

Corruption

Definitions and Concepts

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Introduction

Corruption has recently been the subject of substantial theorising and empirical research, and this has produced a bewildering array of alternative approaches, explanations, typologies and remedies. Corruption is understood as everything from the paying of bribes to civil servants and the simple theft of public purses, to a wide range of dubious economic and political practices in which businesspeople, politicians and bureaucrats enrich themselves.

The issue of corruption is an old one, that has re-entered the current political and economic debate from the new interest in the role of the state in the developing world, and from the assumption that the state is an indispensable instrument for economic development, redistribution and welfare. In contrast to the largely rejected “state-dominated” and “state-less” development models, there is now much consensus on the need for an efficient medium-sized state apparatus with a political will and adequate economic policies to ensure economic development. Corruption is seen as counter-productive to the needed economic and political reforms, accountability, transparency, and good governance.

The intention of this paper is to classify the various forms of corruption in order to operationalise the concept for analytical and practical purposes. First, different forms of corruption will be outlined. Secondly, corruption will be defined as a particular state-society relationship, and the distinction made between political corruption and bureaucratic corruption. Then two more distinctions will be added, namely between “individual” and “collective” forms of corruption, and corruption as a mechanism of either “upward extraction” or “downward redistribution”. This will sum up to the basic argument that the fight against corruption will have to be placed within a broader agenda of democratisation.

Forms of corruption

The main forms of corruption are bribery, embezzlement, fraud and extortion. Even when these concepts are partly overlapping and at times interchangeable with other concepts, some of the basic characteristics of corruption can be identified through these concepts.

“**Bribery**” is the payment (in money or kind) that is given or taken in a corrupt relationship. To pay or receive a bribe is corruption *per se*, and should be understood as the essence of corruption. A bribe is a fixed sum, a certain percentage of a contract, or any other favour in money or kind, usually paid to a state official who can make contracts on behalf of the state or otherwise distribute benefits to companies or individuals, businessmen and clients.

There are many equivalent terms to bribery, like *kickbacks*, *gratuities*, *baksheesh*, *sweeteners*, *pay-offs*, *speed* ~ and *grease money*, which are all notions of corruption as perceived from below, from the public. These are payments needed or demanded to make things pass swifter, smoother or more favourably through the state bureaucracy. By “greasing palms” corporations and business interests can buy for instance political favours and escape the full burden of taxation and environmental regulations, or buy protected markets and monopolies, import/export licences, etc.

Bribery, however, can also be a form of “informal” taxation, when public officials charge additional under-the-table payments or expect “gifts” from clients. It is an extractive form of bribery when for instance a government minister or party boss goes on a promotion tour, and is able to fill the luggage compartment of his car with “donations” and “gifts” from his “devoted followers”.

“Embezzlement” is theft of public resources by public officials, which is another form of misappropriation of public funds. Embezzlement is when a state official steals from the public institution in which he is employed, and from resources he is supposed to administer on behalf of the state and the public. However, disloyal employees in private firms can also embezzle money and other resources from their employers.

Embezzlement is *not* considered as corruption from a strict legal point of view. In legal terms, corruption is a transaction between two individuals, one state agent and one “civilian”, where the state agent goes beyond the limits of the law and regulations in order to secure himself a personal benefit in the form of a bribe. Embezzlement is regarded as theft because it does not involve the “civilian” side directly. The general public is deprived when public funds are embezzled, but no individual property is stolen, and thus individual citizens will have no legal right to present themselves as forfeited.

This points to one of the dangers of embezzlement. There will have to be a political will as well as an independent judiciary and a legal capacity in order to clamp down on embezzlement. Embezzlement is one of the forms of corruption and power abuse that can develop in closed institutional and moral spheres, independently of the public moral and with few possibilities of public sanctions. In many corrupt countries, embezzlement is one of the most important modes of economic accumulation. It can be a fundamental part of the resource extractive capacity of a ruling elite, and it can be even more important than extraction through bribes.

To be considered as another form of embezzlement is the fact that some power-holders systematically use their political office to enter into, secure and expand their private business interests. In some countries the political elite has nationalised foreign businesses, property and monopoly rights, and redistributed these to the members of the ruling families. Large numbers of former state enterprises and parastatals have been handed over to friends and family of ministers and presidents, for symbolic sums of money and in the name of “privatisation”. In Zimbabwe, ruling party bosses now own large formerly white farms. In the Côte d’Ivoire, the president’s family holds the largest coffee and cocoa plantations. In Cameroon and other African countries the president and his family own the biggest breweries, sugar refineries, transport and other companies.

“Fraud” is an economic crime that involves some kind of trickery, swindle or deceit. It is a broader legal and popular term that covers more than bribery and embezzlement. It is fraud for instance when state agencies and state representatives are engaged in illegal trade networks, counterfeit and racketing, and when forgery, smuggling and other organised economic crime is propped up by “official” sanction and involvement. It is fraud when ministers and top bureaucrats take a share for closing their eyes on this; it is serious fraud when they have an active role in it.

The fraudulent ways of money extraction of certain African rulers have been called “dirty tricks politics” and described in quite some detail in the book *The Criminalisation of the State in Africa* (Bayart et al. 1997:11). Dirty tricks politics include “import” of toxic and atomic waste from Western countries, presidents who print large amounts of national bank notes to pay civil servants and military men (who force these upon local traders; at gunpoint in the case of Zaïre), and the many state or parastatal institutions that have persuaded private firms to give them loans, assistance and services that will never be paid back. Besides, members of the ruling elites in Nigeria and Kenya are presumably involved in the international drug trade, money laundering is done through African state banks and parastatals, and public agencies

are issuing falsified certificates of country of origin and of brand names, enabling faked goods from Taiwan and Hong Kong to reach international markets. What is widespread and even increasing, according to this book, is the role of certain African states as active mediators, facilitators and partners in fraudulent and criminal business activities, in international organised crime (Bayart et al. 1997)¹.

“**Extortion**” is money and other resources extracted by the use of coercion, violence or the threats to use force. “Protection” or “security” money can be extorted in the classical, infamous mafia style. By creating an atmosphere of insecurity where individual citizens, private businesses and public officials are harassed and intimidated, a mafia and other criminals can blackmail and extort money in return for their kind of peace. Only those who pay the protection money will be exempted from further harassment. Blackmailing and extortion is basically a corrupt transaction, but the money is more violently extracted and the returns are meagre. The exchange of benefits is highly unequal: in return for millions in protection money, the blackmailed may get no more than a negative freedom, a lax promise of impunity.

Corruption in the form of extortion is usually understood as a form of extraction “from below”. It is for instance when real mafias, like in Russia and Italy, are able to impose their influence upon individual state officials and entire state agencies through threats, intimidation and targeted assassinations. What they obtain in return may be preferential business opportunities and privileges, and freedom from taxation, regulations, and legal prosecution.

Corrupt practices of this kind can also be “from above”, when the state itself is the biggest mafia of them all. This is known for instance where the state, and in particular its security services and paramilitary groups, extorts money from individuals and groups to protect them from further harassment². With more or less concealed threats, rulers can extract resources from private sector businesses. These businesses rarely take the chance of refusing state or ruling party officials what they demand, when exaggeratedly strict taxation, overtly delayed licenses, repeated and brutal police inspections or other harassment are to be expected. Presidential re-election campaigns are for instance frequently “irrigated” by private companies.

Also extortion made by military and police units in their many roadblocks can be understood as “informal” taxation or extraction. Roadblocks are widespread over most of Africa, from Tunisia in the north to South Africa. When you leave or enter a town, there is a checkpoint where a small fee is expected for making the passage smooth. In some cases, these checkpoints are used to restrict the movement of dissenters, but usually governments tolerate them as income for underpaid divisions.

“**Favouritism**” is a mechanism of power abuse implying “privatisation” and a highly biased distribution of state resources, no matter how these resources have been accumulated in the first place. Favouritism is the natural human proclivity to favour friends, family and anybody close and trusted. Favouritism is related to corruption insofar as it implies a corrupted (undemocratic, “privatised”) *distribution* of resources, whereas corruption strictly defined is about the *accumulation* of resources.

¹ Note that a number of governments also in other continents are involved in fraud and organised crime.

² One extreme situation of this was Mobutu’s Zaïre. In Zaïre, according to McNulty, “*the state’s only apparent function was the systematic exploitation of its people and resources, while it offered nothing in return, not even security; instead, the state itself and its agents were the principal sources of insecurity*” (McNulty 1999:61).

In the political sphere, favouritism is the penchant of state officials and politicians, who have access to state resources and the power to decide upon the distribution of these, to give preferential treatment to certain people. Favouritism or cronyism is for instance to grant an office to a friend or a relative, regardless of merit. Even when clientelist favouritism is the rather everyday proclivity of most societies to favour one's kinship members (family, clan, tribe, ethnic, religious or regional group).

Favouritism is a basic political mechanism in many authoritarian and semi-democratic countries. In most non-democratic systems, the president has for instance the constitutional right to appoint all high-ranking positions, a legal or customary right that extends exceedingly the possibilities for favouritism. It easily adds up to several hundred positions within the ministries, the military and security apparatus, in the parastatal and public companies, in the diplomatic corps and in the ruling party.

Nepotism is a special form of favouritism, in which an office holder (ruler) prefers his proper kinfolk and family members (wife, brothers and sisters, children, nephews, cousins, in-laws etc.). Many unrestricted presidents have tried to secure their (precarious) power position by nominating family members to key political, economic and military/security positions in the state apparatus.

Other kinds of favouritism are for instance when certain people are commissioned to buy privatised public property (cheaply), or given preferences, state guaranteed or subventioned loans, or selected as entrepreneurs for public works, nominated to represent corporate interests in various public councils and committees, and given other privileges through selected economic policies. Through such mechanisms, many politicians and bureaucrats have been able to move from public position into private business, to transfer public power into private wealth.

Favouritism is not only a legal and procedural problem, but also a problem of flawed qualifications, lacking skills and inefficiency. Furthermore, where public position is strongly correlated to possibilities of corrupt and extractive practices, favouritism can secure substantial prerogatives and profits for certain families, clans or some social sub-groups.

The state is usually involved

The decisive role of the state is reflected in most definitions of corruption. Corruption is conventionally understood, and referred to, as the private wealth-seeking behaviour of someone who represents the state and the public authority. It is the misuse of public goods by public officials, for private gains. The working definition of the World Bank is that corruption is *the abuse of public power for private benefit*. Another widely used description is that corruption is a transaction between private and public sector actors through which collective goods are illegitimately converted into private-regarding payoffs (Heidenheimer et. al. 1993:6).

In Colin Nye's classical definition, corruption is "*behaviour that deviates from the formal duties of a public role (elective or appointive) because of private-regarding (personal, close family, private clique) wealth or status gains*" (Nye 1967:416). An updated version with the same elements is the definition by Mushtaq Khan, who says corruption is "*behaviour that deviates from the formal rules of conduct governing the actions of someone in a position of public authority because of private-regarding motives such as wealth, power, or status*" (Khan 1996:12).

Most definitions of corruption will underline corruption as a particular (and, one could say, perverted) state-society relation. Corruption is usually understood as involving some "corrupted" politicians and public administrators. Corruption is when a civil servant, official, bureaucrat or politician (anyone elected or appointed to a

position of public authority, with power to allocate (scarce) public resources in the name of the state or the government) is abusing this official position for personal or group gain. The corrupt act is when this person demands or accepts money or some other form of reward, for himself or for his family, friends and allies.

The genesis of corruption is found within the international, the national institutional and the national societal levels. At the international level, the globalisation of markets, finances, and numerous other transactions have expanded the opportunity of collusive and concealed transactions between various players in the global game and a “host” government and its representatives. Multinationals are for instance buying concessions, preferences and monopolies, kickbacks are offered on tenders, loans and contracts, and development projects are sometimes eased through by including travels, computers and other fringe benefits for officials. Foreign-sponsored corruption is held by many observers in Third World countries to be the most significant contributing factor to corruption.

At the national institutional level, corruption takes place between the government (the executive) and the administrative and bureaucratic institutions (the civil service, judiciary, legislature, parastatals and local authorities). This relationship can be corrupted because of overlapping and conflicting authority, political power-struggles over access to scarce resources, and personal relationships of dependence and loyalty. Other contributing factors are a weak separation between civil service and partisan politics, a weak professionalisation of the bureaucracy, a lack of administrative accountability and transparency, and deficient political control and auditing. The more discretion officials have through abundant, complex and non-transparent regulations, the more corruption becomes likely.

At the national societal level, the corrupt relationship is between the state and various non-state actors. On the one side is the corrupt state official (at any level), on the other side is the corrupter, the supplier of bribes. There is a range of possible counterparts to a corrupt official. It can be the general public, any non-governmental and non-public individual, corporate and organisational, domestic and external. Many theories and conceptualisations of corruption will call attention to these “corrupters”, those who offer the bribes in the first place, and the advantages they gain.

Corruption, however, also exists within and between private businesses and within non-governmental organisations, without any state agency or state official being involved. There is corruption in terms of bribing, swindling, and mafia-methods in businesses, and there are treacherous individuals and disloyal employees in many private firms, organisations and associations. Besides, corruption also exists as a moral and cultural problem in society, among individuals in their personal dealings. For instance do accepted and expected practices of gift-giving, tipping and patronage exist in most societies, even when such habits may be illegal, impose hidden costs on public services and/or confuse the distinction between public and private.

The level of “private” corruption can be very symptomatic for the general economic and political development of a society. Besides, all forms of “private” corruption can be destructive to the public morale and undermine the general trust and confidence in rules and regulations. However, by focusing on private sector corruption *only*, a core element in corruption is lost. Most definitions of corruption will emphasise corruption as a state-society relationship because public sector corruption is believed to be a more fundamental problem than private sector corruption, and because controlling public sector corruption is a prerequisite for controlling private sector corruption.

Political corruption and bureaucratic corruption (“grand” vs. “petty”)

Political or *grand* corruption takes place at the highest levels of political authority. It is when the politicians and political decision-makers, who are entitled to formulate, establish and implement the laws in the name of the people, are themselves corrupt. Political corruption is when political decision-makers use the political power they are armed with, to sustain their power, status and wealth. It is when policy formulation and legislation is tailored to benefit politicians and legislators.

Political corruption can thus be distinguished from bureaucratic or *petty* corruption, which is corruption in the public administration, at the implementation end of politics. Petty corruption has also been called “low level” and “street level” to name the kind of corruption that citizens will experience daily, at times, in their encounter with public administration and services like hospitals, schools, local licensing authorities, police, taxing authorities and so on³.

The distinction between political and bureaucratic corruption is rather ambiguous. It depends on the separation of politics from administration, a particularly unclear delineation in Third World countries. The distinction is nevertheless important. Political corruption is namely something *more* than a deviation from formal and written legal norms, from professional codes of ethics and court rulings. Political corruption is when the laws and regulations are abused by the rulers, side-stepped, ignored, or even tailored to fit their interests. It is when the legal bases, against which corrupt practices are usually evaluated and judged, are weak and furthermore subject to downright encroachment by the rulers.

The consequences of bureaucratic or petty corruption are severe. Bureaucratic corruption is a predicament to private businesses as well as to any citizen’s everyday dealings with state officials. It excludes many people from public services and increases their cost, it obstructs, impedes and skews public spending, it makes markets irrational, and it makes the public administration and the entire political system illegitimate in the eyes of the population.

Political corruption has even more substantial political repercussions, because it affects the manner in which decisions are made. Political corruption implies the manipulation of political institutions and the rules of procedure, and it consequently distorts the institutions of government. Political corruption is a deviation from the rational-legal values and principles of the modern state, and leads to institutional decay. The basic problem of political corruption is the lack of political will to encounter the problem: the power-holders do not wish to change a system of which they are the main profiteers.

In some cases, political corruption might take place in higher places without the general public coming across it in their daily life, or ever knowing about it. Political corruption might be incidental, controlled or concealed, as in most consolidated liberal democracies. Likewise, bureaucratic corruption might take place at the implementation end of public administration without necessarily being a part of

³ The distinction between bureaucratic and political corruption is sometimes seen as similar to “corruption of need” versus “corruption of greed”. The latter distinction emphasises the point that lower level officials sometimes cannot escape the pressures from a corrupt system, like low, late and unpaid wages, intimidating “offers” from corrupters and enforced returns to superiors. Such an emphasis, however, tends to excuse “low level” corruption regardless of its devastating effects, and it tends to ignore the fact that a political and economic system may also push high-level officials and power-holders into corruption. Furthermore, an expressed disapproval of “greediness” is irrelevant to an understanding of the structural factors behind corruption and the economic and political reforms required to change a corrupt system.

the political system or having political repercussions. This happens in particular when a clean and strong government has been able to purify the corridors of power, but not every inch of the public service so that certain services or bureaux are (still) polluted.

However, widespread and systematic bureaucratic corruption and political corruption tends to go along and to be mutually reinforcing. Political corruption is usually supported by widespread bureaucratic or *petty* corruption, in a pyramid of upward extraction. And corruption in high places is contagious to lower level officials, as these will follow the predatory examples of, or even take instructions from, their principals.

This is why a strict definition of corruption as a deviation from formal rules, and a particular focus on bureaucratic corruption alone, can be misleading. Widespread and systematic political corruption may be a basic mode of operation of certain regimes. Actually, with the exception of a few cases of strong authoritarian regimes with a strict political and economic control (also on corruption), corruption is widespread in most non-democratic countries and in particular in the countries that have been labelled “neo-patrimonial”, “kleptocratic” and “prebendal”. Here, corruption is one of the mechanisms through which the authoritarian power-holders enrich themselves. It is not a disease that the responsible politicians are eager to avoid, but it is a deliberately applied practice.

Bureaucratic corruption can by large be controlled and restricted when there is a political will and ability to implement the necessary regulations. A number of experiences demonstrate that bureaucratic corruption can be dealt with through auditing, legislation, and institutional arrangements. In most liberal democratic countries, where the problem of political corruption is of an incidental and occasional nature, this can be dealt with within the existing political system: by reforming, strengthening and vitalising the existing political, judicial and administrative institutions.

In countries with systemic political and administrative corruption, the formal legal framework of the state is insufficient as terms of reference to assess and judge the problem of corruption. Thus, the degenerative effects of political corruption cannot be counteracted by a legalistic or administrative approach alone. Moral, normative, ethical, and indeed political benchmarks will have to be brought in. Endemic corruption calls for radical political reforms, a system of checks and balances, and democratisation.

Private and collective corruption (“individual” vs. “aggregated”)

The money or benefits collected through corruption is “privatised” to various degrees. It may be extracted for the benefit of an individual who will share nothing or very little with his equals, or it may be extracted for the benefit of a particular group with some coherence and unity. This has led to a second analytically important classification of corruption, namely between *private* and *collective* forms of corruption.

The “private”, the individual and intimate nature of corruption is repeatedly underlined in the literature because of the illegal and surreptitious nature of any corrupt transaction. The ban and stigma on corruption necessitates a collusion or conspiracy between individuals, or at least a certain closeness and confidentiality. Corruption has thus been defined as a *secret* social exchange, and the *private-regarding* gains have been emphasised (Méry cited in de Sardan 1999:49; Nye 1967:416).

Such definitions tend to individualise a societal phenomenon. Corruption is also “collective” because it has a substantial economic effect in aggregate terms, and because it may in itself be a deliberate way of resource extraction for the benefit of a larger group. Some definitions of corruption therefore accentuate the point that the rulers can act as a group or a class (or an institution or organisation), in misusing their powers to extract resources for the benefit of the group as such. Many well-known and well documented cases of grand corruption has involved political parties (ruling parties in particular, but also prospective ruling parties), entire administrative bureaux, and national governments.

Corruption has indeed a strong inclination for “collectivisation”. A conspiracy between individuals is easily extended into a larger practice involving colleagues, partners, assistants, patrons and superiors. Instances of petty corruption may therefore develop into larger networks, cliques and medium-sized brotherhoods, and finally into large-scale institutionalised corruption if unchecked, whenever there is “room for manoeuvre”.

An understanding of corruption that include the possibility that it might be “collective”, institutionalised and organised in the interest of the ruling elite itself is vital to analyse the causes and logics of grand scale systemic corruption. To analyse who, in aggregate terms, benefits the most from corruption will also be required to understand the vested interests anti-corruption initiatives will be up against, and to identify the political/institutional levels most relevant for reform.

Redistributive and extractive corruption (“from below” vs. “from above”)

The question “who benefits from corruption” could, however, be taken one step further. Most definitions of corruption maintain that corruption is a particular state-society relationship based on a mutual exchange of benefits, from which both the state agent and the non-state actor will draw some immediate and private benefit. This relationship of mutual exchange is rarely balanced, however. In aggregate terms corrupt practices will generate a flow of resources either from the society to the state (“extractive” corruption, or corruption “from above”), or from the state to the society (“redistributive” corruption, or corruption “from below”).

In some cases, corrupt and extractive practices have established extremely well to do political and state-based elites (kleptocracies) amidst poverty and recession. Mobutu of Zaire (65-97), the Duvaliers of Haiti (57-86), Suharto in Indonesia (67-98), Marcos of the Philippines (65-86) and Stroessner of Paraguay (54-89) were some of the extremes, but other kleptocrats are still maximising their private wealth (although with less efficient rent-generation devices). In other cases, businesses and other interest groups may be very successful in getting tax exemptions and other privileges from corrupt officials in weak states. In extreme situations, the state may be held hostage to and torn apart by forceful groups in society⁴.

Rose-Ackerman has suggested analysing the bargaining power of government officials versus private actors in terms of the number and organisation (coherence) of each party. She argues that the nature of corruption depends on the organisation of government as well as the organisation of private actors, and that the question is

⁴ The Philippines has been given as one example of a weak state dealing with a powerful oligarchy of private business interests. Other examples are Bangladesh with a weak state and strong clientelist networks, and Russia with a collapsing state and emerging business and mafia dominance.

whether either party has monopoly power in dealing with the other (Rose-Ackerman 1999:114).

In what can be called the *theory of redistributive corruption*, the state is the weaker part in the state-society relationship. The briber is viewed as the “active” party and the public official as the “passive”. Here, various social and economic groups, interests or individuals are organised and powerful enough to draw more benefit from the corrupt practices with the state as a counterpart, than is the state and the ruling elite. The main beneficiaries of the resources extracted, privatised and consumed are not the political and state-based elite, but various groups and interests in society. State resources are consequently depleted and distributed according to the relative bargaining power of each of these groups⁵.

Analysts tend to have weak states in mind when they are focusing on the “subversive” groups and their “state destructive” capacity, i.e. the degenerative effects of corruption on the state institutions and the national economy. They will for instance analyse the politically strong and organised groups and the challenge they pose to state authority through bribery and deception. Through corruption, alliances will be forced with functionaries who will deliver state services and goods. Politicians will be bought to tailor rights and regulations that will benefit those who pay for it, and political influence will be bought or extorted. The survival of certain weak regimes may depend on political support from particular groups.

Who, in society, will benefit the most from this kind of corruption depends on the local distribution of forces. It can be powerful ethnic or regional groups or clans strong enough to extract much more from the state than their fair part (in terms of public investments, development projects, international aid, regional autonomy and representation in national institutions etc.). It can be foreign or local corporate interests who are able to buy resources, concessions and other advantages. It can be politically well-connected and influential individuals who are able to buy benefits like tax exemptions, subsidies, pensions and unemployment insurance, or to get preferential access to privileged schools, medical care, housing, real estate or ownership stakes in enterprises being privatised.

The loser in this game is the state and its regulating capacity. When private citizens, commercial businesses (local and international) and various interest groups (formal and informal, modern and traditional) are able to buy national and public resources cheaply, to buy exceptions, privileges, immunity and impunity through the use of kickbacks and mafia methods vis-à-vis public officials, the state will be undermined. The effect of “redistributive” corruption is that the state is rendered incapacitated and politically impotent. The capacity of the state to extract taxes and render public services erodes, as well as its ability to implement coherent policies. Besides, it is destructive to the state’s ability to transform the society and the economy according to political priorities, and to execute rational development policies.

In the alternative view, in what can be called the *theory of extractive corruption*, the state is the stronger and more active part in the corrupted state-society relationship. According to this theory, the corrupted (the state or some state agent) benefits the most from corruption and the corrupters are more or less passive players. The ruling elite is the strongest force in society, and this elite or class uses the state apparatus as its instrument to extract resources from society, and it does so for their

⁵ Therefore, the notion of “redistribution”. However, this notion does not imply any equal or fair allocation of resources. The distribution of the gains will always follow the distribution of power in society.

own benefit. This theory is partly based on the operation of authoritarian countries in general, and on the experience of the neo-patrimonial states in particular.

Authoritarian regimes have always been understood and portrayed in terms of some ruling elite or class that uses and misuses the powers of the state primarily to safeguard their own corporate or class interests. And they inevitably do so at the detriment of—and usually in conflict with—other groups and interests in society. In political terms, the means available for authoritarian rulers range from charisma and persuasion to the overt use of violence. In order to restrict participation and power sharing they may use sophisticated institutional arrangements like presidential and/or single party systems, and expedient off-hand methods like the co-optation of rivals. They will use censorship and electoral fraud, establish unjust laws and disrespect their own legislation, and they may turn to human rights violations, intimidation, imprisonment and torture. In economic terms, corruption, and in particular political corruption, will inevitably be one of the many modes of economic accumulation and private appropriation applied by authoritarian rulers.

The theory of extractive corruption is derived from the relatively stable and flexible *neo-patrimonial* political systems found in most of Africa and in a few Latin American and Asian countries. In neo-patrimonial systems, public office and position is seen as a personal asset and a personal right, and it is treated as a private resource. The entire political system is therefore characterised by a deep and thorough privatisation and usurpation of public resources. Politics is to a large extent about distributing resources in the form of jobs, contracts, scholarships, gifts and other public resources to one's relatives, friends and political allies. That is, public authority is used by the rulers to extract resources from the ruled and from the nation's riches. Public office is used to enforce the collection of rents and "gifts" of all sorts from the dependent clients. Corruption, embezzlement, theft and extortion are used to make private fortunes, and political power is used by power-holders to enter into profitable businesses (and to establish monopoly rights, tax exemptions and other advantages for these).

The theory of extractive corruption mainly applies where the state in addition to being the strongest force in society is furthermore ruled by an elite that has developed into a dominant and ruling class, who is in control of the powers of the state. In most neo-patrimonial countries, long lasting clientelist practices have established what has been called hegemonic elites, or ruling state-classes. These are composed of a rather small elite of politically and economically dominating families. Studies have shown that the countries like for instance the Côte d'Ivoire and Cameroon is ruled and dominated by an elite composed of some 50 families or approximately 1000 individuals who are controlling most of the public as well as the private sector (Amundsen 1997).

The direction the aggregated flow of resources will take, and thus the effect of the corrupted state-society relationship, is not given *a priori*. Only historical and empirical research in given countries can reveal whether corruption should be understood as "extractive" or "redistributive". The role of corruption as a particular state-society relationship is, however, usually understood—implicitly, and in aggregate terms—as either benefiting certain sectors of the society (like business interests, emerging capitalist classes, or traditional rulers and local strongmen) or certain state elites (like juntas and single-party nomenclatures).

Concluding Remarks

To make a strict and narrow definition of corruption that restrict corruption to particular agents, sectors or transactions, like corruption as a deviation from the formal rules that regulate the behaviour of public officials, can be handy for fighting corruption when the problem is limited. But because narrow (legal) definitions may ignore vital parts of the problem, like the lack of political will to curb corruption in certain regimes, broader and more open-ended definitions, like corruption in terms of power abuse, will have to be applied to address the situations of pervasive and massive corruption.

Even when the effect of democratisation in curtailing corruption is still much debated and not very strong according to available statistics, one basic and practical argument is that corruption can only be reversed by democratising the state. Economic and political competition, transparency and accountability, coupled with the democratic principles of checks and balances, are the necessary instruments to restrict corruption and power abuse.

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GLOSSARY

English	Norwegian
<i>Accountability</i>	Økonomisk/regnskapsmessig ansvarlighet; forutsetter mekanismer for innsyn og kontroll.
<i>Auditing</i>	Revisjon, regnskapskontroll
<i>Bureaucratic corruption</i>	Byråkratisk eller administrativ korrupsjon, som innebærer statsansattes manipulering og misbruk av regelverket for å oppnå private fordeler.
<i>Baksheesh</i>	Bestikkelse, returprovisjon, “smøring”.
<i>Bribery</i>	Bestikkelse, korrupsjon <i>per se</i> ; innebærer samhandling mellom minst to parter, den korruperte og den korrumperende.
<i>Checks and balances</i>	Maktdelingsprinsippet, institusjonelle og politiske ordninger som sikrer balanse mellom statsmaktene (lovgivende, utøvende og dømmende makt) samt mekanismer for folkelig deltakelse og kontroll.
<i>Crony/cronyism</i>	Kamerat/kameraderi; brukes ofte om forbindelsen mellom politiske ledere og businessmenn der det skapes ikke-produktive inntekter gjennom politisk skapte monopolsituasjoner.
<i>Embezzlement</i>	Underslag, økonomisk utroskap; innebærer det å stjele fra (offentlige) etater der man er ansatt.
<i>Extortion</i>	Utpressing, pengeutpressing; innebærer et element av vold og trusler.
<i>Favouritism</i>	Favorittisme, begunstigelse av “ens egne” ut i fra familietilhørighet, klan, etnisitet, religion eller lignende.
<i>FCPA, "Foreign Corrupt Practices Act"</i>	Amerikansk lov som forbyr amerikanske selskaper å bruke bestikkelser for å oppnå kontrakter i utlandet (lite effektiv overfor flernasjonale selskaper).
<i>Fraud</i>	Svindel, bedrageri, økonomisk kriminalitet; innebærer et element av lureri, svindel.
<i>Fraud investigator</i>	Etterforsker av økonomisk kriminalitet.
<i>Gift-giving</i>	Gave-giving; kulturelt legitimert praksis der ”gaver” gis som gjenytelse for (offentlige) tjenester .
<i>Graft</i>	Grådighet, korrupsjon, bestikkelser; særlig forstått som maktmisbruk for å skaffe seg penger eller (offentlig) stilling.
<i>Grand corruption</i>	”Storskalakorrupsjon”, dss. politisk korrupsjon, korrupsjon på det politiske topp-plan.
<i>Grease money</i>	“Smøring”, bestikkelser.

<i>ICB, "International Competitive Bidding"</i>	Standard for internasjonale anbud og innkjøp, kreves fulgt av land som får infrastrukturlån av Verdensbanken.
<i>Kickbacks</i>	Returprovisjon, del av kontraktssummen som betales tilbake som privat fordel, dvs. korrupsjon av offentlig tjenestemann med makt til å inngå kontrakter.
<i>Kleptocracy</i>	"Kleptokrati", styreform eller regimetype der den herskende eliten benytter korrupsjon og andre ekstraskjansmekansmer for å berike seg selv.
<i>Money laundering</i>	"Pengevasking", resirkulering og reinvestering av illegalt tjente penger i legale virksomheter, for å skjule deres illegale opprinnelse.
<i>Nepotism</i>	Nepotisme, dvs. favorisering/begunstigelse av egen familie og slektninger.
<i>Payoffs</i>	"Smøring", bestikkelser, sluttoppgjør.
<i>Patronage</i>	Beskyttelse, støtte; system der gjensidige fordeler utveksles mellom aktører på forskjellig sosialt nivå. Generelt favorisering av ens egne (venner, "klienter", støttespillere, avhengige), spesielt om situasjoner der businessinteresser er avhengig av staten for å drive.
<i>Petty corruption</i>	"Småskala-korrupsjon", "hverdagskorrupsjon"; gjerne kalt byråkratisk eller administrativ korrupsjon.
<i>Political corruption</i>	Politisk korrupsjon, korrupsjon som involverer politiske beslutningstakere og som innebærer regelmanipulasjon og systemtilpasninger for å oppnå private fordeler.
<i>Prebend/prebendal</i>	"Prebende", egentlig inntekt av kirkelig jordegods, brukt synonymt med "rent/rentier", dvs. ikke-produktive inntekter.
<i>Principal-agent theory</i>	Prinsipal-agent teori; teori innen økonomisk analyse av korrupsjon der en ser på betydningen av informasjon, insentiver og transaksjoner mellom over- og underordnede i byråkratiske strukturer.
<i>Procurement codes</i>	Nasjonale regelverk for anbud på varer og tjenester.
<i>Rent seeking</i>	Ikke-produktiv økonomisk aktivitet, søken etter ekstraskjansmuligheter for privat forbruk gjennom primitiv akkumulasjon (som korrupsjon, spekulasjon, utpressing via naturlige og skapte monopoler og begrensninger).
<i>Spoilation</i>	Utplyndring og ødeleggelse, brukt om korrupte politiske eliter og makthaveres økonomiske kriminalitet.
<i>Sweeteners</i>	"Smøring"; bestikkelser.
<i>Transparency International</i>	Anerkjent internasjonal organisasjon (NGO) som jobber mot korrupsjon.
<i>Whistleblowers</i>	Tystere; de som melder ifra om korrupsjon (og andre illegale handlinger). Kan trenge beskyttelse, kan være falske.