I. LEVELS OF CORRUPTION AND IMPACT ON SOCIETAL SECTORS

Two problems exist when attempting to assess the spread of corruption. First, the problem of definition, registration and prosecution of the cases of corruption. Second, measuring the actual incidence of corruption transactions (registered or not) for a certain period of time. As shown below, these two aspects of accounting for levels of corruption provide results which differ in magnitude. Cases of corruption which enter the realm of law enforcement are a tiny fraction of corruption transactions occurring on a daily basis. The main reason for this is the high latency rate of corruption victimization (victims have no interest in reporting the offence). This sets limits to the extent in which the efforts of the judiciary could be effective in countering corruption.*

CMS Methodology

The *Corruption Monitoring System* (CMS) developed by the Center for the Study of Democracy is the first of its kind in the post-socialist countries and has been successfully applied for 15 years. CMS has been recognised by the UN as the best national system for corruption monitoring. The methodological features of CMS guarantee comparability of data for Bulgaria with data for other European countries. CMS incorporates a system of empirical studies and analytical reports, and provides data on the frequency and dynamics of corruption practices affecting the population at large and the business sector. CMS registers the actual level and trends of corruption, as well as the public attitudes, assessments and expectations in relation to corruption. Nationally and internationally tested indicators are used to measure the actual involvement in corruption transactions and public perceptions of corrupt behaviour.

The CMS' major outputs are the *Corruption Indexes*.[1] They are based on surveys of the general population and the businesses and summarise the most important aspects of corruption behaviour patterns. The main indicators of the CMS describe corruption (as a social phenomenon) using three groups of sub concepts: experience, attitudes and perceptions (*Figure 1*).

In terms of definition, administrative corruption includes the extension of benefits (money, gifts, and favours) by citizens in exchange for services they obtain by public officials.[2] The experience aspect of administrative corruption is decomposed into two indicators:

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* This chapter, as well as the following four chapters, is based on CSD's Policy Brief No. 46: Corruption and Anti-Corruption in Bulgaria (2013 – 2014) published in November 2014 with the support of Friedrich Ebert Foundation, Office Bulgaria.

[1] Every index is based on the aggregation of data from several variables (research questions).

[2] An extended technical description of CMS indexes can be found in the Methodological Appendix of Center for the Study of Democracy (2014) *Anti-Corruption Reloaded: Assessment of Southeast Europe*. Sofia: CSD pp. 135-145.

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 victimization questions and reflect experience in the last year. The index summarizes citizens' reports 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 in the last year).[3]

Corruption pressure reflects instances of initiation of bribe seeking by public officials: directly, by asking for an informal payment or indirectly, by "hinting" 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.

FIGURE 1. CORRUPTION MONITORING SYSTEM INDEXES

Source: CSD/SELDI 2014.
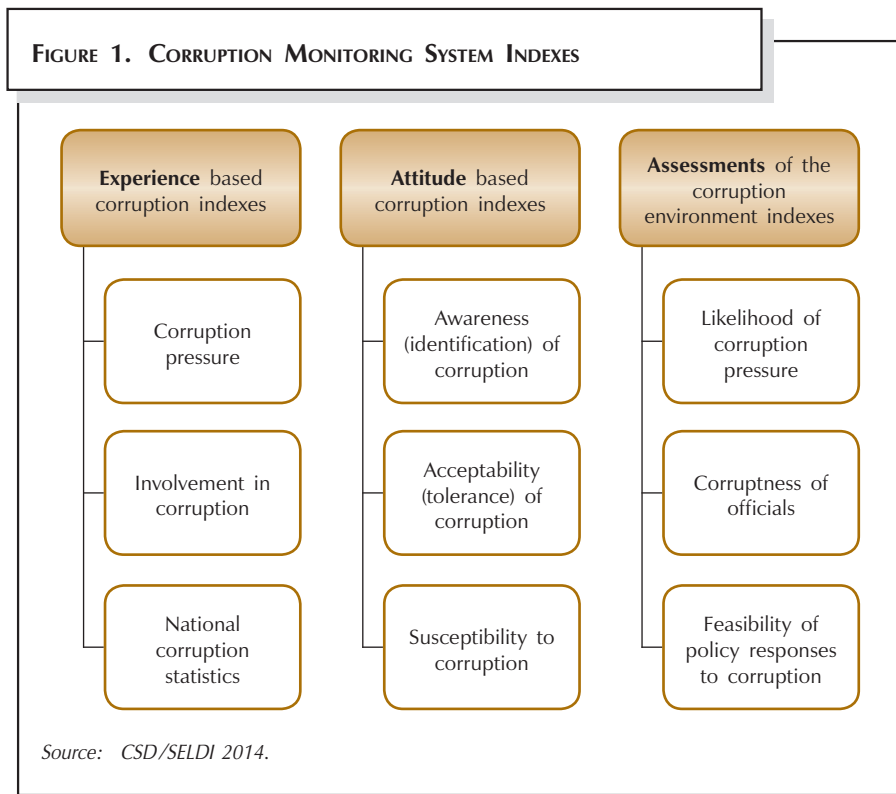
Direct involvement in corruption transactions is accompanied by the prevalence of specific **attitudes towards corruption** and corruption behaviour and by **perception of the spread of corruption** in society. Ideally, low levels of involvement in corruption would be paired with negative attitudes towards corrupt behaviour and perceptions that corruption is rare and unlikely. This does not mean that perceptions and attitudes directly determine the corruption behaviour of citizens. Rather, they could influence behaviour to a certain degree, but they essentially express the general social and political atmosphere in society related to corruption. The following indexes capturing different aspects of attitudes towards and perceptions of corruption are included in the CMS:

Awareness (identification) of corruption is an index accounting for the level of understanding of citizens about corruption behaviour patterns. The index differentiates between three categories of awareness: high (citizens who identify most common corruption behaviour patterns as

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3   Over the years, the wording of questions has been preserved in order to ensure comparability of data. However, calculation methodology has been modified. Prior to 2013, indexes were calculated based on normalization procedure, and their values ranged from 0 to 10. While this is a standard procedure, it has created difficulties in the concrete interpretation of index values. To overcome this difficulty the aggregation procedure has been modified and uses direct recoding of response groups. This makes it possible to position respondents into distinct and directly interpretable categories referring to different aspects of corruption behaviour patterns.

corruption), moderate (many corruption practices are identified, but some forms of corruption are considered "normal behaviour"), low (few corruption patterns are identified as corruption).

Acceptance (tolerance) of corruption behaviour. While awareness captures the knowledge component, acceptability of corruption captures tolerance (or lack of tolerance). It summarizes citizens' assessments of acceptability for members of parliament or the government, as well as officials at ministries, municipalities and mayoralties to take gifts, money, favours, or receive a free lunch (get "a treat") in return for solving someone's personal problems.

Susceptibility to corruption reflects the tendency of the respondents to react in two hypothetical situations – one involves being in the role of a public official and accepting or denying a bribe that has been 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). Denying a bribe in both situations is interpreted as being not susceptible to corruption, accepting/giving a bribe in both situations is interpreted as susceptibility, while giving/ taking a bribe in one of the situations and not in the other is considered "mixed behaviour".

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[4] considers that people would be more likely to "use" corruption patterns if they think the environment is corrupt.

Feasibility of policy responses to corruption is an indicator capturing the "public thinking" about policy responses to corruption. More specifically, it evaluates potential public support for anti-corruption policies.

Corruptness of officials is an index reflecting perceptions of the corruption reputation of different groups of public officials. The interpretation of this index is specific, as it is an assessment of political attitudes of citizens towards public officials, rather than a measure of the prevalence of corruption. The added value of this index lies in the fact that it helps identify top ranking sectors affected by corruption.

Experience with Corruption

In addition to CMS diagnostics, information about the prevalence of corruption is available in institutional statistics (police, judiciary). The problem in this respect is latency (prevalence of crime cases that are not reported to authorities) and/or the inability of law enforcement to process corruption cases. Regarding corruption, crime statistics proves difficult, as different institutions dealing with such cases work with differing classifications. Except for the Prosecutor's Office, none of the

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[4] See Rothstein, B. (2007) Anti-Corruption – A Big Bang Theory. Quality of Government Institute Working Paper Series 2007:3, no. May (2007).

other judicial or law enforcement authorities is collecting data specifically on corruption.[5] Based on the available data, the most reliable indicator for the enforcement of anti-corruption legislation is the number of persons sentenced for the most typical corruption crimes such as bribery and abuse of office (*Figure 2* and *Figure 3*).

CMS estimates of the prevalence of corruption (*Figure 4*) sharply contrast to publicly available official data on cases/persons investigated, accused and sentenced on charges of corruption. The values of the principle corruption experience indicators – **involvement in corruption** and **corruption pressure** – point to a serious problem, as there is a difference in magnitude in crime statistics and CMS diagnostics data: while crime statistics show that law enforcement is able to process (investigation, pretrial, trial, etc.) several hundreds of cases per year, **actual prevalence of corruption transactions over the years ranges from about 9% to 29% of the adult population of the country[6] (i.e. hundreds of thousands of cases)**. These findings point to two important aspects of measuring prevalence of corruption behaviour:

- Based on the number of cases, involvement in corruption transactions is a mass phenomenon. Prevalence of corruption is comparable to overall crime victimization in the country registered by crime statistics and victimization surveys.
- It is obvious that, given the scale of corruption prevalence, it is not possible to effectively counter corruption only/predominantly through criminal law enforcement measures.

FIGURE 2. NUMBER OF PEOPLE SENTENCED FOR ABUSE OF OFFICE (1989 – 2013)
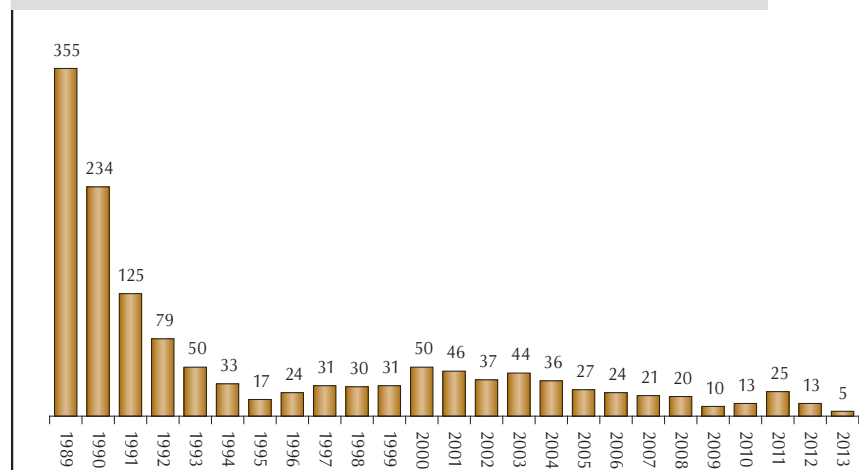
Source: National Statistical Institute of Bulgaria.

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[5]   The institution has its own definition of corruption, according to which corruption behaviour has three basic elements: (1) abuse of power or violation of official duties for personal gain at the expense of the public interest; (2) making the performance of official duties conditional on obtaining a personal gain; and (3) unlawful redistribution of resources for personal gain and to the detriment of the public interest.

[6]   Based on the population of the country 18+, 1% of the sample would represent about 65,000 persons.

FIGURE 3. NUMBER OF PEOPLE SENTENCED FOR BRIBERY
(1989 – 2013)

Source: National Statistical Institute of Bulgaria.
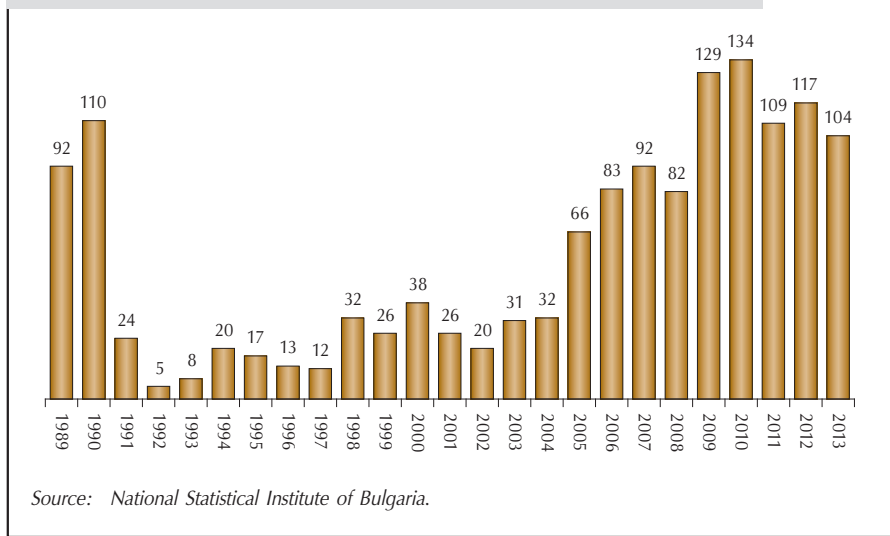
FIGURE 4. CORRUPTION PRESSURE AND INVOLVEMENT IN CORRUPTION

Source: CSD/SELDI Corruption Monitoring System.
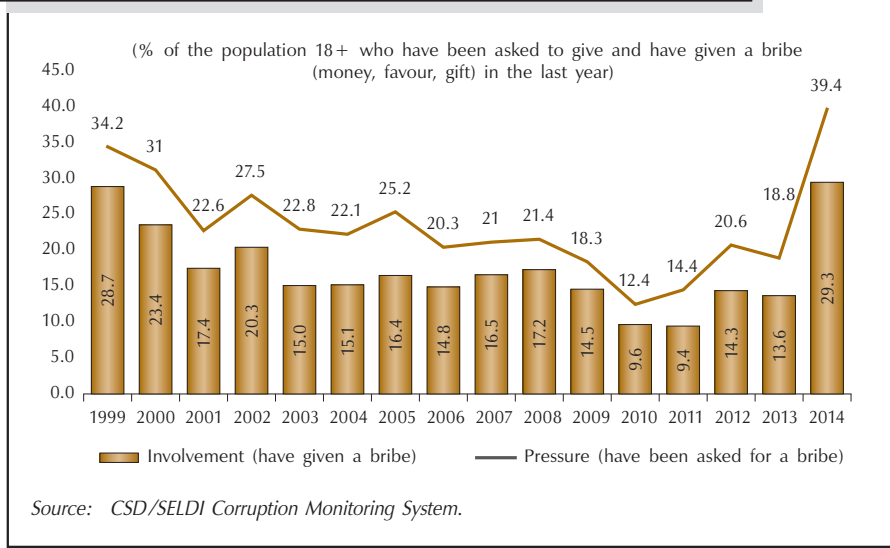
In 2014, the observed **levels of corruption are the highest in the last 15 years**. CMS data (collected since 1999)[7] shows that more than one in every four Bulgarian citizens admit to have given a bribe at least once in the last year (*Figure 4*). Progress over the years has been moderate and has changed dynamically based on the political cycle: prevalence drops in the first 1-2 years of every new government and then bounces back to higher levels. Reduction of prevalence levels in the first years of governments is mainly the result of initial anti-corruption efforts combined with administrative restraint; at a later stage, these factors are replaced by established corruption channels, clientelism and favouritism. The main reason for such developments is that the governance model in the country has not been and is not being effectively redesigned

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[7] See: Center for the Study of Democracy (1998) *Clean Future*. Sofia: CSD.

to counter corruption among public officials at all levels. The sharp deterioration of the corruption environment observed in 2013 – 2014 is just another indication of the validity of such a conclusion; observed corruption levels in the country are much higher than the EU average levels registered by Eurobarometer surveys.[8]

Analysis of micro-level corruption experience indicators shows that factors which precondition citizens' involvement in corruption transactions are contained in the immediate interaction between officials and clients of public organizations.[9] Practically, this means that most corruption transactions occur after off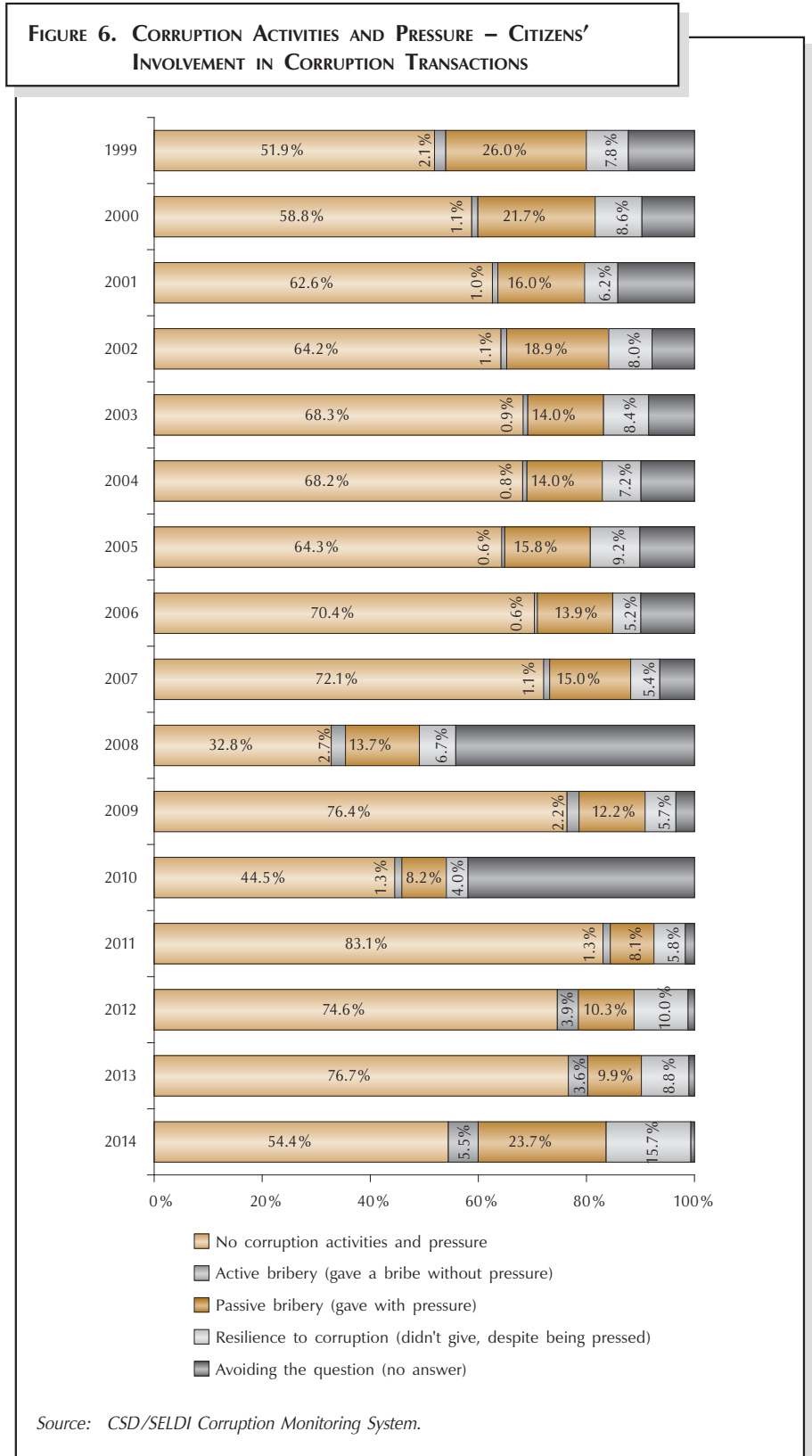icials attempt to solicit an informal payment or benefit. When citizens are asked by public office holders to give a bribe, provide a service or a gift, on average between 50% and 70% of them comply and enter into a corruption transaction (*Figure 5*, *Figure 6*). A specific development was observed in the period 2008 – 2014. On the one hand, fewer citizens have yielded to corruption pressure, with the share of those giving a bribe after they have been asked to going down from 70% to below 50%. On the other hand, the share of people who enter into corruption transactions without corruption pressure has been rising. Bribes are offered to public sector officials even when they are not explicitly demanded. In 2014, only 53% of those who resorted to bribes have been pressured by the recipients of bribes to do so, while in 2007 the respective share was over 90%. Thus, pro-active corruption behaviour on the part of citizens has increased based on the belief that a bribe is expected, even when it is not explicitly demanded.

FIGURE 5. INVOLVEMENT IN CORRUPTION WITH OR WITHOUT CORRUPTION PRESSURE

(% of the population 18+ who have given a bribe with or without corruption pressure)

Source: CSD/SELDI Corruption Monitoring System.

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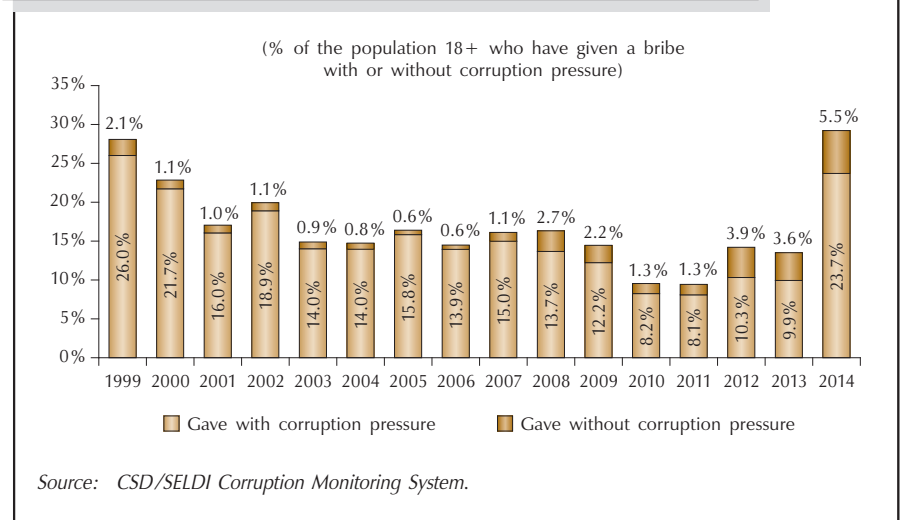
[8] See: TNS Opinion&Social. Corruption. Special Eurobarometer 374. Brussels: Directorate-General Home Affairs, European Commission, 2012. TNS Opinion&Social. Corruption. Special Eurobarometer 397. Brussels: Directorate-General for Home Affairs, European Commission, 2014.

[9] The two monitored indicators in this respect – corruption pressure (incidence of officials asking or hinting they expect "something") and involvement in corruption (incidence of citizens giving money, gifts or favours in exchange for public services – legitimate or illegitimate) – show high level of statistical association: Kendal t > 0.5, which is statistically significant (p < 0.01).

FIGURE 6. CORRUPTION ACTIVITIES AND PRESSURE – CITIZENS' INVOLVEMENT IN CORRUPTION TRANSACTIONS

Year	No corruption activities and pressure	Active bribery	Passive bribery	Resilience to corruption	Avoiding the question
1999	51.9%	2.1%	26.0%	7.8%	
2000	58.8%	1.1%	21.7%	8.6%	
2001	62.6%	1.0%	16.0%	6.2%	
2002	64.2%	1.1%	18.9%	8.0%	
2003	68.3%	0.9%	14.0%	8.4%	
2004	68.2%	0.8%	14.0%	7.2%	
2005	64.3%	0.6%	15.8%	9.2%	
2006	70.4%	0.6%	13.9%	5.2%	
2007	72.1%	1.1%	15.0%	5.4%	
2008	32.8%	2.7%	13.7%	6.7%	
2009	76.4%	2.2%	12.2%	5.7%	
2010	44.5%	1.3%	8.2%	4.0%	
2011	83.1%	1.3%	8.1%	5.8%	
2012	74.6%	3.9%	10.3%	10.0%	
2013	76.7%	3.6%	9.9%	8.8%	
2014	54.4%	5.5%	23.7%	15.7%	

Legend:
- No corruption activities and pressure
- Active bribery (gave a bribe without pressure)
- Passive bribery (gave with pressure)
- Resilience to corruption (didn't give, despite being pressed)
- Avoiding the question (no answer)

Source: CSD/SELDI Corruption Monitoring System.

Over the period 1999 – 2014, **resilience to corruption pressure has marginally increased** (*Figure 7*). This has been both a result of civil society action against corruption and the introduction of more controls and transparency in the administration. Progress, however, has been both uneven and insufficient.

FIGURE 7. RESILIENCE TO CORRUPTION PRESSURE

(% of the citizens who were pressed to give a bribe but refused)

Year	Gave with pressure	Didn't give, despite being pressed
1999	76%	23%
2000	70%	28%
2001	72%	26%
2002	69%	29%
2003	61%	37%
2004	63%	33%
2005	63%	36%
2006	69%	26%
2007	72%	26%
2008	64%	32%
2009	67%	31%
2010	66%	32%
2011	56%	40%
2012	50%	48%
2013	53%	47%
2014	60%	40%

☐ Gave with pressure   ☐ No answer   ☐ Didn't give, despite being pressed

Source: CSD/SELDI Corruption Monitoring System.
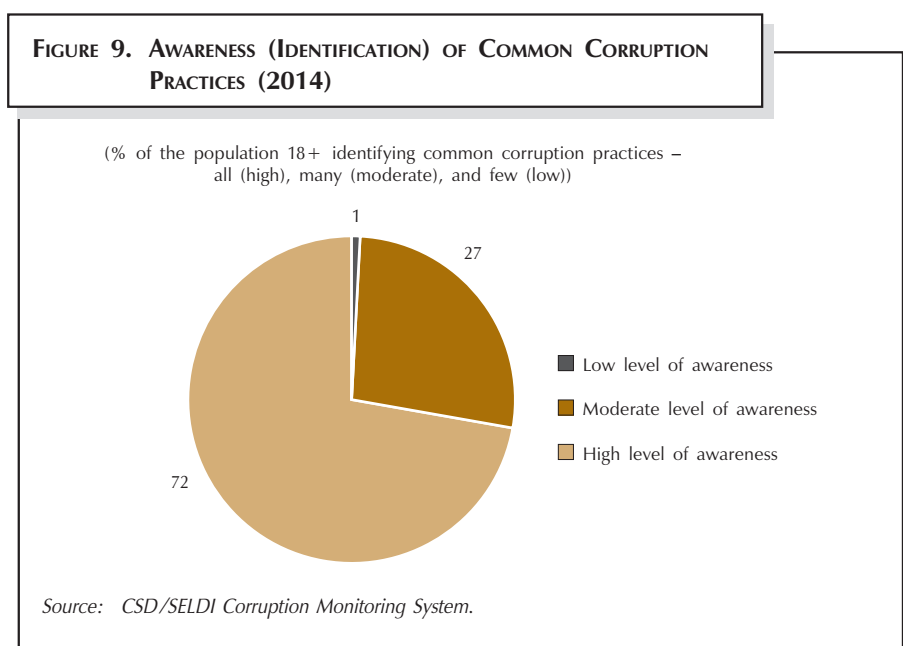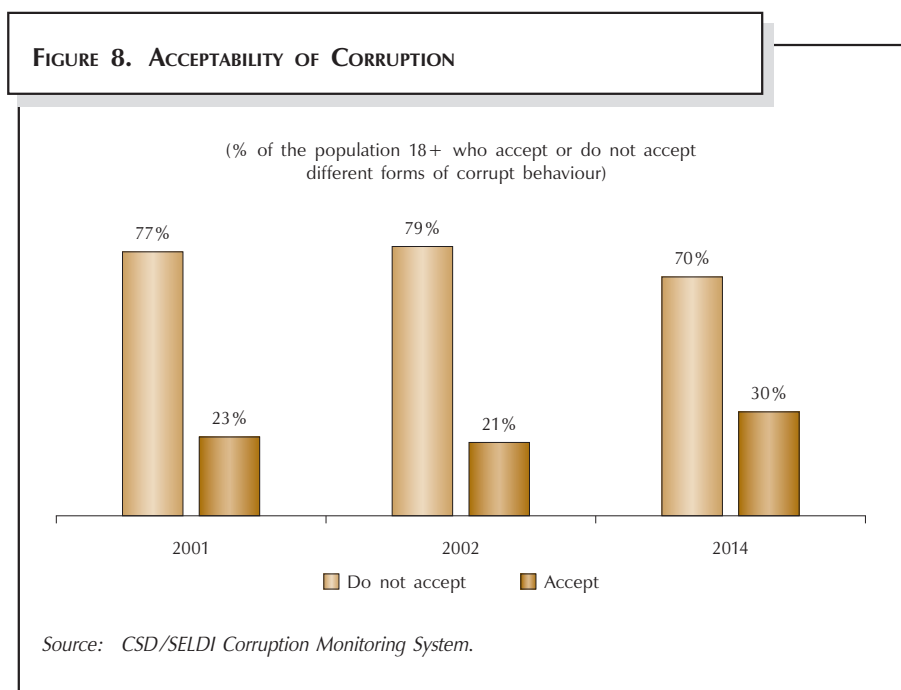
Attitudes towards Corruption

Explanations of corruption behaviour tend to stress on macro-level criteria. Theories focusing on moral and normative factors do not seem to explain involvement or non-involvement of citizens in corrupt transactions. The main reason for this is that moral dimensions of corruption and normative restraints against corrupt behaviour do not seem to work in the same way in different settings. In societies where corruption is systemic, two preconditions seem to exist and influence individual decision making: 1) the expectation that corruption is widespread almost forces actors to the choice of being corrupt to achieve their ends; 2) moral and social negation of corrupt behaviour is more or less belittled by the wide usage of corruption by others. This gives corrupt behaviour the status of "necessary evil", i.e. a widely used, but morally and normatively rejected pattern of behaviour. The consequences from the above relationship is that society and individual actors reject corruption, but cannot do much to counter it because too many actors are engaged in this type of behaviour on a daily basis.
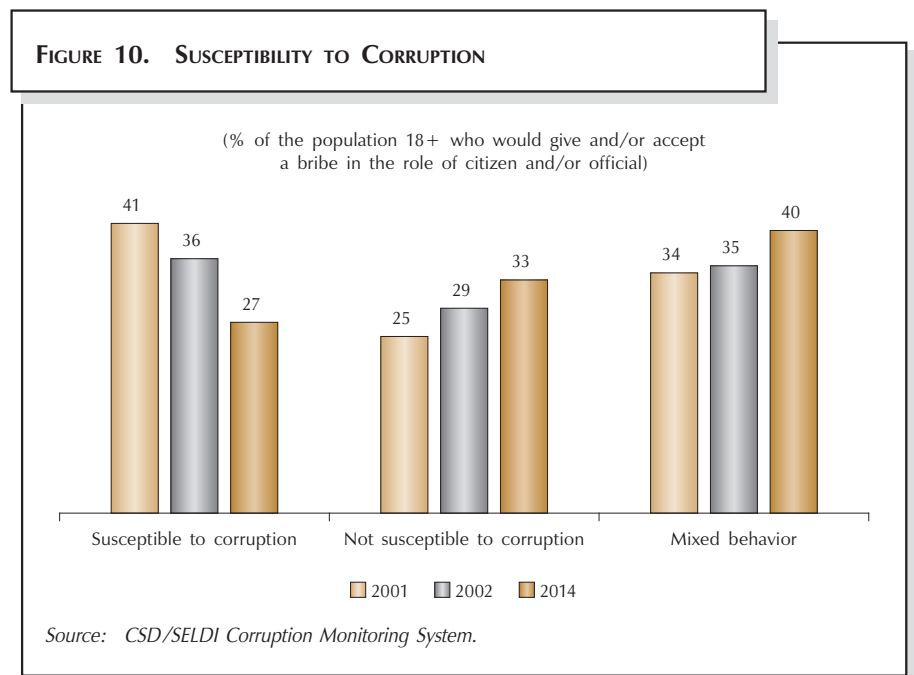
The evolution of the Bulgarian corruption situation in the last 15 years vividly confirms this explanatory framework, as it includes a combination of relatively high levels of intolerance and rejection of corruption behaviour on the one hand, combined with high levels of involvement in corruption transactions on the other hand. Several details in this respect are worth mentioning:

• **Most Bulgarians are intolerant of corruption behaviour** (*Figure 8*). This attitude changes marginally after 2001, but in the negative direction. The share of those who are intolerant of corruption behaviour decreases, while the number of people tolerant of different forms of corruption behaviour increases.

FIGURE 8. ACCEPTABILITY OF CORRUPTION

(% of the population 18+ who accept or do not accept different forms of corrupt behaviour)

Source: CSD/SELDI Corruption Monitoring System.

FIGURE 9. AWARENESS (IDENTIFICATION) OF COMMON CORRUPTION PRACTICES (2014)

(% of the population 18+ identifying common corruption practices – all (high), many (moderate), and few (low))

Source: CSD/SELDI Corruption Monitoring System.

• Despite legal difficulties in defining the exact content of corruption transactions (necessary to start prosecution of offenders), the majority of the population at large does not have substantial difficulties in identifying common, widely known corruption patterns as corruption behaviour (*Figure 9*). The **high level of awareness** among the majority (72%) of the population shows that no specific socio-demographic group could be identified as less aware and hence more susceptible to corruption because of ignorance.
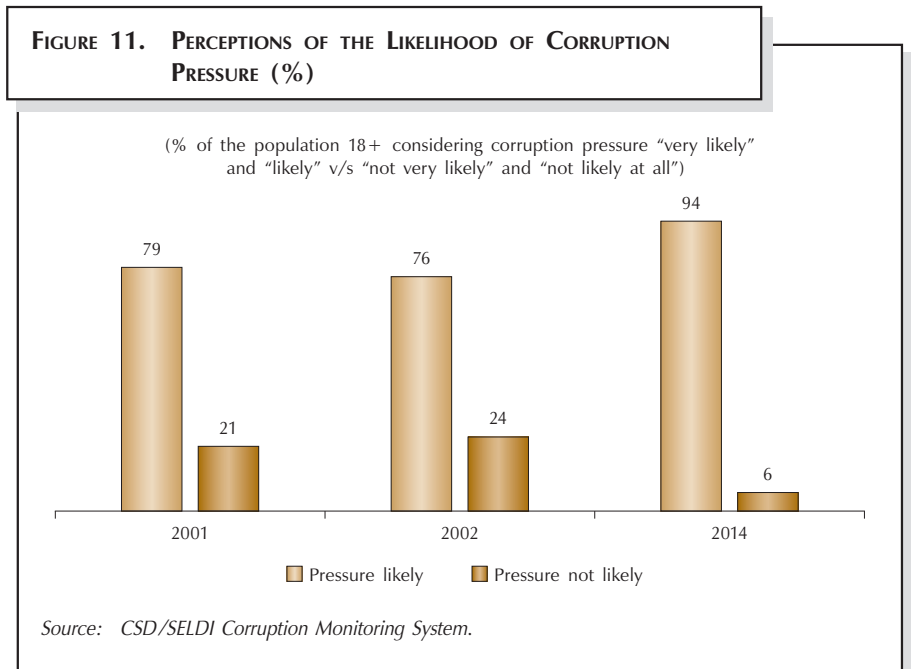
- • Despite intolerance and high awareness of corruption behaviour, a **substantial number of Bulgarians (18+) would readily engage in giving/accepting bribes** (*Figure 10*). "Full" susceptibility to corruption (both give and accept bribes) decreases marginally over the years. However, "mixed behaviour" attitudes (either give but not accept, or vice versa) have increased. In 2014, people who are more or less susceptible represent close to 70% of the adult population of the country. From 2001 to 2014, the share of people adhering to high moral standards (would never engage in corrupt behaviour) increases marginally from 25% to 33% of the adult population. Obviously, it is not awareness and attitudes towards corruption that predetermine the concrete decisions people make in situations of interaction with public officials. Rather, it is people's perceptions of the environment and their rational judgement on how to cope with existing realities. This is probably one of the reasons why tolerance of corrupt behaviour tends to marginally increase over the years.

FIGURE 10.   SUSCEPTIBILITY TO CORRUPTION

(% of the population 18+ who would give and/or accept a bribe in the role of citizen and/or official)

Source: CSD/SELDI Corruption Monitoring System.

Assessments of the Corruption Environment

Judgements of the level of corruptness of the Bulgarian society consolidate in the period 2001 – 2014. Corruption has become part of the price for public services. In 2014, practically **all Bulgarians (94%) consider corruption pressure on behalf of authorities as likely** (*Figure 11*). This is a prerequisite for the reinforcement of corruption behaviour patterns and explains why they are resilient to countering measures.

Statistical analysis of the interrelation (correlation) between the indicators measuring perceptions and attitudes towards corruption has not been able to identify any meaningful dependence: people who are well aware and intolerant of corruption are not substantially different in their susceptibility to corruption from people who are less aware and tolerant of corruption. In addition, the sets of perceptions and attitudes change only marginally for the period 2001 – 2014.

FIGURE 11. PERCEPTIONS OF THE LIKELIHOOD OF CORRUPTION PRESSURE (%)

(% of the population 18+ considering corruption pressure "very likely" and "likely" v/s "not very likely" and "not likely at all")

Source: CSD/SELDI Corruption Monitoring System.

While there might be some differences in ranking, the corruption reputation of groups of public officials has not changed substantially in the period 2001 – 2014. The top ranking groups in 2014 are members of the legislature, the political class, and members of the executive with substantial discretionary powers (*Figure 12*). What should be noted is that the corruption reputation for the top ranking groups of officials has actually deteriorated. Only customs officers mark a marginal improvement (within the margin of stochastic error). It is also important to note that most of the top ranking groups mark the largest negative change in the period 2002 – 2014 (*Figure 13*).

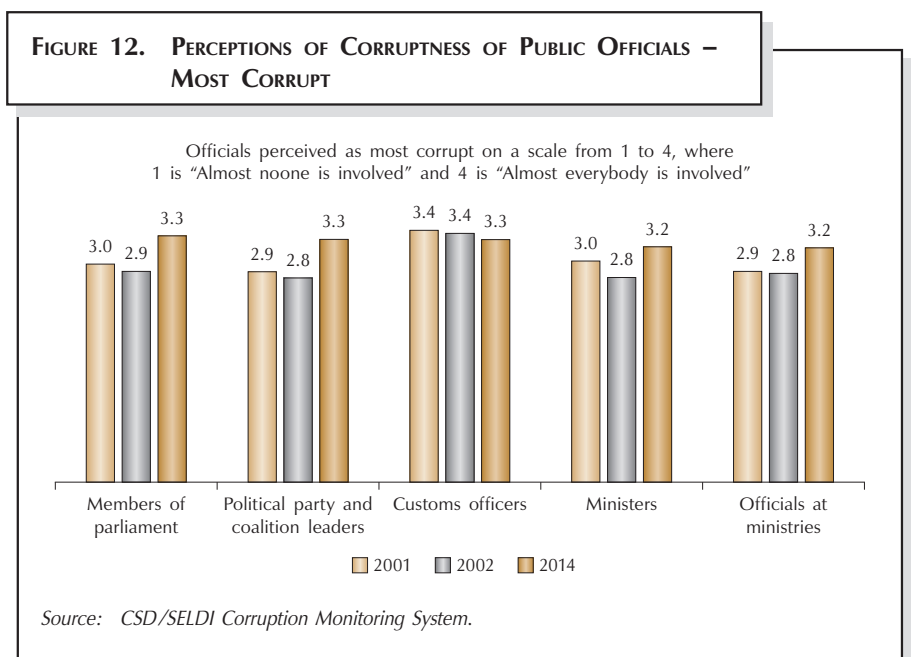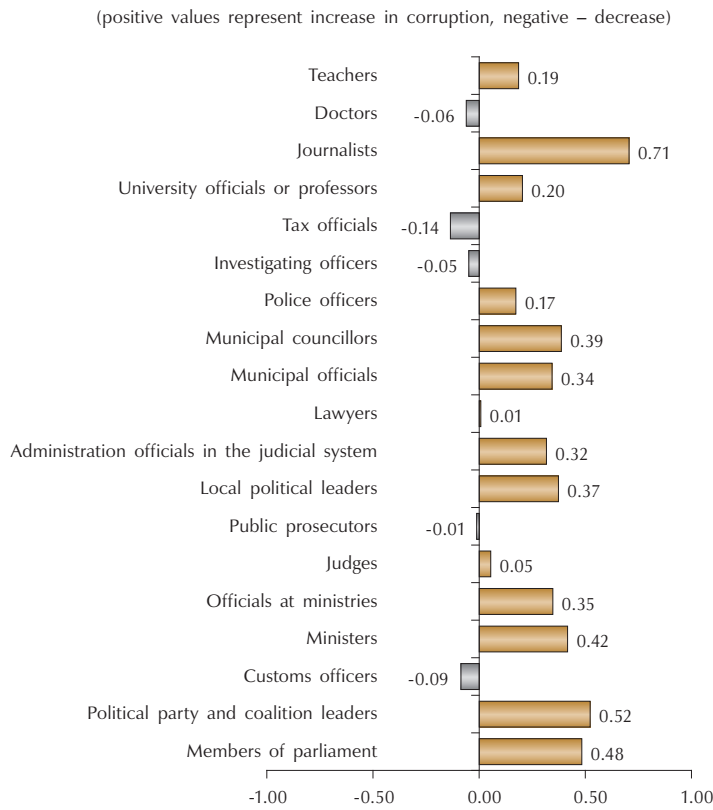FIGURE 12. PERCEPTIONS OF CORRUPTNESS OF PUBLIC OFFICIALS – MOST CORRUPT

Officials perceived as most corrupt on a scale from 1 to 4, where 1 is "Almost noone is involved" and 4 is "Almost everybody is involved"

Source: CSD/SELDI Corruption Monitoring System.

FIGURE 13. PERCEPTIONS OF CORRUPTNESS OF PUBLIC OFFICIALS –
CHANGE IN PERCEPTIONS BETWEEN 2002 AND 2014

(positive values represent increase in corruption, negative – decrease)

Teachers	0.19
Doctors	-0.06
Journalists	0.71
University officials or professors	0.20
Tax officials	-0.14
Investigating officers	-0.05
Police officers	0.17
Municipal councillors	0.39
Municipal officials	0.34
Lawyers	0.01
Administration officials in the judicial system	0.32
Local political leaders	0.37
Public prosecutors	-0.01
Judges	0.05
Officials at ministries	0.35
Ministers	0.42
Customs officers	-0.09
Political party and coalition leaders	0.52
Members of parliament	0.48

-1.00   -0.50   0.00   0.50   1.00

Source: CSD/SELDI Corruption Monitoring System.

Perceptions of corruptness of officials and the overall corruption environment in the country explain some of the aspects of the problem of **anti-corruption ineffectiveness**: the institutions that should lead counteraction efforts are among those with the worst corruption reputation. In this respect, they face two contradicting challenges: to counter corruption through criminal law enforcement (identify and prosecute) and policy measures, and at the same time to resist to corruption behaviour in their own ranks. CMS diagnostics points to the conclusion that citizens consider these same institutions so corrupt that they do not expect them to be able to perform their anti-corruption functions properly.

It is against this background that public pessimism about the feasibility of countering corruption has increased and is dominant (*Figure 14*).

FIGURE 14. PERCEPTIONS OF FEASIBILITY OF POLICY RESPONSES
TO CORRUPTION (%)

	2001	2002	2014
Corruption can be substantially reduced or eradicated	36	40	40
Corruption cannot be substantially reduced	50	46	60
Don't know/No asnwer	14	14	

■ Corruption can be substantially reduced or eradicated
■ Corruption cannot be substantially reduced
■ Don't know/No asnwer

Source: CSD/SELDI Corruption Monitoring System.