Contextualising the China Development Model (CDM) in African Paradigms of Development: A Research Framework for Analysing China-Africa Relations in a Changing Global Order

Franklyn Lisk

CREPOL

December 2018

Towards Improved Governance – A prerequisite for Sustainable Development in an Emerging Africa: Creating awareness and understanding of the challenge posed by Corruption in the Public Sector

by

Franklyn Lisk[1]

1. Introduction

The much-hyped "Africa rising" narrative - associated with the impressive economic growth performance across the continent in the 2000s - led to predictions and expectations about rapid economic development and transformation of African states and the integration of their economies into the ranks of the emerging nations globally. Growth, presumably on a longer-term sustainable basis and the development benefits therefrom is perceived as the main driver for this transition. Accordingly, several of the papers presented at this conference address this attribute from various perspectives as a major requirement for Africa to "emerge". Undoubtedly, growth matters for economic transformation and sustainable development in Africa but so do other conditions including the nature of the growth process. On the basis of evidence from recent country experiences in the region, it can be argued that growth *per se,* even at a rapid rate over time, is not enough to achieve and sustain the type of economic development and social progress needed for Africa to emerge as an economically competitive (and politically stable) continent. Indeed, we have witnessed in the past few years the growth-based "Africa rising" narrative undermined by: unstable global commodity prices, lack of inclusiveness and limited distributional impact in the growth pattern, inability of countries to respond effectively to major health challenges such as epidemics, huge deficits in human capital needed for significant socio- economic development and transformation, and continuing conflicts in parts of the continent.

At the same time, there is growing consensus in the literature and among development policy circles that major drawbacks on the capacity of Africa for achieving sustainable development and transiting to an emerging continent are associated increasingly with poor governance as characterised mainly by public sector corruption and weak institutions (Aidt 2009 and 2011; UNECA/AUABC 2016; Warf 2017). At the highest level of decision-making, African political leaders themselves have now come to openly acknowledge corruption as a major obstacle to sustainable development and desirable economic transformation: at their January 2018 AU Summit in Addis Ababa the leaders committed themselves to rid the continent of the scourge of corruption and declared 2018 as the "Year of the Fight against Corruption"; this was followed decisions taken Assembly of Heads of State and Government of the African Union at their next session in Nouakchott, Mauritania (1-2 July 2018), which was convened under the theme, "Winning the Fight against Corruption: As Sustainable Path to Africa's Transformation".

---

[1] Professor, Centre for the Study of Globalisation and Regionalisation, University of Warwick, UK, and CREPOL, Dakar, Senegal. Discussion Paper presented at the Ninth Annual Conference on Regional Integration in Africa (ACRIA), Banjul, The Gambia. 9-10 July 2018. This is a working draft paper and not for citation in any form

Growing recognition regarding the importance of governance in the development process does not imply that good governance is a magic wand that will remove all obstacles and create or restore viable conditions for Africa to grow, transform and emerge. Some economists and development policy analysts, Paul Collier (2007) for example, have contended that good governance can take a country only so far in terms of sustainable economic growth (e.g. around 10% per annum), no matter how much the quality of governance improves. While this assertion might hold true, it can equally and with good reason be argued there is no limit to the damage that can be caused to the development process by weak or bad governance (Campos and Pradhan 2007). There is little denying that improvement in the quality of governance would enhance the pursuit and prospect of transformative and sustainable economic growth and development in many African (and other) countries.

It is against the background of the damage that public sector corruption can cause to the economic development process and the urgent need to do something effective about this problem that this paper is conceived. It contends that *corruption* in the public sector is intrinsically linked in a bi-directional way to (bad) governance, and in order to address this scourge a better understanding of corruption and its different manifestations is needed, Restating this concern with respect to the theme of this conference, the dilemma of how to pursue sustainable development in environments of poor governance and corruption constitute perhaps the main challenge for an emerging Africa. This implies an agenda and programme to confront corruption and to fight for transparency and good governance from *within* the system including putting in place an effective system and institutions of checks and balances to address public sector corruption in its various faces. While focusing on Africa, it should be stated at the onset that public sector corruption is not confined to Africa; it is indeed a global menace with widely-reported incidents more recently in Brazil, Argentina, Venezuela, South Korea, Ukraine, Russia, China, Malaysia, France, USA, among other places. But, perhaps, what is unusual about public sector corruption in the African context is that is practised in plain sight and with impunity, and in some cases at the highest level of government and decision-making in what amounts to the institutionalisation of this malpractice in a systemic way.

However, it is encouraging to note that public awareness of the detrimental impact and severity of corruption is increasing across Africa, as the media, NGOs, policy institutes and think tanks and civil society – and even the political leadership - are now raising concerns of the problem to unprecedented levels. For example, former two-time Nigerian Finance Minister and ex-World Bank Managing Director, Ngozi Okonjo-Iweala, has just come out with a very insightful book on the numerous ways in which corruption can divert resources away from development based on her years of experience as Finance Minister – providing practical lessons learned –pitfalls and successes – in fighting corruption (Okonjo-Iweala 2018). The main takeaways from her book are: you cannot fight corruption alone; institutional systems are critical for transparency and accountability; and international institutions have a role to play and should step up their act. The Mexican presidential election of 1st July 2018 was won by a landslide by a non-establishment left-wing candidate, Andres Manuel Lopez Obrador, who campaigned on a slate to vigorously fight the evil of corruption which he linked to social inequality and violence in the country. This was the first time in over 90 years that a candidate from outside the two main political parties in Mexico has won the presidential election. But despite mounting evidence of growing awareness of corruption, concerned governments and the international development community more broadly are still struggling to find ways to more effectively translate understanding of the damage that corruption can cause to development into concrete anti-corruption actions and improved outcomes.

This paper, which possibly raises more questions than it answers, seeks to contribute to the understanding of corruption and its impact on sustainable development from a political economy perspective - i.e. Poor governance leading to underperformance in human and physical development and erosion of public trust in governments and public institutions -and, to a lesser degree, ethics (deficits in rules of behaviour based on morality). It concerns efforts to combat corruption through improved governance and, in a way, the need for mainstreaming of governance and anti-corruption aspects into the development process. When finalised, which is not done here, it should provide a broad framework for understanding public sector corruption in relation to its impact on sustainable development, and for designing reform strategies and policies for reducing the risk of corruption in public financial management. My own interest in research on this subject stems largely from my more recent involvement as a member of the international programme advisory board of the Anti-Corruption Centre for Education and Research of Stellenbosch University in South Africa (ACCERUS), which conducts corruption-related research though which it maintains up-to-date understanding of corruption and its manifestations. ACCERUS's research provides a basis for developing and delivering education and training on anti-corruption policies and programmes to public sector officials – ethics, integrity, probity and best practices in governments and their use of public resources

It begins with defining corruption operationally and its interactions with the process of development and in the broader context of the discipline of Economics. It highlights the fact that empirical research on governance and anti-corruption over the past 10-15 years has provided increasing evidence that corruption has a negative impact on economic development, but also noting that certain short-term impacts and outcomes may have contributed to giving issues of corruption 'benefit-enhancing' legitimacy within the profession such as incentivising certain types of private sector investment; removing bureaucratic red tape and constraints – improving ease of doing business; simplifying tax regimes; etc.]. A better understanding of corruption in a specific context should provide valuable insights into: What anti-corruption policies have the greatest impact on economic development performance? Where are the limits and risk points in 'accommodating' benefit-enhancement corruption? Data and information on these queries will be useful for formulating specific, operationally tractable reform policies

Next, it looks at the principal sources and drivers of corruption in the public sector, arguing that many forms of corruption stems from the distributional aspects of the state and its role as the economy's central agent of resource allocation. This is followed by a section that briefly recaps the (negative) impact of corruption on the development process, as a basis for the next section which addresses the question of what can be done to reduce the incidence of corruption and the role of economic policies in creating an environment that provides the right sorts of incentives and institutions to combat corruption. In this regard, the paper argues for appropriate governance reforms and innovations – appropriate regulatory frameworks as tool for ethical governance, transparency in policy-making and public sector contractual agreements, and the need for independent anti-corruption agency. When the analysis is completed, this will form the contours of an operationally useful framework to help reformers in government and international development community circles analyse public sector corruption and target reforms at macro and sector levels. The paper concludes by looking at policy and reform options for combating corruption, emphasising the importance of fundamentally improving governance and transparency as well as addressing the moral dimensions of corruption and indicating new areas for further research. It will recommend, where possible, operationally valid indicators that can be used to track anti-corruption efforts and monitor progress.

2. Definition and Understanding of Corruption

Scholarly research on causes, consequences and cures of corruption in a development context goes back to several decades (e.g. Nye 1967; Rose-Ackerman 1975, 1978 and 1998; Mauro 1995; Bardhan 1997; Tanzi 1998; Amundsen and Fjeldsad 2000; Aidt 2003). Given the many faces of corruption, it is not easy to define the term. Scott's (1972) seminal treatise on political (or public sector) corruption, for instance, identified three broad types of public sector corruption – classifications with which we are familiar today: administrative or bureaucratic corruption; nepotism and patronage; and state capture. This typology evokes the notion of failings in the management of public financial resources and implies that the responsibility (of government) for managing public funds is coincident with the risk that resources may be diverted for private use and that funds will not be used as intended or authorized. Hence, public sector corruption has been defined simply by the World Bank at various times as the "use of public office for private gain" (World Bank 2000, 2006). Corruption, thus defined, invariably involves an act which deviates from the formal rules of conduct governing the actions of someone in a position of public authority because of private motive and/or personal gain.

Elaborating on Scott's typology, and reflecting the idea of the violation of rules against the exercise of certain type of duties, the World Bank (2000) has defined the three broad types of public sector corruption as follows: bureaucratic or administrative corruption - the "intentional imposition of distortions in the prescribed implementation of existing laws, rules and regulations to provide advantages to individuals in and/or outside government through illicit, non-transparent means"; nepotism and patronage – "favouritism shown to narrowly targeted vested interests by those in power or position of authority in return for (political) support"; and state capture - "actions of individuals, groups or enterprises both in public and private sectors to influence the formation of laws, regulations, decrees and other government policies for their own advantage".

Development practitioners have gravitated more towards the World Bank conceptualisation of public sector and government corruption, the "abuse of public office for private gain", in their understanding of the problem. This approach was further expounded in a major volume on corruption by the Bank which was the product of collaborative effort among many units of the institution and, hence, reflected a myriad of practical and empirical research expertise and knowledge toward a better understanding of this complex phenomenon (Campos, Lien and Pradhan 2007). In this volume, William Dorotinsky and Shilpa Pradhan (2007) of the World Bank Institute put out a useful classification framework for exploring corruption in public sector financial management:

- *Grand corruption* which involves "the large-scale transfer of public resources for private interests", as typified by the phenomenon of 'state capture' whereby private actors in connivance public decision-makers subvert the state to steal public money
- *Political corruption* which is characterised by "influence peddling on resource allocations and projects that benefit the decision-maker, friends and acquaintances…… directing resources to special projects; and the abused of privileged information"
- *Administrative corruption* which relates to " (a) petty corruption such as bribery, direct theft of cash, goods, equipment and services; (b) direct abuse of office including misappropriation and misuse of public funds….. mis-procurement of contract steering; cronyism, nepotism;… and (c) indirect abuse of office… to extract rents, …….fraud, waste and abuse" of public resources.

A common delineation in the above types of corruption is deliberate action, often made out of choice, which deviates from formal rules of public authority conduct, good governance, and trust, because of privative motive – regarding wealth, power or status.

Box 6

EXAMPLES OF GRAND CORRUPTION IN AFRICA

Guinea (1990s): The Simandou iron-ore mining project is the largest of its kind in Africa. It includes the construction of a railway and the exploration of four mining blocks in the region of Simandou. The contract for the four blocks was initially awarded to Rio Tinto, and thereafter two blocks were taken away from the firm. These were awarded, with no tender process and through an alleged verbal contract, to the firm BSG Resources. Allegations continue to be made that substantial bribes were given in order to ensure that the blocks were split up between the two firms. This scandal continues to be the subject of an inquiry by the Federal Bureau of Investigation.

Kenya (2005): The so-called Anglo-Leasing Scandal centred on the abuse of lease financing to fund security-related projects. Specifically, the scandal exposed the corrupt awarding of contracts for a new passport printing system. These contracts, amounting to over $100 million, were awarded to non-existent firms. Several members of the Government were allegedly involved.

Uganda (2010): The firm Muhlbauer Technology Co. Ltd was awarded a contract to print national ID cards through a questionable single-source contracting process, even though the Public Procurement Authority had recommended otherwise. The company was allegedly given over $100 million, but fewer than 500 cards had been issued by 2012.

Malawi (2012): The Integrated Financial Management Information System (IFMIS) is designed to enable Governments to monitor their budget and cash position. In the case of Malawi, IFMIS reviews identified significant control weaknesses in the system. The Government of Malawi suspected that a number of perpetrators were exploiting these weaknesses through collusion, resulting in financial loss to the Exchequer. The perpetrators were able to transfer funds from government bank accounts to vendor accounts for goods and services which were never supplied, and then delete the transactions from IFMIS. As of 20 February 2014, the National Audit Office of Malawi confirmed that up to 6,096,490,705 Malawi kwacha (about $15.5 million) could be classified as theft and subject to appropriate legal action. In addition, the so-called Cashgate scandal comprised of widespread looting by government officials, who abused the country's procurement systems, including the questionable awarding of contracts to Apollo International Ltd., purportedly amounting to over $75 million.

Sources: (1) *Public Procurement System Challenges in Developing Countries: the Case of Zimbabwe* (International Journal of Economics, Finance and Management Sciences, 2013, vol. 1, No. 2, pp. 119–127); (2) *Mining and corruption – crying foul in Guinea* (The Economist, 2014). Available from http://www.economist.com/news/business/21635522-africas-largest-iron-ore-mining-project-has-been-bedevilled-dust-ups-and-delays-crying-foul; (3) *Recent case of corruption involving UK companies and UK-backed International Financial Institutions* (Parliament UK, Appendix 1). Available from http://www.publications.parliament.uk/pa/cm200001/cmselect/cmintdev/39/39ap06.htm; (4) *Report on Fraud and Mismanagement of Malawi Government Finances* (National Audit Office Malawi, 2014). Available from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/285877/20140221_National_Audit_Office_Malawi_-_Forensic_Audit_Report_-_FINAL_ISSUED.pdf.

Empirical research has shown convincingly that poor governance, typically manifested by different forms of public sector corruption, is a major deterrent to inclusive and sustained economic growth and has a disproportionate negative impact on the poor (Aidt 2011; Rose-Ackerman 1997b; Tanzi and Davoodi 1997; Søreide and Williams 2014). But a fuller understanding of this deleterious process and its impact on sustainable growth and development may need a broader definition of corruption, not necessarily restricted to an exclusive concern with illegal acts involving the misuse of public resources for private gain. Economists have therefore presented theoretical models for analysing corruption from the standpoint of unproductive rent-seeking activities, as presented in seminal papers by Anne Krueger (1974)and Jagdish Bhagwati (1982), and later Ades and Tella (1999), Lambsdorff (2002) and Bardhan (2006), on opportunities and incentives (vested interest) of individuals involved in corruption and on the problems with markets regarding the allocation of economic resources efficiently (Campos, Lien and Pradhan 1999; Khan 2006)

Agbiboa (2010, 2012 and 2013), a US-based African development political scientist engaged in analysis of administrative corruption in African countries, has adopted a rough typology that classifies corruption by (intended and unintended) consequences and outcomes according to a cost and benefit quadrant framework:

- ***Cost-reducing corruption:*** This involves attempts by civil servants to reduce the regulation-induced costs of a business below their normal levels. Behaviours associated with this type of corruption include the ''illegal reduction of a private company's tax obligations to the state, and the exemption of an enterprise from compliance, with certain statutes and rules.'' Subsequently, such reductions in a business firm's transaction cost generate funds that are divided between the civil servant and the firm owner based on prearranged formula.
- ***Cost-enhancing corruption:*** In many developing countries, the regulatory activities of government usually foist price ceilings on the sale of foodstuffs, domestically, especially in the urban areas, resulting in severe shortages. Bureaucrats in charge of state stocks of food then attempt to extract rents from potential consumers by charging them a price that approximates the free market price. Besides, the civil servant can deploy the state's coercive force to illicitly appropriate private property (for example, through illegal taxation) for his or her own use.
- ***Benefit-enhancing corruption:*** While carrying out their duties, civil servants may permit more public benefits to accrue to an individual or group than are legally permitted. In return for the favour, the recipients then share the additional benefits with the civil servants based on prior arrangements. This type of corruption is quite pervasive in Africa and many other developing regions of the world precisely because it is quite easy to carry out. Incumbents use it quite often to transfer public resources to their cronies; to bribe individuals and groups that have developed enough to pose a threat to regime security; and to subsidize competitive elites (for example, military officers) who could potentially unsettle the government.
- ***Benefit-reducing corruption***: Here, civil servants illegally appropriate for their own benefits public benefits due private citizens. How is this manifested? Basically, the manager of a state pension or social; security fund, for example, can delay the transmission of retirement benefits to pensioners, deposit the funds in an interest-bearing account at a local bank, and subsequently appropriate the accrued earnings for his own benefit. Due to information asymmetries (for instance, civil servants are

privy to more information apropos of public benefits programmes compared to most citizens), and hence, this type of corruption could be relatively easy to undertake.

Within this quadrant –type model, corruption can be either: *collusive,* which refers to deals which are planed by both parties and from which both parties benefit – a worldwide and more sophisticated phenomenon ; and *extortive*, as when the one who pays the bribe feels compelled to do so – more common in developing countries.

Researchers generally agree that it makes sense to consider how effectively policy initiatives address the *causes* of corruption, particularly as there is still limited solid evidence on what works to combat public sector corruption in Africa, especially in instances where the problem is "institutionalised" and woven into the economic and social fabric of a society (Szeftel 1998; World Bank 2006; Johnson and Søreide 2013). However, this will require a multidisciplinary approach. Academic literature from several disciplines will be needed to attempt to explain causes or drivers of corruption as a basis for policy reform initiatives.

It should be noted that different academic disciplines approach corruption from diverse characterisations, which are reflected in the nature and orientation of diverse anti-corruption policy recommendations. Economists typically address the incentives and opportunities of the individuals involved, profit-maximisation strategies of firms and markets, and the efficiency of economic processes and financial arrangements for resource allocation. Political scientists tend to describe the mechanics of the larger governance system, including leadership, political will and civil society participation, issues of state legitimacy and international cooperation in anti-corruption effort. The legal discipline is more interested in the rule of law and law enforcement dimensions and the conditions for holding those implicated in corrupt act responsible. Sociologists tend to look at how framework conditions and history shape cultural norms and societal perceptions of right and wrong, as well as the moral environment. Psychologists and behavioural scientists add nuance to economic theory by explaining the limits to human rationality.

Measuring Corruption

Earlier scholarly work on corruption, while extensive and illuminating, was weak on measurement and quantification. The 1990s witnessed the emergence of cross-country, perception-based assessments of country governance and corruption - driven primarily by the interests of multinational enterprises engaged in business with the developing and emerging economies. Transparency International's Corruption Perception Index (CPI), the best known and most referenced corruption index to date, began its annual surveys in 1995. Later the World Bank developed a more comprehensive data set covering broader governance concerns, such as control of corruption, rule of law, government effectiveness, regulatory quality, voice and accountability, political stability and the absence of violence. These data sets – derived from several hundred individual variables measuring perception of governance - provide a better picture of the overall state of governance in a country (Kaufmann, Kraay, and Mastruzzi 2009; World Bank 2006). With the aid of these World Bank data sets on governance, researchers should now be able to quantify the macroeconomic impact of corruption, as well as establish strong causal link between corruption and, more broadly, poor governance on the one hand and poor growth and development performance on the other.

Although corruption is a variable that cannot be measured precisely, the number of corruption-linked indices has grown exponentially over the years, largely to raise awareness among policymakers and the public. In addition to the Corruption Perceptions Index (Transparency International) and the Worldwide Governance Indicators (World Bank), a newer generation of indices, such as the Global Corruption Barometer (Transparency International), the Global Integrity Index (Global Integrity), UN Data on Good Governance Transformation (UNECA 2017) and the Index on African Governance (Mo Ibrahim Foundation), have appeared. Limitations on the range and quality of data available make corruption measurement difficult. Given that accurate and objective data on corruption are difficult to obtain, no measurement framework accurately accounts for actual levels of corruption in a country and, by extension, at the global level with precision. For example, though sector inefficiencies can be attributed to corruption, the exact portion that can be allocated to corruption is unknown. There may be other causes of inefficiency and wastage where there is absolutely no intention of wrong-doing. Examples include: poor mismanagement, institutional weaknesses and poor meritocracy, and inadvertent negligence (UNECA 2017).The challenge lies in developing operationally effective measures for dealing with different forms and types of corruption, which may require correspondingly different indicators or even sets of indicators that are more useful in informing the formulation of context-specific remedial measures.

3. Sources and Drivers of Corruption: Focus on Africa

Since the 1990s, certain factors associated with increasing globalisation, such as the rapid growth of international trade and direct foreign investments, have led to significant expansion in the role and scope of government activity and policy intervention related to the delivery of public goods and services. These developments have created new opportunities for corruption in Africa, especially in resource-rich economies – many of which did not have traditions of good governance and strong institutions. Globalisation thus may have had stimulating effects on corruption, although the relations between the two are contingent and complex. Foreign investment in the extractive sector, for example, is often identified as a driver of corruption in resource-rich countries but it is also possible to find foreign investors in the sector who may prefer relatively non-corruption environments in which the costs of doing business are low.

In a number of African countries today, (for a number of reasons) corruption is systemic. But the development impact of systemic corruption is different from that of other types of corruption. With respect to the sources of corruption in African countries, it is therefore necessary to look at the different effects of systemic corruption on economic development, including in particular the weakness and fragility of state institutions. The lack of good governance in Africa commonly implies weak institutions, ineffective checks and balances, inadequate regulatory and legal frameworks, and poor enforcement mechanisms – which are all factors that incite corruption. Furthermore, corruption occurs in a system in which the authority of government officials is unmonitored, and governance has failed. With low average incomes, low literacy levels and repressive governments, African states are particularly prone to the scourge of political and administrative corruption. Additionally, there is very limited opportunity for engaging in lawful economic activities outside the public sector in many African countries, and as such natural resource extraction, infrastructure projects and public utilities become attractive for grand corruption (Al-Kassim, Søreide and Williams 2014; Auriol and Blanc 2009; Vicente 2010).

Research has identified the following main drivers of corruption:

Revenues from natural resources: Activities linked to resource extraction have contributed largely to the proliferation of opportunities for corruption and malpractices, which in turn have given rise to academic studies examining different dimensions of corruption: its causes, impact, and the institutional mechanisms that have sustained (McFerson 2009; Bhattacharyya and Hodler 2010; Agbiboa 2012). These studies have focused mainly on resource rich economies where higher rents from natural resources have led to a higher level of corruption. The (development) costs of corruption are presumably very high in Africa because of more pressing claims on scarce resources - high level of poverty and many unmet basic economic and social needs]. International financial institutions such as the IMF and the World Bank, and bilateral donor agencies, have also contributed to the literature on corruption often from the perspective of unproductive rent-seeking activities (World Bank 2000). Economists have offered legitimate reasons why development is difficult as a country starts generating revenues from the sales of natural resources (Humphreys, Sachs and Stiglitz 2007; Vicente 2010)

These circumstances described above reflect a strong correlation between revenues from natural resources and unequal income distribution /poverty – a phenomenon often referred to as the *resource curse.* One poignant example is the Niger Delta in Nigeria, where revenues from petroleum exports have left the vast majority of residents impoverished. An important source of corruption in Africa (and elsewhere) stems from the distributional attributes of the state - the government as a regulator rationing agent in relation to the allocation of resources and distribution of (social) benefits. Arezki and Gylfason (2013) found a clear relationship between resource exports and corruption in Africa; rents from resources have also been used to quell public dissent. Indeed, part of the "resource curse" of many African states seems to be corrupt, indifferent and ineffective governments. The sheer expectation of revenues from oil can lead to higher levels of corruption through rent- seeking tendencies. It is important to distinguish between different forms of governance failure that prevent society from benefiting from resource revenues, as well as to recognise underlying risks, threats and conflicts posed by rents from natural resources production.

Development aid and external loans/credits: Money transferred to countries for development purposes (aid and cheap external credits) - usually without conditions regarding productivity-enhancing, distributional impacts and institutional performance - are at risk of grabbing of the sort associated with corruption (Alesina and Dollar 2000). Exclusive access to information can also be a driver of corruption. Consider the interaction between a policy/decision-maker and agents and middlemen with whom they are dealing (e.g. tendering). The more economic processes or markets are distorted by corruption, the more likely for agents (politicians, bureaucrats, etc.) and government institutions to become drivers of corruption. The nature and organisation of state authority, in the sense of how the bureaucracy is organised and how much power it has, can by a driver of corruption. There is the risk of corruption whenever someone has discretionary authority to influence others' framework agenda and conditions, and the benefits that may be obtained therefrom.

4. The Impact of Corruption on Economic Growth and Sustainable Development

Economics literature suggests that corruption has a deleterious effect on economic growth through two main channels: (1) by directly decreasing the productivity of existing resources through lower productive effort, non- optimal input mix, degradation of the quality of resources, or through a general misallocation of existing resources; and (2) indirectly, through reductions in investment in both physical and human capital as well as degradation of institutions (Gupta et al. 2002; Mauro 1995; Tanzi and Davoodi 1997;Gyimah Brempong 2002). Empirical evidence shows that corruption has a negative and statistically significant effect on the growth rate of income in African countries both directly and indirectly (Brempong 2002). Based on a dynamic general equilibrium model of economic growth, Blackburn et al. (2005) concluded that the relationship between corruption and economic development is negative, and Tanzi and Davoodi's (1997) in a cross-country study found that corruption raises public investment but decreases public productivity."

There is wide support in the literature for the view that corruption is detrimental to growth (Tanzi 1998; Gyimah-Brempong 2002). Evidence of the inverse relationship between levels of corruption and growth is particularly relevant to the situation of African   countries where the continent's resource wealth has not served its populations as well as it should because of public sector corruption. In addition to reducing growth, corruption is also found to have substantial negative distributional effects as it affects the poor disproportionately. This is because corruption slows down the growth of income of the poor, reduces pro-poor public expenditures, causes congestion in social services, and induces capital intensity in production, which reduces the employment impact of investment and growth (Gupta et al. 2002; Treisman 2007). Illicit financial flows, especially by Multinational Corporations (MNCs), mostly through corrupt practices continue to deny African countries the needed financial resources for development (Ndikumana and Boyce 2011; UNECA 2017).

Below is a summary of various ways through which public sector corruption erodes the foundations of stable society and sustainable development in Africa:

- **Impact on public finances:** Corruption undermines and depresses government revenues and, thereby, limits the ability of government to invest in productivity-enhancing human and physical development programmes and activities (e.g. health, education and infrastructure). Corruption distorts public investments and spending, leading to larger deficits and accumulation of public debt with severe repercussions on public finance in terms of higher debt-service payments and , inevitably, constraints on key areas of public expenditure needed for improvement in productivity and growth.

- **Undermining private sector development:** Corruption undermines the overall investment climate and discourages viable enterprise development and innovation needed for realising the potential of the private sector as the engine of economic growth and job creation in African countries. Corruption is particularly devastating for the formation and expansion of small and medium enterprises. According to the literature, corruption discourages investment – both domestic and foreign direct investments – because the various forms of takings (bribes, kickbacks, etc.) and transactions costs due to corruption (delays, distortions, etc.) increase uncertainty over the returns to capital and raise the cost of production, which ultimately reduces profitability (Mauro 1995; Tanzi and Davoodi 1997)
- **Distortion of incentives:** Insofar as corruption tends to encourage tendency towards the choice of large capital projects – which increases opportunities or corruption - than necessary or warranted for development, countries may end up with 'white elephants' which become a drain on meagre state resources in terms of debt-servicing and distorted expenditure patterns. – Often to the detriment of investment in health and education where it is more difficult to collect bribe. Corruption is thus associated with lower social spending and unequal access to education and income-earning and other socio-economic opportunities
- **Uncertainty and short-term focus:** Corruption creates uncertainty, such as in circumstances where business deals (e.g. concessions for mining and logging) may have been obtained as a result of bribery paid out to politicians and high-place bureaucrats, there is no guarantee that these deals will be backed by a legally-binding contract or the law. The tendency is for both the briber and the corrupt official to have a short-term focus in terms of getting as much and as fast as possible from the corrupt arrangement, to the detriment of more sustainable medium- to long-term sustainable development perspective. At the same time, where state corruption is rife, politicians will want to remain in office in office as long as possible (e.g. 'President for life'), people are incentivised to seek public office for the wrong reasons. Where long stays in office are no longer an option, then the new administration will want to steal as much as possible as quickly as possible, given a perceived relatively short window of opportunity to grab and get rich (Wrong 2009).
- **Betrayal of public trust and contagious disease:** Because corruption is betrayal of trust it greatly diminishes the legitimacy of the state and moral stature of the bureaucracy in the eyes of the population. (Rose-Ackerman 2001). With trust betrayed, what often followed is popular discontent. Erosion of trust can lead to contagious transmission of corruption: for example, honest government officials may be tempted to become corrupt as they see their bribe-taking corrupt peers becoming richer. Corruption breeds corruption, and it tends soon enough to lead to the creation of mafias and organised criminals who use their financial power to do all sorts of damages to the political stability, social and institutional fabric of the state and economic development.

While there is widespread consensus on the destabilizing effect of corruption on development, empirical literature on the impact of the economy has remained polarized. Some studies have maintained that corruption stifles development, but others have contended that in certain circumstances corruption may be economically desirable simply because it provides a (short-term) solution to existing bureaucratic inefficiency delay that could lead ineffective government.

5. **Reducing Corruption:** ***What can be done about corruption and the role of economic policies (and politics) in creating an environment that provides the right sorts of incentives and institutions to reduce the incidence of corruption***

Research is now well established as basis of strategies for containing the spread of and eventually reducing the incidence of corruption. This research essentially points to four general characteristics that tend to create opportunities for and increase possibilities for corruption: monopoly power, wide discretion, lack of transparency in decision-making, lack of accountability. Seminal works by Rose-Ackerman (1978) and Klitgaard (1988) were the first to identify these characteristics in a systematic way and were instrumental in providing policy makers with some general guidance in formulating concrete and useful strategies for combatting corruption. They were also the first to introduce a rational choice approach for understanding the motives for corruption: if the expected benefits of a corrupt transaction exceed its expected cost, an individual has an incentive to engage in corruption.

Having looked at some of the more prevalent ways in which corruption damages the social and institutional fabric of society and serves as an impediment to sustainable development, it is useful to briefly review some of the options open to governments that wish to implement reforms to reduce public sector corruption and mitigate its effects. One can evoke a two-pronged strategy aimed at increasing the benefits of being honest and the costs of being corrupt – a sensible combination of reward and punishment as the driving philosophical force of reforms. The following areas are identified as significant to the practical challenge in African countries:

- **Civil Service Pay:** Whether public servants are appropriately compensated for their work or are grossly underpaid with respect to positions of equivalent responsibility in the private sector will clearly affect motivation and incentives. If public sector wages are too low, employees may find themselves under pressure to supplement their incomes in “unofficial” ways or, worse, the public sector will attract opportunists and bribe-takers, eager to tap into existing rents (Van Rijckeghem and Weder 2001). Because civil servants are poorly paid in some African countries, they may be particularly prone to taking bribes and the extra “income” from a bribe can mean the difference between being able to feed one’s family or not – effectively a survival strategy. Singapore, one of the countries that has been most successful in reducing corruption in the public sector, has some of the highest paid public servants in the world. Improving civil service, working conditions and introducing merit-based promotions may eliminate the need to engage in corruption.

- **Transparency and accountability**: Countries where citizens have access to relevant sources of information and are able to scrutinize government activities and where there is scope for debate on the merits of public policies, and able to assess politicians' performance and the content of their policies, will also be able to make a difference with respect to reducing corruption in the public sector.
- **Budget process:** There should be free and open legislative debate and authorization of the national budget, and the execution of the budget should be transparent with public disclosure of performance and audits. Various ways in which budgetary funds under the control of politicians and public servants – subsidies, tax exempts, public procurement of goods and services, soft credits, extra-budgetary funds - should be properly scrutinized to ensure that resources are used for in the public interests. Tax and tax collection should be based on established tax laws and provisions, and not left to the discretion of the tax authorities or negotiated on an ad hoc basis. Lack of clarity in the budget process and ambiguity in delineating responsibilities and boundaries provide opportunities for corruption.
- **Institutions:** Successful strategies to combat corruption should be aimed at strengthening institutions that govern public financial management, as well as fight against public sector corruption has to be targeted at two areas: the actual management of public resources and the institutions designed to ensure transparency and accountability within and outside the government (Rose-Ackerman 1997b; Aidt 2007: Lambsdorff 2007)

However, there may be a need for caution in seeking to root out endemic and systemic corruption. A drastic approach, especially when not well thought out, can do more harm than good in the short-term because it could destabilize vital parts of a functional system. Fighting systemic corruption often needs to be done very carefully and over time. If this is done too abruptly when other institutions of governance are not yet in place, more destabilization and even inefficiency can result. Reformers need to consider what is likely to happen if they decide to upset "established" corrupt relationships or those based on patronage and entrenched cultural (mal)practices (Rose-Ackerman 2001).

6. Policy and Reform Options: Governance matters

The results of empirical research suggest that in instances where public sector corruption is endemic, systemic and ubiquitous, reform efforts that promote policy and action that advance accountability, improve regulatory quality, enable political stability and the rule of law should be given priority; rather than relying on single interventions that target specific acts of corruption in an uncoordinated manner (Omoteso and Mobolaji 2014). On the basis of this reasoning, a recent set of guidelines issued jointly by the UN Economic Commission for Africa (UNECA) and the African Union (AU) advocated that greater attention should be given to the issue of governance in reform options to combat corruption (UNECA 2017). The following issues are highlighted in the report:

Participatory Governance Structures: African States should introduce and enforce processes that allow citizens, including vulnerable groups, to participate in development planning and policymaking.
Fiscal Transparency: It is critical for all African States to ensure fiscal transparency and good public financial governance in order to reduce corruption risks, through the Collaborative Africa Budget Reform Initiative.
The Obligations of International Partners: Developed economies should be fully committed to their obligations, for example, under the OECD Anti-Bribery Convention of 1997 and ensure rigorous enforcement. Indeed, pressure should be exercised on non-complying countries to ensure that firms fully internalize the risks of prosecution when deciding how to carry out business in African countries (Rose-Ackerman and Carrington 2013). The United Nations Convention Against Corruption (UNCAC) has a broader scope than the OECD Convention – a global legal framework involving both developing and developed nations and covers a broader range of subjects including domestic and foreign corruption, extortion, anti-money laundering. African states should be proactive in their participation in international legal frameworks for corruption control, flows, while fully implementing regional and national initiatives
Civic Participation: There is a need for more open and representative governing systems that allow for a high level of civic participation, typically through vibrant civil society organizations, that can publicly reveal the abuses of corrupt officials.

The Political dimension of governance

Countries with better governance structures and political stability performing are likely to have lower incidence of corruption. Good governance, built on strong public finance management (PFM) systems and institutions counters corruption by increasing the likelihood of detection and corrective action, is vital for reducing corruption. While it is important for governments to employ policies to promote and maintain political stability for enhancing sustainable development prospect, the use of a single policy option of political stability may not be sufficient to reduce corruption without institutions and practices that support good governance. The result of recent UNECA studies/reports (UNECA 2017) attest to the complementarity of both political stability and high regulatory quality of anti-corruption agencies and institutions as a tool for good governance and government effectiveness.

The Moral environment for governance

Anti-corruption efforts must take account the view that the common or public good of any society is not founded only on its material value, but also its shared moral ideals. When these ideals are betrayed, such as through corruption, the material worth and intangible aspect of the common good also suffers. The reduction of corruption has a strong moral dimension and literature supports this view (Rose-Ackerman 2001; World Bank 2006; Olaniyan 2004), especially in terms of equating the pursuit of efficient public financial management and administration as a “moral endeavour”. In this regard, the role of a public servant carries a kind of moral weight not found in private sector counterpart roles. Anti-corruption strategies must be supported by moral education and the strengthening of the ethical principles underpinning society. In a society with stronger ethical standards, the struggle against corruption will gain a new source of strength that will complement the progress made in improving the institutional and legal frameworks designed to combat corruption. Reform towards good governance should therefore find ways of improving effectiveness and efficiency within the public service, while maintaining the highest ethical standards.

7. Policy Implications and Further Research

It is not easy to formulate and choose anti-corruption strategies and policies based exclusively on research results for several reasons. First, the knowledge base is diverse and still limited. While the literature on corruption has expanded rapidly over the last 10-15 years, the methodological obstacles remain substantial and few impact evaluations have provided results of general applicability – especially with respect to how anti-corruption initiatives should optimally be designed. Second, because corruption (in Africa) is often intrinsically linked to politics (through the actions of highly placed politicians and bureaucrats), there is the risk that raising the issue could be considered unacceptable and offensive to those in authorities, and (mis)construed as obstructive to commercial ambitions and wider development goals. Third, the state monopoly on decision-making often constitutes a problem for 'outsiders' and those who want to take action to fight corruption in situations where the malpractice is embedded in the governmental structure or even institutionalised. Development partners (e.g. external donors) for these reasons tend to shy away from methodologically robust impact-evaluation research. What we end up with are "approximate knowledge" reports and numerous nuances of corruption, acquired from superficial and incomplete enquiries, but without a good understanding of motives, incentives, etc. for presenting policy alternatives on anti-corruption. Therefore here is an urgent need for more focused and in-depth research that would increase the validity of policy recommendations, reduce disagreement on what works, and provide a credible basis for putting forward new solutions when challenges remain unresolved.

While insights from academic research have been put to good use in policy work on anti-corruption, it is useful to point out areas where: (1) anti-corruption policy could possibly be more efficient through better use of existing research results; (2) research is progressing rapidly and likely to offer useful results; and (3) where more research is needed for the development of reliable anti-corruption policy solutions there are areas. The following are areas where further research and results can be useful as they hold validity for policy-makers:

- **Financial regulation**: This is an area in anti-corruption research where policy environments have been slow in developing solutions, despite recommendations from research (money laundering, organised crime, tax evasion, illicit flows0
- **Rentier states**: More context-specific research is needed in this area for combatting grand corruption and the risk of a resource curse; good governance; aid effectiveness
- **Markets:** Research should address the market mechanisms insofar as the targets of anti-corruption efforts (e.g. tenders, procurement procedures); how to fix market failures

- **Sanctions and penalties**: Importance of holding offenders responsible as an essential component of good governance
- **Transparency and civil society**: Role and significance of civil society, NGOs and pressure groups for transparency
- **Perceptions and communications**: Clarity regarding requirements for doing business – no need for paying bribes
- **Relationship between corruption, instability and economic development:** the causal relationship among corruption, political instability, and economic development in within a multivariate cointegration and error-correction framework
- **International cooperation:** The situation regarding the corrupt use of aid money suggests a need for separate studies of causality between development partnership/development aid community and incidence of corruption, correlated with level of development
- **Anti-corruption in the Sustainable Development Goals (SDGs) agenda:** reflecting the need for a global anti-corruption schedule within the framework of the SDGs and under UN leadership via the universal ratification of the UNCAC
- **African Union anti-corruption initiatives:** current initiatives stemming from commitments by African political leaders at their last two summits of (Addis Ababa, January 2018 and Nouakchott, July 2018). In this regard, Attention should be paid to an effective framework for operationalising the African Anti-Corruption Convention which has four objectives: promote and strengthen the development in Africa of anti-corruption mechanisms; promote, facilitate and regulate co-operation among state parties; remove obstacles to the enjoyment of human rights, including economic, social and cultural rights; establish conditions necessary to foster transparency and accountability in the management of public affairs

8. Conclusion

Corruption in the public sector represents a major obstacle to development, growth and the effective functioning of the rule of law. From the experience of resource-rich African countries, grand corruption is difficult to combat and control in a public setting and public trust. Corrupt practices by public officials affect the legitimacy of state organisations and institutions and provide an environment which erodes the accountability of public leadership. From an economic standpoint, corruption distorts public expenditure decisions and resource allocations from their intended purposes and thus depletes resource development and wealth creation efforts. Corruption also distorts competition and market structures, spurs inequality and erodes macroeconomic stability. From a politico-administrative point of view, corruption distorts governance and bureaucratic norms. From a societal perspective, corruption erodes public trust in government and state institutions, which in turn may suppress motivation and innovation.

This paper has sought to increase understanding of corruption as an economic issue and a development challenge, and attempt to provide a framework for reform strategies and policies aimed at combatting public sector corruption. African political leaders themselves have come to recognise and admit to the damage that corruption can cause to their development efforts. It is hoped that a better understanding of the causes and consequences of corruption by the political leadership and bureaucratic structures would provide a useful basis for policy reforms that match the gravity of the problem and the damage it causes.

It should be possible to develop efficient policy initiatives and mechanisms to control and combat corruption, if national leaders, regional organisations and the international community better understand the sources and drivers of corruption, the impact on the development process and even the moral environment. Collaboration between policy-makers, academic researchers and development practitioners will contribute towards a better understanding of the causes and consequences of corruption and institutional solutions founded on considerable comprehension of the dynamics of anti-corruption reform strategies and policies at all levels of decision-making.

Bibliography

Ades, A. R. Di Tella. 1999. "Rents, competition and corruption." *American Economic Review, 8*9: 982-993.

Agbiboa, Daniel Egiegba. 2010. "The corruption and underdevelopment nexus in Africa: Which way Nigeria?". *The Journal of Social, Political and Economic Studies* 35(4): 474-481.

Agbiboa, Daniel Egiegba. 2012. "Between corruption and development: The political economy of state robbery in Nigeria". *Journal of Business Ethics* 108 (3): 325-3453.

Agbiboa, Daniel Egiegba. 2013. "Corruption and Economic crime in Nigeria: Social and economic perspectives". *Africa Security Review* 22(1) 47-66.

Aidt, Toke S. 2003. "Economic analysis of corruption: A survey". *Economic Journal* 113(291): 632-652.

Aidt, Toke S. 2009. "Corruption, institutions and economic development." *Oxford Review of Economic Policy* 25(2): 271-291.

Aidt, Toke S. 2011. "Corruption and sustainable development". In *The international handbook on the economics of corruption,* edited by S. Rose-Ackerman and T. Søreide, 3-52. Cheltenham: Edward Elgar.

Al-Kassim, Farouk, Tina Søreide and Aled Williams. 2008. "Grand corruption in the regulation of oil.". Issues Paper No. 2:2008. Anti-Corruption Resource Centre. Bergen: Chr Michelsen Institute.

Alesina, Alberto and David Dollar. 2000. "Who gives foreign aid to whom and why?". *Journal of Economic Growth* 5(1): 33-63.

Amundsen, Inge and O-H FJeldsad. 2000. "Corruption: A selected and annotated bibliography." Anti-Corruption Resource Centre. Bergen: Chr. Michelsen Institute.

Arezki and Gylfason (2013)

Auriol, Emmanuelle and Aymeric Blanc. 2009. "Capture and corruption in public utilities: The cases of water and electricity in sub-Saharan Africa." *Utilities Policy* 17(2): 203-216.

Bardhan, Pranad. 1997. "Corruption and development: A review of issues". *Journal of Economic Literature* 35(3): 1320-46.

Bardhan, Pranab. 2006. "The economists approach to the problem of corruption". *World Development* 34(2): 341-348.

Bhagwati, Jagdish. 1982. "Directly, unproductive profit-seeking (DUP) activities". *Journal of Political Economy* 90(5): 988-1002.

Bhattacharyya, Sambit and Roland Hodler. 2010. "Natural resources, democracy and corruption". *European Economic Review* 54(4): 608-21.

Campos, Edgardo J., Donald Lien and Sanjay Pradhan. 1999. "The impact of corruption on investment: Predictability matters." *World Development* 27(6): 1059-1067.

Campos, Edgardo J. and Sanjay Pradhan, eds. 2007. *The many faces of corruption: Tracking vulnerabilities at the sector level*. Washington, DC: World Bank Publications.

Collier, Paul. 2007. *The bottom billion: Why the poorest countries are failing and what can be done about it.* Cary: Oxford University Press.

Dorotinsky, William and Shilpa Pradhan. 2007. "Exploring corruption in public financial management". In *The many faces of corruption: Tracking vulnerabilities at the sector level*, edited by J. Edgardo Campos and Sanjay Pradhan, 267-295. Herndon: World Bank Publications.

Gyimah-Brempong, Kwabena. 2002. "Corruption, economic growth, and income inequality in Africa". *Economics of Governance* 3 (3):183-209.

Gupta, Sanjeev, Hamid Davoodi and Rosa Alonso-Terme. 2002. "Does corruption affect income inequality and poverty?". *Economics of Governance* 3(3): 23-45.

Humphreys, Macartan, Jeffrey D. Sachs and Joseph E. Stiglitz, eds. 2007. *Escaping the resource curse*. New York: Columbia University Press.

Isaken, Jan. 2005. "The budget process and corruption." U4 Anti-Corruption Resource Centre. Bergen: Ch. Michelsen Institute.

Johnson, J. and Tina Søreide. 2013. "Methods for learning what works and why in anticorruption". Issue Paper No. 8:2013. U4 Anti-Corruption Resource Centre. Bergen: Chr Michelsen Institute.

Kaufmann, Daniel. 1997. "Corruption: The facts". *Foreign Policy* 107:114-131.

Kaufmann, Daniel, Aart Kraay and Massimo Mastruzzi. 2009. "Governance matters: Aggregate and individual governance indicators 1996-2008". Policy Research Working Paper; no. WPS 4978. Washington, DC: World Bank Publications.

Khan, Mushtaq. 2006. "Determinants of corruption in developing countries: The limits of conventional economic analysis". In *International handbook on the economics of corruption,* edited by S. Rose-Ackerman, 216-244. Cheltenham: Edward Elgar.

Klitgaard, Robert. 1988. *Controlling corruption*. Berkeley: University of California Press.

Krueger, Anne. 1974. "The political economy of rent-seeking society." *American Economic Review* 64(3): 291-303.

Lambsdorff, Johann Graf. 1999. "Corruption in empirical research: A review". Transparency International Working Paper. 97-125. Berlin.

Lambsdorff, Johann Graf. 2002. "Corruption and rent-seeking." *Public Choice* 113 (1-2) 97-125.

Lambsdorff, Johann Graf. 2007. *The institutional economics of corruption and reform: Theory, evidence and policy*. Cambridge: Cambridge University Press.

Lawal, Gbenga. 2007. "Corruption and Development in Africa: Challenges for Political and Economic Change". *Humanity & Social Sciences Journal* 2 (1): 1-7.

Mauro, Paolo. 1995. “Corruption and growth.” *Quarterly Journal of Economics* 110 (3): 681-712.

McFerson, Hazel. 2009. “Governance and Hyper-corruption in resource-rich African Countries”. *Third World Quarterly* 30(8): 1529-1547.

Ndikumana, Léonce and James K. Boyce. 2011. *Africa’s odious debts: How foreign loans and capital flights bled a continent*. London: Zed Press.

Nye, Joseph S. 1967. “Corruption and political development: A cost-benefit analysis.” *The American Political Science Review* 61(2): 417-427.

Okonjo-Iweala, Ngozi. 2018. *Fighting corruption is dangerous: The story behind the headlines.* Cambridge, MA: The MIT Press.

Olaniyan, Kolawole. 2004. “The African Union Convention on Preventing and Combating Corruption: A critical appraisal”. *African Human Rights Law Journal* 4(1): 74-92.

Omoteso, Kamil and Hakeem Ishola Mobolaji . 2014. "Corruption, governance and economic growth in Sub-Saharan Africa: a need for the prioritisation of reform policies". *Social Responsibility Journal* 10 (2): 316 – 330.

Rose-Ackerman, Susan. 1975. “The economics of corruption.” *Journal of Public Economics* 4(2): 187-203.

Rose-Ackerman, Susan. 1978. *Corruption: A study in political economy*. New York: Academic Press.

Rose-Ackerman, Susan. 1997a. “Corruption, inefficiency and economic growth.” *Nordic Journal of Political Economy* 24: 3-20.

Rose-Ackerman, Susan. 1997b. “Corruption and good governance.” Discussion Paper 3, Management Development and Governance Division. New York: UNDP.

Rose-Ackerman, Susan. 1998. “Corruption and development”. In *Annual World Bank Conference on Development Economics 1997,* edited by J. Stiglitz and B. Pleskovic. Washington, DC: World Bank Publications.

Rose-Ackerman, Susan. 1999. *Corruption in government: Causes, consequences and reform*. Cambridge: Cambridge University Press.

Rose-Ackerman, Susan. 2001. “Trust, honesty and corruption: Reflections on the state-building process.” *European Journal of Sociology* 42(3): 526-570.

Rose-Ackerman, Susan and Paul D. Carrington, eds. 2013. *Anticorruption policy: Can international actors play a constructive role?.* Durham, North Carolina: Carolina Academic Press.

Scott, James. 1972. *Comparative political corruption*. Engle Cliffs, NJ: Prentice Hall.

Søreide, Tina. 2014. “Drivers of corruption: A brief Review”. A World Bank Study. Washington, DC: World Bank Publications.

Søreide, Tina and Aled Williams. 2014. *Corruption, grabbing and development: Real world challenges*. Cheltenham: Edward Elgar.

Søreide, Tina and Rory Truex. 2013. "Multistakeholder groups for better sector performance: A key to fight corruption in natural resource governance?". *Development Policy Review* 31(2): 203-217.

Szeftel, Morris. 1998. "Misunderstanding African politics: corruption and the governance agenda." *Review of African Political Economy* 25(76): 221-240.

Tanzi, Vito. 1998. "Corruption around the world: Causes, consequences, scope and cures". *IMF Staff Papers* 45(4): 559-94. Washington, DC: IMF.

Tanzi, Vito and Hamid Davoodi. 1997. "Corruption, public investment and growth". *IMF Working Paper* 97/139. Washington, DC: IMF.

Transparency International (annual). *Corruption Perception Index (CPI*). Berlin

Transparency International (various years). *The Global Corruption Barometer*. Berlin

Treisman, Daniel. 2007. "What have we learned about the causes of corruption from ten years of cross national empirical research?". *Annual Review of Political Science* 10 (1): 211-244.

UNECA in collaboration with the African Union Advisory Board on Corruption (AUABC). 2016. *Combating Corruption, Improving Governance in Africa Regional Anti-Corruption Programme for Africa (2011 – 2016).* Addis Ababa: UNECA

UNECA. 2017. "Measuring corruption in Africa: The international dimension matters." *African Governance Report IV*. Addis Ababa: UNECA

Van Rijckeghem, Caroline and Beatrice Weder. 2001. "Bureaucratic corruption and the rate of temptation: How much do wages in the civil service affect corruption?" *Journal of Development Econom*ics 65(2): 307-331.

Vicente, Pedro C. 2010. "Does oil corrupt? Evidence from a natural experiment in West Africa." *Journal of Development Ec*onomics 95(1): 28-38.

Warf, Barney. 2017. "Geographies of African corruption". *PSU Research Review* 1(1): 20-38.

World Bank. 2000. *Anti-corruption in transition: A contribution to the policy debate.* Washington, DC: World Bank Publications.

World Bank. 2006. "Literature survey on corruption 2000- 2005". PREM Public Sector Governance Research paper. Washington, DC: World Bank Publications.

Wrong, Michaela. 2009. *It's our turn to eat: The story of a Kenyan whistle-blowe*r. London: Harper Collins.