Despite nearly two decades of attention being paid to the issue of corruption, there are two conundrums that characterise much academic and policy work in the field. The first relates to the fact that most analyses of corruption – whether they are primarily academic in focus, or more policy-oriented – take nation states as their principal unit of assessment. This is especially true of those studies that seek either to measure levels of corruption or to identify causal mechanisms that promote corruption. In practice, however, most instances of corruption take place in concrete settings in specific places. Indeed, it could be argued that corruption is most likely to be found in settings that do not easily map onto the nation state: either because of significant variance at local level, or because of trans-national or cross-border networks. The second conundrum relates to the fact that corruption is still predominantly seen as taking place within the public sector. In practice, however, the changing nature of governance (particularly around down-sizing, sectorisation, contracting out, etc.) means that much public service delivery is now performed in or by the private sector. Those very developments have contributed to a blurring of the public-private distinction that generates new risks for corruption. In recent years, many of the most striking corruption scandals have precisely involved the interaction between public and private sector. An over-emphasis upon the public sector thus risks missing many actual instances of corruption.

Empirically, these two conundrums generate practical difficulties, in that they lead to measures abstracted from the reality of corruption as we actually face it. This reduces the power of our analyses, and moreover, it limits our conceptual understanding of corruption. These problems in turn reduce the efficacy of our anti-corruption efforts, needlessly stigmatize already disadvantaged communities, make the problems associated with poverty worse, and – it could be argued – ultimately kill people\(^1\). In such circumstances, scholars of corruption need to take particular care over how they conceptualise and analyse an issue that has increasingly far-reaching real world political consequences. It is especially important that we understand the conundrums outlined above to a far greater degree than we presently do.

This paper explores these tensions in the study of corruption, and argues that we need to pay more attention to identifying the most appropriate unit of analysis if we are to gain an effective understanding of how corruption works in practice and therefore how it can best be combated. Without such a recalibration, studies will remain focused at an inappropriate level, leading to continued inadequacies in our conceptual and empirical understanding of corruption.

\(^1\) On the consequences of corruption for health outcomes, see Rothstein, 2011, ch.3. Moreover, the fatal consequences of corruption stretch far beyond simply the direct health effects upon a population. Because corruption indices are increasingly used when deciding which countries to give aid to (see Andersson and Heywood, 2009, pp.747-8), corruption is not just depriving people of food and medicine, but also external aid and investment.
The Problem of Scale and Focus: A Hypothetical Tale of Two Countries

In order to see how the scale and focus of our understanding of corruption really matter, and why country-level evaluations of corruption are inadequate in many circumstances, consider the following:

Suppose there are two countries, Country A and Country B. Both have a population of roughly one million, both have roughly the same level of development, both have very similar tax systems with the same rate of personal taxation, and both have roughly the same GDP. In Country A petty corruption is rampant, instances of low-level bribery occur on a wide scale, and every person expects that they will be called upon to pay roughly one significant bribe a year. Because this corruption is so widespread the procedure for paying bribes is effectively institutionalized. Because of this institutionalization of corruption, the corrupt payments requested are in line with individuals’ income and people are not asked to pay crippling amounts. This corruption amounts to a corrupt ‘income tax’ of approximately 2% of citizens’ income, in addition to the other formal taxes they must pay. In Country B, petty corruption is almost unheard of. No citizen is ever asked to pay a bribe in his or her day-to-day life. Public officials generally act in line with the highest standards of probity. However, a senior government minister has corruptly organized for the Defence Department to source military equipment exclusively from a company that she owns through a third party. The cost to Country B of this military hardware is approximately 50% higher, for identical goods, than could be obtained on the open market. In order for Country B to meet these costs, income tax must be increased by 5% in perpetuity.

Which country is more corrupt? Why? Which country ought to have a higher (i.e. more positive) score on a corruption measure? Reaching agreement about which of these two cases is more corrupt would almost certainly be impossible. And the reason we have such difficulty in reaching agreement is that the question itself does not really make sense. Such an observation could be trivial: it is easy to ask questions that do not make sense, and thus cannot sensibly be answered. Yet, more problematically, our contemporary understanding of corruption – both in academe and amongst practitioners – is based upon the idea not only that this kind of question actually does make sense, but also that it can be answered in an uncomplicated and un-contentious way. This reasoning can be seen in the familiar approach of (implicitly) seeing corruption as ‘one thing’, an indivisible property of political systems that can be (and has been) summarized as a single number, applicable to the whole of a territory. However, once the problem gets broken down to a discussion of distinct units of analysis, it becomes far easier to provide meaningful answers. Which country has the more corrupt frontline public services? Country A. Which country has the more corrupt government? Country B.

See, for example, a variety of popular and proposed measures of corruption: the Corruption Perceptions Index (TI, 2012a); the Control of Corruption Index, part of the Worldwide Governance Indicators (see Kaufmann, Kraay and Mastruzzi, 2010); the Bribe Payers Index, although this index does make some effort to represent the differences between business sectors (TI, 2011a); as well as newly proposed measures, such as the ‘axiomatic’ measure proposed by Foster, Horowitz and Méndez (2009).
Yet, if we are able to provide a meaningful answer to our idealized, hypothetical question about Country A and Country B only by reference to distinct units of analysis, why would we find it any easier to deal with real countries, with immense variation on thousands of factors simultaneously? If we are unable to assess whether Country A or Country B is the more corrupt, how can we sensibly conclude, for instance, whether France is more corrupt than the UK, whether the USA is more corrupt than Chile, or whether Egypt is more corrupt than New Zealand. The answers to puzzles about which country of a pair is more corrupt is certainly more difficult than any single indicator measures of corruption would lead us to believe.

Complicating the matter further is the fact that corruption is not bound simply by the distinct units that exist within any nation state (i.e. the civil service, the government, the health service, and so forth). Indeed, even within a single analytical component (e.g. ‘local government’), corruption can vary greatly according to geographic location. Thus, it may be the case that the local government in a given region of a country is known to be corrupt, but that this is not the case in other regions (an obvious European example is Italy, which in general is seen as having far lower levels of corruption in the North than the South, see Golden and Picci, 2005, p.47). Alongside these sub-national variations, there is also a supra-national dimension to consider. Corrupt networks need not respect national borders, and indeed there is evidence that they do not (Becker, Egger, and Seidel, 2009). Given such variations in the location and scope of corruption, focusing exclusively at the national level and expecting to identify the causes and consequences of ‘corruption’ as a singular concept also at national level is not practical.

However, refining our understanding of corruption to allow consideration of sub-national and supra-national variation, as well as the type of public sector actor, is still insufficient. A further problem, endemic within corruption research, is the near-exclusive focus upon the public sector. In part, this reflects the definitional propensity to see corruption as involving holders of public office, rather than operating within the private sector. However, not only has there been an increasing blurring of the boundaries between public and private sectors in terms of the provision of public services, but also the notion that a clear distinction exists between state (public) and non-state (private) interests is ever more difficult to sustain. The growth of multi-level governance and the emergence of key decision-making points at various diffuse (and sometimes competing) levels have made it more difficult to identify and manage policy chains that often cut across national boundaries and have led to greater institutional interdependence (Hooghe and Marks, 2001; Heywood, 2002, p.151). Moreover, a reshaping of decision-making networks has seen institutions such as central banks, the mass media, major corporations and the judiciary all play an increasingly prominent political role, often in competition with more traditional public actors. The subsequent blurring of traditional public/private distinctions has been further compounded by a continued balkanisation of state apparatuses as new public management (NPM) reforms have promoted the separation of policy decisions from policy delivery (Heywood and Wright, 1997, p.91).

Indeed, NPM reforms have created new opportunities for conflicts of interest in which public servants may receive, for example, deferred advantages in the form of post-public employment, when former public employees move into the private sector. Such movement of employees between the public and private sectors has generated growing concerns in many jurisdictions about the use of privileged information in the private sector to the benefit of some companies at the expense of their competitors – notably in regard to public contract tendering and privatisation processes. The net result of these developments has been not just
a growing privatisation of the state, or at least of key elements of its public-sector administration, but also the rise of so-called ‘business politicians’, a new breed of political entrepreneur who ‘combines mediation in (licit or illicit) business transactions, first-hand participation in economic activity, and political mediation in the traditional sense’ (dellaPorta and Vannucci, 1997, p.75). In turn, political corruption is now as likely to take the form of conflicts of interest, abuse of office, lobbying by former public officials, or inappropriate use of official information as it is to take more traditional forms such as bribery and embezzlement. Some have even spoken of the emergence of a financial-political complex, characterised by banks and the finance industry being allowed by governments to operate with minimal regulation and virtually no risk of failure – in spite of their involvement in such scandals as irresponsible lending, rigging software to hide the channelling of drug money and terrorists finance, and fixing Libor interest rates (Harding, 2012).

The Nation State: a limited level of analysis?

Despite the fact that research on corruption tends to focus upon the national level as a unified block, rather than investigating whether there are distinct sub-groupings of different sectors that are each afflicted by their own level and form of corruption, it is widely appreciated that corruption varies importantly by sector (see, for example, TI, 2011b, p.5). To take a concrete example, the anti-corruption capacity and performance of UK political parties and the UK legislature are far weaker than those of the electoral management system, or the judiciary (TI, 2011b, p.128). This is unsurprising, as lay perceptions of such institutions routinely see the legislature and its members as two of the least trustworthy institutions, and the judiciary as one of the most trusted (see, for example, Grasso et al., 2011).

Noting that different sectors within a state can exhibit different levels of corruption certainly undermines the basis for using a single indicator for all sectors, and for the whole of a country. Of course, it is important not to take this objection too far – differences in corruption are usually quantitative rather than qualitative. The Global Integrity Report, for example, provides separate evaluations of civil society and media, elections, government accountability, administration, oversight and regulation, anti-corruption and the rule of law, and an ‘overall score’ for the country 3. A spectral decomposition of the items was conducted, the largest five Eigenvalues were: 4.816, 0.8125, 0.4993, 0.3733, and 0.2715. Both Kaiser’s criterion (retain a number of dimensions equal to the number of Eigenvalues larger than one) and Cattell’s ‘scree test’ (retain a number of dimensions equal to the Eigenvalue position before a substantial decline in magnitude of the Eigenvalues) very strongly point to a single dimension within the data. This means that the variables themselves have a single cause – the country in question’s level of ‘integrity’, which is itself a single coherent (latent) variable. Yet, whilst such a variable is helpful for considering a country’s propensity to corruption – and may even provide a useful measure of our general success with anti-corruption measures – it does not necessarily capture the experience of corruption on the ground. Indeed, the only requirement is that when one variable is ‘higher’, other variables are also ‘higher’, in proportion to their relative connection to the latent variable. The variables need not themselves be ‘close’, in terms of the number of instances of corruption. Within the Global

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3 Data are taken from the Quality of Government Dataset, referring to the 2007 Report, and a description of each of the variables can be found in Teorell et al., 2011, pp.47-8. N=48.
Integrity data ‘Anti-corruption and Rule of Law’ has a mean of 73 on a 100-point scale, whilst ‘Government Accountability’ has a mean of only 58.

Importantly, this not only suggests the need to focus more closely upon distinctions between different sectors, but also indicates that rather than a qualitative shift in our anti-corruption strategies, what may be needed is to target them more appropriately. Unfortunately, such targeting is almost impossible precisely because of the ubiquity of singular indicators, whereby measurements of corruption fail to differentiate between type and region. Thus, the most widely cited measures, Transparency International’s CPI and the World Bank’s Governance Indicators, assign a single score at the level of the nation state (albeit a percentile ranking in the latter case rather than a specific number).

The study of political phenomena at the state-level is in many ways intuitive. The dense history of the nation state ensures that the people in one state are generally more like each other than they are like people in other states. However, this does not inherently mean that they are similar in absolute terms: on an individual level, states have massive variation in the people who live in them. Yet even at higher levels of abstraction, notable differences exist within countries. Returning to the case of Italy, it has long been recognised that there exists a sharp ‘north/south’ divide in terms of the extent of corruption, with a relatively uncorrupted north and relatively corrupt south. However, even sub-dividing the country into two halves only covers a fraction of the variation within Italian regions.

For example, Golden and Picci (2005) provide an analysis of ‘missing’ physical infrastructure in each region of Italy. In order to measure ‘missing’ infrastructure, they compare actually existing infrastructure with the total monetary investment in infrastructure in each region. Infrastructure is ‘missing’ to the extent that it should exist, given a specific outlay of capital, but in practice does not. Golden and Picci attribute this gap to corruption. Whilst the measure cannot specifically differentiate between corruption and inefficiency (Golden and Picci, 2005, pp.41-2), this is only a bias in the measure to the extent that (1) any inefficiency is genuinely not related to corruption, and (2) some regions are significantly and systematically more efficient/inefficient than others, again for reasons entirely unrelated to corruption. Ultimately, as Golden and Picci note (2005, p.42), such assumptions are plausible but cannot be proved. Notwithstanding that, the measure is a useful quantification of an objective scale of corruption within different Italian regions (see Figure 1). Under the corruption measure, scores below 1 indicate the presence of ‘lost’ infrastructure, whilst scores above 1 indicate ‘additional’ infrastructure, given the monetary outlay. Thus in Umbria (index score: 1.78), there is 78% more public infrastructure than there would have been had the government paid the (national) average rate (Golden and Picci, 2005, pp.52-3). Similarly in Campania (index score: 0.36), there is 64% less public infrastructure than would have been available, had the government been able to purchase the infrastructure at the national average rate (Golden and Picci, 2005, p.53).
Whilst it may theoretically be possible to claim that Italy is the only country within which such distinctions occur, this does not seem plausible. Every country has regions with a (deserved or undeserved) reputation for significantly higher levels of corruption than average for their country. For example, local government in Doncaster, UK during the 1990s gained a reputation for being one of the most corrupt local authorities in the country, and was widely referred to as ‘Donnygate’ (see Batty and Hilton, 2003); a claim which could not be plausible, even in theory, if corruption did not vary significantly by (sub-national) region. In fact, in very many countries, it is well recognised that particular pockets of corruption exist at local level, with particular municipalities being seen as exhibiting a culture of corruption – even in the ‘cleanest’ countries such as Sweden (cf. Andersson (2002) on differences in corruption between Alvsborg and Skaraborg county councils). Whilst it certainly makes sense, and is undoubtedly accurate, to say that corruption is more of an issue in Italy than in Sweden (as reflected in CPI or CGI scores), that tells us little about the reality of corruption as it actually occurs in either country. Moreover it tells us nothing at all about variations in corruption (either of type or location) within either country.

If corruption cannot be captured in its complexity and variation by using state-level measures, neither does it operate wholly within national boundaries. Transparency International’s Corruption Perception Index (CPI)\(^4\) in fact provides a useful illustration of the implications of this. Whilst much of the world does poorly on the CPI (see Figure 2 below), countries that do better are often geographically close to other countries that do well. Generally speaking we can see pockets of (perceived) good corruption control – notably in

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\(^4\) Whilst there is much about the CPI that can be criticised, including the focus upon a single indicator, the exclusive national focus, an overriding concern with bribery, and the methodology used in constructing the index, it is useful here for illustrating this point.
Europe, North America, and Australasia – and pockets of (perceived) very poor corruption control – notably in sub-Saharan Africa, and central Asia.

Figure 2 – The Extent of World of ‘Corruption’ (source: TI, 2012)

Whilst geospatial dependence in the CPI can be ‘observed’ heuristically from simple visuals, the same dependence can also be shown quantitatively. Using data from the CPI (2000-2005), Becker et al. (2009) show that perceived corruption in a state is reliably affected by perceived corruption within neighbouring states. The effect is relatively small (Becker et al. 2009, pp. 305-6), yet it explains part of the perceived level of corruption within countries that is not accounted for by regime durability, percentage of protestants, business freedom, natural resource dependency, or GNP. Moreover, Becker et al.’s analysis almost certainly misses part of the effect, and thus underestimates the impact of geographical location. As was shown for Italy (see Figure 1), substantial geographic variation exists within countries. This variation is not ‘random’; rather, those regions that are located next to more corrupt regions tend themselves more corrupt. Therefore an analysis that restricts its evaluations simply to contagion at the national level (itself the average of corruption within all regions) is likely to underplay the importance of geographic effects. It is also likely, though at this stage has not been demonstrated, that this effect is actually very strong at national borders, but the impact is masked by a dependence upon available (national-level) data.

There are many reasons that could account for the observed effect of geographic proximity, from shared cultures, to ‘federal’ or trans-national organisations that impose some common standards of regulation, to cross-border crime that in turn can spread corruption, etc. Some of these apply more strongly to discussions about geographic effects between states, and some more strongly to geographic effects within states. It is not the aim of this paper to offer any kind of definitive assessment of such effects. Instead, it is merely to note that analyses that (implicitly) assume that national level evaluations are sufficient, are incomplete.
The Public Sector: an overly restricted focus?

In a highly influential definition that has been very widely adopted, Transparency International sees corruption as the ‘abuse of entrusted power for private gain’ (TI, 2012b). Whilst this does not automatically entail an exclusive focus upon the public sector, as Transparency International itself acknowledges (2012b), in practice limited consideration has been given to the private sector in most analyses of corruption. This is reflected in the fact that, despite various attempts to draw distinctions between different spheres of corruption (grand, petty, bureaucratic, financial and so forth), in practice the terms ‘corruption’ and ‘political corruption’ are often used almost interchangeably. Indeed, many definitions of corruption prior to the one popularized by TI have explicitly incorporated the public sector, or public officials, as their focus. As noted above, however, it is becoming increasingly difficult to draw a clear distinction between the public and private sectors. Indeed, whilst it might be argued that ‘corruption’ wholly within the private sector could best be captured via conventional notions of crime or fraud, in practice many of the major corruption scandals of recent years have involved the interplay between governments and private sector corporations, whether through public contract tendering, regulatory manipulation, or even collusion. Obvious examples would include Enron, Siemens, BAe Systems, Halliburton, and Samsung, whilst more recently the spotlight has moved to shortcomings in the corporate governance of banks involved in fixing interest rates, and media companies involved in phone hacking. In all of these cases, there has been significant interplay between the public and private sectors and they lend weight to the notion of undue corporate influence within the government-business nexus. Equally, as research by Transparency International has shown, companies are essentially as likely to pay bribes to other companies as they are to public officials (TI, 2012c, p.70).

Of particular importance for the argument presented here is the growing trend towards ‘contracting out’ the delivery of public services to the private sector, and also the increasing concern about the ‘revolving door’ between the public and private sectors, described recently as ‘spinning out of control and [...] in urgent need of reform’ (Krishnan 2012). In general, contracting out involves public services being run by private sector companies and paid for by public money. In theory, such a system can (or even should) be more efficient than the same service being run exclusively through the public sector (Prager, 1994, p.176). Increasingly, whole services are contracted out to private parties, with the state acting as only a funder and (potentially) an auditor of service quality. This is a widely recognised core component of New Public Management reforms, and has been a central part of the ‘hollowing out of the state’ thesis (see, for example, Rhodes, 1994). Partly in response to the growing complexity of the policy challenges they face in a more interdependent and globalised world, governments have engaged in measures to reduce the scale of activities over which they have direct responsibility. Such measures have contributed to what has been described by some as a shift from ‘government’ to ‘governance’, whereby responsibility for policy implementation has been displaced from traditional line bureaucracies to more fragmented service providers. In turn, many states have seen a growth in third-sector agencies or specific bodies charged with particular policy areas, the creation of quasi-markets by splitting purchasers and providers, extensive privatisation, and contracting out of public services.

Opportunities for corruption within such ‘outsourced’ agencies are (mutatis mutandis) the same as in the ‘classic’ tendering of public works projects, which have historically been prone to corruption: costs can be artificially inflated, substandard equipment can be used,
poor quality services can be delivered, and so forth. Unlike in more ‘traditional’ cases of corrupt overpayments for public infrastructure projects, the primary victim when corruption occurs in outsourced agencies is not the state (which only loses financially), but citizens who are denied their rightful access to state services. This is particularly true in the health sector, which is especially vulnerable to abuse. As Savadoff and Hussman (2006) observe,

First, the scope of corruption in the health sector may be wider than in other sectors because society frequently entrusts private actors in health with important public roles. When private pharmaceutical companies, hospitals or insurers act dishonestly to enrich themselves, they are not formally abusing ‘public office for private gain’. Nevertheless, they are abusing the public’s trust […].

Second, the health sector is an attractive target for corruption because so much public money is involved. The world spends more than US $3.1 trillion on health services each year, most of it financed by governments.

For many people who are dependent upon state provision for basic health services, the consequences of corruption can therefore be extreme, as in the case of malaria deaths amongst children in rural Tanzania, where researchers found that 80 per cent of victims had been to modern health centres and should theoretically have been treated. That they had not been was attributed mainly to corrupt activity by those working in the health sector (World Bank, cited in Rothstein, 2011, p.59).

Turning to the ‘revolving door’ problem, in brief this relates to the easy movement of staff between public and private institutions (for a more in-depth discussion see, for example, Meghani and Kuzma, 2011). Such moves, of course, are not necessarily corrupt: there are many reasons why staff would move between sectors and such movement of staff between public and private institutions can be beneficial for both. Indeed, as Chandrashekhar Krishnan, the Executive Director of Transparency International UK, recently observed:

I should hasten to add that TI UK is not against the revolving door. We do believe that both Government and business benefit from this interchange of skills and experience, and we would like to see that continue. However, the current system for regulating that process is broken and therefore it needs to be fixed […].
(Public Administration Select Committee, 2012)

As Krishnan recognised, the revolving door does pose corruption challenges. Importantly, the problems are primarily private sector-led.

The revolving door gives the opportunity for private sector companies to gain members of staff with especially good contacts in the public sector, familiarity with specific agencies, and – potentially – insight into the operations and future plans of specific departments within the public sector. Any company able to find out such information from a relevant government department would clearly be at a distinct advantage when it comes to bidding for public contracts, for instance. Companies could know in advance the relative importance of bid criteria; they could gain advanced knowledge of, and thus more time to prepare for, upcoming privatisations or contracting out; they could learn the strategic objectives of departments and agencies, and thus tailor their skills and expertise to such tasks, before any official announcement and before their competition; and they could learn of changes to
regulations before they occur, potentially providing a better opportunity to oppose future regulations. The potential for corruption is very significant.

Yet the revolving door also offers another opportunity: to engage in regulatory capture (Law and Long, 2011). This can occur within the framework sketched above – public sector regulators move to the private sector and allow a company an inappropriate level of influence over the regulatory environment (indeed, this is how the matter is conceptualised by Law and Long, 2011). Yet the problems can go deeper. Public sector workers may – and it is an empirical question as to whether they do – attempt to ‘impress’ potential private sector workers by being favourable to particular industries, hoping to be ‘rewarded’ with a private job later. Moreover, and potentially most seriously, private sector employees may actively move into the public sector with the hope of influencing the regulatory environment. Again, it is an empirical question as to whether this happens at present. More research on this issue is required, but it is noteworthy that in written evidence to the Public Administration Select Committee Report on Business Appointment Rules, the Campaign Against Arms Trade (CAAT) stated (PASC 2012):

Looking more specifically at your current Inquiry, CAAT has an interest in the business appointments rules […] since many of former ministers and civil servants moving to the private sector are from the very departments concerned with the arms trade. Some of examples, from 2010 and 2011, of those moving into posts with the arms industry follow. □
* July 2011 - Air Marshal Peter Ruddock, formerly Director General of the MoD's Saudi Armed Forces Project which exists to sell arms to Saudi Arabia, became Director of Business Development for Lockheed Martin UK (Private Eye, 5.8.11, and ACoBA); □
* May 2011 - Geoff Hoon, formerly Defence Secretary, who awarded AgustaWestland a billion pound order without competition, became senior Vice-President of international business of AgustaWestland (Financial Times, 16.5.11 and Times, 25.3.05); □
* February 2011 - Sir Sherard Cowper-Coles, formerly UK Ambassador to Saudi Arabia who pressured the Serious Fraud Office to drop its investigation into BAE-Saudi arms deals, became International Business Development Director of BAE Systems (Guardian 18.2.11 and Daily Telegraph 18.2.11, 14.3.11); □
* January 2011- Graham Wright, formerly of the Cabinet Office's Office of Cyber Security & Information Assurance, took "key leadership roles in the UK" for Northrop Grumman (Northrop Grumman, 4.1.11); □
* January 2011 - Air Chief Marshal Sir Glenn Torpy, formerly Chief of the Air Staff, became a Senior Adviser to BAE Systems (ACoBA); □
* December 2010 - Baroness Taylor of Bolton, formerly Minister for Defence Equipment and Support, became a member of the advisory board of Thales Corporate Services (ACoBA); □
* October 2010 - Air Marshal Iain McNicoll, formerly Deputy Commander-in Chief, became an Associate Partner of Defence Strategy & Solutions LLP (ACoBA); □
* September 2010 - General Sir Richard Dannatt, formerly Chief of the General Staff, became a consultant to Control Risks Group (ACoBA).

As the CAAT further observed, ‘The cumulative effect of the movement from the public sector to commercial bodies must inevitably reinforce the relationship between the two, giving commerce an influence over government which others with an interest in an issue
cannot hope to emulate. For instance, those ministers, civil servants and military personnel moving from the MoD to military companies will certainly predispose decision-making, by way of their lobbying and contacts, towards solutions that involve spending on equipment, rather than on non-military alternatives’ (PASC, 2012).

Unfortunately, research has suggested that strict regulation of the revolving door may have significant unintended consequences. The most serious of these problems is reducing the quality of senior public sector staff, by dissuading otherwise competent people from entering the public sector (Law and Long, 2011). Such findings suggest that regulatory strength is a trade-off; effectively, gaining integrity costs capacity (this was also essentially the conclusion of Anechiarico and Jacobs, 1996, concerning the regulation of corruption more widely). Whilst this does suggest that there will likely be no easy solutions to the problems of the revolving door, the very difficulty of the solutions should be a call to action in itself.

**Conclusion: a way forward?**

The arguments that have been developed in this paper ought not to be surprising – they build upon what should, by now, be received wisdom if not statements of the blindingly obvious. And yet much of the academic literature proceeds as if such arguments have never been made. A decade ago this would have been unfortunate; today it is harder to explain. It is an interesting question – sociologically – why such obvious deficiencies in analyses have been ignored. Part of the answer may lie in a natural desire to find answers to ‘big’ questions: how much corruption is there, where does it occur, what causes it, how can it be combated? Such questions naturally lend themselves to broad scale answers, often pitched at the level of the nation state. The publication of the Corruption Perceptions Index in turn provided a major stimulus to work in these areas, offering for the first time a data set that allowed for detailed statistical analysis of individual countries. Moreover, the CPI acted as a stimulus to a host of other attempts (often quite similar) to measure corruption. Despite a growing awareness of the shortcomings of such approaches, they have remained very highly influential. As observed by UNDP in 2008:

> [M]any of these same academics are critical of the methodologies used to generate these indices. Nevertheless, for academic users and researchers, the global coverage of data seems to trump data quality. After all, it is much easier and quicker to run a regression analysis using someone else’s data, compared to the hard work of generating one’s own (UNDP 2008: 45).

The criticism is as apt today as it was five years ago. Yet anti-corruption agencies themselves have also contributed to the problem, not least through their desire for ‘actionable’ conclusions. This has arguably militated against an emphasis on nuance in favour of solutions-oriented work – especially when what is at stake is securing funding from government and other sponsors.

None the less, our present understanding of corruption is limited by the data we have, and the conceptual approaches we take. This inherently means that our capacity to tackle corruption is also severely restricted. Indeed, our track record of reducing corruption is arguably very poor: there is little evidence that corruption has diminished worldwide since serious attention started to be paid to the issue in the mid-1990s; if anything, concern about corruption as
being primarily an issue of the developing world has been overtaken by a realisation that it is much more widespread than previously imagined in the developed world too.

This paper does not presume to provide an answer to the two central conundrums identified at the outset. Instead, the more modest aim here is to suggest one possible direction of travel for future research. The argument that there are substantial disparities in corruption at sub-national level, leading to ‘clusters’ of corruption, and that these clusters do not respect national boundaries calls for a re-conceptualisation of how we think about corruption. An apt analogy might be that such clusters in some senses replicate the behaviour of a disease, spreading out from a point with little regard as to whether the spread takes the corruption within countries, or between countries, or operates within the public or private sector. Traditional national-level analyses will inevitably fail to capture much of what is important about the emergence and spread of corruption. Similarly, if we think of the spread of corruption in terms analogous to that of a disease, we can investigate the ‘network’ through which it moves – in the same way that traditional epidemiological models track the transmission of viruses from person to person. Conceptually, such thinking does not require a large shift from where we are at present, and certainly some authors have already appreciated this model (see fn.5). Yet, crucially, such a shift in conceptualisation focuses the debate upon new methods for uncovering and tackling corruption. If the modes of transmission, links and contacts of corruption operate via a network, then tools of network analysis and epidemiological models – now becoming both more common and more sophisticated – potentially provide new ways to study how corruption is transmitted. Such possibilities have been under explored within the political science literature to date.

Taking network-based or epidemiological approaches not only potentially allows for better description of the spread of corruption, but also more practically useful analyses. New research has indicated that the source of diffusion of infectious diseases can be reliably tracked whilst monitoring a small fraction of a ‘network’ (Pinto et al., 2012). If the analogy holds from diseases (and, indeed, computer networks) to corruption, such an approach would allow for far more accurate monitoring of the emergence of corruption, providing a means of accurately assessing the specific location in which the corruption diffusion began, along with a detailed description of the process by which it diffuses. To be sure, a certain fraction of ‘nodes’ in the network must be observed, and depending upon how ‘nodes’ are conceptualised this may be a significant burden. If ‘nodes’ in the network are seen as being individuals, it would be necessary to know when individuals are ‘corrupted’. Traditionally this has been considered an almost insurmountable task, but may be possible given that only a small fraction of an entire network needs to be observed. For example, life history and biographical approaches (as used in sociological, anthropological and historical research) may offer a way forward, supplemented by the use of official data where possible. Conversely, if nodes are conceptualised as higher-level units, such as municipalities, the spread of corruption may be much more easily tracked at this higher level of abstraction.

The knowledge gained by such an approach may give us more than an academic description and analysis: it may actively help to curb corruption, by allowing for a timely response to close down networks before they can properly establish themselves. Ultimately, the utility

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5 That corruption moves through networks of people is a point that has been accepted conceptually for some time (see, for example, Johnston, 1986; Cartier-Bresson, 1997; Heywood, 1997; Cheloukhine and King, 2007).
and conclusions of such an approach are uncertain, but such uncertainty is inherent in attempting to find new ways forward. Whether our analyses will become more sophisticated and more considered, and whether our conceptual understanding of corruption will advance, are open questions. The work ahead is difficult and time consuming; it may lead to dead ends. It is easy – and ‘safe’ – to run a regression using known-bad data, using a conceptual framework that is decades out of date (if it was ever adequate), to produce results that mean nothing. If we want genuinely to curb corruption, rather than simply report it, we will have to move beyond such supposed ‘safety’.
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