      | Freedom of Information Act   |
| GCB       | Global Corruption Barometer  |
| GDP       | Gross domestic product   |
| GNI       | Gross national income  |
| GRECO     | Group of States against corruption (Council of Europe)   |
| HDI       | Human Development Index  |
| IACC      | International Anticorruption Conference  |
| IAACA     | International Association of Anticorruption Authorities  |
| ICAC      | Independent Commission Against Corruption, New South Wales, Australia                                  |
| ICRG      | International Country Risk Guide   |

*List of abbreviations*

xi

|        |  |
|--------|--|
| IMF    | International Monetary Fund  |
| ISD    | Indices of Social Development  |
| KMT    | Kuomintang   |
| KOF    | Index of Globalization (ETH Zurich)                                  |
| MCC    | Millennium Challenge Corporation                                     |
| MP     | Member of Parliament   |
| NGO    | Non-governmental organization  |
| NORAD  | Norwegian Agency for Development Cooperation                         |
| NUTS   | Nomenclature of Units for Territorial Statistics                     |
| OBI    | Open Budget Index  |
| OECD   | Organization for Economic Cooperation and<br>Development             |
| PPP    | Purchasing power parity  |
| PRS    | The PRS Group, Inc.  |
| QoG    | Quality of Government Institute, University of<br>Gothenburg, Sweden |
| UN     | United Nations   |
| UNCAC  | United Nations Convention Against Corruption                         |
| UNDP   | United Nations Development Program                                   |
| UNESCO | United Nations Educational, Scientific, and<br>Cultural Organization |
| USAID  | United States Agency for International<br>Development                |
| WEF    | World Economic Forum   |
| WGI    | Worldwide Governance Indicators, World Bank                          |
| WVS    | World Values Survey  |

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)

## *Acknowledgments*

This book was born out of sheer frustration. I started as one of the many young people who had been involved in a 1989 revolution and who then went on to study in a great Western university. Upon my return and, still early in my life, I took up public office, only to discover that any public policy is irrelevant in an environment where corruption is the norm and where heavy prices are paid by the whistle-blowers, not the bribers.

In 2003 I won my first important EU research grant, with which I organized a survey in five Eastern European countries to explore and test the insights I had gathered from my public sector experience. A first resulting article, which analyzed the survey results, argued that bribery was only a small part of postcommunist corruption, and that the particularistic allocation of public resources was the main governance norm and the main driver of politics (Mungiu-Pippidi 2006a). It was on this basis that I planned what seemed at the time a highly successful anticorruption campaign that I organized in my country (Romania), and which received praise in World Bank textbooks and mainstream international media. My 2004 anticorruption campaign worked marvellously, as should always be the case with research-grounded reforms: it toppled a corrupt government leading in polls, made anticorruption the number-one issue on the public agenda and empowered reformers in grand style. But more corruption followed just as anticorruption was taking hold. Only ten (hard to bear) years later am I finally running out of names on my “black” wish list, as I watch every day on the internet news of jailed top Romanian dignitaries. I have my own private, although incomplete, virtuous circle.

My second corruption article, “Corruption: Diagnosis and Treatment,” published in 2006 in *Journal of Democracy* (edited by The National Endowment for Democracy and The Johns Hopkins University Press), proposed a new theoretical framework to study corruption. It argued that particularism was the “default” governance

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)*Acknowledgments*

xiii

regime and that ethical universalism could be reached only after long and quite exceptional state-building. It also contended that political competition in new democracies was mostly a competition to spoil public resources. Corruption is thus bound to increase after democratization and can decrease only when sufficient civil society control develops that can be sustained over time (Mungiu-Pippidi 2006b). I owe many thanks to Michael Johnston and Bo Rothstein for their generous promotion of this article as a new paradigm setter. Also Tom Carothers, Claus Offe, Larry Diamond and Mark Plattner in the democracy studies community were enthusiastic supporters of anticorruption in the final stage of democratic revolution and encouraged me over the years to pursue this further. The *Journal of Democracy* remained the privileged testing ground of my ideas, and I owe thanks to editors, reviewers and readers who helped me advance my ideas through several articles. The New School journal *Social Research: An International Quarterly* published the core historical argument that I took six years to develop, as “Becoming Denmark: Historical Designs of Corruption Control”, in its special corruption issue (Mungiu-Pippidi 2014).

So how can a state captured by private interests evolve into one operating on the basis of ethical universalism? This became the key question of my seminar on good governance transitions at Hertie School of Governance in Berlin, which has always been short on successful cases to study, although not on students. I had to add historical case studies to be able to present more “achievers,” and I always felt very close to my graduate students from countries who insisted that their country “was not there” yet. I felt the same about my own. In 2011, the Norwegian Agency for Development Cooperation (NORAD) commissioned the Hertie School of Governance to write an analytical report to explain the modest results of the first generation of anticorruption instruments supported by international donors and propose a new generation of evidence-based reforms. The report warned of exaggerated ambitions and modest results, as its first working title, “Chasing Moby Dick across Every Sea and Ocean,” indicated. Fredrik Eriksson, then with NORAD, deserves thanks for the enthusiastic advertising of new theoretical insights that he claimed to have spotted in the report. The title we had to give up as too pessimistic for the development community. Instead, the report was called “Contextual Choices in Fighting Corruption: Lessons Learned, NORAD, Report 4/2011” and its main structure and argument became the core of the present book. The

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)

views and opinions expressed in the report did not necessarily correspond with those of NORAD. The agency graciously agreed that some of the work I initiated there is used here in a more developed form.

I also owe thanks to the Trust for Civil Society in Central and Eastern Europe (CEE Trust), the Open Society Institute Think-Tank Fund, Balkan Trust for Democracy, Freedom House, Black Sea Trust, Stanford's Center on Democracy, Development, and the Rule of Law, the European Institute at Oxford University, and the International Democratic Forum in Washington DC for the support they have given me over the last fifteen years to develop anticorruption experiments, test them and report the results. I also want to thank New School for Social Research, the Journal of Democracy, NORAD and Barbara Budrich, the publisher of the EU FP7 ANTICORRP Anticorruption Report Series for publishing in advance bits and pieces of what would later become chapters of this book. In 2011, the European Union Seventh Framework Project awarded me and my colleagues 'ANTICORRP', the largest social science EU Framework Project grant at that time, 10 million Euros. Its title, "Antibody" in English is manifest in itself of how I saw the cure of this particular disease – not by using particular medicines, but by empowering natural immunity.

Historians Mette Frisk Jensen (for Danish history), Andrei Pippidi (for intellectual history of ethical universalism) and Guy Geltner (for Italian medieval city states) gave me great advice and guidance. My research team at Hertie School deserves special thanks, in particular Aram Khaghghordyan with his invaluable help on editing, Roberto Martinez Barranco Kukutschka for his dedicated work on graphs and tables, and Ramin Dadasov for his relentless updates and improvements to our statistics.

Researchers and practitioners from all over the world brought great contributions to our three-year-long seminar "Transitions to Good Governance" which helped document this book: Drago Kos, Chris Walker, Monica Macovei, Francesca Recanatini, Alena Ledeneva, Donatella Della Porta, Alberto Vanucci, Richard Rose, Mark Pieth, Masa Loncaric, Bianca Vaz Mundo, Ana Carolina Sponza Braga, Michael Weinhardt, Angelica Pulido Solares, Aiste Skardziute, Maira Martini, Fortune Agbele, Mariam Gbedava, Dainius Velykis, Kristof Kleemann, and Mihaly Fazekas. I also owe many thanks to all the academics, civil servants and journalists who patiently received me in South Korea, Chile, and Uruguay.

Cambridge University Press

978-1-107-11392-3 - The Quest for Good Governance: How Societies Develop Control  
of Corruption

Alina Mungiu-Pippidi

Frontmatter

[More information](#)

---

*Acknowledgments*

xv

Finally, all non-governmental organizations and individuals who worked with me to develop anticorruption coalitions and civil society anticorruption projects in Albania, Romania, Moldova, Kosovo, Serbia, Croatia, Ukraine, Slovakia, Czech Republic, Poland, Russia, and Central Asia are entitled to my gratitude and solidarity for their endless and frequently unrewarded efforts.