

Corruption, Anti-Corruption and Governance

Political Corruption and Governance series

Series editors:

Paul M. Heywood is Dean of the Faculty of Social Sciences and Sir Francis Hill Professor of European Politics, University of Nottingham, UK.

Dan Hough is Reader in Politics and Director of the Sussex Centre for the Study of Corruption (SCSC) at the University of Sussex.

This series aims to analyse the nature and scope of, as well as possible remedies for, political corruption. The rise to prominence over the last 15 years of corruption-related problems and of the 'good governance' agenda as the principal means to tackle them has led to the development of a plethora of (national and international) policy proposals, international agreements and anti-corruption programmes and initiatives. National governments, international organisations and NGOs all now claim to take very seriously the need to tackle issues of corruption. It is thus unsurprising that over the last decade and a half, a significant body of work with a wide and varied focus has been published in academic journals and in international discussion papers.

This series seeks to provide a forum through which to address this growing body of literature. It will invite not just in-depth single country analyses of corruption and attempts to combat it, but also comparative studies that explore the experiences of different states (or regions) in dealing with different types of corruption. We also invite monographs that take an overtly thematic focus, analysing trends and developments in one type of corruption across either time or space, as well as theoretically informed analysis of discrete events.

Political Corruption and Governance series

Series Standing Order ISBN 978-113703457-1 (hardback) and 978-113703458-8 (paperback)

You can receive future titles in this series as they are published by placing a standing order. Please contact your bookseller or, in case of difficulty, write to us at the address below with your name and address, the title of the series and the ISBN quoted above.

Customer Services Department, Macmillan Distribution Ltd, Houndmills, Basingstoke, Hampshire RG21 6XS, England

Corruption, Anti-Corruption and Governance

Dan Hough

Professor of Politics, University of Sussex, UK

palgrave
macmillan



© Dan Hough 2013

All rights reserved. No reproduction, copy or transmission of this publication may be made without written permission.

No portion of this publication may be reproduced, copied or transmitted save with written permission or in accordance with the provisions of the Copyright, Designs and Patents Act 1988, or under the terms of any licence permitting limited copying issued by the Copyright Licensing Agency, Saffron House, 6–10 Kirby Street, London EC1N 8TS.

Any person who does any unauthorized act in relation to this publication may be liable to criminal prosecution and civil claims for damages.

The author has asserted his right to be identified as the author of this work in accordance with the Copyright, Designs and Patents Act 1988.

First published 2013 by
PALGRAVE MACMILLAN

Palgrave Macmillan in the UK is an imprint of Macmillan Publishers Limited, registered in England, company number 785998, of Houndmills, Basingstoke, Hampshire RG21 6XS.

Palgrave Macmillan in the US is a division of St Martin's Press LLC, 175 Fifth Avenue, New York, NY 10010.

Palgrave Macmillan is the global academic imprint of the above companies and has companies and representatives throughout the world.

Palgrave® and Macmillan® are registered trademarks in the United States, the United Kingdom, Europe and other countries

ISBN 978-1-349-44357-4 ISBN 978-1-137-26871-6 (eBook)
DOI 10.1057/9781137268716

This book is printed on paper suitable for recycling and made from fully managed and sustained forest sources. Logging, pulping and manufacturing processes are expected to conform to the environmental regulations of the country of origin.

A catalogue record for this book is available from the British Library.

A catalog record for this book is available from the Library of Congress.

10	9	8	7	6	5	4	3	2	1
22	21	20	19	18	17	16	15	14	13

Contents

<i>List of Tables</i>	vi
<i>Acknowledgements</i>	vii
<i>Note on the Author</i>	ix
<i>List of Abbreviations</i>	x
Introduction	1
Chapter 1 The Rise and Rise of the Global Anti-Corruption Movement	12
Chapter 2 Governance Regimes and the Fight against Corruption	31
Chapter 3 Bangladesh and Kenya: Tough Talk, Small Steps, Ineffectual Outcomes	48
Chapter 4 South Korea and Poland: Tough Talk, Small Steps, Contested Outcomes	71
Chapter 5 Germany and the UK: The Slow and Winding Road to Reform	93
Conclusion	114
<i>Notes</i>	123
<i>Bibliography</i>	147
<i>Index</i>	162

List of Tables

2.1	Quality of governance and anti-corruption mechanisms	44
3.1	The quality of governance in Bangladesh, 1996–2002	50
3.2	The quality of governance in Kenya, 1996–2002	51
3.3	Control of corruption, Bangladesh, 1996–2010	52
3.4	Control of corruption, Kenya, 1996–2010	52
3.5	Bangladesh’s performance in Transparency International’s Corruption Perceptions Index, 2001–2011	54
3.6	Kenya’s performance in Transparency International’s Corruption Perceptions Index, 1998–2011	64
4.1	The quality of governance in South Korea, 1996–2002	73
4.2	The quality of governance in Poland, 1996–2002	74
4.3	Control of corruption, South Korea, 1996–2010	76
4.4	Control of corruption, Poland, 1996–2010	76
4.5	South Korea’s performance in Transparency International’s Corruption Perceptions Index, 1998–2011	78
4.6	Poland’s performance in Transparency International’s Corruption Perceptions Index, 1998–2011	86
5.1	The quality of governance in Germany, 1996–2002	95
5.2	The quality of governance in the UK, 1996–2002	96
5.3	Control of corruption, Germany, 1996–2010	98
5.4	Control of corruption, UK, 1996–2010	99
5.5	Germany’s performance in Transparency International’s Corruption Perceptions Index, 1998–2011	101
5.6	The UK’s performance in Transparency International’s Corruption Perceptions Index, 1998–2011	106

Acknowledgements

This book would not have seen the light of day if its author had not received the support and assistance of a number of people and from a number of institutions. Firstly, Amber Stone-Galilee at Palgrave Macmillan showed not just an enthusiasm for the project but also the willingness to support it until the bitter end! Paul Heywood, co-editor of Palgrave's Series on 'Corruption and Governance', has also been a constant source of support, encouragement and critical thinking. Both of them have played important parts in helping this book look like it does.

The University of Sussex did its utmost to help me both complete the research that underpins this book, and also to write up the findings, by allowing me to spend four months in late 2011 both out of the country and focused more or less completely on writing. The support, encouragement and particularly the enthusiasm of Paul Taggart has been really helpful in this regard. Other colleagues at Sussex have also regularly offered advice and constructive criticism, as well as their time in reading through various bits of the manuscript; Tim Bale in particular deserves a special note of thanks here. I am also extremely grateful to the German Academic Exchange Service (DAAD) who supported the early part of my research in Germany through their 'Study Visits for Academics' programme in November and December 2009.

Many of the ideas that have found their way in to what follows also came about thanks to input from my students at the University of Sussex. The undergraduate module on 'Political Corruption' that I have taught since 2004 has always been one of the most enjoyable parts of my job, and over the years students have regularly challenged me to think and re-think my own views on everything from how best to try and tackle corruption to what we should do about MPs' expenses claims. To all former students, particularly those who survived seminars in the now long-deceased Russell Building, I thank you! The first cohort of students on Sussex's MA in Corruption and Governance – Adrian, Anne, Ben, Ioannis, Malambo, Norbert, Paul, Ray, Sam, Sam and Sukri – also deserve a special word of thanks for the input they (sometimes inadvertently!) have had.

I would also like to thank all of the people I met at the Renmin University of China (RUC) in Beijing during my four month stay there in the Autumn of 2011; Lei Chen was always a model of efficiency in helping a frequently helpless 'lǎowài', whilst the almost never-ending stream of coffee that of all the girls (and William!) provided in the Law School Café played a pivotal role in keeping me going! I would also like to thank Professor He Jiahong – the law professor who also writes best selling crime novels – for all of his help before, during and also after my stay at RUC.

Given the way I lead my life – laptop in one hand, passport in the other (with cricket bat and football boots safely tucked in the backpack) – this book has actually been thought about, prepared and written in more places than most. The first chapter plans were penned somewhere over Russia on a flight from Heathrow to Guangzhou in April 2011, whilst the writing was set in train on warm, sun-filled days in my brother-in-law's flat in Liuzhou on that same trip. Various parts of the manuscript were written and tinkered with in a number of different branches of the Maan Coffee shop in China (RUC branch, please take note; they offer free refills at the Beijing Culture and Foreign Language branch, you know ...), as well as on train journeys from Clapham Junction to Brighton and at various other times on trips to Germany, the USA and Belgium. Again, various people helped massively along the way, reading things when nudged (or threatened!), and providing other means of support as and when required. With that in mind I would like to thank all of the following for showing an interest, commenting and criticising and generally just taking what I was trying to do at least a little bit seriously; Tom Guy, Grace and Pete Hough, Jonathan Olsen, and David Padgett. This book also wouldn't be my book if cricket didn't make a contribution somewhere – only this time it doesn't come anywhere in the text, but rather via the cover. With that in mind, many thanks to Twickenham CC stalwart Ben Parer for designing it!

Finally, there is one person whose support simply isn't quantifiable. And it is to her that this book is dedicated; my wife, Ying Lin.

*University of Sussex,
September 2012*

Note on the Author

Dan Hough is Professor of Politics and Director of the Sussex Centre for the Study of Corruption (SCSC) at the University of Sussex. Originally from Shropshire, he completed his undergraduate studies at the universities of Newcastle upon Tyne and Leipzig before moving to the Institute for German Studies at the University of Birmingham where he obtained his PhD in 2000. He then spent a year at the University of Nottingham before moving to the University of Sussex in 2003.

His research centres around political corruption, political parties and also issues of devolution and constitutional change. He has published two monographs (2002 and 2007, the latter co-written with Michael Koß and Jonathan Olsen) on Germany's *Linke* (Left Party) and he has co-written two editions of the leading textbook in the field of German Politics (*The Politics of the New Germany*, 2008 and 2011, with Simon Green and Alistair Miskimmon). He has published widely in referred journals such as *Party Politics*, *West European Politics*, *Journal of European Public Policy*, *Government and Opposition*, *Zeitschrift fuer Parlamentsfragen*, *Regional and Federal Studies* and *German Politics*.

When not working, Dan is likely either to be watching Shrewsbury Town Football Club or playing cricket for Twickenham CC. Or tweeting at @thedanhough

List of Abbreviations

ACA	Anti-Corruption Agency
ACECA	Anti-Corruption and Economic Crimes Act
ACPU	Anti-Corruption Police Unit (Kenya)
ACRC	Anti-Corruption and Civil Rights Commission (South Korea)
AGI	African Governance Indicators
AL	Awami League (Bangladesh)
BAI	Board of Audit and Inspection (South Korea)
BEEPS	Business Environment and Enterprise Survey
BNP	Bangladesh Nationalist Party
BPI	Transparency International's Bribe Payers Index
CCC	Committees of Concerned Citizens (Bangladesh)
CBA	Central Anticorruption Bureau (Poland)
CoE	Council of Europe
CPI	Transparency International's Corruption Perceptions Index
CPIA	Country Policy and Institutional Assessment
DEFRA	Department for Environment, Food and Rural Affairs (UK)
DWP	Department of Work and Pensions (UK)
EACC	Ethics and Anti-Corruption Commission (Kenya)
EU	European Union
FIU	Financial Intelligence Unit (Bangladesh)
FOI	Freedom of Information Act (UK)
GCB	Transparency International's Global Corruption Barometer
GCR	Global Competitiveness Report
GRECO	Group of States Against Corruption
IACC	Independent Anti-Corruption Commission (Bangladesh)
ICRG	International Country Risk Guide
IMF	International Monetary Fund
IMK	Standing Conference of Federal State Ministers and Senators of the Interior (Germany)

IPSA	Independent Parliamentary Standards Authority (UK)
K-Pact	Korean Pact on Anti-Corruption and Transparency
KACA	Kenya Anti-Corruption Authority
KACC	Kenyan Anti-Corruption Commission
KICAC	Korea Independent Commission Against Corruption
MoD	Ministry of Defence (UK)
NGOs	Non-Governmental Organisations
NHS	National Health Service (UK)
OACU	Overseas Anti-Corruption Unit (UK)
ODM	Orange Democratic Movement (Kenya)
OECD	Organisation for Economic Co-operation and Development
PCS	Parliamentary Commissioner for Standards (UK)
PiS	Law and Justice Party (Poland)
PNU	Party of National Unity (Kenya)
SFO	Serious Fraud Office (UK)
TI	Transparency International
TIB	Transparency International Bangladesh
UKBA	UK Bribery Act
UN	United Nations
UNCAC	United Nations Convention against Corruption
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
USAID	United States Agency for International Development
WEF	World Economic Forum
WGI	World Governance Indicators
YES	Youth Engagement and Support Groups (Bangladesh)