

1. MONITORING THE IMPLEMENTATION OF ANTICORRUPTION POLICY

Corruption monitoring has progressed substantially over the years and now includes a number of fairly sophisticated instruments applied nationally and across countries. The methodology for assessing the policies which counter corruption, however, has not managed to catch up with these developments – its tools are mostly general and provide little feedback to the policy cycle. Thus, the construction of a method for a comprehensive examination of anticorruption policies – especially at the point of their concrete application – has been overdue.

This report details the design and results of the pilot application of a tool that is intended to fill this gap. The *Monitoring Anticorruption Policy Implementation (MACPI)* tool is both a research and a policy instrument designed to measure the enforcement of anticorruption policies at the level of public organisations. From a research perspective the MACPI is capable of diagnosing vulnerability to corruption and the implementation of anticorruption policies and of tracking progress of both the vulnerability and policy implementation. As a policy tool the MACPI could serve two functions: 1) to trigger policy and shape response to corrupt practices identified at the stage of diagnostics; 2) to evaluate the effectiveness of anticorruption interventions at the public organisation level.

The MACPI methodology is based on several key propositions:

- the effectiveness of anticorruption enforcement is measurable;
- its measurement should be linked to corruption victimisation metrics;
- the measurement needs to be done in a cooperation between independent watchdogs and public authorities.

The tool is expected to serve three main purposes:

- Analytically, it will combine existing monitoring instruments and indicators into an **integrated approach to corruption diagnostic at the public organisation level**.
- Politically, it will **advance accountability in policy making and policy delivery**.
- Procedurally, it will promote the use of **public-private-partnerships in monitoring**.

There are several options regarding the scope and mode of application of the MACPI tool:

- The **sector-based approach** focuses on anticorruption measures and the mechanisms for their enforcement in sectors highly vulnerable to corruption: law enforcement, healthcare, media, or political parties.

- The **process-based approach** relies on measures of a range of key regulatory processes and regimes, such as political party financing, public procurement, conflict of interest declarations.
- The **actor-based approach** looks into the specific locations where corruption transactions occur (public sector organisations) and examines the policies they employ to address corruption risks and corruption practices.

The choice between approaches needs to be based on suitable criteria. The main assumption in the targeting and scoping MACPI is to construct an instrument which **evaluates and monitors anticorruption policies at the level where they are actually implemented**. This gives preference to the actor-based approach and specifies public organisations as the primary target of the tool. The principal argument for such a choice is that whatever the design of anticorruption policies, in order to "work" they need to be implemented at the level of a concrete public institution. An anticorruption policy that does not take into account the specific activities of specific employees is not viable. Corruption transactions happen at the level of officials in public organisations; anticorruption measures and policies, therefore, would not be implementable without addressing concrete behaviour patterns of public employees.

A special emphasis in the design of MACPI is placed on defining **what an anticorruption policy actually is**. While in general such a task might seem trivial, when facing the concrete public organisation it is often difficult to compile a specific list of policies and/or measures. Such a difficulty is due to two groups of problems, which have been discussed in the research literature: 1) the variety of corruption definitions and approaches to corruption; 2) inconsistencies between general laws and regulations relevant to (anti)corruption and the anticorruption measures and procedures adopted by the concrete public organisation. In addition, public organisations vary greatly in structure, functions and powers and therefore both corrupt practices and anticorruption measures could be considerably different.

There is a consensus that in the EU member states there are some institutions and categories of public officials that are more vulnerable to corruption than others. Monitoring by Eurobarometer, Transparency International and the World Bank focuses on eight major groups of public officials: police, judiciary (judges and prosecutors), customs, tax officials, politicians, healthcare, and civil servants involved in issuance of permits and public procurement. The focus of MACPI lies primarily within the scope of these vulnerable public sectors.²

The development and design of the instrument rests on multiple assumptions, derived from current developments in the theoretical conceptualisation of corruption and the evolution of empirical research of corruption behaviour.

² Anticorruption measures within private companies are another category, which – since it overlaps with anti-fraud measures – remains outside the scope of MACPI.

1.1. THEORETICAL BACKGROUND

1.1.1. Levels of analysis of corruption

Research of corruption behaviour has defined several aspects (levels) of corruption measurement and monitoring:³

Societal/macro level assessments	
Anticorruption policies	Studies designed to assess the existence, the level of enforcement, and the results of a given set of anticorruption policies.
Enforcement of international anticorruption agreements and conventions	Studies designed to track the implementation of important international agreements aimed at curbing corruption.
Assessments of levels of corruption based on macro (economic) indicators	Studies focus on various aspects of spending of public funds which aim to identify specific spending patterns associated with waste of funds/corruption behaviour.
Experience with corruption behaviour	Measure experience with corruption behaviour of citizens and companies. Most often focused on bribery.
Perceptions of corruption behaviour	Measure perceptions of the spread of corruption behaviour of citizens and companies. Most often focused on bribery.
Micro level assessments	
Anticorruption policies	Studies designed to measure/assess the specific anticorruption policies of concrete institutions and evaluate their implementation and effects.
Experience with corruption behaviour	Studies focused on measuring corruption behaviour patterns related to specific activities and/or groups of public officials.
Perceptions of corruption behaviour	Studies focused on measuring perceptions of corruption behaviour related to specific activities and/or groups of public officials.

Since MACPI is designed to assess anticorruption policies at the level of public organisations and their potential impact on corruption levels, it is a typical micro level assessment model intended to:

- be based on micro level data which link specific anticorruption policies to specific activities in a given institution;
- link specific types of activities to possible types of corruption;
- provide baseline data about a given institution and, at a later stage, to enable several successive measurements in order to gauge the relations between changes in the anticorruption policy setup (e.g. adoption of new policies) and their impact on levels of corruption;

³ A brief review of the most well-known societal level corruption measurement and monitoring methods and methodologies is given in: Center for the Study of Democracy. (2015). *Mapping Anticorruption Enforcement Instruments*.

- explore corruption experience based on information from social actors that are directly linked to the operation of the institution.

Monitoring anticorruption policy enforcement could produce different solutions and tools. In order to assess their relative merits properly, the construction of its tools should be located in the overall context provided by corruption research. The review of existing corruption monitoring methodologies has shown that the elaboration of a tool evaluating anticorruption policy enforcement would not be practically possible without some analysis of the concept of corruption measurement. In the last 10-15 years, this measurement has encountered a number of problems and some of them have still not found satisfactory solutions. They are related to two main issues: **what is measured** when corruption is studied and **how to measure** corruption. Available solutions to these issues directly relate to the monitoring of anticorruption policy enforcement. In this respect several reviews of accomplishments and weaknesses have been published in recent years.⁴

One of the key issues in corruption measurement is the level at which the phenomenon is actually manifested and the level at which conclusions are being inferred. The difficulty is that although corruption is a micro level transaction, most corruption research has been focused on the society level and most well-known measurement methodologies gauge how much corruption there is in a society (country). This focus has achieved central importance for a variety of theoretical and practical reasons. Conceptually, society level analyses have been promoted by the Corruption Perceptions Index (CPI) of Transparency International. The CPI has been followed conceptually by measurement systems developed by the World Bank and other institutions. Despite all criticisms of these measurement systems, society level aggregate analyses of corruption have proved useful for donor and international organisations in the pursuit of better targeting of assistance programmes and construction of appropriate development aid conditionalities. In the specific context of the EU, the issue gained particular significance for the 2014 – 2020 programming period and the envisaged conditionalities regarding the European structural funds.

Making macro level conclusions based on observations of a practice at the micro level can lead to mixing up different types of phenomena: “Thus, we can speak of corruption as deviation from the norm only at individual or organisation level, and even then, it is problematic as we do find many regimes where the norm is corruption itself, and governance works as a form of permanent spoliation of public resources by private actors. Corruption in this context includes behaviour ranging from favouritism to bribes. Some of its forms are criminalised, others not, but the defining characteristic at the national level, which makes people speak of ‘corrupt’ versus ‘non-corrupt’ countries, is not a legal definition of corruption, but rather the answer to the question whether transactions carried out by the state respect the norm of ethical universalism or are influenced by some particular ties which lead to privileged treatment and discrimination, respectively.”⁵

⁴ See Norad. (2008). *Anti-Corruption Approaches. A Literature Review*. Oslo: Norad.

⁵ Mungiu-Pippidi, A., Mondo, B. and Kukutschka, R. (2013). *Global Comparative Trend Analysis Report*. Retrieved from <http://anticorrrp.eu/publications/global-comparative-trend-analysis-report/>

The level of analysis of corruption is important because of the nature of the phenomenon for which conclusions are drawn. Most analyses are based on micro level data (citizens, companies) which cannot be a basis for conclusions for a macro level phenomenon. Rather, there would be aggregate data about different aspects of corruption transactions, which reflect average prevalence rates in a given society/country. There are various proposals on how to interpret corruption at the macro level. One solution for interpreting corruption as a macro phenomenon is to view it as a deviation from universalism in the universalism-particularism continuum, i.e. corruption is a phenomenon which shows the level of misuse of public resources in favour of private interest (particularism).⁶ Another interesting solution is to define corruption as the opposite of good governance and define it as a deviation from the norm of a governance model, serving the public good.⁷

While the discussion about the nature of corruption at the macro level has started relatively recently, its implications are that both indicators and concepts of macro and micro level analyses should be different as the phenomenon explored has qualitatively different characteristics.

1.1.2. The principal-agent model

The main assumption of MACPI is that **corrupt behaviour is located at the level of public organisations**, defined as relatively autonomous collective actors with a principal-agent structure that operate through specific formalised processes guided by certain procedures. In order to appreciate the grounds for this assumption, a brief discussion is required about the measurement implications of the difference between the micro and macro levels.

Measurements of corruption typically capture different forms of bribery through experience or perception based indicators.⁸ It might be argued that experience based measurements are superior and/or more accurate than perception based ones, or that bribery is socially perceived differently in various regions and cultures. However, as universally acknowledged, corruption is a multifaceted phenomenon that cannot be reduced to bribery (and bribery itself is a complex phenomenon). Therefore, it would be logical to assume that **measurement should be based on an operationalised concept of corruption**; that a summary measurement of corruption (at society level) should gauge all its elements, subcomponents and levels.

These observations form the starting point for defining the landscape of monitoring the enforcement of anticorruption policies. Corruption transactions (irrespective

⁶ Ibid.

⁷ Rothstein, B. (2014). "What is the Opposite of Corruption?" *Third World Quarterly*, 35(5), 737-752. doi:10.1080/01436597.2014.921424

⁸ In this respect the Center for the Study of Democracy has published analyses addressing both societal level measurements of incidence of corruption behaviour (Center for the Study of Democracy. (1998). *Clean Future*. Sofia: Center for the Study of Democracy) as well as assessments of the implementation of anticorruption strategies (*Monitoring of Anticorruption Reforms in Bulgaria*. (2006). Sofia: Center for the Study of Democracy).

of their definition) are specific exchange relations between concrete actors. All final corruption transactions occur in the interactions between public officials as representatives of public organisations managing public resources, on the one hand, and citizens and businesses, on the other. These interactions are structured in specific processes and procedures that make the corruption transactions more or less easy. Thus the anticorruption policies and therefore, the primary focus of anticorruption policy⁹ enforcement monitoring should have a dual target: the **processes** and their **outcomes** (the interactions between citizens and public organisations that may be more or less corrupt). A meta-level monitoring of society may provide valuable insights on the specific cultural context and/or on the long-term implications of corruption-tolerant behaviour on the social fabric but is not sufficient for operationalising anticorruption policies.

Resolving corruption into its factors is of crucial importance for monitoring anticorruption policy enforcement for several reasons:

- If an anticorruption policy is defined as a set of norms and formalised rules and procedures aimed at preventing or penalising corrupt behaviour, then the monitoring of anticorruption policies would need to start with a comprehensive list of these policies and of the respective rules and procedures matched by a list of behaviours they are supposed to target.
- In order to be monitored, corruption behaviour needs to be specified and localised in the overall space of social action. This means to identify the specific actors and exchanges they engage in that ultimately constitute the building blocks of corruption in a given social system or subsystem.

Many variations of the classic definition of corruption of V. Tanzi – abuse of public power for private gain¹⁰ – have been published. For example, a more recent proposal that is slightly broader and contains the possibility to include private sector corruption has been formulated as the “illicit use of entrusted power for private gain.”¹¹ As noted above, the level of analysis presupposes different approaches to the definition. While at the micro level corruption appears as abuse of power (rules) for private benefit, at the macro level this translates the level of corruption into a characteristic of the type of governance regime (ranging from particularism to ethical universalism).¹² It is important to bear in mind that the way the ‘rules’ are not corruption behaviour neutral; the way they are defined (and structure the processes) can be corruption-conducive.

⁹ The term ‘policy’ refers to more abstract propositions about type and objectives of interventions in different social spheres. A policy is (or should) then be followed by a set of measures, rules, protocols, etc. which are the concrete tools that effect the policy. These are carried out through institutional processes and implementation procedures which often hold the key to the success or failure of policies. The term policy could also be used to refer to its set of measures and tools, i.e. to refer to the application of the policy in a more abstract sense. For convenience and simplification in this report, except when explicitly noted, the term policy is used in its more concrete meaning throughout the text.

¹⁰ Tanzi, V. (1998). *Corruption Around the World: Causes, Consequences, and Cures*. IMF Working Paper.

¹¹ Matsheza, P., Timilsina, A., & Arutyunova, A. (Eds.). (2011). *Fighting Corruption in the Water Sector: Methods, Tools and Good Practices*. New York: UNDP.

¹² Mungiu-Pippidi, A. (Ed.). (2011). *Contextual Choices in Fighting Corruption: Lessons Learned*. Oslo: NORAD, p. 15.

When shifting from the micro to the macro level, both corruption and anticorruption policies have different content. While micro level targets of anticorruption policies would be focused on the specific processes allowing for abuses of power, macro level policies would and should rather target a political change of the governance regime or, more specifically, the definition of the rules and the processes. Both these levels are qualitatively different and require different types of interventions. The need to find the “modes of conversion” of social phenomena in micro-macro transitions has been noted by many authors.¹³ However, this is rarely accomplished in the analyses of concrete phenomena, especially with respect to corruption. The statistical summary of individual measures of bribery/corruption therefore only creates the illusion that we are assessing the “amount of corruption.”

While the argument about levels of analysis of corruption is important from a more general perspective, its role in developing the MACPI is primarily in the enforcement of anticorruption policies. What follows from the arguments above is that **anticorruption policies could primarily be developed to target individual behaviour of officers in public organisations and, in particular, focusing on how the policies are translated into processes and procedures.** Societal level policies would have a different design and would target other phenomena.

Analyses have shown that it is not only the definition of corruption that could be considered problematic. A relatively underdeveloped aspect of corruption research is also the operationalisation of corruption definitions into sets of specific types of corrupt acts. Concepts in this respect produce more variations and differences in interpretations of corruption at the micro level.

One descriptive model that enhances the analysis of corruption behaviour is the so-called **principal-agent model**.¹⁴ It includes several assumptions:

- a. Corruption occurs in the interactions (exchanges) between two actors: **public organisations and citizens/businesses**. At least one of the actors is a collective unit (the public organisation), which consists of at least two individual actors: principal and agent. Every public organisation is created to serve a public function. The embodiment of this function and the associated discretionary power is with the principal. The agent is the public official who is directly responsible for the implementation of the public function. While the principal is “the holder” of public power, the agent is entrusted with this power by the principal.
- b. **Due behaviour of public officials** (the agents) is prescribed by the rules (laws, norms, prescriptions, etc.) and processes governing the work of the public organisation. Corruption in this context is defined as either (a) noncompliance with rules (violation), which is aimed at and/or results in private benefits for the official or (b) misusing the gaps in the existing processes for exercising corruption transaction. As the behaviour of officials is essentially the use of

¹³ See Coleman, J. (1994). *Foundations of Social Theory*. Cambridge, New York, etc.: Harvard University Press.

¹⁴ For a further discussion of the implications of the principal-agent model for MACPI, see CSD (2015) *Mapping Anticorruption Enforcement Instruments*.

entrusted public power, corruption is the abuse of this power and also the breach of trust in the relation between the principal and the agent in favour of the client.

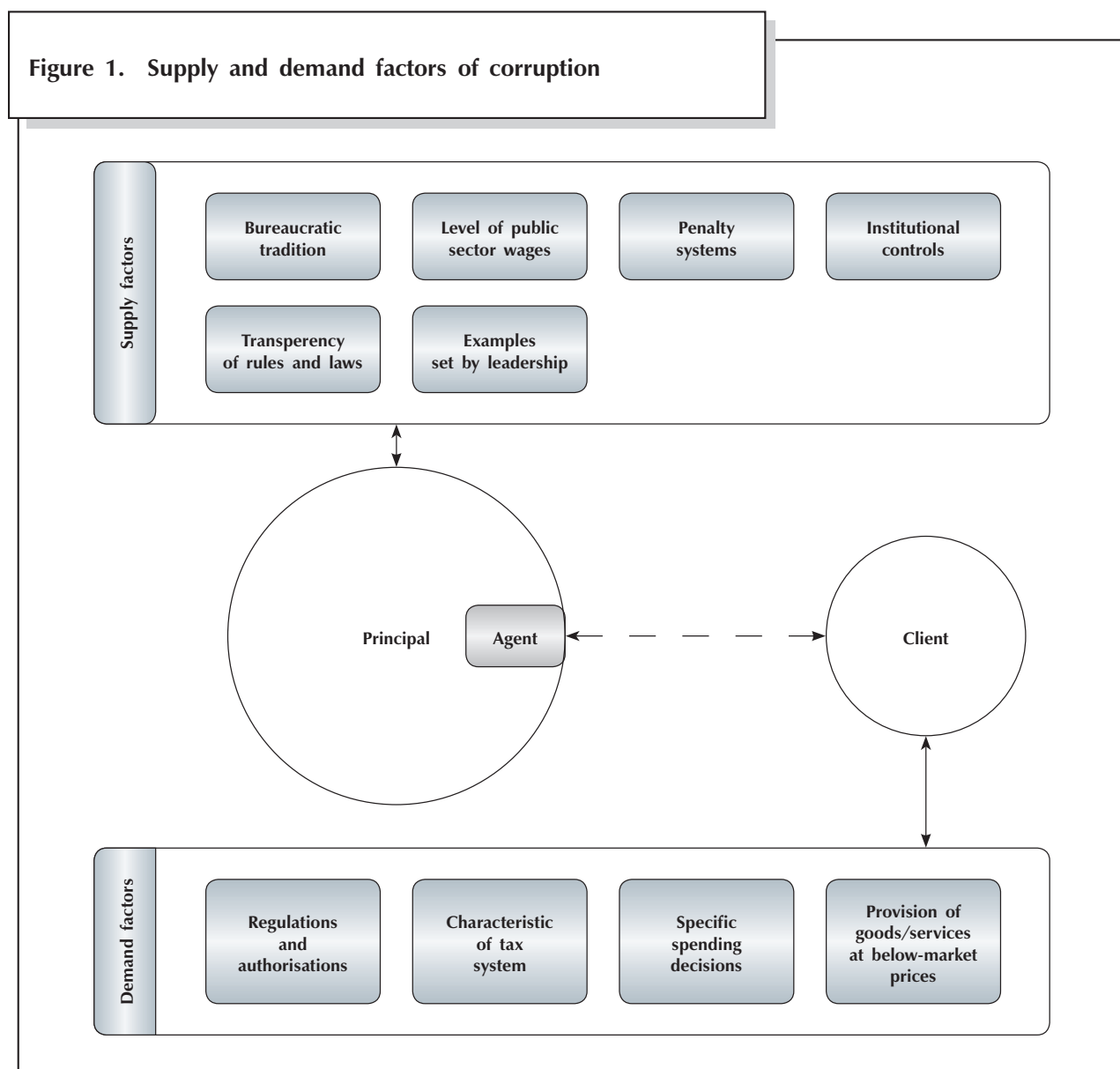
- c. **Corruption acts** have two main characteristics which make them difficult to observe and categorise: they **are hidden and involve mimicry**.¹⁵ These complement each other: if/when a corruption act is exposed, officials almost always make an attempt to interpret their noncompliance with rules as a mistake, poor performance, lack of competence, etc., in order to hide that the noncompliance was deliberate for private gain. As mistakes happen in all contexts, it is often very difficult to distinguish between “normal” noncompliance and deliberate noncompliance.
- d. The public sector is comprised of **hierarchies of organisations** (central government, local government, agencies, departments, etc.) governed by their internal processes. Except for the highest levels of government, public organisations are in turn agents of the highest level – the President, Prime Minister, etc., which appear as “superior principals.” This creates the possibility for corruption to become a multilevel principal-agent interaction in which the corrupt official is at the higher level, while lower level officials commit corrupt acts following orders of their superiors. This does not necessarily clean the latter from the legal and moral responsibility but it needs to be weighted by the administrative power the individual elements of the corruption chain have. The breach of trust in such a scheme is not with the formal principal (the higher level of government) but with the client (in other words, against the public good). Mimicry at this level is more complicated and most often high level principals attempt to interpret corrupt acts as their specific understanding of the public good.¹⁶ Very often it is possible to present and interpret noncompliance with rules that guard or define the public interest (high level political corruption) as beneficial for society or as something unavoidable. The argument works also in reverse: often the rules are defined in a way that enforces both sides of the administrative service provision to resort to corrupt behaviour in order to achieve the desired result.
- e. A corruption transaction can be described as an **exchange of resources**. The resource of the agent is discretionary power and it is exchanged for the resource of the client – the benefit or gain that the agent receives (money, favours gifts, etc.). In a hierarchical system of public organisations (hierarchy of principals), the exchange relations are more complicated. The superior principal exchanges his power over subordinate principals for private benefit. Relations between principals form an additional layer of power relations and exchange of resources between principals: either the “final” gain could be split or principals could engage in more complex relations like nepotism, favouritism, clientelism,

¹⁵ See: Gambetta, D. (2002). Corruption: An Analytical Map. In S. Kotkin & A. Sajo (Eds.), *Political Corruption in Transition: A Skeptic's Handbook* (pp. 33–56). Budapest: CEU Press.

¹⁶ For more details on the public good aspect of corruption see Rothstein, B. (Ed.). (2014). *State-of-the-Art Report on Theories and Harmonised Concepts of Corruption*. Quality of Government Institute. Retrieved from <http://anticorrrp.eu/publications/d1-1-state-of-the-art-report-on-theories-and-harmonised-concepts-of-corruption> and Rothstein, B. (2014). “What is the Opposite of Corruption?” *Third World Quarterly*, 35(5), 737-752. doi:10.1080/01436597.2014.921424

etc. Such relations could be established within one public organisation and between subordinated organisations.

- f. The **main driver of corruption exchanges is interest**. For the agent the interest is defined by the possible gain or benefit. For the client, the interest lies in the need to 'get things done' and this entails either deliberate noncompliance with rules by the official (when the client wants to bend the rules in his/her favour) or enforcing compliance with the rules when the agent deliberately resorts to procedural tricks for indefinitely postponing the required decision ('oiling the cogwheels'). Depending on the way the rules, procedures and the internal institutional processes are defined, the client's benefits could vary,



Source: Authors' elaboration on Tanzi (1998).

including preferential treatment, competitive advantage, privileged access to resources, exemption from sanctions, etc. Pressure to get involved in corruption exchanges increases or decreases proportionally to the interests of both agents and clients. In hierarchies of organisations (or even in the hierarchy of a single organisation) corruption pressure directed towards agents could come both “from below” (clients) and “from above” (principal, supervisors). Similarly, pressure directed towards clients could be generated by agents (or principals), who manipulate the rules of public organisations in a way that the interest of clients to get involved in corruption increases.

The structure of interests that induce corruption transactions is complex. Based on Tanzi’s analysis, drivers of corruption interest divided into supply and demand factors¹⁷ are summarised in Figure 1.

1.1.3. Form and content of the corruption exchange

Corruption exchanges of resources could consist of two principal components: form and content.

Form is the bribery aspect of corruption, i.e. the receipt of private gain by agents. Equating bribery with corruption might sometimes be misleading as it could narrow the scope of the exchange. If the form of corruption is defined as exchange of resources – private goods, money, services, control over one’s own actions, control over the outcome of events, etc. – rather than as exchange of specific resources (money and services), this component of the corruption act could better fit the numerous types of corruption exchanges that have been documented in different settings. Exchange of resources refers to a wider range of possible benefits: private goods, money, services, control over one’s own actions, control over the outcome of events and others.¹⁸ A broader understanding of the exchange would also enable the inclusion of more complex multilevel schemes for exchange of resources which include officials at different levels of the hierarchy of public organisations. The preferred type of resource to be used in the exchange depends on the actors involved, the specific situation, the cultural context and a multitude of other factors.

The **content** of the corruption exchange refers to the type of deliberate noncompliance with rules performed by the agent or enforcing compliance with the rules in case of the agent’s deliberate “dragging his feet.” Preoccupation with bribery *per se* has left this aspect of corruption neglected. However, recent developments have shown the need for a more in-depth analysis of dimensions of content. An interesting and empirically useful idea in this respect is about corruption being an “umbrella concept” encompassing certain social interactions, which have their own specific content in addition to corruption.¹⁹

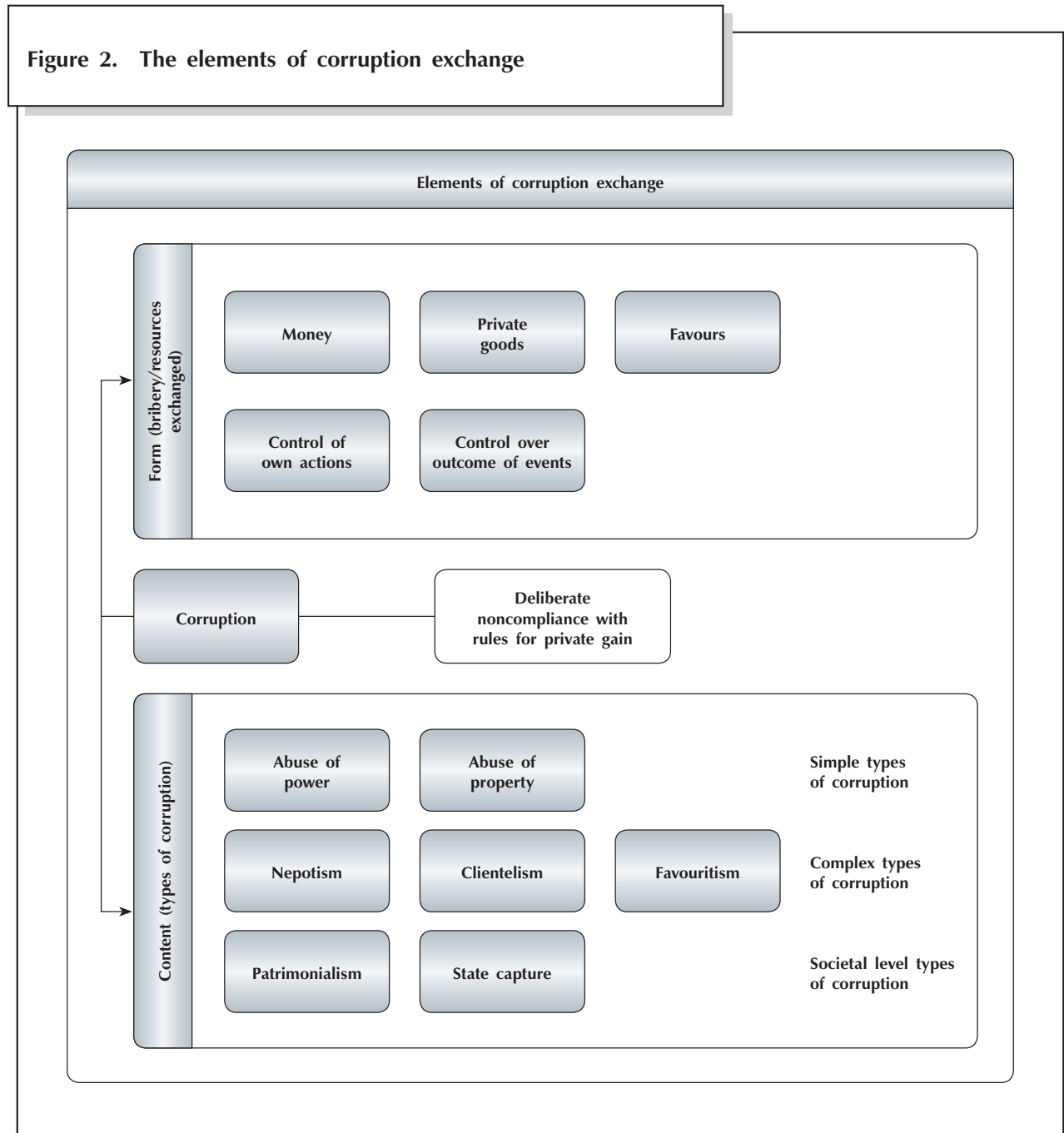
¹⁷ See Tanzi (1998).

¹⁸ See Coleman, J. (1994). *Foundations of Social Theory*. Cambridge, New York, etc.: Harvard University Press.

¹⁹ See Varraich, A. (2014). *Corruption: An Umbrella Concept*, Working Paper Series 2014:05, Gothenburg: Quality of Government Institute; Rothstein, B. (Ed.). (2014). *Social, Legal, Anthropological and Political Approaches to the Theory of Corruption*. Quality of Government Institute.

Within this concept, the content of corruption is defined as a core of several practices, including clientelism, patronage, patrimonialism, particularism and state capture.

Figure 2 illustrates the idea about the structure of corruption being resolved into its main factors – form and content - and their respective breakdown into specific sub-elements.



The common denominator of these types of social action is noncompliance with rules of public organisations and/or noncompliance with the politically defined aspects of the public interest. For these types to be identified as corruption, the *form* aspect of corruption – deliberate noncompliance for private gain – needs to be present. The idea conveyed by this concept is that corruption exchanges combine with specific forms of social interaction. Therefore the *content* aspect of corruption comes in “bundles” of actions, each bundle representing a specific form of noncompliance (violation) of rules or norms, which serve any client, groups of clients who also have additional social ties to the agent.

It is important to note that abuse of entrusted power (or boycotting the standard procedures in anticipation of additional reward for performing one’s obligations) is always a violation (noncompliance) of rules. In this respect definitions of rules are crucial for identifying the specific content of corruption acts. That this approach to corruption transactions fits into the legal approach, while other alternative approaches are also discussed:

- the legal approach considers noncompliance with formal rules;
- the sociological approach targets noncompliance through the oppositions legal-illegal and moral-immoral;
- the anthropological approach stresses on the legitimacy of rules by analysing the link between the characteristics of custom and culture and existing sets of public organisation rules.

From the point of view of operationalising corruption for the purpose of policy making, the above approaches indicate that the content of corruption is not a universally defined concept. Rather, the dimensions of its form and content are specific to the social context examined; as societies evolve, the scope of corruption exchanges also evolves to reflect new definitions of the public good.

1.1.4. Corruption exchanges and anticorruption policies

Theoretically, the principal solution that would give clients enough power to counterbalance discretionary power of officials is the application of anticorruption principles such as transparency, accountability, checks and balances. The implementation of these principles in practice introduces market-type regulation giving actors bargaining power that counterbalances the power of public institutions and their agents (public officials). The practical implementation of these principles and related policies at the macro and micro levels has been extensively analysed and commented. It is widely acknowledged that a relevant set of anticorruption policies that are adequately reflected in institutional processes is one of the important factors for countering corruption. It is however not the only factor.

Corruption vulnerability, or the likelihood for a corruption transaction to occur, summarises a multitude of factors which facilitate or curb corruption transactions starting from societal level factors and ending up with the specific set of rules that prescribe the behaviour of public officials. Anticorruption policies and the quality (simplicity, transparency, internal and external consistency) of the underpinning processes are among the main tools used to reduce corruption vulnerability. While

numerous studies have explored the relative importance of different factors for corruption vulnerability and corruption risk, the analysis and measurement of the link between corruption vulnerability and the anticorruption policies of public organisations is mostly absent.

Corruption vulnerability is a concept referring to **specific activities** and respectively to **specific actors** engaged in these activities. It seems impossible to assess vulnerability without making summary conclusions about its concrete levels for each specific activity. This would include the concrete procedures associated with specific activities, administrative protocols, etc. It also seems impossible to evaluate corruption vulnerability without concrete experience (knowledge) of existing corruption behaviour patterns.

Corruption vulnerability would be high if the following more important corruption related outcomes are observed:

- many officials performing a specific activity are engaged in corruption behaviour;
- acts of corruption are frequent, i.e. in many cases the activity is performed;
- a significant part of the activity is accompanied by corruption transactions.

The role of anticorruption policies is to **reduce corruption vulnerability** and in this way to **reduce the level of corruption** (prevalence of corruption transactions). As noted in the literature on corruption measurement²⁰ the general assumption in corruption research is that corruption is a result of a country's policy and institutional environment. Based on the model outlined above this is partially true; however not much can be said about the concrete level of interrelationship between the set of anticorruption policies and the levels of corruption.

From the point of view of monitoring the enforcement of anticorruption policies, the structuring of the content of corruption exchanges facilitates the construction of indicators of noncompliance and respectively areas of corruption risk and anticorruption policies. Public organisations are structured by laws and rules, which prescribe the behaviour of officials, define goals and objectives and ensure that the function of the organisation is fulfilled. This constitution of public organisations could be facilitating or preventing corruption by enhancing or reducing corruption vulnerability. Irrespective of the level of vulnerability, public organisations should have oversight mechanisms that monitor areas of corruption risk. Such mechanisms would not be so significant if transactions between officials and citizens had inbuilt controls, i.e. when citizens have effective ways to control the behaviour of officials. The latter cases are however relatively rare. Most public officials have monopoly power over clients of public organisations; clients have few or no possibilities of control.

The main indicator of the existence of corruption vulnerability is **corruption pressure**. It can be defined as the specific act which initiates the corruption transaction. Pressure could both come from the official or the client and even

²⁰ Reinikka, R., & Svensson, J. (2003). *Survey techniques to measure and explain corruption*. World Bank Policy Research Working Paper 3071.

from the principal (who orders the official to commit a corrupt act). Pressure is the specific proposal by clients or officials to start a corruption transaction. In many legislative systems the proposal itself is also considered corruption. However, as it is difficult to document and prove, it is usually the fact of the act of corruption that is incriminated.

The institution-level anticorruption policy is the set of rules, regulations and laws which define the functions and the operations of a public organisation. Within this set of rules there is always a subgroup of rules and procedures that is aimed at monitoring the compliance of agents with the established rules. Most often compliance is monitored by supervisors or by the principal. Noncompliance could result from a multitude of factors (incompetence, low qualification, etc.). In the context of corruption analysis the important distinction is between deliberate and non-deliberate noncompliance. Deliberate noncompliance is the area of corruption behaviour. However, for deliberate noncompliance to be categorised as corruption, the element of private benefit needs to be present: in an organisational context corruption can be defined as **the deliberate noncompliance with rules and organisational standards which results in private benefit for the respective official.**

Within this subgroup of compliance monitoring rules is the subset of anticorruption policies: they target deliberate noncompliance that leads to or is motivated by benefits for agents (officials) extended to them by clients. Consequently, monitoring policy enforcement contains a number of assessment/evaluation tasks which fall into two groups: **definition** and **evaluation** of anticorruption policies.

The **definition** of anticorruption policies includes:

- identification and description of policies;
- definition of the elements of the policy: formal rules, executing agent, officials who are subject to the policy, mode of implementation, system of control, system of sanctions.

Given the outlined models of the structure of corruption transactions and the fact that public organisations are the target of the assessment model, several important issues need to be considered. First, public organisations are defined as relatively independent units of government authority aimed at providing for a specific public function. Relative autonomy is an important criterion as it allows the identification of a concrete principal and the definition of his functions with regard to the organisation. Second, a crucial part of the evaluation model is the identification of the set of existing anticorruption policies in an organisation. Corruption transactions are usually linked to specific activities. It would therefore be necessary to:

- compile a list of activities the public organisation performs in order to serve its public function;
- review of the processes involved;
- evaluate the corruption vulnerability associated with each activity;
- identify existing anticorruption policy procedures;
- link existing policies to the corruption vulnerability they are targeting.

The **evaluation** of anticorruption policies includes:

- evaluating the level of their implementation;
- evaluating their effectiveness (goal/result);
- evaluating their efficiency (cost/result).

Anticorruption policies in a public organisation could be considered effective if they mitigate existing corruption risks and reduce deliberate noncompliance for private gain. In this respect the main indicators that would provide an accurate assessment of each policy would be:

Enforceability. The measure of enforceability of a policy is in essence an evaluation of its design quality. An enforceable anticorruption policy should meet several criteria:

- Design: policy has well-described, complete and clear procedure and algorithm of implementation;
- Adequacy: it is practically possible (easy) to follow the procedures;
- Familiarity: the employees (the officials) are familiar with it;
- Meaningfulness: the employees consider the procedures to be “making sense”;
- Control: the managers exercise regular and effective control;
- Sanctions: there are sanctions for noncompliance with rules and regulations.

Enforcement. Given the above definitions of a well-defined policy, a policy could be considered enforced (implemented), if there are records of control and sanctions. Such records would be evidence that the mechanism of the policy is in operation.

Effectiveness. The most important function of an anticorruption policy is its contribution to mitigating specific corruption risks and/or reducing instances of corrupt behaviour.

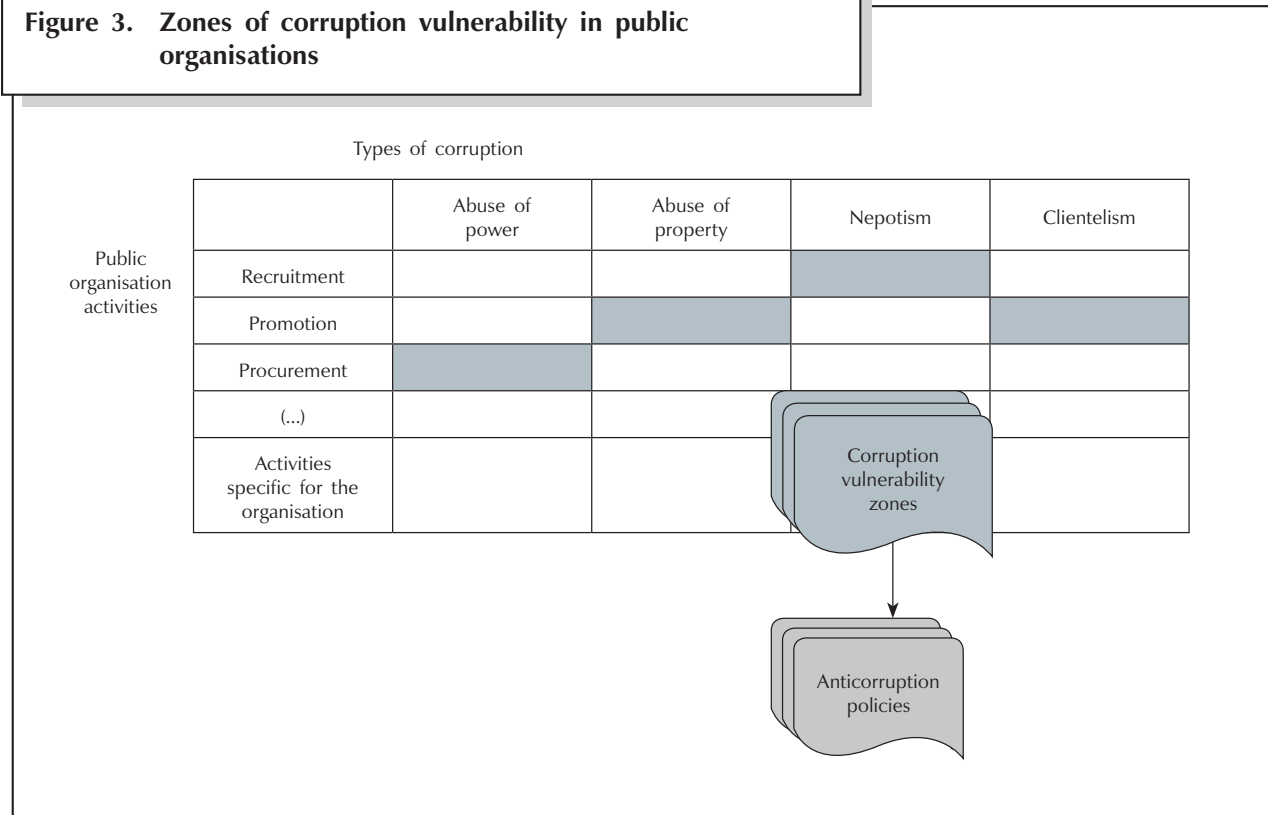
This procedure allows the **evaluation of the corruption vulnerability and the anticorruption preparedness of public organisations** by identifying vulnerable areas and cross referencing each of these with the corresponding anticorruption policy.

1.1.5. Corruption vulnerability

A key element in evaluating the anticorruption preparedness of public organisations is the concept of corruption risk and corruption vulnerability. Based on the assumptions made above, corruption risk could be defined as the **presence of interest for corruption exchanges of any type by agents or clients of a public organisation**. Corruption risk would be high, if benefits for both sides are high relative to potential losses in case the transaction is disclosed or in case the transaction is not performed at all.

The existence of interest for corruption transactions further needs to be broken down into types of activities in the organisation and content of corruption transactions (Figure 3).

Figure 3. Zones of corruption vulnerability in public organisations



Bribery is not included in the map as it is a *form* of the corruption exchange, i.e. all types of corruption involve a benefit for the agent, but the type of deliberate noncompliance could vary.

Each cell in the map of potential corruption vulnerability should be evaluated in order to assess the probability for a corruption type to exist, i.e. whether it could be an area of potential interest for the agent or the client. The empirical manifestation of corruption vulnerability is corruption pressure, defined as the proposal to initiate a corruption act. In more complex types, corruption pressure could come not as an explicit proposal but rather with the existence of social norms and/or obligations of agents to prioritise the interest of kin, associates, other group interests, etc. Pressure could come “from above” (supervisors, principal), “from below” (clients) or as a result of obligations of the agent to other external interests or groups.

Developing the corruption vulnerability matrix for an organisation would reveal differences between organisations. However, similarities also exist and refer to the structure of the activities in an organisation. Three principal areas exist in most organisations:

- personnel recruitment (hiring and dismissal);
- personnel development (promotion, demotion);
- procurement of goods and services;

- other activities are specific as they materialise the public function of the organisation.

A crucial part of the assessment model is the identification of anticorruption policies specific to an organisation. In principle, the statutory framework of a public organisation (the set of rules, norms, laws, application guidelines, processes, etc.) prescribes behaviour and thus constitutes its primary anticorruption policy matrix. As noted, however, corruption interest and corruption risk could appear for certain activities within the existing primary anticorruption policy matrix. Therefore organisations would need to develop an additional set of measures to monitor compliance in critical corruption risk zones. In this respect, anticorruption policies could be defined as **measures which supervise compliance or rather identify deliberate noncompliance for private gain**. Such measures would identify and sanction specific forms of noncompliance associated with corruption in its various forms (gain) and types (content).

Organisational level anticorruption policies can be divided into two main types: a) policies that apply to most kinds of corruption risk; b) policies which address specific risks and types/forms of corruption.

1.2. MACPI METHODOLOGY

1.2.1. Scope of the tool

MACPI assesses the enforcement of anticorruption policies at the institutional level but MACPI is not designed as an instrument for assessment of corruption levels or corruption risks. Other tools exist for these purposes and they are compatible with MACPI since they measure different aspects of the same problem – the successful enforcement of effective anticorruption policies should eventually lead to decrease of corruption measured by external tools.

Since MACPI is focused on the evaluation of the implementation of anticorruption policies (and not on tracking the actual corruption incidents), the assumption is that the phenomena falling in the scope of MACPI are legally and morally neutral, thus do not need to be hidden as in the case of corruption transactions. As a consequence, the different parties participating in the assessment process are expected to be willing to provide helpful information about anticorruption measures and policies. In addition, this information is public and quite often is being advertised by public organisations.

MACPI can be used by an organisation to assess changes in its anticorruption policy setup – new policies, potential vulnerabilities, etc. If there is no anticorruption policy, or there is no political will to assess and improve effectiveness, MACPI is not applicable and would be indicative of embedded corruption problems and unwillingness by the public organisation to face them. For such extreme cases the MACPI tool would not be helpful. For most other cases – ranging from the basic anticorruption policy setup to very thorough and complicated asset of

anticorruption policies – MACPI would be the appropriate tool to assess and improve anticorruption policies.

MACPI is flexible and could be used with minimum changes in various types of public organisations. Since there are large differences between public organisations, the tool cannot provide absolute scores for a certain public organisation. Instead, the MACPI tool should be used to **monitor the enforcement of anticorruption policies over** correlating the outcomes (decreased or increased corruption vulnerability) with the adoption and the implementation of certain policies. Time comparisons allow public organisations to assess whether new policy tools have actually improved their anticorruption setup or reduced their corruption vulnerability. In addition, the methodology allows for making **cross-country comparisons** between similar public organisations.

The MACPI tool can be helpful even in one-time implementations – different activities can be rated according to the degree of corruption risk they induce; based on that, the list of anticorruption policies can be linked to the corresponding risks and finally assessed in terms of relative effectiveness. This produces a clear picture of the anticorruption policy architecture of a public organisation, identifies possible vulnerabilities and helps analyse and improve anticorruption policies of public organisations.

1.2.2. Sources of information

The primary sources of information for MACPI are the employees of public organisations; secondary sources are clients of the public organisation (stakeholders). The quality of the processes from their corruption vulnerability perspective will be assessed through desk research and expert analysis of procedure, operational manuals, process flow charts, job descriptions etc. Since the required information is not hidden, as noted above, participants in the assessment are not considered (and most probably do not perceive themselves as) whistle-blowers. The instrument doesn't include sensitive questions about particular corruption transactions, but inquires about general tendencies and risks, and about the implementability and effectiveness of policy tools.

The answers of surveyed employees are kept strictly confidential in order to ensure cooperation and honest assessment. Very often corruption surveys and tools regard the clients of a public organisation (citizens, businesses) as victims of the agents (employees). The MACPI methodology encourages honest answers by addressing issues, which are more or less openly commented and thus not dependent on the potential involvement of the source of information in corruption practices.

The only requirement for the sources of information (participants in interviews and surveys) is that they are informed and familiar with the activities and policies in the assessed organisation. External experts can be included as well as current employees.

1.2.3. MACPI modules

The application of the tool involves several modules, each having a specific function in the final assessment of the corruption vulnerability and the effectiveness and implementation of anticorruption policies.

(1) Assessing corruption vulnerability

Corruption vulnerability expresses the **likelihood of corrupt transactions in a public organisation**. Higher vulnerability is associated with higher corruption risk. Corruption vulnerability could be decomposed into two elements: interest and pressure.

Interest arises in situations where agents or clients have identified a possible gain from deliberate noncompliance with rules (or optimising the unnecessarily complicated rules) combined with a relatively low probability of effective sanctions. This is related to the match between factors of supply and demand along with the probability of the public organisation to identify and sanction (punish) deliberate noncompliance of officials.

Pressure is one of the two elements of the process of a corruption transaction: corruption pressure and corruption exchange. Pressure points to **the initiation of the transaction – the proposal to conclude a “deal”** either made by the official (agent) of the citizen (client). In many legislations, the proposal itself is considered corruption and is therefore illegal. Research²¹ has shown that proposals to engage in corruption activities are relatively common, and that a substantial part of these proposals lead to effective corruption transactions. In this respect pressure could be considered a relatively good proxy for the existence and incidence rates of corruption transactions.

The typical relationship between interest, pressure, and corruption transactions can be described as follows: 1) the existence of interest is a precondition of pressure; 2) existence of pressure preconditions corruption transactions; 3) not every instance of pressure and interest translates into a corruption transaction.

The need to use proxies in order to identify corruption vulnerability stems from the reluctance of public officials or clients to admit involvement in corruption transactions. This would even be more valid, if the focus is on a single public organisation. However, identification of interest and pressure could be considered easier as it could rarely lead to effective self-indictment.

(2) Mapping corruption interest

In order to map the structure of corruption interest, it is necessary to analyse the theoretical possibility of all types of corruption transactions for each of the activities of the public organisation. The final result would be a table of organisational

²¹ See: Shentov, O., Stefanov, R., & Todorov, B. (Eds.). (2014). *Anti-Corruption Reloaded. Assessment of Southeast Europe*. Sofia.

activities, types of corruption and corruption zones (specific activities and types of corruption) for which and interest can be identified.

The main methods to be used to prepare the table of corruption zones are desk research and in-depth interviews (IDIs) with experts. Desk research is intended to:

- compile a draft list of the main groups of activities carried out by the organisation using organisational documents (statutes, laws, bylaws, etc.). The draft list is consulted with experts from the organisation during IDIs in order to arrive at a final list to be used in the assessment.
- compile a list of the most common corruption practices based on media reports, organisational reviews and other available information about the public organisation. This information is used in the IDIs with experts to facilitate the conversation and to help the in-depth analysis of specific corruption interests for each activity.

IDIs evaluate the existence of corruption vulnerability for each cell of the corruption zone table. Questions about corruption interest (demand and supply factors, sanctioning mechanisms, existing practices, etc.) are discussed with experts activity by activity. For each activity the interest for each type of corruption is explored:

- Whether a demand exists;
- Whether supply could be organised in practice;
- Whether possibilities for sanctions exist and can/are implemented in practice.

The structure of questions and the discussion depends on the characteristics of the public organisation and the way its activities are organised and regulated for in legislation and other regulations. The main task during the interview is to explore the structure and rationale of the specific corruption transactions, which are possible/probable for each activity and type of corruption. Further, a decision needs to be made whether certain intersections of corruption types and activities have corruption potential. The final result of the IDIs and the subsequent analysis is the identification of corruption zones, i.e. those intersections where corruption transactions are likely. It is in these intersections that corruption vulnerability will be located.

The definitions of the types of corruption used are as follows:

- **Abuse of power by a public official:** intentional abuse of functions or position, by performing or failing to perform an act, in violation of laws, by a public official for the purpose of obtaining an undue advantage for himself/herself or for another person or entity.
- **Abuse of property by a public official** (not included in the previous cases): intentional misappropriation or other diversion of any property, public or private funds or securities or any other items of value entrusted to the public official by virtue of his/her position, by said public official for his/her benefit or for the benefit of another person or entity.

Table 1. Corruption vulnerability zones*

	Abuse of power	Abuse of property	Nepotism	Clientelism	Aggregate vulnerability for activity
Human resources	P**		P	P	High
Procurement	P	P		P	High
Preventive investigation	P			P	Medium
Border security (green border)	P		P	P	High
Investigation	P		P	P	High
Provision of information					Medium
Border check-point control	P			P	Medium
Administrative and punitive activities	P		P	P	High
	High	Low	High	High	

* As identified in the Bulgarian Border Police.

** "P" is a variable with two values – present and absent.

Source: MACPI, Border Police diagnostics, Bulgaria.

- **Nepotism:** the exploitation by a public official of his/her power and authority to procure jobs or other favours for relatives (family members and close friends), which can take place at all levels of the state, from low-level bureaucratic offices to national ministries.
- **Clientelism:** the informal relationship between people of different social and economic status (and not relatives): a 'patron' (boss) and his 'clients' (dependents, followers, protégés). The relationship includes a mutual but unequal exchange of corrupt favours.

(3) Identification of anticorruption policies

In the context of MACPI, anticorruption policy is defined as a **set of rules and/or mechanisms which target deliberate noncompliance combined with personal gain**. Usually, these policies focus on areas of corruption vulnerability (corruption zones) and aim to identify and prevent noncompliance.

The main method used to identify anticorruption policies is the IDI, and desk research is the complementary method. Since it is not always possible to compile a comprehensive list of anticorruption policies in public organisations, an in-depth review of the rules in the organisation is necessary.

During IDIs each corruption zone is explored in order to identify proper anticorruption policies. During the review several issues need to be taken into consideration:

- Most (or even all) rules which guide the activities in a public institution are in a way anticorruption policies – they prescribe due behaviour and procedures of officials and are aimed at ensuring the proper functioning of the organisation. This also applies to national level laws and other regulations that should be implemented in all public organisations (procurement, conflict of interest, etc.).
- The specific characteristic of anticorruption policies in this context is that they are usually rules, regulations or procedures designed to be an addition to the organisational setup. Their specific function is to target violations of the institutional rules and work as an oversight mechanism.
- At any moment a given organisational setup has the potential to generate a certain level of corruption vulnerability. Anticorruption policies should address any specific organisational setup and would be subject to change, if this setup is modified. This characteristic should be taken in consideration when making multiple assessments at different moments.

Anticorruption policies, depending on the processes they address, fall into two categories: general and specific. **General anticorruption policies** refer to more than one activity and/or corruption zone. They focus not on specific corruption zones but on common preconditions of corruption behaviour and the consequences of corruption such as:

- common standards of organisational behaviour (ethical codes, charters, etc.);
- the knowledge of officials and clients about corruption practices (information campaigns, training sessions, etc.);
- civic control mechanisms (whistleblowers, corruption mail boxes, websites, etc.)
- integrity rules for officials (declaration of assets, conflict of interest declarations, etc.)

Specific anticorruption policies target specific activities and types of corruption. Most often they are the result of identified forms of corruption transactions.

The examination of anticorruption policies in IDIs is a two-stage sequence: a) identify and review general policies and attempt to specify whether they could be linked to specific activities; b) identify specific anticorruption policies and link them to activities and types of corruption. An important characteristic of anticorruption policies to be included in the assessment is their formal “completeness.” In order to be considered a policy, a rule should have:

- formal description (rights, responsibilities);
- clear implementation instructions;
- clear mechanism of control;
- system of sanctions in case deliberate noncompliance with the policy is identified.

In the pilot stage of doing the IDIs, it proved useful to split up interviews in different days in order to give experts some time to review organisational documents and their personal experience and even consult colleagues. The need to split the IDIs arises when experts are confronted with the above criteria. It is very common that perceptions of anticorruption policy refer to the rules of the organisation and not to the oversight mechanisms/rules which monitor deliberate noncompliance.

Table 2. Corruption vulnerability zones and anticorruption policies*

Activities	Anticorruption policies											
	Specific					General						
	1**	2	3	4	5	6	7	8	9	10	11	12
Human resources					X	X	X	X	X	X	X	X
Procurement						X	X	X	X	X	X	X
Preventive investigation			X	X		X	X	X	X	X	X	X
Border security (green border)	X	X	X	X		X	X	X	X	X	X	X
Investigation				X		X	X	X	X	X	X	X
Provision of information				X		X	X	X	X	X	X	X
Border check-point control		X		X		X	X	X	X	X	X	X
Administrative and punitive activities				X		X	X	X	X	X	X	X

* As identified in the Bulgarian Border Police.

** Digits indicate the policies as presented on page 67 below.

Source: MACPI, Border Police diagnostics, Bulgaria. (For further details, see chapter 2 of this report.)

(4) Evaluation of anticorruption potential

The anticorruption potential of a public organisation is the degree to which corruption zones are covered by general and specific anticorruption policies. The term “potential” shows that this type of evaluation only **accounts for the corruption vulnerability and the policies designed to counter it** but does not include implementation. An anticorruption potential is high when there are no corruption zones that are not targeted with general and specific anticorruption policies. This indicator is a result of the cross tabulation of activities, types of corruption, mapping of corruption interest (corruption zones) and anticorruption policies.

(5) Mapping corruption pressure

As noted above, corruption interest shows the theoretical possibility for corruption, given the existing organisational setup and the combination of existing demand and supply for deliberate noncompliance. The practical manifestation of corruption interest is corruption pressure: the existence of a concrete proposal to initiate a corruption transaction either by an official (agent) or a citizen (client). Two types of corruption pressure can be identified: outside pressure and inside pressure.

Outside pressure refers to the relationship between officials and clients of the public organisation. Corruption research²² has shown that although pressure is illegal citizens tend to disclose instances when it has been exercised on them. Hesitation to report pressure is observed when the question is whether the respondent himself has tried to initiate a corruption transaction. In this respect, though embarrassing, experience with corruption pressure is reported and could be considered a relatively accurate measure of the incidence rate of this phenomenon. In the MACPI methodology outside pressure is measured by registering the prevalence rate of citizens offering officials to get involved in a corruption transaction.

Studies in South-eastern Europe,²³ for example, have shown that in 30-50% of the cases citizens initiate the corruption transactions, while officials usually initiate the better part of the transactions. In this respect, measuring outside pressure through the accounts of officials would be an underestimation of the phenomenon.

Inside pressure refers to instances when public officials initiate corruption transactions ordering their subordinate officials to deliberately violate rules for certain gain. This type of transaction is difficult to measure. In the MACPI tool, a proxy has been constructed measuring the readiness of officials to execute deliberate noncompliance orders of their superiors. This indicator is not a direct measure of existing inside pressure. However, if readiness to obey noncompliance instructions exists, this shows that such instructions are not uncommon. Greater readiness levels would be an indicator that corruption transactions have penetrated the public organisation and that “corruption services” are offered both by the agents (officials) and the principal (the supervisors).

(6) Implementability of anticorruption policies

This indicator evaluates both the quality of the design of a policy and the capacity to enforce it. Policies which do not meet this criterion usually produce formal compliance and remain “on paper.” For example, if possibilities and resources to check declarations of assets of officials are limited, its anticorruption potential is

²² See: Center for the Study of Democracy. (2014). *Anti-Corruption Policies against State Capture*. Sofia: Center for the Study of Democracy; TNS Opinion&Social. (2012). *Corruption*. Special Eurobarometer 374. Brussels: Directorate-General Home Affairs, European Commission; TNS Political & Social. (2014). *Flash Eurobarometer 374: Businesses’ attitudes towards corruption in the EU*. Brussels: European Commission, Directorate-General for Home Affairs.

²³ Shentov, O., Stefanov, R., & Todorov, B. (Eds.). (2014). *Anti-Corruption Reloaded. Assessment of Southeast Europe*. Sofia.

also limited; compliance is formal and the policy would be easy to bypass by those who need to do so.

Two criteria are used to evaluate implementability in MACPI: a) that a policy is easy to implement in practice and/or is allocated the needed resources for implementation; b) that the policy is not easy to evade.

(7) Implementation of anticorruption policies

Following the identification of anticorruption policies and the evaluation of their implementability, the following criteria are applied to check whether a policy is properly implemented:

- officials in the public organisation are well aware of the policy and its specific requirements;
- the policy has a clearly defined mechanism of control;
- control (as defined in the policy) is being implemented;
- clearly defined sanctions exist for noncompliance;
- sanctions are applied.

The evaluation of implementability and implementation can only be made with the assistance of officials in the public organisation. This poses a risk of bias related to organisational loyalty which tends to present the organisation in a favourable way. This problem is difficult to address and should therefore be taken into account in the analysis. The main method of addressing evaluation bias is to explore discrepancies between the assessments of different criteria. The most probable discrepancy that would identify bias is that between indicators of the quality of policy design and the implementation of control and sanctions.

(8) Effectiveness of anticorruption policies

The objective of all anticorruption policies in terms of the above indicators is to **reduce corruption interest and corruption pressure**. This would mean an effective reduction of the corruption transactions in which officials of the organisation are involved. Measuring trends in prevalence rates of corruption transactions would be the direct way to account for the effectiveness of anticorruption policies. However, as noted above, such measurement is difficult and proxies need to be used. In this respect there are several possibilities:

- a. To use **assessments by officials** (agents) for the potential and real effectiveness of an anticorruption policy. Such assessments could produce a diversified account of the effectiveness of various policies. Assessments would include both bias and level of knowledge and experience with organisational mechanisms. However, assuming that both these factors work in the same direction, the assessments would probably give a relatively fair differentiation between effective and less effective anticorruption policies.
- b. Use **assessments by citizens** (clients). Such assessments would include less organisational bias. However, organisational knowledge and experience would probably introduce a competence bias. The assumption of bias factors working in the same direction could not be justified.

- c. Use the already described indicators: **interest-pressure-transaction**. While measuring the prevalence of transactions could prove, the existence of interest and pressure could be used as a proxy of the current effectiveness of the existing set of anticorruption policies. The added value of the interest-pressure indicators in evaluating change in the effectiveness of anticorruption policies would rather be in the dynamic perspective, i.e. when MACPI is being applied multiple times and the change in the values of parameters is analysed. In principle, the existence of corruption pressure is a measure of the real effectiveness of the evaluated policies. High levels of pressure show that a combination of factors like ineffective anticorruption policies, suboptimal organisation of a specific activity or the susceptibility to corruption of clients and officials operate and are not adequately countered.

In the pilot application of MACPI, the (a) and (c) indicators were used to evaluate effectiveness, while the indicators under (b) were evaluated through a general population survey. In this way the indicators of vulnerability were also used to assess effectiveness of anticorruption policies.

1.2.4. Distribution of MACPI indicators by methods

MACPI uses three methods to produce the anticorruption policy enforcement diagnostics: desk research, in-depth interviews with experts and online survey with officials of the public organisation.

The main objective of **desk research** is to prepare the content of the IDIs with experts in the surveyed public organisations. The sources of information are all publicly available documents describing the organisation, such as statutes, laws and bylaws, organisational structure, documents describing organisational rules and procedures, etc. The concrete tasks to be completed include:

- compiling a preliminary list of the main activities in the organisation;
- compiling a preliminary list of anticorruption policies;
- compiling a list of the most common type of corruption transactions associated with the organisation based on reports and analyses;
- gathering information about prevalence rates and cases of corruption associated with the organisation.

At least two experts need to be recruited in order to compare and verify the information obtained. The experts to be interviewed are suggested by the public organisation. However, they should have a good knowledge of all departments of the organisation and relatively long work experience. Typically, such experts are officers in the internal control or human resource departments.

In-depth interviews (IDIs). IDIs would include two stages, during the first of which the list of activities of the organisation is verified and corrected if necessary. A second task for this stage is to explore interest for corruption transactions by types of corruption and activities in order to identify the corruption zones in the organisation. The first stage concludes with a discussion of anticorruption policies by identifying general policies, applicable to the organisation, and discussing the

characteristics of its specific policies. Experts are asked to review the preliminary list of anticorruption policies and to prepare their own list. At the second stage each anticorruption policy is discussed in greater detail. The objective at this stage is to finalise the list of anticorruption policies, which will be used in the online survey.

The **online survey** of officials is conducted in the final stages of data collection using a mostly standardised questionnaire. The variable part of the questionnaire is the list of activities and the list of anticorruption policies of the surveyed organisation. The questionnaire needs to be coordinated with the management of the public organisation. Also coordinated with the management is the procedure of implementing the survey. The best practice in this respect is to propose to the management a draft introduction letter to officials in the organisation. The letter introduces the survey and its objectives and includes a link to the online survey. The letter is endorsed by the management and sent by e-mail to officials included in the survey sample.

Except for organisation-specific lists (activities and policies) MACPI indicators are implemented in a uniform way in all surveyed public organisations. The distribution of indicators by methods is presented in Table 3.

Table 3. The main groups of MACPI indicators by methods

	Desk research	IDI	Online survey
I. Assessment of corruption vulnerability			
1. List of activities of the public organisation	X	X	
2. Identification of anticorruption policies	X	X	
3. Assessment of corruption interest (corruption zones)	X	X	
4. Assessment of outside pressure (proposals to initiate corrupt transaction)			X
5. Assessment of outside pressure (attempts by clients/citizens to evade rules)			X
II. Assessment of the implementability of anticorruption policies			
6. Practical ease of implementation			X
7. Difficult to evade			X
III. Implementation of anticorruption policies			
8. Awareness of policy			X
9. Defined system of control			X

Table 3. The main groups of MACPI indicators by methods (continued)

	Desk research	IDI	Online survey
10. Implementation of control			X
11. Application of sanctions			X
IV. Effectiveness of anticorruption polices			
12. Estimated potential effectiveness			X
13. Susceptibility of officials to corruption			X

One of the important advantages of using an online survey is the relative ease of ensuring anonymity. The latter is crucial for eliminating bias and ensuring reliable information, especially in view of the sensitivity of the topic and the specific questions. Anonymity is also ensured by substantially reducing demographic questions (only gender and length of work experience in the organisation) and by keeping the online database on the server of the implementing institute.

With respect to sampling, since the online diagnostics focus on a single organisation, ensuring random selection of respondents is relatively easy. A list of all employed officials is always available. The recommended method of sample selection is simple random sample. In this respect two scenarios are most common:

- a) Sampling of small public organisations (50-100 employees). The recommended sampling model in these cases is an exhaustive survey of all employees.
- b) Sampling of bigger public organisations. The recommended sample in such cases is to ensure a sample size of about 400-500 employees. The reasons for such a recommendation are practical: the stochastic error is reasonable and this number of surveyed officials does not present a substantial problem (time and effort) for the cooperating organisation.

The distribution of questions in the online questionnaire by MACPI indicators is presented in Table 4.

Population/client survey. This survey is used to verify common patterns of corruption affecting the transactions between citizens and public officials and to validate basic relationship between corruption indicators. The survey will use the methodology of the Corruption Monitoring System (CMS), developed by the Center for the Study of Democracy. The CMS was designed and developed by CSD in 1998²⁴ and provides assessments about the dynamics of the prevalence of corruption behaviour patterns in a society. The CMS

²⁴ Center for the Study of Democracy. (1998). *Clean Future*, pp. 64-91.

Table 4. MACPI indicators and questions in the online survey

MACPI online survey indicators	Survey questions
General corruption pressure estimates for the organisation as a whole	A12A, A12B
I. Corruption pressure	Q8, Q9, Q10, Q12
1. Outside pressure associated with activity	Q8
2. Susceptibility to pressure from above	Q10
3. Susceptibility to pressure from outside	Q9
4. Evasion of regulations	Q12
II. Implementability	Q23, Q26
5. Ease of implementation	Q23
6. Difficult to evade	Q26
III. Implementation	Q27A, Q27B, Q27C, Q27D
7. Awareness	Q27A
8. Strict implementation	Q27B
9. Strict control	Q27C
10. Strictly application of sanctions	Q27D
IV. Effectiveness	Q24, Q25
11. Estimated potential effectiveness	Q24
12. Estimated actual effectiveness	Q25

methodology ensures comparability of data across countries and registers the actual level and trends of direct involvement in administrative corruption, as well as the public attitudes, assessments and expectations in relation to corruption. The CMS has been implemented in Bulgaria since 1998,²⁵ at the regional level (South-eastern Europe) in 2001, 2002 and 2014,²⁶ and in select years in Georgia and Moldova. Some CMS concepts have also been modified and included in the Eurobarometer surveys on corruption, making CMS data comparable to Eurobarometer data.²⁷

²⁵ All Corruption Assessment Reports can be found at the web page of CSD at: <http://www.csd.bg/artShow.php?id=1339>

²⁶ A. Stoyanov et al., eds., *Anticorruption in Southeast Europe: First Steps and Policies* (Sofia: Center for the Study of Democracy, 2002).

²⁷ TNS Opinion&Social, *Corruption. Special Eurobarometer 374* (Brussels: Directorate-General Home Affairs, European Commission, 2012); TNS Opinion&Social, *Corruption. Special Eurobarometer 397* (Brussels: Directorate-General for Home Affairs, European Commission, 2014).

The CMS is one of the possible measurement approaches to corruption. Its main objective is to provide statistical estimates of the prevalence of the most common incidents of corruption and has diagnostic and descriptive functions. In the CMS context, corruption is conceptualised as a specific type of social behaviour which includes specific forms of interaction between actors, attitudes associated with these interactions and a set of perceptions which relate to the interactions (serving both as reflections of the interaction and prerequisites which define the behaviour strategy of the actors). Corruption refers to a specific group of interactions: citizens are provided with public services by public institutions by contacting officials who are employed by these organisations. Corruption is an interaction in which officers in public institutions (agents) abuse the discretionary power they are entrusted with by the public organisation (principal) in their interaction with citizens (clients).

While a summary model of corruption could be further elaborated in order to list most possible variations of form and content, it is important to note that form and content could easily be used as proxies to each other. If there is a bribe, there is most probably some kind of abuse; on the other hand, if there is an abuse, there probably is some material gain. Therefore, in order to measure the prevalence of corruption behaviour, attempt should be made to either measure the number of bribe incidents, or the number of abuses of different types. In empirical terms, the easier way to access corrupt behaviour is through identification of instances of bribery. Types, violation models and levels are more difficult to observe and account for. Even when the latter is the case, there is always a possibility that a violation has occurred without any personal benefit for the perpetrator (the official).

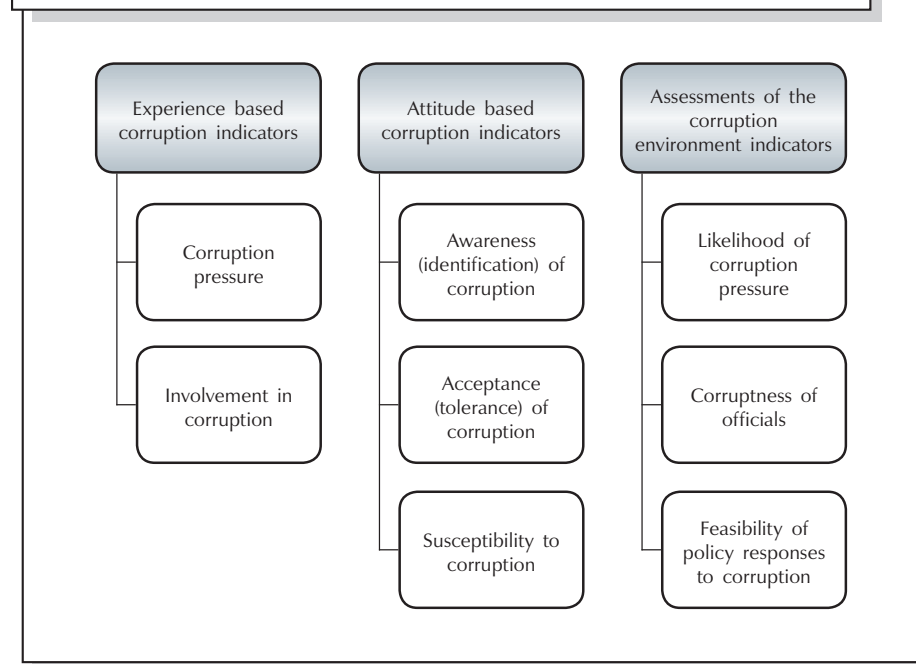
The specific objective of the CMS is to address the most common forms of abuse. In terms of the above classification this would be **low level (administrative) corruption of all types and violation models**. The reason for choosing such a criterion is that its expected prevalence can be registered with random sample techniques. The proxy to these abuses is the occurrence of bribery which is defined as benefit received informally by the agent (the public official) in the form of money, gift or favour. It is an addition to public services clients are entitled to, given the organisation of the public service system of a country.

The main indicators of the CMS describe corruption (as a social phenomenon) using three groups of concepts: experience, attitudes, and perceptions (Figure 4).

Information on CMS indicators is collected through a survey questionnaire. Indicators are first broken down into survey questions and, at the analysis stage, the information is aggregated to form the CMS indexes. This allows for a more robust interpretation of findings and has been a way to keep findings aligned to the theoretical background of the study.

Involvement in corruption. Involvement in corruption captures the instances when citizens make informal payments to public officials. The concrete questions used to gather information about this indicator are victimisation questions and reflect experience during the preceding year. The indicator summarises citizens' reports

Figure 4. Structure of the CMS Indicators



and divides them into two categories: people without corruption experience (have not given bribes) and people with corruption experience (have given bribes at least once during the preceding year).

Corruption pressure. Corruption pressure reflects instances of initiation of bribe seeking by public officials: directly by asking for an informal payment or indirectly by indicating that informal payment would lead to a positive (for the citizen) outcome. CMS results have shown that pressure has been a decisive factor for involvement – most corruption transactions occur after the active solicitation of payments by officials.

Direct involvement in corruption transactions is accompanied by the prevalence of specific **attitudes towards corruption** and corruption behaviour and by perception of the spread of corruption in society. Ideally low levels of involvement in corruption would be paired with negative attitudes towards corrupt behaviour and perceptions that corruption is rare and unlikely. This does not mean that perceptions and attitudes directly determine the corruption behaviour of individuals. Rather, they could influence behaviour to a certain degree but essentially express the general social and political atmosphere in society related to corruption.

Awareness (identification) of corruption. Awareness (identification) of corruption is an index accounting for the level of understanding of citizens as to what constitutes corruption behaviour. The index differentiates between three categories of awareness: high (people who identify all or most of the common corruption

behaviour patterns as corruption), moderate (many of the common corruption practices are identified but some forms of corruption are classified as “normal behaviour”), low (few corruption patterns are identified as corruption).

Acceptance (tolerance) of corruption. While awareness captures the knowledge component, acceptability of corruption captures tolerance (or lack of tolerance) towards corruption. It summarises the assessments of the public of the acceptability for members of parliament or government as well as civil servants at ministries, municipalities and mayoralities to take gifts, money, favours or receive a free lunch (get “a treat”) in return to solving someone’s personal problems.

Susceptibility to corruption. Susceptibility to corruption reflects the tendency of the respondents to react in two hypothetical situations – one involves being in the role of an underpaid public official and accepting or denying a bribe that is being offered, the other situation asks about giving a bribe to a corrupt public official if one had a major problem to solve and was asked explicitly for a bribe (cash). Declaring the denying of a bribe in both situations is interpreted as the respondent being not susceptible to corruption, accepting/giving a bribe in both is interpreted as susceptibility, while giving/taking a bribe in one of the situations and not in the other is defined as “mixed behaviour”.

The experience with corruption and the attitudes towards corruption, as well as the general current sentiment and level of trust towards public institutions in society determine the public’s assessment of the corruptness of the environment. These perceptions are summarised in the following indexes:

Likelihood of corruption pressure is an index measuring expectations of citizens for the likelihood to face corruption pressure in interaction with public officials. Overall this is an index gauging perceptions of the corruptness of the environment. In principle corruption theory considers that people would be more likely to resort to corruption if they assess the environment being intrinsically corrupt.

Corruptness of officials. Corruptness of officials is an index reflecting perceptions of the integrity reputation of different groups of public officials; it thus constitutes an estimate by the public of the corruptness of the various public services. The interpretation of this index is specific, as it is an assessment of attitudes of citizens towards public officials rather than a measure of the prevalence of corruption in the respective offices. The added value of this index is that it helps identify top ranking sectors affected by corruption or being least trusted by the public.

As regards the sampling, there are two alternative approaches to constructing it for the population/client survey. The first approach would be to conduct a general population survey with a representative sample of the adult population (18+). Its advantage is that it enables testing several assumptions:

- accounting for the general corruption atmosphere in a country;
- exploring attitudes towards corruption transactions;
- exploring values and relationships between the main experience and attitude based indicators (involvement in corruption transactions, corruption pressure, and susceptibility to corruption).

Table 5. The main groups of MACPI indicators to be used in the population survey*

MACPI population survey indicators	Research questions
I. Experience based indicators	
1. Involvement in corruption transactions	A13
2. Corruption pressure	A12
II. Attitude based indicators	
3. Awareness of corruption (knowledge)	A1B
4. Acceptance of corruption behaviour	A9, A10
5. Susceptibility to corruption	A8, A15
III. Assessments of the corruption environment	
5. Likelihood of corruption pressure	A3
6. Corruptness of officials	A2, A4

* See also Appendix 2 for the wording of questions.

The second approach to sampling is to design a targeted sample of the clients of public organisations where the MACPI tool is being applied. Involving stakeholders in the assessment of corruption transactions would make it possible to compare research findings from the surveys of officials and clients. The application of this approach involves some important difficulties:

- some public organisations have a limited number of clients, who could be difficult to access;
- recruitment of appropriate respondents would be costly and difficult in logistical terms; such difficulties increase costs substantially;
- asking questions about corruption experiences with a concrete public organisation could lead to hesitation and insincere answers.

1.2.5. Operating procedures of MACPI diagnostics

The implementation protocol of MACPI that proved optimal includes the following sequenced procedures:

1. Establishing contact with the public organisation.
2. Desk research stage – preparing draft lists of activities and anticorruption policies.
3. First meeting with selected experts and conducting IDIs (first stage). Review of activities, review and identification of corruption zones, discussion about the criteria for identifying anticorruption policies.
4. Second meeting with experts and conducting IDIs (second stage). Defining the final list of anticorruption policies.

5. Review of the draft questionnaire by experts and management.
6. Third meeting with experts and management. Defining sampling procedure and technical details for the online survey. Draft letter to participants.
7. Implementing the online survey.
8. Implementing the population/client survey.
9. Data analysis and report.