

Response to Eugen Dimant's paper *The Nature of corruption. An Interdisciplinary Perspective*,

by

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According to the author the major aim of the paper is to 'provide a comprehensive state-of-the-art survey of existing literature on corruption and its antecedents and effects.' The existing literature surveyed is intended to be brought in from different social science disciplines such as economics, criminology, sociology and psychology to "draw a conclusive picture of corruption on the micro-, meso- and macro-level."

The conception of the corruption issue is alarmist and the author cites with approval the vision that "corruption, like a deadly virus, attacks the vital structures that make for society's progressive functioning ..." It also emphasizes the trans-border aspects of corruption.

After this introduction follows a (rather conventional) overview of definitions, measurement issues and a matrix of 42 potential causes of corruption classified into three columns of economic, legal and social factors. Most of the discussion of causes appears either trivial or unclear or both, like this one (p. 11): "Starting with regulations and authorizations [in the list of causes as classified by Tanzi] the extent of bureaucracy impedes the effectuality and effectiveness of administrative work, eventually inducing redundancies in the form of consistently dealing with red tape, and as such creating obstacles to frictionless procedures. " - What is the meaning this? Maybe that if you hire too many administrators for a job, lacking better things to do, they will tend to produce so much red tape that enterprises/ citizens will offer bribes to get around them

Or consider the following: "Bureaucratic quality strongly varies across countries. Poorly designed policies may intensely contribute to the rise of incentives to accept bribes." What is 'bureaucratic quality' and how may it vary independently of corruption in order to act as a cause? How do 'policies' become 'designed badly' so that they independently of other circumstances may create incentives to corruption? And so we could get on. The number of un-clarities and trivialities make the paper difficult to read.

That said we may find a potentially interesting classification structure in the paper (although not clearly spelled out by the author: Along one line he suggests three aggregation levels: micro, sector (group or meso) and macro. Along another line corruption frequency varies and coalesce into three qualitatively different stages. In principle causes of consequences may be sought at each of these 3x3 different research entry points using conceptual schemes from at least four social science disciplines: economics, sociology, criminology and psychology. Each discipline is not equally relevant for all aggregation and frequency levels. While economics has something to say on micro and macro, it may be less relevant on group tales, the major field of application for sociology.

The most original part of the paper may be its attempts to bring in analyses from (non-Becker'ian) criminology, behavioral economics and psychology, but I find it rather unsuccessful so far. One reason again may be the general lack of clarity in the expositions.

I also find his starting point too direct. For example regarding criminology, Becker may be an OK first approximation for 'rational' crimes where the crime is planned for profit, but it is clearly not directly relevant for passion crimes, or attention-seeking crimes or crimes induced by helplessness and low intelligence, or.... But most corrupt acts are likely to be of a Becker- variety, planned for profit and executed by people with above average income and education levels.

What may be borrowed from psychology that may seek to explain non-rational behavior here? It appears as if the author here has nothing specific in mind although he mentions hyperbolic discounting. One idea here is then how expected punishment is treated. Let us say the only way to discover a corrupt act is under bookkeeping controls not taking place before one year from now.. The bribe income is received now while punishment, if it all occurs, will only take place after a year. How discounting is done is clearly very important in this case, as is, of course the more general case where the expected loss of losing the job in the future will hinge upon the kind of discounting taking place at time t . But what about the estimation of a job loss in case it actually happens at time $t+1$? Here again Kahneman and the behavioral economics company, may be relevant as they have argued convincingly that people values losses more strongly than gains.

There may be a number of other interesting ideas in this paper in addition to the interdisciplinary ambitions that I have been unable to uncover due to the many vague and unmotivated assertions and viewpoints expressed in it. I may got it wrong, but to me the paper expresses a kind of hydraulic¹ conception of corruption that has gained too much currency through the World Bank and Transparency International corruption indicators. Corruption then becomes some kind of liquid that runs through most of the economy with sources rising from the points of intersections between the private and public sector where the liquid also ends. Indicators may be useful as signals of empirical processes, but may lead away from performing clear thinking about, for example, the decision processes or norm evolutions we are interested in and not stimulating the conceptual experiments necessary to understand them. It all becomes a mass of social undesirables called 'corruption.

Summing up, while the author has been co-author to an interesting and competently done paper on migration and corruption, this intended survey on the nature of corruption, did not function for this reader at least, and I doubt it will do so for many others. Rather than creating overview and understanding it made me confused and somewhat annoyed by its overly normative and at times unscientific and NGO-way like ways of expression.

¹ One of the version of Keynesian economics have been called hydraulic since it considered the economy as a regulated stream of goods and services that could be empirically aggregated in meaningful streams of consumption, investment and so on where these streams both constituted and determined the major economic variables of interest. As argued elsewhere I find