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Chapter 9: A Multi Approach in Corruption Research: Towards a More Comprehensive Multi-Level Framework to Study Corruption and Its Causes

Leo W.J.C. Huberts

1. Introduction

Corruption and causation are among the most contested concepts in (social) science and their combination offers an intriguing as well as a seemingly unsolvable puzzle. In this chapter, I will try to clarify some of its pieces.

The first puzzle piece concerns the characterization of corruption. It is crucial to be clear about the actual interpretation of the corruption concept. Is it bribing and being bribed; is it private profit from (public) power; is it unethical (public) behavior? (§ 2) Second, whenever causes are debated, the question of how causation is interpreted arises. Stemming from the literature on power and influence, the view on causes as INUS conditions is presented. A cause is a characteristic or condition that is an ‘Insufficient’ but ‘Necessary’ part of an ‘Unnecessary’ but ‘Sufficient’ condition for the effect (§ 3). Many conditions can lead to corruption and in research, it is essential to try to find the element that cannot be missed among the many that together contribute to it.

A third complication and challenge is the interrelationship of many conditions at different ‘analytical’ levels. We all are familiar with the micro-meso-macro distinction. Although many researchers focus on one or two of these levels – often because their disciplinary orientation so limits them – few will deny that the real challenge is (inter)relating these levels. A number of approaches and studies will be presented with different and challenging foci on the factors that determine corruption. First some descriptive multi-level frameworks will be summarized (§ 4); second a number of challenging ‘limited level’ studies will be presented (§ 5). After the brief sketches of these studies on the conditions and causes of corruption, we conclude with a first idea about a multi-level approach or a better framework for analysis (§ 6). Not surprisingly, it becomes clear that there is no simple way out of multi-dilemmas. The main conclusion is nonetheless optimistic. A comprehensive framework that relates types of corruption with a variety of factors at different levels might help. And although we are only in the first phase, that is, collecting and summing up what might matter, I am optimistic about using that knowledge for overlapping theory building.

2. Multi-Corruption

It is often stated that the corruption phenomenon is complex, complicated, and difficult to grasp, resulting in the notion that defining corruption is more or less a mission impossible. In my view, however, there is not so much a serious conceptual problem of obscurity or complexity but primarily a matter of disagreement between scholars and practitioners. To put it simply: interpretations of what corruption vary between broad and narrow, and we can avoid Babylonian confusion of speech by being explicit in definition and specification.

Often ‘corruption’ is related to acting in opposition to what is considered morally good or right (Barker/Carter 1996; Bull/Newell 2003; Caiden 1991; Caiden/Dwivedi/Jabbara 2001; Cooper 2001; Crank/Caldero 2000; Dobel 1999; Heidenheimer/Johnston 2002; Huberts/Jurkiewicz/Maesschalck 2008; Johnston 2005; Menzel/Carson 1999; Preston/Sampford/Connors 2002). In other words, it is equal to violating what is considered to be in line with relevant moral values and norms, equal to the violation of integrity (and rather close to ‘improper interests involved’, when the last part is interpreted broadly).

The interpretation is quite different from the probably most-favored definition of corruption in terms of *private* interest and profit from (public) office (Lawton/Doig 2006; Menzel 2005; Pope 2000). This interpretation is widespread but has to compete with an ‘even more’ specific interpretation that concentrates on where the private profit is coming from. Is misusing office for private profit always corruption or is it conditional whether there is a third party involved? If so, we are concentrating on bribing and other types of improper influence (active and passive); if not, all types of theft, fraud, and misuse of resources are included.

In VU research, a broad typology of integrity violations is used. It was originally formulated through an analysis of the literature on (police) integrity and corruption and later adapted and validated (Lasthuizen 2008) based on empirical research on internal police force investigations. The typology explicitly incorporates violations of law as well as of (informal) moral norms and values, violations in function within the organization, private time (mis)behavior, behavior serving private personal interests, and misbehavior in favor of the organization (‘noble cause corruption’) (Lamboos 2005).

Among the types of integrity violation are corruption (bribing and favoritism)¹, fraud, theft, conflict of interest through gifts, conflict of interest

1 Thus, only bribing and favoritism explicitly use the corruption label. Corruption as *bribing* involves the abuse of powers for private gain, coming from an interested third actor (because of advantages promised or given). In corruption as *favoritism*, the advantages promised or given to the corrupt functionary can take the form of indirect personal gains, such as when family or close friends (nepotism), friends or peers (cronyism), or a party or one’s own organisation (patronage) are favoured.

through jobs, improper use of authority, misuse and manipulation of information, indecent treatment of colleagues or citizens and customers (including discrimination and sexual harassment), waste and abuse of organizational resources, and private time misconduct. To distinguish between them is important, especially when discussing the causes of ‘corruption’. It seems plausible that corruption as ‘bribing’ will not be caused by the same factors as other corruption-related violations (favoritism, fraud, conflict of interest, and so on), let alone other types of violation (for example, waste and abuse of resources and private time misconduct).

Focus

This chapter will concentrate on corruption with an interpretation used by other authors in this book, that is, corruption as the *abuse of a (public) authority for private benefit*. This is more or less in line with Michael Johnston’s definition of corruption as ‘the abuse, according to the legal or social standards constituting a society’s system of public order, of a public role or resource for private benefit’ (1996: 322). More specifically, this means that the following elements of the typology are incorporated:

1. Bribing: Misuse of (public) power for private gain: asking, offering, accepting bribes.
2. Favoritism: Misuse of authority to favor family, friends or party (nepotism, cronyism, patronage).
3. Fraud and theft: Improper private gain from the organization, colleagues, or citizens without an interested external actor.
4. Conflict of (private and public) interest through gifts, services, assets, or promises taken.
5. Conflict of (private and public) interest through sideline activities (jobs, position, activities).

Conclusion

It seems important to realize that future research will have to differentiate more clearly between types of violations, but for now it is most important that we are clear about the phenomenon we are addressing. I will from this point focus on corruption as the abuse of a (public) authority for private benefit. In terms of the integrity violations typology, it means that it includes bribing, favoritism, conflicts of interest, and fraud and theft. But please, keep in mind that when we concentrate on corruption as improper private profit from public power, we should not then over exaggerate the relevance of results for the causes of other types of integrity violations.

3. Multi-Level Causation

Causation is in a sense a more complex and disputed concept than corruption. Its content is essential for much of the work of social scientists, whatever their field. We all agree that ‘correlation is not causation’ and that co-variation as such is only a starting point for attempts to come to conclusions about cause and effect relationships. But what are the characteristics of a relationship that enables us to conclude it is a causal one? First it is important to be specific about the effect that is analyzed in order to establish causes. Second it is conditional that cause and effect both have occurred; that cause and effect are distinct ‘events’; that, in the circumstances, if the cause had not occurred the effect would not have occurred; and that cause is prior to the effect.

Very strict interpretations of causality then imply that we only speak of the cause of an effect when the cause is necessary and sufficient for the effect, but this does not bring us much further in trying to understand the diverse and complex corruption phenomena we see in society. More often, a combination of conditions and circumstances seem to contribute to the effect or result, a corrupt person, regime, or organization.

A way out seems to be Mackie’s idea to about ‘INUS conditions’ meaning ‘Insufficient’ but ‘Necessary’ part of an ‘Unnecessary’ but ‘Sufficient’ condition for the effect (Mackie 1965, 1974). Mackie stressed that effects have, typically, a plurality of causes. That is, a certain effect can be brought about by a number of distinct clusters of factors. Each cluster is sufficient to bring about the effect, but none of them is necessary. Each single factor is an insufficient but non-redundant part of an unnecessary but sufficient condition for the effect.

In other words, trying to find out more about the causes of corruption means trying to discover conglomerates of conditions that actually have led to cases of corruption. When there is corruption, there is by definition a set of sufficient conditions present. The next step is to disentangle the conglomerate, trying to find out what conditions seem to be most prominent or necessary or in INUS terms non-redundant.

Multi-Level

Another aspect of any approach is taking into account at which level corruption manifests itself and is analyzed. The common distinction between levels is that of micro (the individual), meso (group, organization), and macro (society).

Many scholars see the macro-meso-micro problem as hard to solve and many discussions on the importance of causal factors for corruption stem from researchers’ involvement with different levels. Sometimes this is done by eclectic mapping of whatever is mentioned as a cause in (part of the) literature. Other examples concern researchers who consciously try to combine multi-level factors in empirical studies.

4. Eclectic Mapping of Causes

My first rather limited attempt to do international comparative research on the causes of ‘public corruption and fraud’ started with a literature review (Alatas 1990; Benaissa 1993; Caiden 1988; Van Duyne 1995; Heidenheimer/Johnston/Levine 1989; Hoetjes 1982; Huberts 1992; Klitgaard 1988; Wertheim/Brasz 1960). It resulted in a typology of social, economic, political, organizational, and individual factors mentioned in the literature as possible causes of corruption and fraud.

The starting point for that typology of factors was the ‘ecological approach’ of Ben Hoetjes, a Dutch pioneer in this field, who worked on development administration (primarily India) and on corruption in the Netherlands (1977, 1982, 1998, 2000). Hoetjes distinguished between four disciplinary approaches or clusters of relevant factors and causes (1977: 53-65).² The first ‘*Weberian* approach’ sees corruption as a lack of rationalization of the public service and corruption is a phase on the route from patrimonialism to rational legal authority. Second is the *structural functionalist* approach. Which function fulfills corruption in a certain society? Is it for example the lubricant between the central and the local levels or between state and business levels? Or does corruption provide protection and influence for social groups with material wealth but little or no political influence? (Riggs 1964). The third approach, *institutional economics*, sees corrupt officials as rational utility maximizers who simply take the most profitable course of action. It favors perceiving ‘individuals as rational beings attempting to further their own self-interest in a world of scarce resources’ (Rose-Ackerman 1978: 4) and is also interested in the conditions that determine a profitable course, including the discretionary power of an actor and the expected costs of accepting a bribe (Rose-Ackerman 1999, 2006).

Hoetjes favored another approach to corruption that he called *ecological*, which concerns distinguishing the environment that furthers corruption (Hoetjes 1977: 60-65; Hoetjes 1982: 72-76). In his framework, many social, economic, and political factors are identified, but he does not limit himself to the environment or an ‘ecological orientation’. He added many personal and organizational characteristics. The following set of causes can be derived from his work:

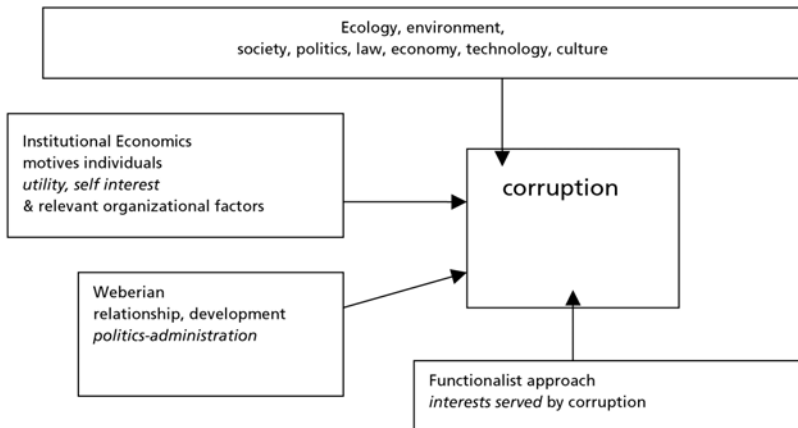
- Individual and personal factors: personal experiences, feelings of insecurity, personal identity, moral ambivalence
- Informal group factors within the organization: group or clique propensity to corrupt, informal group leadership, relationships with colleagues
- Formal organization: unclear tasks and responsibilities, lack of central authority, semi-publicness (between public and private), uncontrolled

² See also chapter 1 of this book.

- growth of the organization, demoralizing working conditions, contradictions between organizational circumstances and social expectations
- Society as a whole: social inequality, rapid social change, norms and values, apathy and ignorance, distrust
- Economy: poverty and inequality, inflation, sudden influx of external resources, state intervention in economic life, state monopolies, feelings of injustice concerning economic conditions
- Politics: increasing (party) political influence and de-bureaucratization, lack of democracy, lack of openness and public debate (also via the media).

It seems fruitful to reinterpret Hoetjes’ four approaches in terms of questions on the causes of corruption. Weberians see the relationship between politics and administration as the key factor (including the quality and independence of the civil service) and ‘economists’ point to motives of the involved actors (individuals in particular) and their self-interest. Functionalists point to positive effects for the functioning of the system to explain the persistent presence of corruption, but they are not specific on the causes (more in general: the interests of the political and economic actors). Ecologists add that context is crucial and characteristics of society, politics, law, economy, technology, and culture have to be taken into account.

Figure 1: Hoetjes’ Corruption Approaches: Weberian, functionalist, economics and ecological



Hoetjes’ impressive inventory of factors may serve as a starting point, but a number of clarifications, changes and additions seem necessary to make the framework (more) useful for and appealing to corruption researchers. First, we have to take into account that the inventory was in part based on personal

impressions, which makes it rather random. State-of-the-art theory and research will have to be built in. Leadership characteristics, for example, are nowadays often seen as important to explaining and understanding corruption, but they are only impressionistically mentioned (Ciulla 2002; Lasthuizen 2008; Treviño et al. 1999). Second, it seems wise to reinterpret the four approaches by including all the mentioned factors on the micro (motives and circumstances), meso (organization) and macro (society) levels as possible causes of corruption. Third, it should be clearer that the corruption phenomenon to be explained manifests itself at different levels and thus causes and effects can be so situated and analyzed. Are we interested in individual, organizational or (social, political, economic) systemic corruption?

Expert Panel Views

When so many factors at different levels seem to contribute to corruption, an obvious question is what really matters (most). More than a decade ago, I carried out some research on the importance of a variety of multi-level causes of corruption (Huberts 1996, 1998). Twenty social, economic, political, organizational, and individual factors from the literature were selected as possible causes of public corruption and fraud (defined as the misuse of public power for private gain). An international expert panel was surveyed by mail about the extent of their nation's public corruption and fraud, the causal conditions, and the methods and strategies they considered to be effective combatants. (Huberts 1998). A total of 257 respondents from 49 countries answered the questions, 190 from higher and 67 from lower income countries.³ The panel was asked to indicate the importance of 20 factors, including social (inequality, norms and values, crime), economic, political, organizational (culture, structure, leadership) and individual (norms and values, income) factors. Table 1 summarizes the results.

3 75 respondents from Western Europe, 4 from Eastern Europe, 65 from Asia, 14 from Oceania, 55 from North America, 37 from Latin America and 7 from Africa. 'Higher income countries' and 'lower income countries' were distinguished on the basis of the GNP per capita (GNP per capita > \$6,000 = higher income country).

Table 1: Importance of Multi-Factors for Corruption in (Lower and Higher Income) Countries

Factors (very) important cause of public corruption or fraud in own country	higher income countries (n=190)	lower income countries (n=67)	total panel (n=257)
social factors			
➤ increasing strength of organized crime	79.3%	90.0%	82.0%
➤ social inequality	66.7%	90.2%	72.8%
➤ rapid social change	64.7%	81.4%	69.0%
➤ strong family ties and obligations	52.4%	61.4%	54.6%
➤ social norms and values concerning private and public (rights and duties)	78.0%	73.7%	76.9%
➤ values and norms concerning government and state offi- cials and organizations	84.6%	79.7%	83.3%
economic factors			
➤ economic problems: inflation/recession	62.2%	85.2%	68.0%
➤ fast economic growth	51.4%	67.3%	55.3%
political factors			
➤ growth and size of government organization	60.0%	72.9%	63.2%
➤ strong interrelationships: politics and administration	67.0%	86.4%	71.8%
➤ strong interrelationships: business, politics, state	86.8%	92.9%	88.3%
➤ penetration of market ideology in the state	47.1%	43.9%	46.3%
➤ increasing significance of lobbying	76.5%	72.9%	75.6%
organizational factors: culture			
➤ public sector culture (values/norms)	83.3%	76.8%	81.8%
➤ lack of commitment of leadership (giving bad example)	82.2%	90.2%	84.2%
organizational factors: structure			
➤ misorganization and mismanagement	80.7%	91.9%	83.5%
➤ lack of control, supervision, auditing	87.2%	93.3%	88.8%
➤ computerization of administrative procedures	31.4%	30.4%	31.1%
individual factors			
➤ norms and values of individual politicians and public ser- vants	88.4%	98.4%	90.9%
➤ low salaries in the public sector	56.9%	87.1%	64.6%

According to the experts a conglomerate of causal factors was important to explaining cases of public corruption and fraud in their country. Not surprisingly, some factors related to developmental problems were considered more important by respondents from lower income countries. These factors were ‘social inequality’, ‘low salaries in the public sector’, and ‘economic problems: inflation/recession’. The simple message here was that policies against poverty and underdevelopment would contribute to establishing more integrity in the public sector.

At the same time, there was much more agreement on the importance of causes in differing contexts than expected. The three most important were identical for higher and lower income countries, and most of the other most important causes of corruption in higher income countries were important in

lower income countries as well. In all parts of the world, rich or poor, corruption and fraud were associated with (1) the values and norms of individual politicians and civil servants, (2) the lack of commitment to public integrity of leadership, (3) organizational problems and failures (lack of control and supervision and mismanagement), (4) the relationship between the public sector and business, and (5) the increasing strength of organized crime.

What to think of these results? What is the use of presenting the aged views of an expert panel in a new book on the causes of corruption? I of course agree that the account presented is by definition questionable: the data are empirically limited and the work is poor on theory. The research nonetheless shows that experts can combine and relate causal factors at different levels in an analysis of corruption in their own countries. This makes me optimistic about the possibility of a comprehensive multi-level framework and of moving forward, empirically and theoretically.

An important question then is whether the many ensuing studies on the causes of corruption justify that optimism. The next section presents a selection of that important work with studies on the macro, meso, and micro levels.

5. Multi-Studies on the Causes of Corruption

Introduction

In this section we summarize a number of studies on the causes of corruption, concentrating first on macro level research, followed by meso and micro studies. The sketch is meant to be illustrative, not at all pretending to select the best studies nor present the state of the art.⁴

Macro Studies of Causes of Corruption

Two of the most quoted and famous contributions on the causes of corruption are that of Treisman (2000) and Lambsdorff (2005).⁵ Both researchers focus on the macro level, analyzing many countries and taking into account a limited number of primarily macro characteristics. Later, both authors reviewed the enormous body of literature in their field that was published in the last decade. Most of these studies use corruption perception data to assess corruption levels across countries. Many surveys ask businesspeople, citizens, analysts and others to estimate the amount of corruption in countries (defined in terms of the ‘abuse of power for personal gains’) and these data are combined into indexes. Most often data from Transparency International or the World Bank (Kaufmann et al. 2007) are used.

4 I also immediately acknowledge that I lean on studies familiar to me, in particular the work of a number of esteemed VU colleagues.

5 Treisman (2000) with 891 hits on Google scholar and Lambsdorff (1999) at a distance second with 163 hits (20-Jan-2009).

Based on his review of the wave of empirical studies in 2005, Lambsdorff concluded that corruption clearly correlates with a low Gross Domestic Product (GDP), income inequality, inflation, crime, policy distortions and lack of competition. The direction of causality for these indicators, however, is controversial. 'Corruption may cause these variables but is at the same time likely to be their consequence as well' (2005: 27).

The general idea is that countries can be trapped in a vicious circle where corruption lowers income, increases inequality, inflation, crime and policy distortions, and helps monopolies at the expense of competition. These developments in turn escalate corruption. Lambsdorff adds that not all empirical results were consistent with his expectations on the causes of corruption:

'For example, the disciplining and motivating effect of higher official wages was found to be rather limited. Also the impact of colonialism on corruption was ambiguous. Press freedom and the (de facto) independence of the judiciary and prosecutors appeared to be important elements in reducing corruption. Increased corruption also resulted from complicated regulation of market entry and tariffs. Corruption was found to increase with the abundance of natural resources and with the distance to the major trading centers. However, these two latter results provide no direction for reform. The same is largely true of cultural dimensions. In particular, a mentality of accepting hierarchies was found to increase corruption.

Democracy obtained the expected positive impact on absence of corruption. However, this impact was more complex. Only countries with high levels of democracy, or electoral systems with high rates of participation, are able to reduce corruption. Medium levels of democracy can even increase corruption. The effect of democracy is also not immediate but takes decades rather than years. Thus, democracy reduces corruption in the long run, but not the lukewarm type of democracy' (2005: 27).

Another central scholar in this field, Daniel Treisman, reflected on the state of the art in 2007 in 'What Have We Learned About the Causes of Corruption from Ten Years of Cross-National Empirical Research?' Treisman reviewed the efforts by political scientists and economists to explain cross-national variations in corruption using subjective ratings, and examined the robustness of reported findings (2007: 241):

'We now know that states are perceived by business people and their citizens to be less corrupt if they are highly developed, long-established liberal democracies, with a free and widely read press, a high share of women in government, and a long record of openness to international trade. Countries are perceived to be more corrupt if they depend on fuel exports, have intrusive business regulations, and suffer from unpredictable inflation.'

But like Lambsdorff, Treisman is skeptical about the causality of the relationships. We cannot reliably say that most of these factors *cause* corruption perceptions to be high or low, he states, although evidence of this is strongest for economic development. Very important is that Treisman compares perception data on corruption with information on actual experiences of corruption. The United Nations Crime Victims' survey, the World Business Environment Survey and Transparency International Global Corruption Barometer, for ex-

ample, offer measures of how frequently citizens or business people encounter demands for bribes in different countries. Treisman concludes (2007: 211):

‘Quite strong evidence suggests that highly developed, long-established liberal democracies, with a free and widely read press, a high share of women in government, and a history of openness to trade, are perceived as less corrupt. Countries that depend on fuel exports or have intrusive business regulations and unpredictable inflation are judged more corrupt. Although the causal direction is usually unclear, instrumenting with income as of 1700 suggests higher development does cause lower perceived corruption. However, controlling for income, most factors that predict perceived corruption do not correlate with recently available measures of actual corruption experiences (based on surveys of business people and citizens that ask whether they have been expected to pay bribes recently). Reported corruption experiences correlate with lower development, and possibly with dependence on fuel exports, lower trade openness, and more intrusive regulations. The subjective data may reflect opinion rather than experience, and future research could usefully focus on experience-based indicators.’

Meso and Micro Studies of Corruption

Many studies on corruption and integrity at the meso and micro levels also pay attention to the causes of corruption. To illustrate the line of reasoning and empirical results, I will summarize a number of studies of the VU research group Integrity of Governance that address the relationship between cases of corruption and characteristics of the involved individuals and organization(s).

Lasthuizen (2008) investigated the relationship between leadership and integrity violations in organizations via empirical work within a Dutch police force. The research defined, conceptualized, and empirically operationalized distinct notions of (ethical) leadership and integrity violation types, as well as the mediating factors of ethical culture and moral judgment. Corruption appeared to be a complex as well as very partial phenomenon among the integrity violations the police is confronted with (Table 2). Corruption and fraud in terms of bribing, favoritism (by supervisors and employees), fraud and theft, and conflicts of interests were distinguished.

One finding was that the respondents perceived most types of integrity violations seldom occurred in the direct work environment and judged them unacceptable practices. However, the responses also suggested that favoritism by supervisors, fraud, indecent treatment of colleagues and customers, and waste and abuse may be more widespread, an observation that, for fraud, coincides with a milder moral judgment (i.e., fewer respondents find this violation unacceptable).

Table 2: Moral Judgments on and Observed Frequency of Integrity Violations in the Police

Types of integrity violations	Observed frequency percentage "never"	Acceptability percentage "never acceptable"
Corruption: bribing	96%	98%
Corruption: favoritism by supervisors	51%	64%
Corruption: favoritism by employees	80%	78%
Fraud	25%	25%
Theft	82%	96%
Conflict of interest through gifts	72%	60%
Conflict of interest through jobs	83%	57%
Improper use of authority	78%	83%
Misuse and manipulation of information	84%	89%
Discrimination against colleagues	85%	96%
Sexual harassment of colleagues	92%	99%
Indecent treatment of colleagues	54%	72%
Indecent treatment of customers	58%	80%
Waste and abuse	60%	85%
Private time misconduct	73%	71%

What caused these integrity violations? Lasthuizen focused on leadership types as possible causes or explanations of what went wrong. She concluded that, contrary to the assumptions prevalent in the literature, leadership is neither a Eureka concept nor a panacea. Rather, the influence of the relationship between leadership and the incidence and prevalence of integrity violations primarily works indirectly through the ethical culture and employee moral judgments. Only a few *direct* effects were established. Specifically, positive direct effects (i.e., the limiting of integrity violations) were found for inspirational leadership on favoritism by supervisors; and for role-modeling leadership on bribing, favoritism by supervisors, and private time misconduct. However, negative direct effects (i.e., the allowing of integrity violations) were observed for passive leadership on waste and abuse, for integrity-focused leadership on discrimination against colleagues, and for unethical leadership on favoritism by supervisors and manipulation and misuse of information.

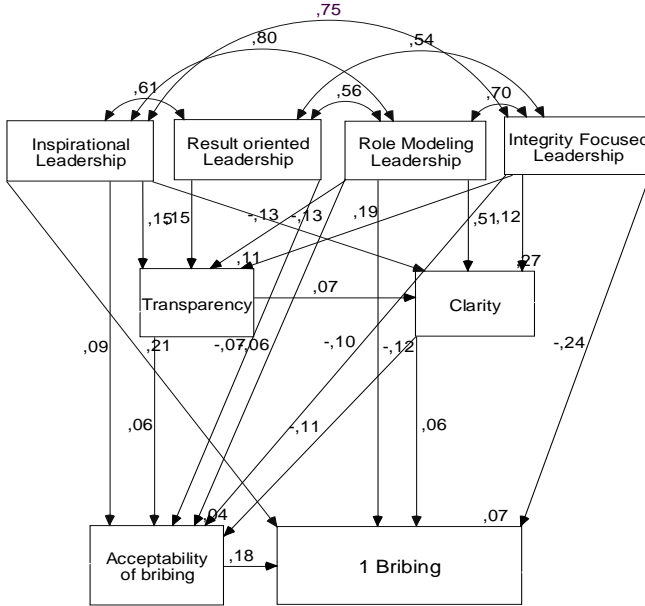
Employee moral judgment appeared to be an important factor for limiting the incidence and prevalence of integrity violations. If employees find a specific type of integrity violation unacceptable, fewer integrity violations of that type will occur. Employee moral judgments can be influenced by the ethical leadership styles of role-modeling and integrity-focused leadership. Lasthuizen presented AMOS models to illustrate the various indirect paths along which these total effects were reached (dependent on type of integrity violation). Figure 2 presents the results on bribing.⁶ The arrows represent the effect of the independent and intermediate variables on the dependent vari-

6 Covariances were permitted between all leadership styles, as the correlational analysis has shown that the leadership styles intercorrelate significantly.

able, while the numbers represent the effect size; only significant standardized betas are included.

To summarize: inspirational leadership causes bribing to be more (!) prominent; result-oriented leadership is much less influential; role modeling and integrity-focused leadership help to limit bribing.

Figure 2: Leadership Styles and Bribing



Nature of Corruption

Another example of a study on the causes of corruption at the meso and micro levels is De Graaf's work on the nature of corruption in the Netherlands. The project was part of a broader study on corruption (Huberts/Nelen 2005). Definitionally, 'public officials are corrupt when they act (or fail to act) as a result of receiving personal rewards from interested outside parties'. De Graaf studied ten Dutch corruption cases in depth (De Graaf/Huberts 2008). The confidential criminal case files, which included taped telephone conversations, official reports, suspect interrogations, and witness interviews, were studied thoroughly along with all available public sources such as newspaper articles and court records. Fifteen interviews were held with the respective case detectives and their superiors to glean as much as possible about the accused officials and their organizational context. Where possible, the propositions were compared with existing literature on the nature of corruption.

The research findings on the nature of corruption derived from the ten cases concerned (1) the individual corrupt official, (2) his or her organizational context, and (3) the relationship between the briber and corrupt official (De Graaf/Huberts 2008). Among the conclusions and propositions were:

1. Next to material gain, the most important motives for officials to become corrupt are friendship (or love), status, and making an impression on colleagues and friends.
2. Officials 'slide' toward corruption; most processes of becoming corrupt can be considered a slippery slope.
3. Corruption rarely evolves from personal problems – financial, for example – of the official. In no case studied here was there a conscious cost-benefit calculation as to whether to accept bribes or not. In almost every case, the process of becoming corrupt can be characterized as a gradual one, a slippery slope.
4. Often, corrupt officials have dominant and strong personalities, know how to 'get things done', take or get the freedom to do things independently, and overstep formal boundaries of authority. The more the public official is a 'business type', the higher the risk of corruption.
5. In most corruption cases, supervision of the corrupt official is not strong. In each of the criminal files of the ten cases, complaints were found about the direct superior's or the organization's executives' failing to supervise the corrupt official.
6. In most corruption cases, management had not promoted a clear integrity policy. Integrity was not an issue.
7. Because of loyalty and solidarity, colleagues are hesitant to report suspicions of another's corrupt activities. Signals of something 'irregular' surfaced before the corruption case was discovered; the signals, however, were not properly handled.
8. The relationship between briber and the official is most often enduring. The firmness of the relationships between the corrupt officials and their bribers is notable.
9. Corrupt officials, including those who operate external 'corrupt networks', do not limit their corruption to one incident.

Bad Apples, Bad Barrels

Whether misbehavior and corruption is more a function of bad apples (personal characteristics) or bad barrels (organizational and societal variables) is constantly debated in the literature. The evidence of the sketched multiple case-study supports the argument of many social researchers (cf. Kish-Gephart et al. 2010; Vardi/Weitz 2004) that (1) neither the individual nor the organizational perspectives fully explain corruption, and (2) integrative explanations are the most useful to explain corrupt behavior (De Graaf 2007).

So we need the combination of meso and micro, but what about macro? The studies presented in the previous paragraph illuminated the importance

of macro characteristics (as wealth, culture, democracy and the judicial system) for the amount of corruption in a country. Should the metaphor of bad apples and bad barrels be systematically completed by paying attention to *bad trees* and *bad orchards*?

6. Conclusion and Discussion

Let me open for discussion and future research a number of concluding observations on a possible multi-approach in the study (of the causes) of corruption.

1. *Reflection about the causes of corruption should start with a definition of corruption.*

We can work with many interpretations of the phenomenon, but clarity is crucial. In this chapter, corruption was defined in terms of private profit from public power. Corruption then includes types of behavior such as bribing, favoritism, fraud, and conflict of interest.

2. *Explaining corruption demands being explicit about the explanandum.*

When the definition of corruption used is clear (private profit for public power), it is also important to be specific about the explanandum. What ‘effect’ are we trying to explain? Are we interested in the causes of one specific corruption case? Do we want to know what caused individual X, organization Y, or party Z to become corrupt? Or is our interest more general, looking for what causes individuals, organizations, parties, policy sectors, countries to become corrupt? And if so, what type of corruption is the explanandum? Is the focus on ‘grand corruption’ by elites in politics and administration (Moody Stuart 1997) or ‘petty corruption’ by street-level bureaucrats?

The answers will vary with the chosen research question, including the selected ‘effect’. When a police officer falls in love with a criminal, and ‘exchanges’ confidential information for love, the cause of the case clearly has to do with that characteristic. No love, no corruption. It is also clear, however, that love is much less important to a more general explanation of the corruption of individuals (let alone organizations and countries).

It is worthwhile to explain all types of corruption (cases). The more specific to the more general can be the topic of our research, but they require different frameworks of (micro, meso, and macro) factors that might be causally relevant.

3. *Reflecting on the cause of corruption (of a person, case, organization, sector, country) presupposes taking into account a multitude of factors on different levels.*

A starting point for theoretical progress should be that all actual *specific cases* of corruption are related to micro, meso, and macro level characteristics and circumstances or causes.

Even in the most specific cases of individual corruption, the influence of multi-level causes can easily be recognized. Research has shown the importance of the lack of supervision and the absence of integrity policies, clearly meso in character, but they will depend heavily on macro characteristics. In the Netherlands, for example, government organizations are obliged by law to formulate and evaluate integrity policies. On the opposite side of the spectrum, macro studies on the level of corruption in countries include variables such as the salaries of public servants and the percentage of women in government.

Additionally we have to realize that all analyses of corruption will thus have to take into account the interrelatedness of causal factors at different levels. When we reflect on the causes of a specific case, the organizational context matters (structure, culture, leadership, policy) as well the broader societal context, including the public's moral values and norms. These factors or causes are, of course, also related.

4. Conglomerates of factors matter at all levels, but not all factors matter. Reflecting on the cause of corruption presupposes an idea of the necessary or most influential factors among a collection of conditions that appear to be leading to corruption.

It is easy to state that 'factors at all levels matter', but how can we prevent getting lost in a complex mix of multi-level causes of corruption amidst an infinite number of potentially relevant aspects and characteristics at the micro, meso, and macro levels (and their interrelationships). Selection is inevitable. What among the many relevant factors is really necessary in an ever-complex context with many contributing factors?

Theories can provide information and expectations about the causes as well as the causal mechanism (how cause brings about effect). Many chapters in this book show how a theoretical framework can lead to a number of possibly relevant causes (leaving out many others). The specificity is understandable; it brings focus and understanding. The offered explanations, however, are often limited.

Another line of reasoning takes the results from empirical work as a starting point to come to the conglomerate of factors to take into account. Results are collected, analyzed and combined, and detached from their theoretical embeddings. This might lead to conclusions and hypotheses to be tested in further research. This eclectic approach may start at the different analytical levels, micro-meso-macro, as I try in the brief summary of factors that follows. A next step should concentrate on establishing a framework that explicitly relates factors proven to be significant at the personal, group, organizational, and national levels.

5. What matters: individual and micro.

At the individual and personal levels several characteristics are important. The studies presented and existing multi-level frameworks have shown that

character matters: strong personalities receive more bribes. Emotion can be crucial too: falling in love makes us vulnerable. Neither can the economic circumstances of the (public) functionary be ignored. If corruption is the only strategy of 'economic survival', the result seems obvious unless the dependency is contradicted by his or her personal and group values. These values are directly related to the functionary's general ideas about being treated right or wrong (in the organization and in society). The resulting view on the acceptability of unethical behavior (including corruption) is an important intermediary factor explaining the resulting behavior.

6. *What matters: work, group, organization, meso.*

The type of work matters, which is often related to characteristics of the organization. At the group and organizational level the behavior and opinions of direct colleagues and supervisors are influential as well as the content of the job in terms of the power to decide about others. Discretion is conditional to deciding because of inappropriate interests. This is directly related to the type of function, the type of (durable) contacts with the outside world and the embeddedness in a stable trustful network.

Within the organization important causes of corruption are lack of control and supervision, failing (ethical) leadership, and a culture with values and norms justifying or even demanding corruption. Failing policy on corruption and integrity matters as well.

7. *What matters: system, country, macro.*

At the country level crucial factors seem to be the level and stability of economic (under)development, the dependency on (fuel) exports, the relationship between state and business, the social norms and values (perceived fairness of the system), characteristics of the system of democratic accountability (including press freedom and citizen participation) and, importantly, the strength of the judicial system. Of course, these interrelate with factors mentioned that cause corruption at the individual and group levels.

8. *Multi-types of causes.*

Table 3 summarizes important individual, organizational and system factors, which without exception belong to the agenda of the broad community of researchers dealing with the causes of corruption. The framework nonetheless sends a message to the many researchers involved in studying a limited segment of it.

*Table 3: Multi-Types of Corruption Causes***Individual**

Character/personality, private economic circumstances, personal values (moral judgment), emotions, discontent

Individual and work-related

Type of work, colleagues, relationships and (trustful) network, discretion, operational leader(ship)

Organizational

- Structure: lacking control/supervision, separation of responsibilities, discretion
- Culture: goals/mission, values and norms (informal and formal) on corruption, ethics
- Policies: integrity policy, reward system
- Failing leadership: operational, strategic

Environmental

Economic (high-low income; openness and trade)
 Political-administrative (state-business, politics-bureaucracy)
 Judicial (the system, rule of law)
 Societal (norms and values, feelings of injustice, crime)

9. Multi-approach.

The real challenge results from the necessity to build theories that combine the many multi-level factors in an interconnected framework for understanding corruption. Let me end with the presentation of a very preliminary explanatory framework of the types of causes of corruption.

Corruption in *countries* is first related to political, economic, and social macro circumstances with, at the core, the idea that the amount of corruption in a country will depend on the perceived fairness of the existing polity, economy, and society. When parts of the population do not get their 'fair' share of the benefits in terms of power and wealth, private profit from public power becomes a justifiable way of life. This is true for countries poor and rich. The idea of fairness might be expected to coincide with the morals of citizens, including their views on the acceptability of corrupt behavior.

Not all organizations and individuals will become corrupt, however; what they do is influenced by the macro social, economic, and political context. Organizational and individual factors also matter.

Political and bureaucratic corruption can be limited or stimulated by meso factors. The closer the *organizational* relationships between politicians and bureaucrats and between those functionaries and business, the higher the public corruption and the more corrupt the country. One aspect of the relationship is organizations and sectors having something 'to offer' (business sectors such as fuel and construction seem important). Another is what the organizational policy and leadership in words and deeds signal to the *individual* and the group about the acceptability of corruption. If corruption is accepted practice throughout the organization, the individual or group cannot be expected to behave differently. However, having leaders and policies express the importance of ethics and integrity is no guarantee for similar micro behavior. Some will still become corrupt because of private circumstances

(love, finances), character and values (personal motives and views on corruption), and opportunity (risk of discovery, sanctions expected as well as work discretion and nature of the services). Being dissatisfied with the organization seems very important in this respect.

Many individual and organizational factors are also characteristics of the macro or country level. A country’s culture can be more or less individualistic, repressive, or tolerant; a country’s systems of political, bureaucratic, private, and business organizations can be more or less interconnected and tight, rely more or less on compliance and sanctions or on integrity and values, give employees more or less discretion, and so on. Research on the corruptness of countries often ignores such types of ‘macro’ characteristics, which is a pity. In that sense, the criticism of many micro-meso researchers that macro researchers ignore the ‘real’ context of actual corruption (cases) is correct. We need to become more sensitive to consequences of multi-level interplay on the research that is done.

However, this is also true for the criticasters. When micro-meso researchers picture the causes of a specific corruption case, they often ignore the broader macro context. Politics, culture, economics do matter and are often reflected in a specific ‘context’ of behavior. What we lack are comparative case studies in different countries on the amount and character of corruption. Micro studies are too ‘local’; macro studies too monotonous in the variables studied.

The interrelationship between causes at different levels will have to be explored further. To conclude this chapter, I summarize a first general idea for the direction of that exploration. Each level of analysis seems to have some very specific factors, causes, conditions, or variables but a number of related areas could be given more attention. Table 4 summarizes the argument.

Table 4: Multi-Approach for Further Research

Type of factor Level	Culture Values	Economics	Political / organization	Policy: compliance and integrity	Injustice Discontent	Other factors
Macro / national	social values culture	economic situation	state-business politics-administration politics-society (networks)	judicial system; law; integrity policy	feelings of injustice social discontent	crime
Meso / organizational	organizational values, culture	reward system	control system job discretion leadership	norms and sanctions leadership integrity policy	discontent in organization reward system	policy sector
Micro / individual	personal values, moral judgment	personal financial situation	relationships (internal, external) type of work	moral judgment risk of punishment	individual discontent and frustration (society, work, job)	character emotions

Individual character, personality, and emotions seem rather specific but may be related to the broader culture. The personal *values* and moral judgment are almost by definition related to and influenced by organizational and social values and the same is apparent for the personal *economic* or financial situation, the organizational reward system, and the state of the economy. Factors stemming from the *political and organizational* structure also find their counterparts in characteristics as the relationships at work and the amount of discretion of the individual (and the group). Very important and under researched is the relationship between feelings of injustice and *frustration* at the different levels.

Two last additional remarks are important. First, the mechanisms and conditions causing corruption should of course not be limited to the columns in the table. Values and culture, economics, politics and social structure are interrelated and causes of corruption will entail different dimensions.

Second, the selection of types of factors obviously depends on the specific question that we are trying to answer. The explanation of an individual case of corruption asks for another set of factors than the explanation of the amount of corruption of a country. What the Multi Approach adds is the need for more sensitivity concerning the multi-level and multi-factor character of causal relationships. A more comprehensive framework might contribute to our understanding of the complex corruption phenomenon as well as help to connect the different approaches sketched in this book.