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Beyond the lag. How to predict
and understand evolutions
towards good governance?

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www.againstcorruption.eu

Abstract

This paper tries to forecast good governance evolutions by drawing on the time trends of Index of Public Integrity's sub-components¹. Previous work has showed these to be powerful determinants of control of corruption: judicial independence, freedom of the press, administrative burden, trade openness, as well as the proxies of budget transparency and e-citizenship are considered. Their determinants power proves weaker across time than across countries, as the first sections of this paper shows. Based on their trends, we identify several leaders and backsliders. However, more often than not the progress of countries on some items is offset by regress on others. This makes it difficult to understand country trends based only on quantitative measures. We therefore combine this approach with other elements to produce a pilot forecast:

1. Ten years trends of determinants of corruption/the public integrity framework (components of the Index for Public Integrity, IPI), or their related proxies, when not available.
2. The IPI evolution since 2015
3. Qualitative elements, such as recent windows of opportunity (such as elections won with an anticorruption mandate) and implementation gaps (distance between formal treaties/conventions signed and their implementation)
4. The potential critical mass demanding good governance and its digital empowerment *at the present moment* (e-citizens), as well as other proxies or good governance demand.

This forecast thus blends numerical and qualitative indicators. N=124 countries for which data was available

Keywords: Corruption, forecasting, index of public integrity, anti-corruption policy

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1. Lagging governance or lagging indicators?

While research of the last twenty years from academia, OECD and Bretton Woods institutions has created more tools to study good governance than ever before, **knowledge remains scarce on what triggers institutional evolution. The most popular governance indicators are perception ones, which have proved vulnerable to the reputation loss of countries.** In Europe, high deficit countries, most notably Greece, deteriorated on their *Corruption Perception Index* after the euro crisis hit, exactly when they had embarked on reforms to correct imbalances and rationalize their governance. Once the popular perception attributed their economic problems to their chronic governance quality, experts rushed to correct their previously high rankings, thus punishing precisely the more reform-minded governments, which were trying to fix the problem.

Measurement of institutional change is a formidable problem, and despite advances in corruption measurement due to open data there is little guidance for policymakers. A United Nations Development Programme review report noted on the measurement of corruption: 'To put it plainly, there is little value in a measurement if it does not tell us what needs to be fixed' (UNDP 2008, p. 8). We need to establish both the incidence of corruption and its evolution over time if we are to succeed in diagnosing and solving problems of governance or institutional quality in public policy.

While the obstacles have proved important for obvious reasons, such as the hidden nature of corruption (although that varies greatly according to the prevalence of the phenomenon), such obstacles are also over-estimated because of limited communication across disciplines or simply the reluctance of policy actors to open access to publicly derived data. Following the lead of Johnston (2010) who argued that the kind of evidence that we should prioritize should help reformers identify anti-corruption priorities, apply effective countermeasures and track the effects of their efforts we briefly review in this paper the potential of the most powerful corruption determinants to predict change in control of corruption.

Due both to their general definition of corruption as *quality of governance* and their constitutive process as aggregates, the widely used perception indicators from Transparency International or World Bank have proved rather insensitive to change. Expert scores, as Daniel Treisman (2007) remarks, raise uncertainty as to what sort of lags one should expect before political or economic changes influence perceived corruption (p. 220). Comparing across averages may also be seen as problematic in itself, in particular since the number of sources varies across countries because certain countries have more experts rating them, others fewer, which may feed bias (as in the case of Qatar, consistently rated well in the years when corruption allegations over the World Cup and defence contract bribery were emerging). Furthermore, new sources keep being added and others discontinued (Kaufmann and al 1999). The World Bank researchers Kaufmann and Kraay (2002) calculated transparently that about half the variance over time in the World Bank indexes for Rule of Law and CoC resulted not from evolution of scores within individual sources but from changes in the sources used and the weights assigned to different sources (pp. 13–14). Nevertheless, they later argued that certain changes over longer periods are indeed significant (Kaufmann and al 2007). CoC has a confidence error built in that essentially measures consistency across sources and checks for significant change. However, only a handful of countries evolved to the upper third of the scale, where corruption becomes an exception, and in fact, hardly any did if we remove the Caribbean tax havens (Mungiu-Pippidi and Johnston 2017).

There is not much actionability in such results, even if they might reflect the reality of governance lag. First, too little change exists that we can trust to be real change. Second, the indicators cannot suggest reasons for change or lack of it and are too non-specific to tell us where government fails or where it improves. It is not even clear if what is measured is how corrupt a government is or how corrupt its society is: in fact, it is probably both. Nevertheless, the available results are widely used by international aid donors, chancelleries of various governments and the media. More often than not they are misused, mostly by citing ranks across time for different numbers of countries assessed yearly (with CPI), or interpreting small differences which, given the arbitrariness of scaling, have no significance at all (Andersson and Heywood 2009). Largely, while corruption aggregates play a largely positive role in research and raising awareness of the problem of corruption, they proved less useful as tools with which to guide action.

2. IPI as innovation and its limitations

Yet the capacity to control corruption and enforce public integrity at the country level could and should be measured, since the national context is both the arena for socializing citizens into the dominant norm of honesty and the site of major policy action (Mungiu-Pippidi 2015; Gächter and Schulz 2016). Mungiu-Pippidi and Dadašov (2016) offered an attempt to organize the empirical findings of the vast literature predicting corruption at national level to derive a measurement, the Index for Public Integrity (IPI)¹. Corruption determinants can be divided into either factors that generate corruption – resources or opportunities – or constraints – factors that can hinder corruption (Mungiu-Pippidi 2015, ch. 4). Resources and constraints are to a great extent development dependent (proxied by the Human Development Index, which explains about half the variance in corruption), and after testing their associations and interactions one most effective proxy per category was selected to illustrate the categories, with a principal component then extracted. The selected proxies are listed below, and their association with perception of corruption (with development control) is shown in Table 1.

For resources/opportunities:

- *Administrative burden* measures the extent of domestic bureaucratic regulation, which results in higher risk of corruption. The component is constructed by combining the average number of procedures and the time needed to start a business and pay corporate tax. The data stems from the World Bank's Doing Business dataset.
- *Trade openness* measures the extent of regulation concerning a country's external economic activity. The component uses data from the World Bank's Doing Business datasets to combine the average number of procedures and time taken to export and import goods.
- *Budget transparency* measures to what extent the public has access to documents allowing it to control discretionary public spending. The component is based on selected questions, which are used for the Open Budget Survey provided by the International Budget Partnership.

For constraints:

- *Judicial independence* captures to what extent the judicial system is autonomous from both government and private interests. The data stems from the Global Competitiveness survey developed by the World Economic Forum.
- *E-citizenship* captures the ability of citizens to use online tools and social media to exercise social accountability. The component is constructed by combining the number of broadband

¹ Available at www.integrity-index.org

subscriptions and internet users with the proportion of Facebook users among the population. The data stems from the International Telecommunication Union and Internet World Stats.

- *Freedom of the press* measures the degree of media independence resulting from a specific national legal, political and economic environment. Free media are indispensable for monitoring democratic institutions, public accountability and good government. The component is a fraction of the Freedom House’s Freedom of the Press report.

Table 1: The predictive power of proxies of the Index for Public Integrity

Proxy	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
HDI	3.873*** -7.8	2.973*** -5.48	4.431*** -9.15	2.436*** -7.25	-0.291 (-0.25)	3.031*** -8.03
Administrative Burden	0.162*** -4.26					
Trade Openness		0.188*** -5.56				
Budget Transparency			0.051* -1.74			
Judicial Independence				0.329*** -14.74		
E-Citizenship					0.312*** -4.22	
Freedom of the Press						0.194*** -7.91
Constant	-4.087*** (-11.84)	-3.470*** (-10.32)	-3.560*** (-9.10)	-3.576*** (-16.19)	-1.442** (-2.82)	-3.310*** (-12.11)
Countries	105	105	105	105	105	105
Adj. R-squared	0.549	0.581	0.511	0.831	0.584	0.68

Source: Mungiu-Pippidi and Dadašov (2016)

Legend: OLS regressions. The dependent variable is the WGI CoC 2014. HDI = Human Development Index from the United Nations Development Programme; t statistics in parentheses with * p < 0.05; ** p < 0.01; *** p < 0.001. Robust standard errors are used. N=105.

IPI predicts 87 percent of CPI, 52 percent of the Global Corruption Barometer main question (‘How many officials are corrupt?’ for a universe of 91 countries) and correlates at over 60 percent with non-competitive tenders for the 28-member European Union (EU). Some of its components are less heavily dependent than others on development, and so government action can modify them more easily, such as reducing red tape or fiscal transparency.

Proxies of IPI can be improved or changed as long as the theoretical model of factors generating opportunities versus constraints remain the baseline, allowing the calculation of a similar index for policy sectors and regions (Drapalova 2017). The index offers a basic starting point for redressing a country’s control of corruption, with the index webpage displaying comparisons on every component for countries from the same income group or region.

While IPI predicts variation across countries successfully and offers a guide for action, does it predict change better than existing indicators? Limitations to the predictive capacity of IPI clearly exist, some by design. First, although all its factors are actionable, some, like e-citizens, are development dependent. Second, as the goal is actionability, IPI overlooks some factors reported in the literature as contributing to corruption, like ethnic fractionalization or natural resources.

Due to lack of data other than estimates it also overlooks informality, which is not only a resource for corruption, but may prove a useful reform area, as the example of some recent achievers (like Uruguay) show. Finally, although all components are validated in panel regressions as reported in Mungiu-Pippidi and Dadasov 2016, panel data analysis with fixed effects shows that their predictive value is far greater across countries than across time.

Interpreting IPI change is therefore not very likely to tell us much for the four years interval the index existed. A far better strategy would be to trace its components in time, since we know they are powerful determinants of corruption. Again, difficulties arise due to short historical data on Facebook, and the reduced coverage on budget transparency. To supplant them, we identify two close proxies¹, already tested in Mungiu-Pippidi and Kukutschka 2014.

- **OSI (Open Service Index)** by United Nations stands for government transparency, measured by an expert assessment of each country's national website in the native language, including the national portal, e-services portal and e-participation portal, as well as the websites of the related ministries of education, labour, social services, health, finance and environment as applicable;
- **EPI (E-participation index)**, which is derived as a supplementary index to the UN E-Government Survey. It extends the dimension of the survey by focusing on the use of online services to facilitate provision of information by governments to citizens ("e-information sharing"), interaction with stakeholders ("e-consultation") and engagement in decision-making processes. It includes:
 - a) E-information: Enabling participation by providing citizens with public information and access to information without or upon demand
 - b) E-consultation: Engaging citizens in contributions to and deliberation on public policies and services
 - c) E-decision-making: Empowering citizens through co-design of policy options and coproduction of service components and delivery modalities

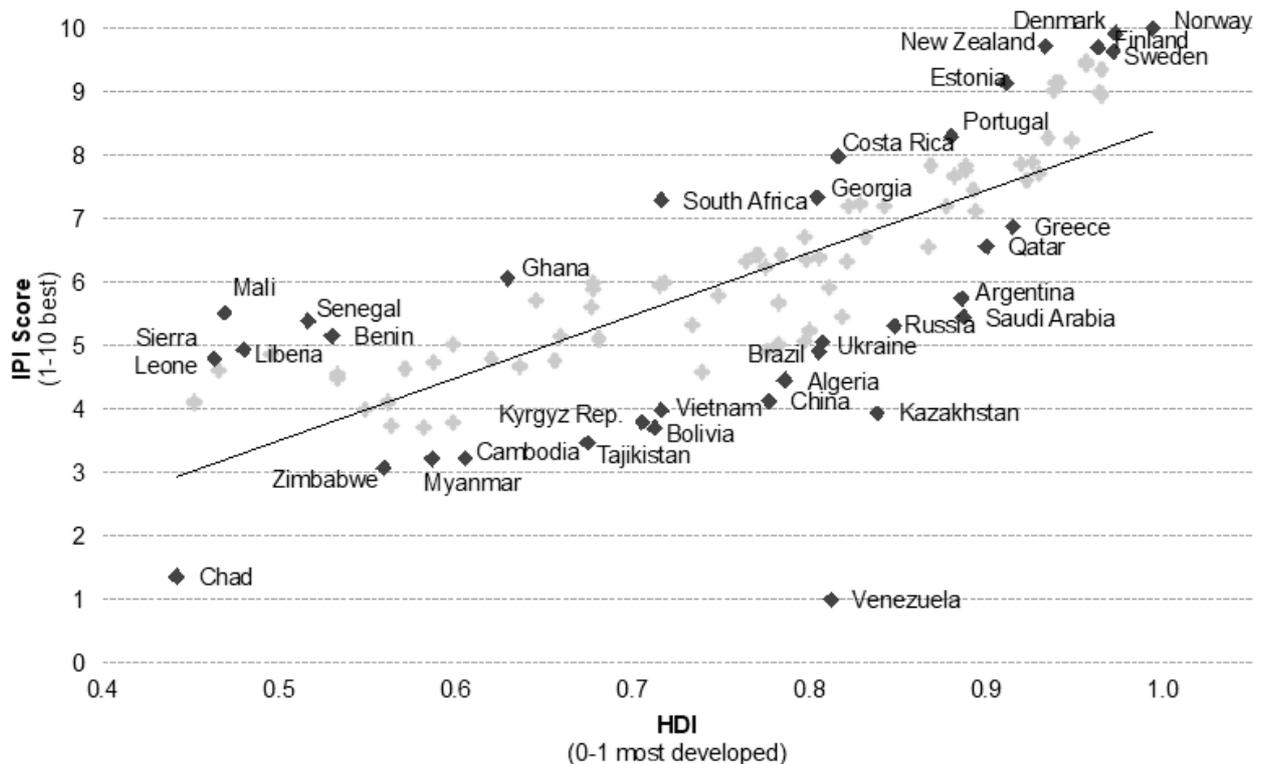
Our inquiry strategy therefore is exploratory and meant to offer only some reflection on both indicators and change. On one hand, we associate change in control of corruption and in IPI components, being however aware of their limitations. On the other, we survey continents in detail to select leaders, backsliders and laggards (using criteria involving more than two components) and thus compensate qualitatively for both the lags and what we know are powerful *interactions* between IPI components as reported in Mungiu-Pippidi and Dadasov 2016, between resources and constraints.

3. Beyond modernization theory

Lagging and non-actionable indicators are an important problem, but not the only one. Theories of change of governance and of building control of corruption remain vague and poorly proven, plagued by endogeneity or over simplification (Mungiu-Pippidi and Johnston 2018). Modernization theory supporters would expect that governance improves following an improvement in development, proxied by Human Development Index. HDI explains more than half the variance in cross-sectional regressions, with most recent governance achievers and some classic ones as positive outliers (Singapore, Netherlands, New Zealand, Bhutan, Rwanda, Botswana, Chile, Norway), and as negative outliers (performing worse on governance than their HDI would predict Mexico, Argentina, Brazil, Italy, Greece, Qatar, Central Asian Central Asian countries, Russia, China, Vietnam, Myanmar, Chad and Venezuela).

¹ <https://publicadministration.un.org/egovkb/Portals/egovkb/Documents/un/2016-Survey/Annexes.pdf>

Figure 1. The association between IPI and development

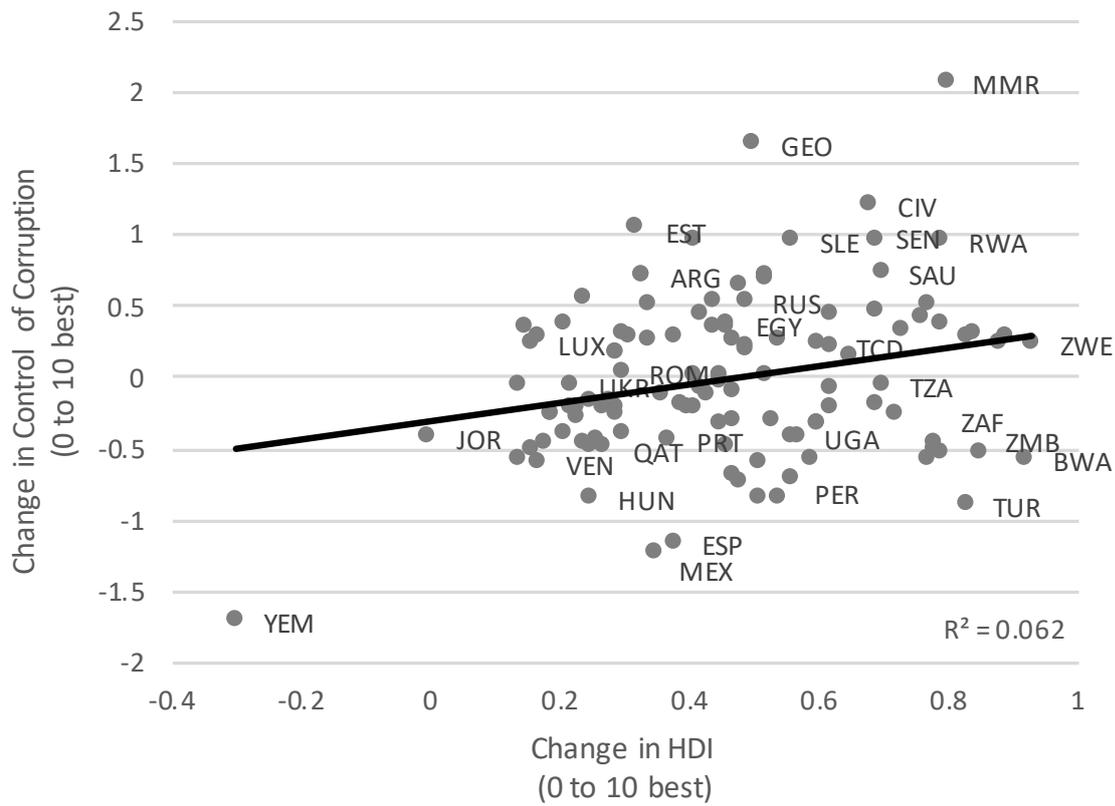


Source: IPI (ERCAS) 2017 and HDI (UNDP) 2016.

The association of IPI with HDI is highly significant, but about 40% of the cases deviate from the rule (Adj Rsq=64). Positive outliers are the classic achievers (Scandinavians, New Zealand), contemporary achievers (Portugal, Costa Rica, Georgia, South Africa) and countries well under good governance still: Ghana, Senegal, Benin, Mali, Liberia and Sierra Leone. The negative outliers cover all development spectrum, ranging from Greece, Argentina and Qatar to Zimbabwe. The chart uses IPI 2017: in 2019 Myanmar, a negative outlier, has progressed significantly. We interpret this chart as suggestive for the fact that agency is not entirely grounded in development, and can succeed or fail on its own or combined with various contingencies.

We have tested a change in HDI against a change in control of corruption next. The change in HDI fails to predict the change of governance as the next three charts (Figure 2-5) illustrate. Two components of HDI tested separately, life expectancy and education show similar poor correlation, despite improving in the time interval studied. In addition, the increase in Internet coverage by itself is not a significant predictor of change in governance.

Figure 2. Change in HDI does not predict change in corruption



Data source: World Bank WGI and UNDP.

Legend: association of change in both indicators for ten years (2008-2018), OLS.

Figure 3. Education and control of corruption trends in time

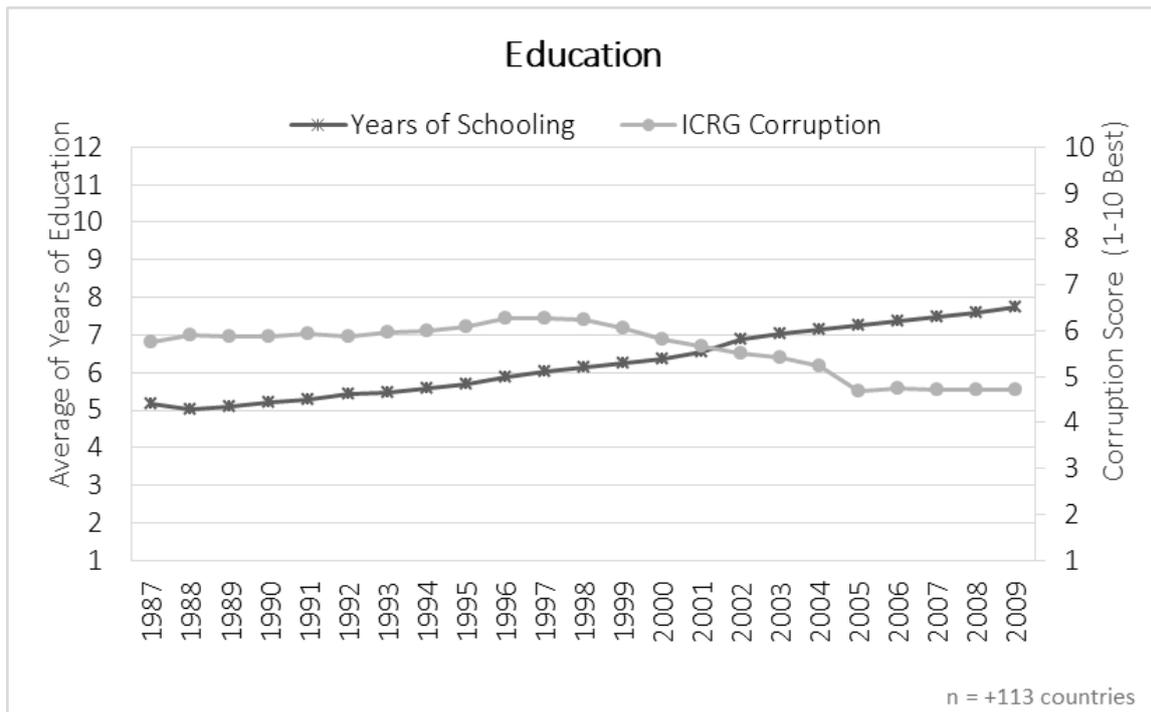
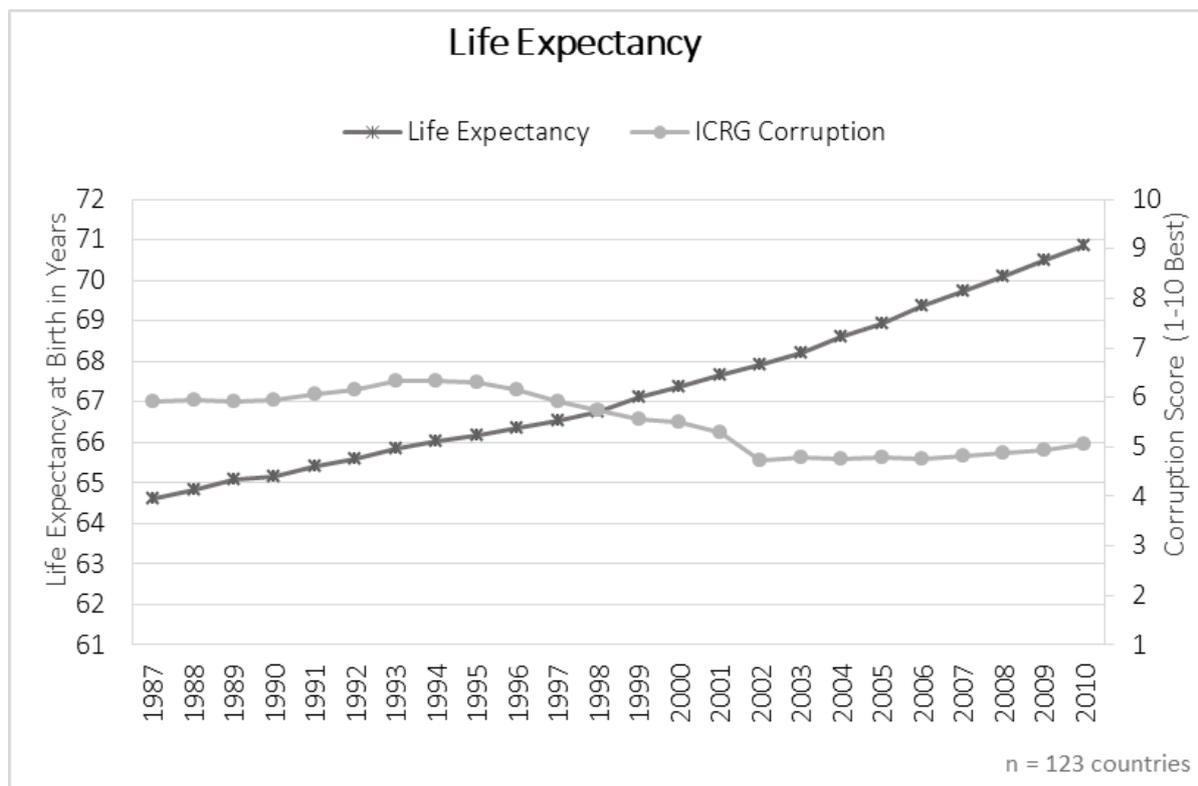


Figure 4. Life expectancy and control of corruption trends in time

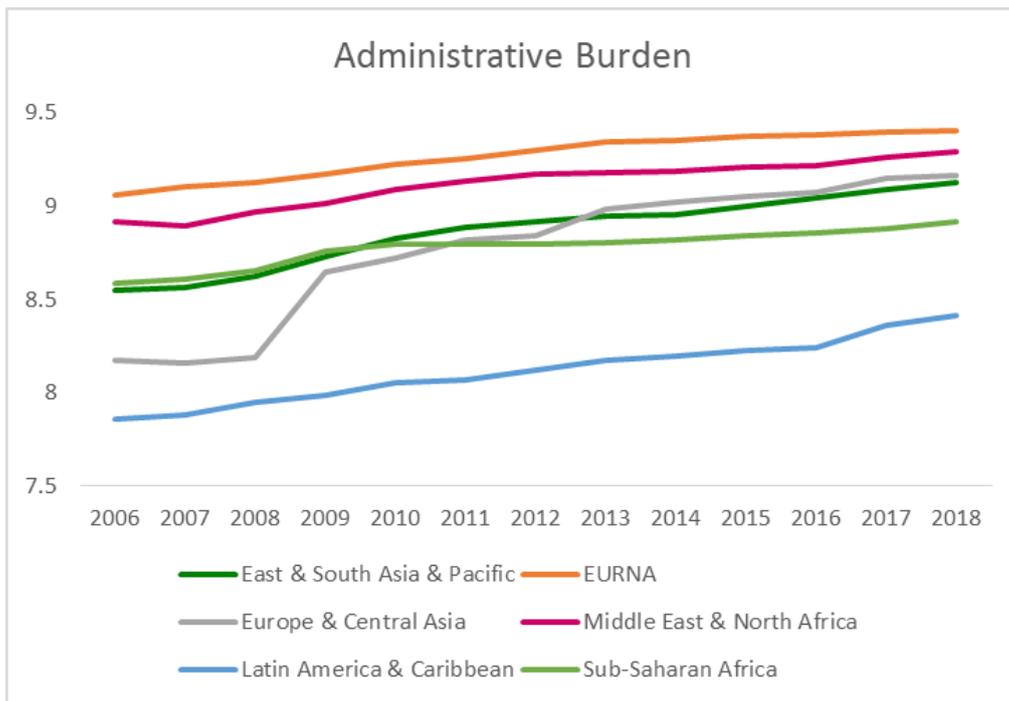


4. Reduction of power discretion

One theory of change grounded in classic corruption scholarship (social choice) argues that corruption might go down if transaction costs are simplified and regulatory quality improved. Improvements in transparency and reduction of administrative burden are supposed to deliver progress. Therefore, we next examine if reductions in transaction costs as proxied by administrative burden and trade openness index, increases in fiscal transparency and e-government took place, and if they predict changes on corruption.

Administrative burden decreased significantly in the last ten years, with major progress by a variety of countries across continents and political regimes: Azerbaijan, Vietnam, Morocco, Tajikistan, China, as well as Costa Rica, Colombia, Brazil, Guatemala, India, Tunisia, Timor-Leste, to name only the top achievers. Giving the nature of the indicator (time and number of procedures to register a business and pay taxes) there is only positive evolution. The least progress is in Europe and Middle East with North Africa, due to very good levels that the regions had already. Latin America (see Figure 5) gained a half point on the 0-10 scale, with Brazil only having still much potential to improve in this area. Progress is also impressive in sub-Saharan Africa, selected Asian countries and particularly Eastern Europe. Sub-Saharan Africa seems to have the greatest association, with older (Rwanda, Ghana) and newer (Senegal, Kenya, Angola, Ivory Coast) progress cases confirming the rule that reduction of administrative burden seems to bring about a reduction of corruption.

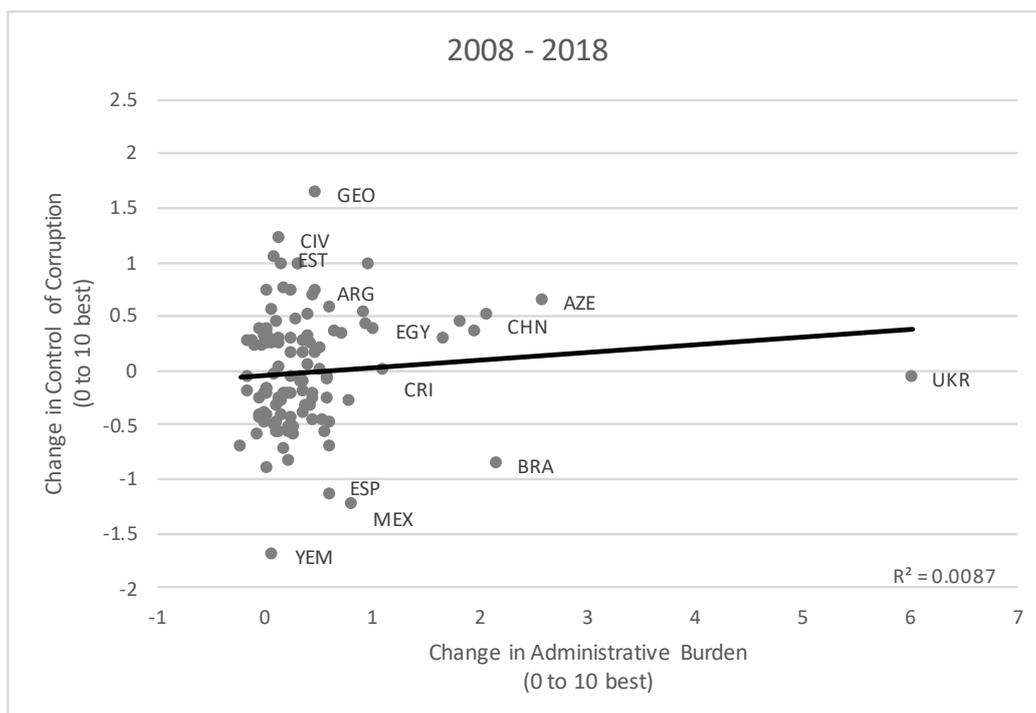
Figure 5. Reduction of administrative burden across regions



Data source: World Bank Doing Business as in Public Integrity Index. Scale 0-10, 10 implying the lowest burden.

When testing improvement of administrative burden versus change in control of corruption the association is significant, but explains very little of the variance. The same happens with trade openness, where there is also quite significant progress in some countries, although less on the whole. Alongside import-export red tape, we checked if increase in trade itself seem to have any impact (see Figure 7).

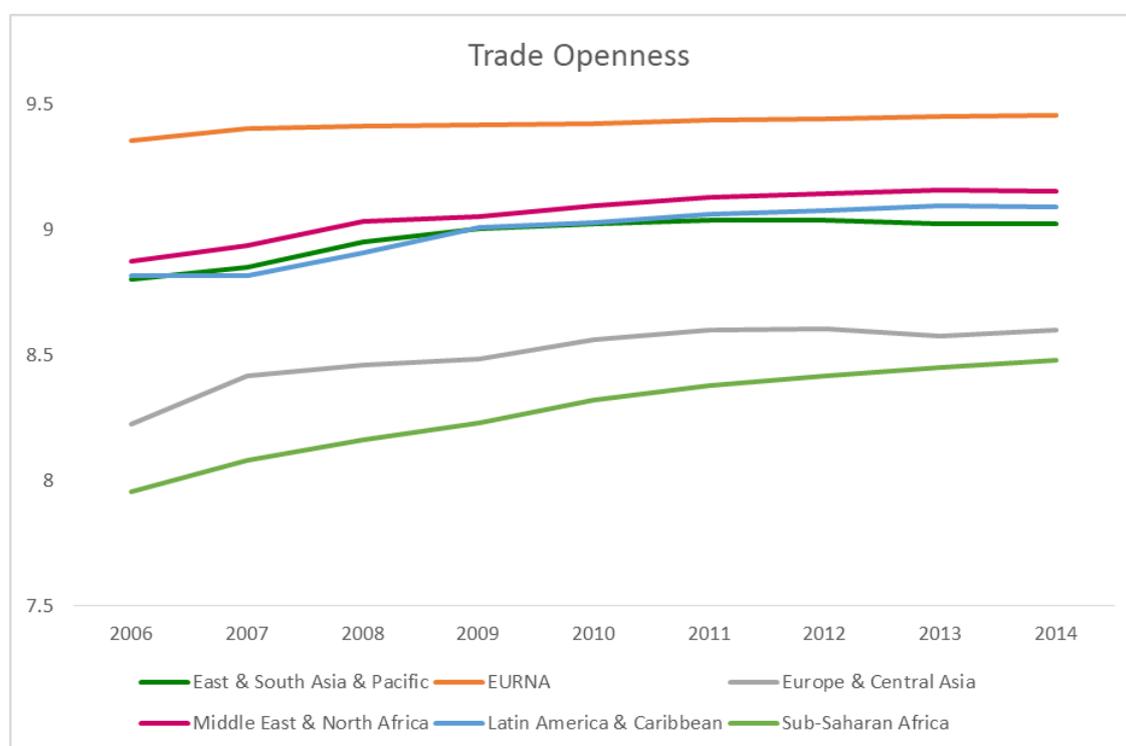
Figure 6. Change in administrative burden versus change in control of corruption



Source: World Bank Doing Business as in Public Integrity Index and World Bank Control of Corruption, scaled 1-10.

Improvement on red tape might not explain more of control of corruption change simply because a part of the change variable that we use (difference across years) is noise resulting from the normalization of original ratings or other problems related to the methodology. Alternative explanations also exist as to the limited capacity of red tape to predict change. Countries game the indicators, without much happening de facto- change remains superficial and barriers simply move elsewhere. North Macedonia, whose application to join EU has just been indefinitely postponed is an illustrative case. The country has reached top of the world in Doing Business World Bank indicator even during the previous regime, which made the object of much ridicule¹. North Macedonia declined in IPI from 2015 on (7.06 to 6.59), despite being in 2015 the best performer in its income group on Administrative Burden. The reason is what seems to be an unaccountable decline in the two basic political indicators, press freedom (a regional trend) and judicial independence as measured by WEF and used in IPI. This leads to another explanation: Factors that are more powerful offset the administrative burden reduction. South Africa raised on top of the world on fiscal transparency, but registered declines in other areas - similar to Macedonia.

Figure 7. Increase in trade openness across regions



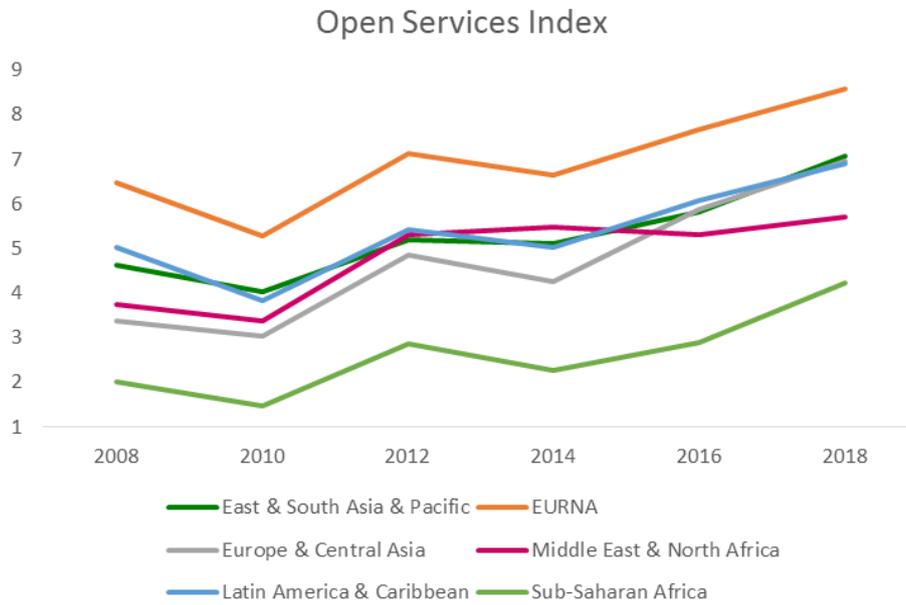
Data source: World Bank Doing Business Trade Openness as in Public Integrity Index and World Bank Control of Corruption. Scores are transformed to a 0 – 10 scale, with 10 implying the highest openness. Data is only available until 2014 due to a subsequent change in methodology

All the proxies are significant determinants of change, although their explanatory power is small. This is good news, because alongside red tape reduction, e-government (e-services offered) and fiscal transparency, the other proxies for reducing power discretion have also progressed, although less than some expectations. For a continent like sub-Saharan Africa, which started from a very low level, progress on e-government is significant, but has not yet reached the level to make a fundamental difference in the way the state delivers services (see Figure 8). However, when change

¹ https://www.esiweb.org/index.php?lang=en&id=67&newsletter_ID=85

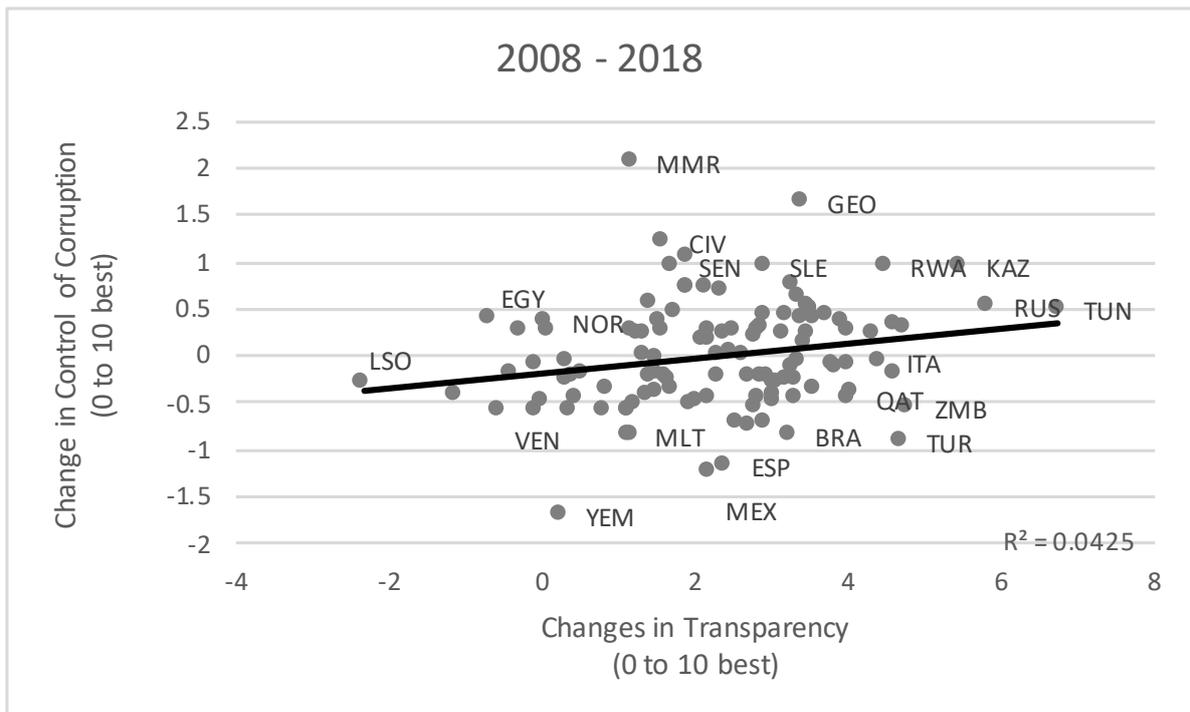
in online services offered is looked at in relation with the change in control of corruption scores, it explains only very little variation of changes in countries across time.

Figure 8. Global evolution of online services offered



Data source: United Nations Open Services Index (2008-2018), 0 – 10 scale, with 10 being the highest score.

Figure 9. Change in online services offered does not correlate with change in corruption



Data source: World Bank Control of Corruption and United Nations Open Services Index (2008-2018), transformed to a 0 – 10 scale, with 10 implying the highest score.

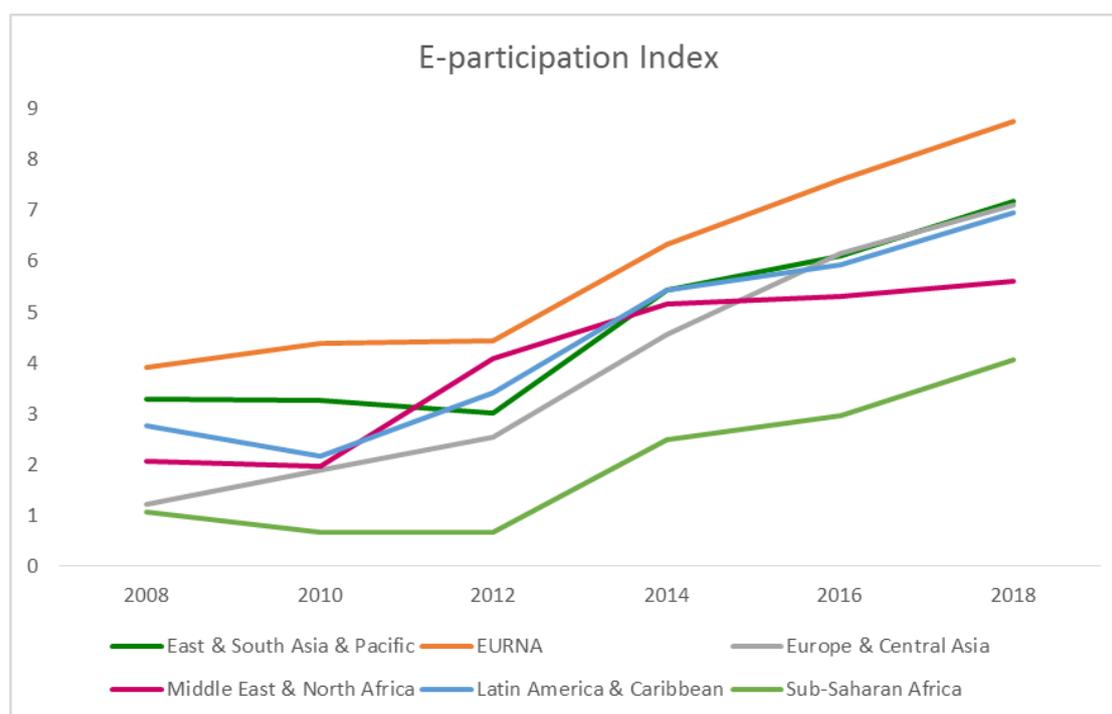
There is still much room for improvement on fiscal transparency, even if business registration has progressed. This is the actionable area with the greatest potential, although unfortunately the least documented in this report due to absence of sufficient historical data for Open Budget survey.

5. Civil society and empowered citizens

We examine next the performance of the Tocqueville based hypothesis, that societies with a higher degree of associativity and collective action capacity have better quality of governance. These are difficult proxies to find, seeing how recent Facebook still is, although a clear connection exists between the rise of global demand for good governance in the streets and social media mobilization. While the growth of Internet does not represent enough empowerment, e-participation as measured by the UN is a proxy for digital citizens' capacity to exercise demand. It seems to be significant in bivariate regressions and across our continental survey. However, when controlling for development changes its significance is lost. Engaged citizens using e-government tools do seem to improve governance, although the explanatory power of this item (and every other) is small. Over ten years, the global average tripled with changes across all regions, signaling the rise of significant numbers of digitally empowered citizens (see Figure 10). This is a new resource for control of corruption, substituting for classic associations, and needs careful monitoring. So far, if we remove developed countries, numbers are still insufficient for critical mass in many developing nations, but the growth is impressive, including in the poorest continent of sub-Saharan Africa.

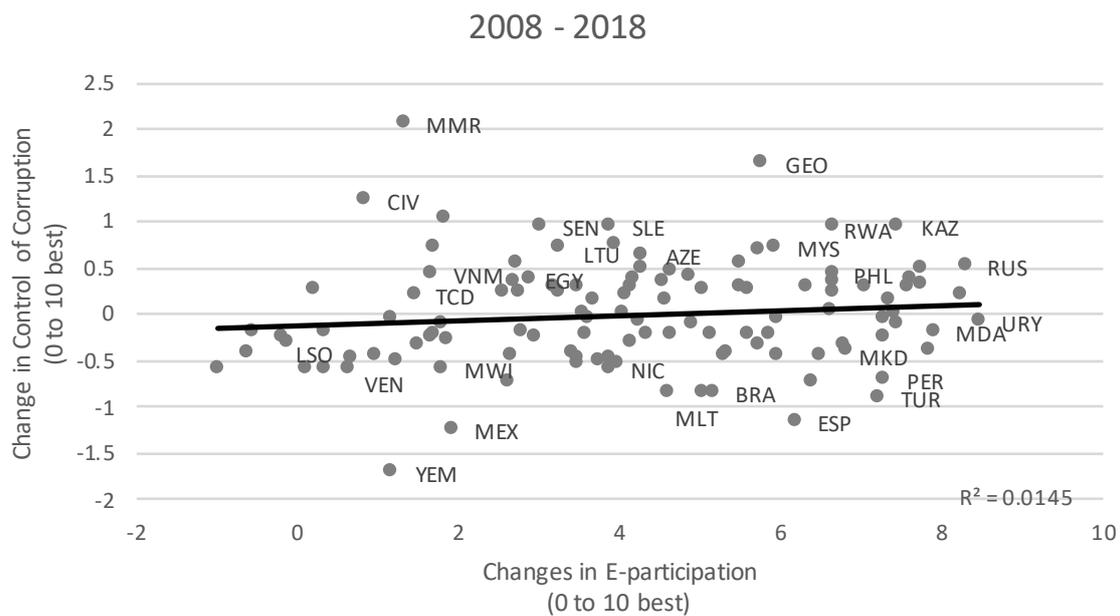
While all continents and also the majority of countries evolved to a greater digital citizen empowerment, this alone did not automatically translate to a better control of corruption in countries (Figure 11).

Figure 10. Digital empowerment evolution



Data source: United Nations E-participation Index (2008-2018), scaled to 0 – 10, with 10 being the highest score.

Figure 11. Digital empowerment and change in corruption

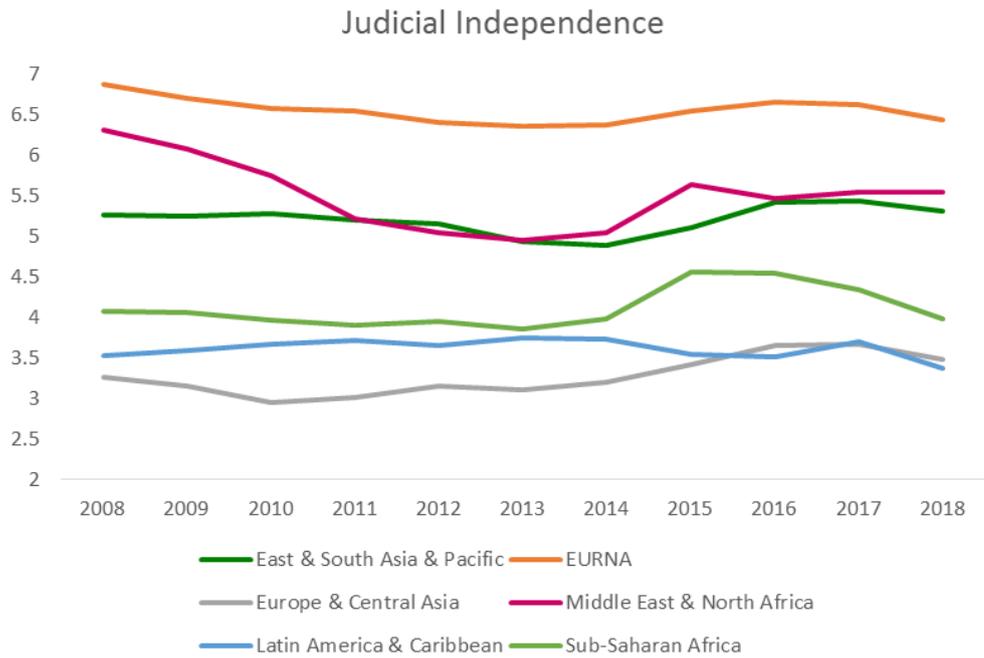


Data source: World Bank Control of Corruption and United Nations E-participation Index (2008-2018), scaled to 0 – 10, with 10 being the highest score.

6. Rule of law and judicial independence

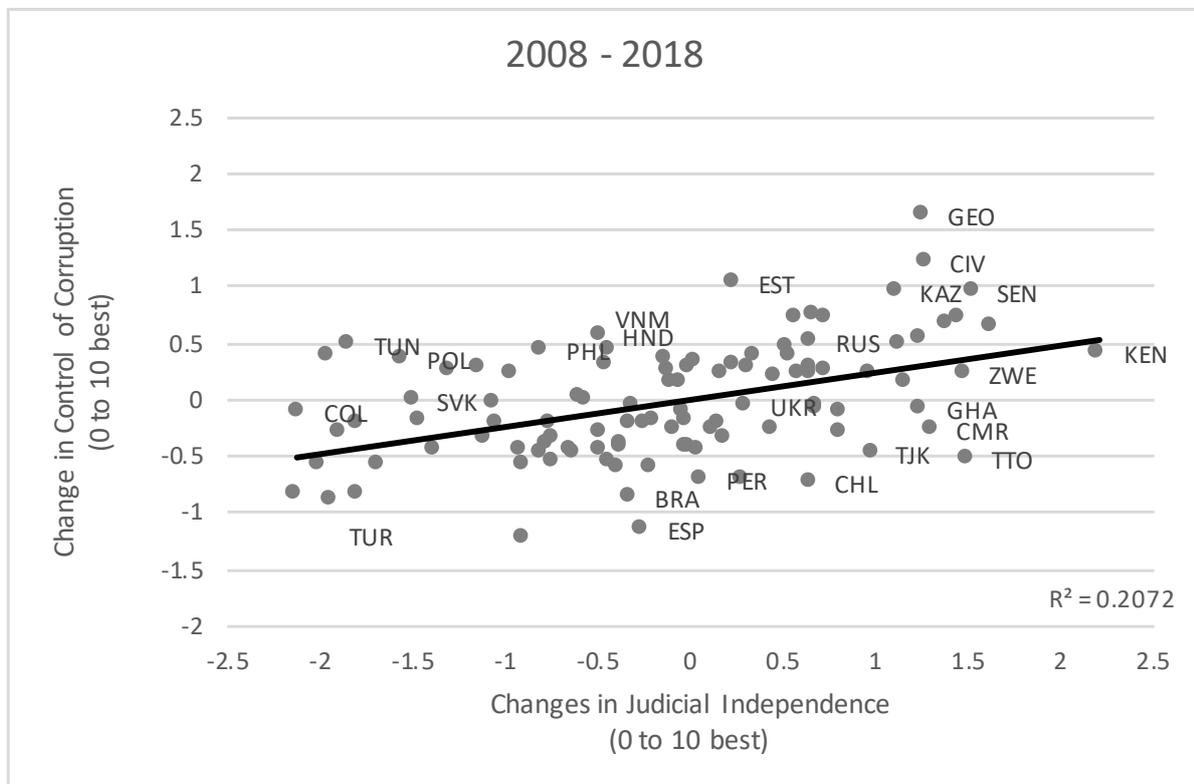
The evolution of judiciary independence across a ten-year period has not been linear, with an overall trend being slightly negative (Figure 12). Previous literature used for the documentation of the IPI reported an important role of judicial independence, proxied by the World Economic Forum GCR survey item. Countries that have seen an improvement in the independence of the judiciary should thus see an improvement in the control of corruption. However, **data limitations apply, so testing needs to** be restricted to just ten years, and exclude many cases of interest. Nevertheless, the item is significant even with control for development in predicting change in control of corruption, although it explains very little of the variation (Figure 13). For instance, the two countries with most extensive anticorruption campaigns in the world in the last decade, Brazil and Romania, have progressed on Judicial independence (recoded 0-10) about a point each, similar with progress registered by Egypt after the Arab spring and before the assault on the judiciary began, so for a far shorter interval of time and more controversial history.

Figure 12. Evolution of judicial independence 2008-2018



Data source: World Economic Forum Judicial Independence (2008-2018), scaled to 0–10, with 10 being the highest score.

Figure 13. Judicial independence evolution vs evolution in control of corruption



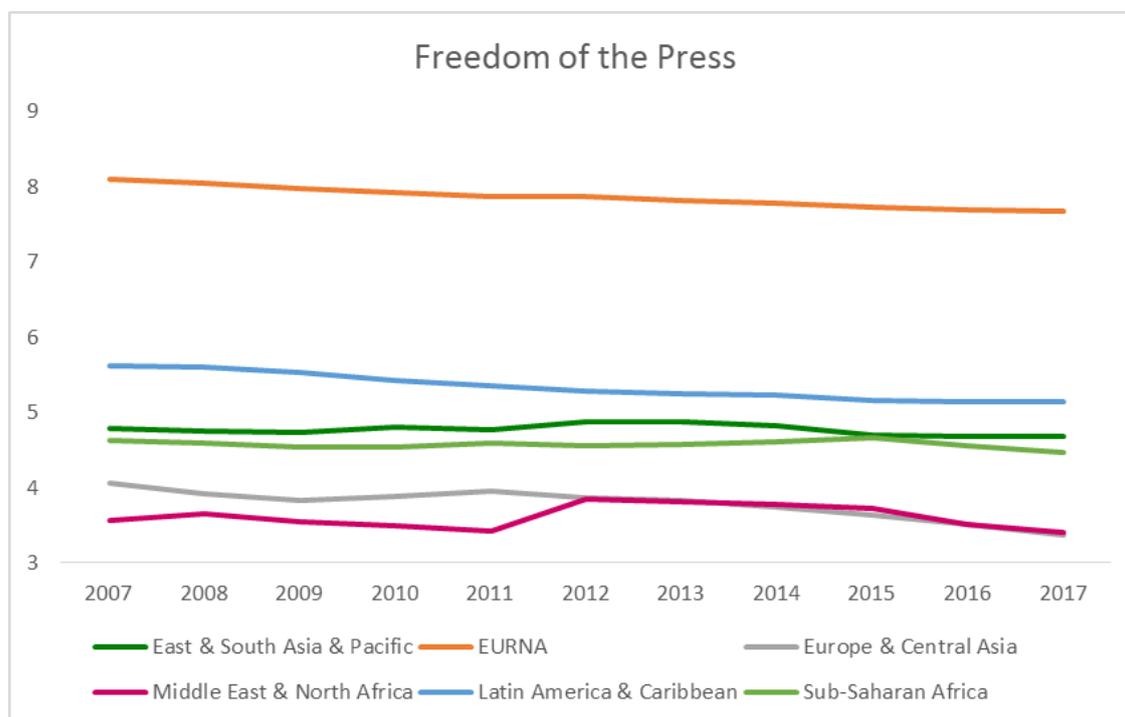
Data source: World Bank Control of Corruption and World Economic Forum Judicial Independence (2008-2018), scaled to 0–10, with 10 being the highest score.

7. Democratic backsliding

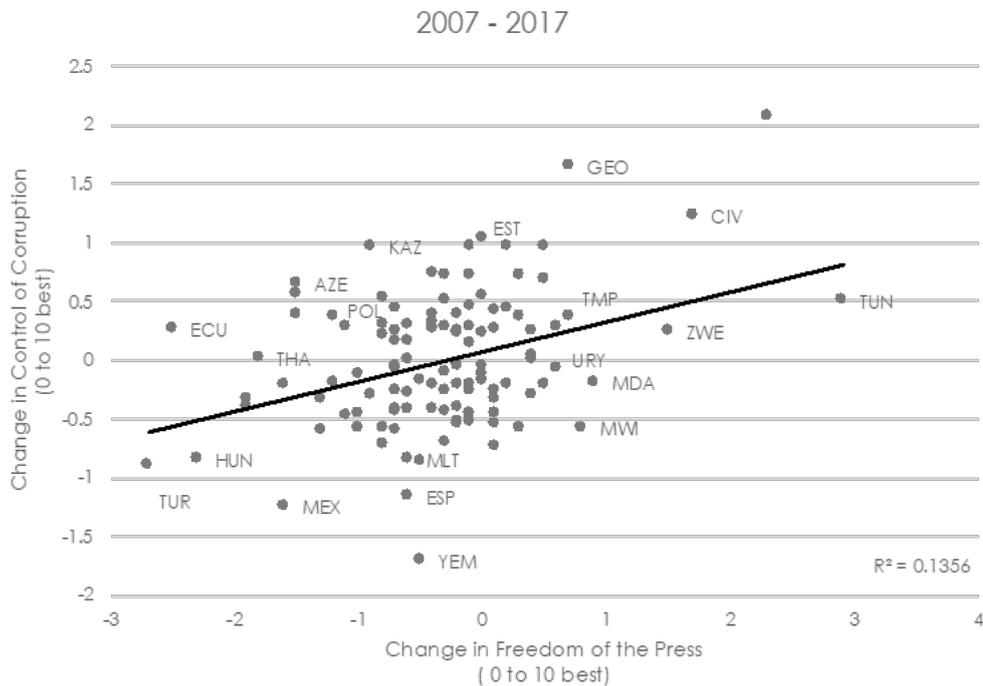
There has been much discussion in the latest years about the backslide of democracy. To test if change (negative or positive) in this area can be used to forecast control of corruption we checked primarily freedom of the press, an IPI component, and additionally civil and political rights measured by the Freedom House (reported as significant in Mungiu-Pippidi 2015:ch 4). Evolutions in both civil and political rights as assessed by Freedom House are significantly associated with IPI 2019 and change in control of corruption. Negative changes in control of corruption provide a chief explanation of global stagnation of corruption, as freedom of the press has been regressing nearly everywhere for the past ten years, starting with more developed areas, such as Europe and Latin America to the least developed ones. In Europe, Romania only made some progress over the ten years interval, while Hungary, Greece, Bulgaria and Poland regressed. In Africa, there is more balance between negative and positive change, but seeing the dismal departure level of change the situation does not improve very much. MENA and Eastern Europe also do not do well (averages in the negative and little to no positive change), and freedom of the press offsets China or Vietnam's advancement on other indicators, although they both progress on IPI since 2015. Figure 14 shows a decline over all continents in freedom of the press.

When we correlate the change in freedom of the press with the change in control of corruption (Figure 15), the relationship shows as significant, albeit explaining around 14% of the change across time.

Figure 14. Freedom of the press involution across continents



Data source: Freedom House Freedom of the Press (2007-2017), transformed to a 0 – 10 scale, with 10 implying the highest freedom.

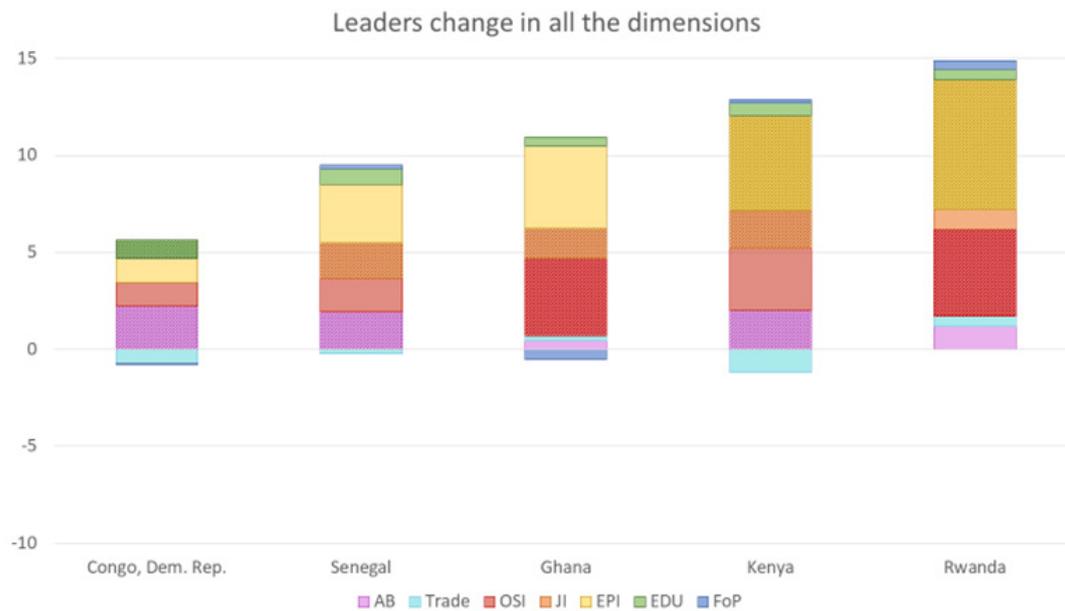
Figure 15. Freedom of the Press involution vs change in Control of Corruption

Data source: World Bank Control of Corruption and World Economic Forum Judicial Independence (2008-2018), scaled to 0 – 10, with 10 being the highest score.

8. Final steps to a forward looking indicator

Combining long term trends of IPI components with the perception indicator CoC and the recent evolutions of IPI is next. For instance, the recent backsliders in IPI are Botswana, Zambia, Tanzania, Poland, Hungary, Cameroon and North Macedonia (the first two significantly more than the rest). Judicial independence and freedom of the press regress largely account for the backsliders. Botswana is an old achieving country, the only one for many years on the African continent, so its backslide is something of a surprise, but consistent with facts: it has been decreasing spectacularly on fiscal transparency, which used to be their strength, and judicial independence. For the other cases, they are in the news and explanations are easy.

Figure 16. Multidimensional African achievement on integrity

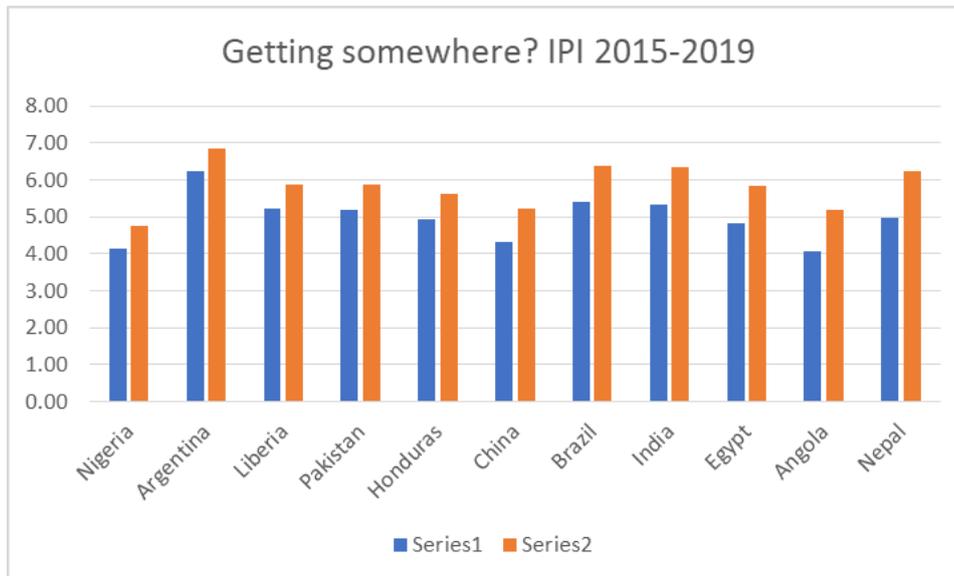
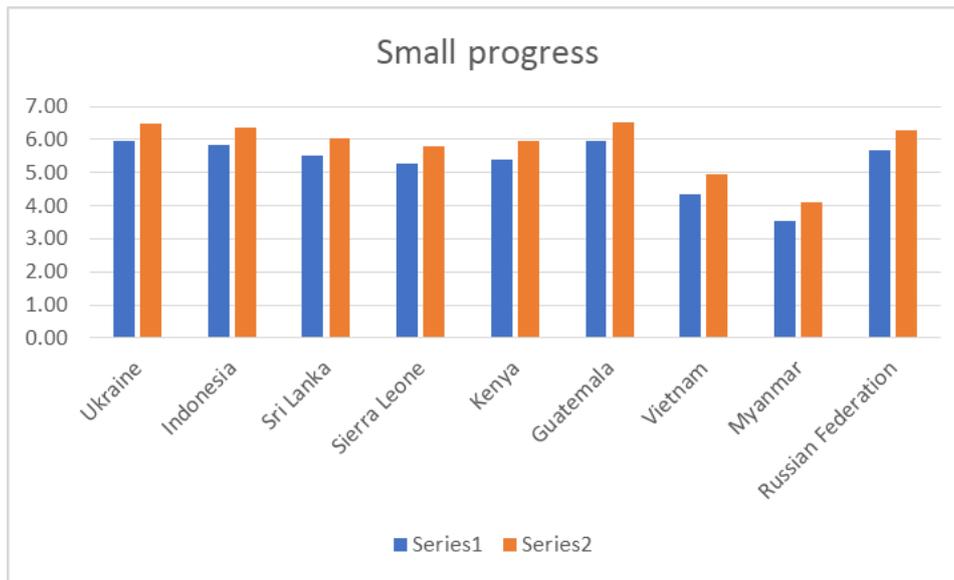


Data source: World Bank Doing Business Administrative Burden (2008-2018) and Trade Openness (2008-2014) as in Public Integrity Index, United Nations Open Services Index (2008-2018), World Economic Forum Judicial Independence (2008-2018), United Nations E-participation Index (2008-2018), Education component of Human Development Index (2008-2018), Freedom House Freedom of the Press (2007-2017).

More puzzling are the ‘successes’. We check their list against progress on at least two components for ten years and the COC. The figures below (17-18) indicate progress in the moderate range (0-0.6), and higher (over 0.60) on a 1 to 10 scale. The bag of factors explaining progress is mixed. India, Angola, Nepal, Brazil, Myanmar and Egypt have evolved roughly by one point. Checking the most recent version of Judicial independence we notice that Egypt backslides but its score still remains very high compared to what one expect seeing extremely favorable ratings a few years ago. India backslides on both judicial independence and press freedom over the longer interval. Both cases thus have bad politics over the past ten years (at very different levels, though- India remains democratic), but progress on account of reduction of transaction costs (India) or increase in budget transparency (Egypt) manages to make them move up in the most recent IPI. Their recent IPI progress is not confirmed, however, when checking components or CoC, because progress on some items is offset by regress on others. Nepal and Myanmar are confirmed achievers, followed by Bangladesh, with smaller progress since 2015, but consistent over ten years. All three present improvements across several areas, although not yet close to the tipping point when corruption would no longer be norm.

Europe and Eastern Europe have nearly no progress cases which can be confirmed from all the sources: Romania seems one in some components, but is not confirmed in IPI 2015-2019 or perception and so Georgia is the only confirmation more to the East. Ukraine may be another case of incremental progress if the pace and direction are kept, but it’s not yet there: so far Russia and China score better on progress in the non-political dimensions (Russia even scores on judicial independence according to WEF). If we check also qualitative elements, Slovakia emerges as the positive incremental evolution case. The African cases also confirm the Asian ones: ‘achievers’ improve in several dimensions in order to score (see Figure 17).

Figures 17-18. Integrity achievers in IPI below 0.60 (small) and over (2015-2019)



Legend: progress in public integrity below 0.60 (chart 17) and above (chart 18) between 2015 (series 1) - 2019 (series 2), www.integrity-index.org

The IPI charts show that governance does not lag. We observe reforms, which may be inconsistent with political developments in some cases: but they exist. How to interpret them is open for the debate: demand for good governance in countries like Brazil, India, Nigeria or even Egypt is great. Linking such qualitative indicators as the political resources to sustain or trigger a good governance transition with the kind of indicators presented in this paper is the next needed step to forecast evolutions to good governance better than we do in the present. Following consultations in the December 2019 workshop we included in the forecasting method the following indicators:

1. On the basis of ten years trends of determinants of corruption/the public integrity framework (components of the Index for Public Integrity, IPI), or their related proxies, when not

available. The IPI is highly and significantly associated with all known subjective or objective corruption indicators (CPI, CoC, GCB, procurement indicators).

2. Considering the IPI evolution since 2015
3. Considering both the recent windows of opportunity (such as elections won with an anticorruption mandate) and implementation gaps (distance between formal treaties/conventions signed and their implementation)
4. Considering the potential critical mass demanding good governance and its digital empowerment at the present moment (e-citizens), as well as other proxies.

The sources used in the legend are mostly components of IPI or related proxies. Global Corruption Barometer of Transparency International was also used for 2 questions: approval of government anticorruption policies and assessment if corruption has grown in the past two years. We are indebted to all the producers of such data for making it public. We also considered the monitoring of implementation of anticorruption acts (such as OECD anti-bribery convention).

This is a pilot project open to feedback. The results are presented in Appendix I for all the countries for which data was available

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Appendix I. The Forecast

Public Integrity Forecast 2020

↔ **Albania** has not managed during the years, despite many reforms, to move from a laggard position among its income and regional peers. Its moderate numbers of e-citizens and freedom of the press do not manage to create sufficient normative constraints to corruption in a country where resources for corruption, in the form of domestic and external development funds remain high. Despite many reforms on paper, progress on even simple issues like administrative simplification or fiscal transparency remains lacking. There has been insufficient political will so far to create a judiciary which is autonomous from political influence.

↔ **Algeria** has experienced a sudden rise in demand for good governance. Remarkable grassroots mobilization has toppled down an ossified regime, but gains remain very partial. Algeria has the lowest fiscal transparency in the world and a heritage of press control and administrative discretion. Reforms for fiscal transparency and administrative simplification, combined with the removal of legal privileges (economical advantage and political immunity) should start immediately in parallel with political reforms.

↔ **Angola** has improved in recent years on trade openness and budget transparency, although more progress is needed. The situation remains dismal on judicial independence and press freedom, where the country is an absolute laggard among its peers. Attacking the legacy of past government favoritism has to go hand in hand with the reduction of administrative burden and the gradual elimination of current administrative and economic privilege.

↗ **Armenia** does not feature in the IPI due to lack of Open Budget Index. However, Armenia meets the minimal fiscal transparency criteria set by the State Department 2019 <https://www.state.gov/2019-fiscal-transparency-report/>. Although a small and poor country, Armenia has extensive opportunities for corruption due to high administrative discretion and poor regulation, for instance in ensuring competitiveness of procurement. Reforms have started to promote some administrative simplification, build public accountability and transparency and should be continued. Armenia needs a full-fledged Georgian like administrative revolution to prevent corruption and eliminate legal rents, as reforming its post-Soviet judiciary is not, in the short and medium term, likely to provide a solid foundation for efficient anticorruption.

↔ **Austria** has very good control of corruption. However, important areas remain where it should improve, as recent scandals have shown that it is not immune to corruption risk. The areas where reforms are needed are fiscal transparency, access to information and transparent monitoring of assets and interests of public officials.

↔ **Australia** is a good model of control of corruption, with low administrative burden and high transparency. Its performance has been achieved through broad reforms, including good quality education, meritocracy and gradual administrative reform which resulted in highly accountable and effective government. Seeing that it started as a penal colony, its achievement has many worthy lessons. However, significant concern exists about the political influence of mining and other extractive industries, particularly in Western Australia , but a very active media monitors political corruption attentively.

↔ **Argentina** is lagging behind all its income peers and many of its regional peers on most IPI components, especially judicial independence and press freedom. It enjoys, however, high demand for good governance, with an active, digitally empowered civil society. As this seems to be the key asset, more administrative simplification and fiscal transparency, in particular in the key

area of procurement, might enable civil society's more effective monitoring and deterrence of particularistic allocation of state resources, which seems to be the norm for the present.

↔ **Azerbaijan** has improved on e-government and administrative burden, but the overall control of corruption and its human rights record remain poor. A culture of impunity reigns, with some individuals above the law and no corruption disclosure can take place when the press freedom is the lowest in the world. Furthermore, evidence exists that the ruling regime has used its natural resources of strategic importance to polish its image abroad.

↗ **Bangladesh** has been steadily progressing over the past ten years on human development, transparency, e-participation, judicial independence and freedom of the press. The positive changes in these areas are far from having exhausted their potential and they should continue. However, they are partly offset by the high administrative burden for businesses, traders and citizens, where the evolution for the past ten years had been under the regional average.

↔ **Belgium** has very good control of corruption. However, important areas remain where it should improve, as recent years have shown that it is not immune to corruption risk. The areas where reforms are mostly needed are fiscal transparency and conflict of interest regulation and monitoring for public officials. The area of publicly owned municipal companies is particularly a grey area.

↘ **Benin** has among the lowest constraints to corruption in the world due to the existence of a poor population with little digital empowerment or organized civil society. In recent years there has been some progress on e-government and e-participation, but this was offset by poor fiscal transparency and judicial independence, which had been further declining.

↘ **Bolivia** has been regressing on nearly all counts over the past ten years. It has no fiscal transparency and its judiciary has no autonomy. The only element which increased was demand for good governance, but insufficiently supported by the development of e-participation and more general transparency. While improving the judiciary will prove a long and tedious affair, administrative simplification and transparency can be easily improved in the short and medium term to reverse the negative trend.

↘ **Bosnia and Herzegovina** (BiH) have not been progressing over the past ten years, despite EU involvement. On the contrary, BiH has declined on regulatory quality, on judicial independence, (despite being already at quite a low level) and on administrative burden other than import-export related. Media (imperfect, but plural) and digital citizens keep up a consistent demand for better governance, but the ethnic division of the society mirrored in the particularistic organization of the state and government prevents both accountability and government effectiveness.

↔ **Botswana**, the longtime African champion of free elections, autonomous bureaucracy and judiciary has slightly regressed over the past decade. Trends are contradictory, with on one hand fiscal transparency, one of the country's strong points, backsliding, and on the other some new oversight legislation introduced. While anticorruption gets embroiled in political conflict, the way ahead is through more transparency using e-government and e-participation, where great untapped potential exists. Anticorruption prosecution is most convincing when going after people currently in office, not those in opposition.

↗ **Brazil** has been progressing steadily over the past ten years on transparency, e-government, elimination of the impunity culture and e-participation. It still has much to improve on administrative burden, regulatory quality and press freedom. Its neighbor Uruguay offers the best model for continuing what is already a positive evolution. However, quality of governance varies wildly across different geographical regions, posing a challenge for Brazil's federalism on how to prevent the poorest regions with the highest inequality from falling behind and dragging down the rest. Controlling authoritarian tendencies is also a challenge.

↔ **Bulgaria** has been developing extensive public accountability mechanisms, and is a global leader of anticorruption legislation, but those had little influence on the real rules of the game. The country underperforms on judicial autonomy from private interest, with an impunity culture

for the ruling class still reigning. Connections and bribes continue to be a main alternative to rights and meritocracy for accessing public services or gaining success in the market. Far too few officials are administratively sanctioned on grounds of corruption.

➤ **Burkina Faso** has progressed over the last ten years despite its very low human development. Administrative burden went down, transparency and e-government increased (including some e-participation) and even judicial independence progressed. Freedom of the press remained rather stable, but well above the average of the region and income peers. This country can still be expected to progress gradually and needs support for it, as its civil society becomes more digitally empowered and education progresses.

↔ **Burundi** has very poor human development and control of corruption. It has the lowest access to Internet on the continent, resulting in a population largely unable to defend itself from abuse and claim access to basic rights. Well below its peers on judicial independence and freedom of the press, and with no fiscal transparency, it has registered some progress on administrative simplification, offset however by the other problems mentioned.

↔ **Cameroon** has made the least progress among its peers despite having the poorest control of corruption in the world. The country lacks most components of a good control of corruption, and has not really joined the last wave of e-government and administrative simplification, which swept over developing countries. Its citizens are among the least empowered in the world and fiscal transparency is practically non existing.

↔ **Canada** is among the world's top ten countries when judicial independence and freedom of the press are concerned. However, transparency in the sensitive area of development cooperation abroad leaves much to be desired. Recent scandals have shown that Canada is not immune to government favoritism at both national and provincial level and its public should not take for granted the political will of enforcing international anti-bribery conventions

➤ **Cambodia**. Despite simplifying its import-export procedures and some other business related legislation, Cambodia has in fact regressed over the past ten years in regulatory quality, freedom of the press and citizen empowerment.

↔ **Chad** has very poor human development and human rights record and its governance has not improved significantly in the past ten years. Transparency, especially on public spending, and some press freedom are relatively costless ways to improve which should be pursued. It is not clear, however, who can fuel the demand for better governance.

↔ **Chile** has been one of the most successful new democracies in building control of corruption in the world, with a general audit agency (the Contraloria) which can be ranked as among the most powerful and efficient in the world and a judiciary which used to be the envy of Latin America. Its democratic politics have been from the onset plagued by finance scandals, however, which, coupled with perceptions of lack of social fairness have undermined trust in government. Chile needs absolute transparency in its party funding and public spending to restore trust and make its citizens value what they achieved already while demanding for more progress.

↔ **China's** control of corruption is well below its human development capacity. Despite some improvements on e-government and administrative simplification, and some effort to implement conflict of interest for officials, its performance is dragged down by very low fiscal transparency and the severely restricted ability of the citizens to denounce corruption and misgovernment. As the 2020 coronavirus crisis showed, China underperforms due to lack of transparency and empowerment of its own human resources within the public sector and civil society.

↔ Long term infringement of the autonomy of the judiciary is the main factor preventing the evolution of **Colombia**, a country which has steadily progressed on transparency and administrative reforms, as well as e-government and participation as part of a bid to join OECD. Popular demand for good governance has been growing, but the mixture with social grievances, as well as some unfinished conflicts makes it unlikely that any substantial evolution will take place soon.

↗ **Costa Rica** has been one of the most successful new democracies in building control of corruption in the world, with gradual progress on transparency, e-government and administrative simplification. It is among the very few countries of the world where freedom of the press has progressed in the past decade, which partly explains its lively corruption scandals. Its legal and normative equipment is sufficient to deal with such scandals.

↔ **Côte d'Ivoire** is at the bottom of the world when human development is concerned. Despite the recent economic recovery, the proportion of poor population, as well as the proportion of contracts without call for bids only grew during the boom years. The country needs radical transparency and administrative reforms to open access to the poor population, and transparent monitoring of its spending and procurement, so that growth spills to the broader society.

↘ **Croatia** is a EU member state with high human development. However, it also has high corruption opportunities in the form of EU funds or foreign investment, which have strained hard its capacity to control corruption. It has progressed less than the EU average in terms of transparency of spending and public procurement over the past decade, and has regressed on the judiciary and the media. It needs deeper conflict of interest regulation and more attentive monitoring.

↔ **Cyprus** is one of the Eurobarometer countries where citizens complain a lot about corruption. Cyprus is not covered by the IPI due to its absence in the fiscal transparency survey, but its poor record on financial transparency is well known. In 2017, the State Department designated the EU Member State as one of the top money laundering destinations for illicit funds from Russia and other former post-Soviet republics, despite Cyprus paying heavily for the state of its banks during the euro crisis. Transparency, administrative burden and judicial independence are all mediocre and have not improved over the past years. A lively media and demand of good governance from e-citizens are the country's main strengths.

↔ **The Czech Republic** has been one of the most successful new democracies in building control of corruption, and its administrative simplicity and transparency are very good. The judiciary and the media have also managed to deliver on their role. The country has been struggling for many years with high resources for corruption, in particular in the form of EU funds, which had seriously put its corruption defenses to the test. It needs to upgrade its conflict of interest and political funding rules, where it lags behind the EU average.

↔ **Denmark** has historically been the first European country to reach control of corruption. Its judiciary and bureaucracy enjoy remarkable autonomy, and freedom of the press is superb. However, recent years have taken away some of the shine and have shown that the country is not immune to corruption risk and the oversight systems in both public and private sector are too weak. Denmark should introduce transparent conflict of interest and financial disclosures for officials and adopt stricter conflict of interest rules. An export oriented economy, it should enforce international anticorruption conventions for its companies operating overseas - notably, for its banks!, from which opportunities for corruption arise.

↔ **The Dominican Republic** has a deeply particularistic culture which affects the autonomy from private interest of its bureaucracy and judiciary and prevents progress on judicial independence. It has however progressed on human development and administrative simplification, but needs bigger efforts on digitalization of government services, transparency and conflict of interest regulation.

↔ **DR Congo** has very poor human development and human rights record. Despite some reduction of administrative burden and increase in fiscal transparency, even reforms in this area are overdue, for instance on import-export red tape. Without any freedom to report on corruption it is unlikely that administrative reforms, however, can deliver by themselves.

↔ **Ecuador** lacks the autonomy of bureaucracy and judiciary from political rulers which would allow control of corruption, so its modest reforms on fiscal transparency only had a limited impact. While no major development can occur outside a massive political change for which a critical

mass does not seem yet to be there, more administrative simplification and progress on e-government may help the gradual universalization of access to public resources.

↔ **El Salvador** has not made significant progress in the last decade, despite having a reasonable rating in the IPI. Budget and procurement transparency and the overall capacity to increase rule of law are the most substantial issues.

↗ **Estonia** has been after 1991 the world's most successful short transition to good governance and reaped the economic dividends of its reforms. Its administrative simplification, transparency, e-government and autonomy of a merit based bureaucracy and judiciary should be taken up as models by any country which seeks to progress on control of corruption. The only challenges to Estonia come from vulnerabilities of its geopolitical situation in a globalized economy, in particular to its banking sector. The country has continued to progress over the past ten years on all IPI components.

↔ **Egypt** has not seen much progress following the Arab spring, despite its judiciary trying to resist political intervention. It has the worst fiscal transparency in the world, and recent attempts at reducing the administrative burden and increasing regulatory quality have a long way to go to make some difference. Major actors above the law like the army have been converting their power advantage into an economic one, further distorting the market and governance. While popular demand for good governance exists to some extent, the repression of the media, civil society and the judiciary makes control of corruption very implausible.

↗ **Ethiopia** has one of the lowest human development capital ratings in the world. Despite recent progress on democratization and transparency, regulation and property arrangements (like powerful state owned enterprises) still belong to the past. The country barely meets minimal fiscal transparency criteria according to the US State Department, and access to public services remains highly dependent on personal connections. Ethiopia needs a radical reform of its administration Georgian-style and a downsizing of its enormous public sector to reduce opportunities for corruption. It is not covered by IPI due to its absence from the Open Budget Index survey.

↔ **Finland** does very well on determinants of control of corruption, enjoying an exceptional 10 on judicial independence and a near 10 on freedom of the press despite being under-regulated on conflict of interest, financial disclosures and party funding compared to the EU average. However, recent scandals showed that Finnish companies, even public ones, seeking to obtain contracts overseas can engage in bribing and that enforcement of general compliance to anti-bribery conventions abroad and sanction of such behavior once disclosed is rather poor.

↔ **France**, the country which has historically pioneered merit based civil service and has some of the finest public accountability laws in the European Union, has been constantly shaken by political corruption scandals over the past thirty years. Its judiciary is not sufficiently autonomous from government, resulting in weak prosecution of corruption, particularly at top levels. Restrictive laws and conservative minded magistrates further restrict the media's capacity to disclose corruption rather than only reporting after official investigations begin. Transparency could be improved, and far better oversight is needed to monitor the compliance with international legislation of companies seeking government favors abroad. Recent attempts to tighten conflict of interest rules and enforce them at top political level have yet to be internalized into changes of practice.

↔ **Georgia** has registered one of the most spectacular transitions to good governance in recent years. But politics has prevented its full accomplishment. A textbook example on administrative simplification and transparency, reduction of corruption resources and merit based reforms in the public sector, the country stopped short of full judicial autonomy, broad press freedom and efficient oversight systems of government favoritism. Concern has also risen in recent years with respect to corruption of political party financing. The way ahead for Georgia is to sever any connection between oligarchy and government authority, but sound bases are there to power this future revolution.

↔ **Germany** is a country with good control of corruption despite modest public accountability arrangements. Except its thick conflict of interest regulation, transparency is uneven and oversight of potential undue profit by officials is rather low. But the autonomy of bureaucracy and the judiciary from political influences is high, and progress has been made to reduce administrative burden and increase fiscal transparency. Much more should be done to enforce sanctions against non-compliant companies bribing overseas, and to improve the separation between business and politics domestically. Open government has also progressed quite slowly, and public procurement at sub-national level is not transparent.

↔ **Ghana** is overperforming its human development index and has made some progress on transparency, reduction of administrative burden and e-government. Its judiciary and freedom of the press are on top of the region and its income group. The deep seated particularism in public resource allocation is unlikely to disappear soon, however, as transparency of public procurement is very low and civil society, despite some notable exceptions, remains underdeveloped even compared to countries in the same income group.

↔ **Greece** has adopted many reforms, yet most of its citizens complain in the Eurobarometer that they are seriously affected by corruption in their daily lives. While the administrative burden has been somewhat reduced and transparency increased, judicial independence, in particular regarding corruption prosecution and top courts appointments has regressed. A long list of reforms agreed with the European Union, and meant to remove legal privileges while opening access, awaits implementation. The press needs more diverse ownership and civil society does not articulate sufficient demand for general interest public integrity.

↔ **Guatemala** has been the object of a major experiment in the form of a UN anticorruption agency which had investigated top corruption for 12 years before the government put an end to its mandate. Some administrative simplification and fiscal transparency reforms also took place in this interval, without touching the core of the captured state. On a backdrop of chronic violence, and the deeply politicized judiciary and law enforcement cannot prevent directing the spoils from organized crime and public resources to favorite recipients. A last report from the departing agency concluded with the wise remark which shows why no anticorruption agency can succeed where there is systematic corruption and poor rule of law: "This cannot be solved without a profound restructuring of the state."

↔ **Honduras** is lagging behind its peers on most IPI components except fiscal transparency. With 75% of the population in the informal economy and a tightly captured state intent on managing elections and channeling resources to cronies, the country's anticorruption has been mostly steered from US and the international community. Despite some civil society action, the number of enlightened citizens is small and no critical mass with a good governance program is likely to become empowered anytime soon.

↘ **Hungary** is underperforming its human development and e-citizenry, having regressed on judicial independence and freedom of the press. Its high score is due to low administrative burden and reasonable transparency, including in procurement. Evidence exists of favoritism in public procurement, and conflict of interest regulation is well under the EU average.

↔ **Iceland** is not covered by IPI due to lack of fiscal transparency data. However, sufficient data exists to show that the country has good judicial independence, freedom of the press, enlightened citizenry and low administrative burden. Its apparent transparency showed its limits in the recent leaks and financial crises, which exposed top official profiting from conflict of interest under the guise of secrecy. Iceland has high popular demand for good governance, but it should learn its lesson and introduce some sanctions for conflict of interest, beef up financial disclosures for officials, transparency and banks supervision, as it well under the EU average on all these counts.

↗ **India** presents contradictory trends on governance, which is not surprising given that it is a country the size of a continent. Once credited with the best judicial independence in its income

group, it regressed during most of the past decade, with a slight recovery since 2015. Freedom of the press has remained reasonably high during this interval. Administrative simplification, transparency and in particular e-government have however progressed significantly and need being fully implemented to achieve their potential. Demand for good governance is uneven and limited by low human development index and Internet access in some regions, but it is also growing.

↔ **Indonesia** has made some small progress in the past decade, but still lags behind its income group. Poor regulation creates and sustains corruption across sectors and levels of government, and fighting corruption after it happens, even when carried out in earnest by Indonesia's competent anticorruption agency, is insufficient to rewrite corrupt rules of the game. Cutting rents at the level of regulation, however, needs a majority in the legislature. Indonesia has insufficient e-citizens to reach a critical mass and generate such a majority and can progress only incrementally until then.

↔ **Ireland** has reached very good control of corruption despite some scandals related to political corruption. Recent Eurobarometer surveys show the Irish acknowledging very low direct experience with corruption and displaying high intolerance of any form of corruption. Judicial independence is high, and press freedom has been perceived as very high until recently. Administrative burden is low, and transparency fairly high, although more could be done to publicize public expenses. Recent leaks have exposed some elite tax evasion and a culture of overly close ties between business and politics, so it is beyond the state itself that the Irish should look for reforms to improve public integrity.

↔ **Israel** remains the absolute regional leader in good governance as a result of its judicial independence, freedom of the press and low administrative burden. The already high demand for good governance from the public has been on the rise due to development of e-government and e-participation, with the highest number of e-citizens in the region. More transparency related to public spending and more public specifications on what constitutes integrity of the public office would build more trust and shelter the country from the instrumentalization of integrity for political ends.

↔ **Italy** has made some progress over the last decade, but its performance on e-government and transparency is still below its potential. Too-close ties remain between interest groups and key actors supposed to be autonomous, such as the judiciary or the media. While regulatory quality has improved somewhat, and the administrative burden decreased, political parties continue to be too involved in the appointments of public officials and the handling of great public contracts. The organized crime, contained in the South, has spread its influence in the rest of the country through apparently legitimate businesses who compete for municipal services. The high human development of Italy does not translate into sufficient e-citizenry action at community and sector level to control corruption.

↔ **Japan** has long enjoyed a very good control of corruption compared to its region, although less so against countries in its income group. It does very well on judicial independence and press freedom, but could do with more fiscal transparency and transparency in general, in particular in the sensitive area of business-politics ties. It has traditionally had a high-quality central bureaucracy, which should be defended from more recent threats of political intervention.

↔ **Jordan** is doing comparatively well against both the region and its income group, in particular when Courts and administrative burden are concerned. Strained by the instability in the region resulting in a fluctuating population and other threats, it struggles to keep afloat and make some progress. Limited press freedom and civil society activism for good governance do not allow an effective disclosure of corruption and perpetuate an immunity culture for certain individuals or groups.

↔ **Latvia** has been struggling with competitive particularism, resilient through many rounds of elections for most of its transition. The result is overregulation in the field of public accountabil-

ity. More judicial accountability, de-politicization of public positions and more pro-active transparency may help bring about a long-delayed upgrade to a higher class of governance. Popular demand for good governance is very high, but has not succeeded yet to create a political class on the quality of neighboring Estonia's, which provides the best roadmap.

↔ **Kazakhstan** is a patrimonial state whose leader has not changed in decades, and is probably the richest man in the country. There is no freedom of the press, although there are a significant number of e-citizens. However, it made some serious effort to be business friendly, rewarded with high scores in the Global Competitiveness Report. The past decade, however, has shown the limitations of this policy, with the country stagnating on good governance, in particular on fiscal transparency and conflict of interest. There is still some room for progress on quality of bureaucracy within the limited frame of impunity culture for regime officials, but given the strategic advantages the country enjoys internationally it is rather unlikely much progress will be made in the future.

↗ **Kenya** has been incrementally improving on behalf on judicial independence, e-government and administrative burden. What seems to be universal graft at top level seemed to coexist in the last decade with organized crime and petty corruption. A wave of arrests and indictments in 2019 from the ranks of the government itself may signal the end of impunity culture, although it indicates also that the party in government is very corrupt. Still, Kenya needs more than arrests: it needs major legislative and administrative reforms for the improvement of regulatory quality, removal of regulation meant to create rents or extort businesses and citizens and empowerment of citizens in relation with authorities and public services. It is lagging behind peers in its income group on most IPI components, so reforms are overdue to reduce opportunities for corruption.

↗ **Korea, Republic of** is one of the few countries to reach the top of good governance in contemporary times. Despite some top scandals its positive evolution is bound to continue in the presence of extraordinary demand: it has the highest score of e-citizens in the world. The investment in education, Internet and e-government is promising for the future, although some challenges still exist for the judiciary and the media.

↔ **Kyrgyzstan** has experienced periodical outbursts of popular demand for good governance despite low numbers of enlightened citizens. Those led to successive generations of reforms which advanced some transparency and introduced a myriad of anticorruption regulations, although conflict of interest remains a problem. Government favoritism remains high, and the judiciary is not fully autonomous from external intervention. However, potential coalitions can be formed between various reform minded groups in both the public sector and society which can advance gradually, by sector, especially where rents are less intensive and of less political interest. Growing political instrumentalization of anticorruption, however, risks producing more instability than control of corruption.

↔ **Lebanon** has been lagging behind its region and income group despite being once a business friendly and prosperous country. Some progress made on reducing administrative burden and e-services offered has been offset by the absence of fiscal transparency. An increasing number of e-citizens demand good governance. However, major obstacles exist due to geopolitics and its main consequence, the existence of a large number of refugees straining public resources traditionally distributed through a plural, ethnic patronage based system.

↔ **Lesotho** is a very low human development capital country with poor legal and normative constraints to corruption, so easy victim to capture. The country needs investment by donors in developing the representation of the population's interests, so to develop critical groups of e-citizens, on top of transparency of public expenditure and public procurement. It is not realistic to expect other reforms to be enacted or delivered in the near future.

↔ **Liberia** presents a mixed situation. While the autonomy of the judiciary and the media from power has been shrinking in the last politically contentious decade, and anticorruption promot-

ers have come under pressure, some advances exist on reducing administrative burden (where it scores best of its income group) and fiscal transparency. Although still at a very low level, in line with the low human development of the country, the number of e-citizens has multiplied in the space of a few years, resulting in increased demand for good governance. Liberia should continue to universalize access to public services, strengthen its administration and gradually cut rents, on the Rwandan model, while standing by its democratic institutions.

↔ **Lithuania** has managed to construct good constraints to corruption both on the side of government and civil society/freedom of the press, with a dense public accountability mechanisms net and good access to information. While administrative burden is manageable, the risk exists that too many anticorruption rules become a burden in themselves. Progress on e-government can solve that. There is still some room to improve fiscal transparency and accountability of the judiciary.

↔ **Luxembourg** has superb ratings in the IPI, having low administrative burden, reasonable fiscal transparency, high judicial independence and great freedom of the press. Citizens highly rate in the Eurobarometer the quality of their government, despite a court sentencing a whistleblower after a high profile disclosure and the presence of many law companies either advising or defending tax 'optimizers' or even fraudsters from all Europe. Its access to information and regulation for conflict of interest for officials is below the EU average.

↳ **Malaysia** has reasonable indicators on nearly all components of the IPI, in particular administrative burden and trade openness, but is dragged down by the absence of serious public oversight due to poor press freedom and low access to information by civil society. The abundance of resources for corruption in the form of development money showed and might show again the limits of the country's capacity to control corruption in the absence of significant social accountability. The regime has also used scandal as a political weapon against its critics and former allies, on several occasions .

↔ **Malawi** has experienced a slight backslide in the past decade, losing its original shine against its neighbors and income group, especially on judicial independence. While reducing opportunities for corruption by administrative simplification, e-government and transparency is the obvious way ahead, the lack of evolution of a critical mass of e-citizens in the last decade does not forecast much development in the future. According to the Global Corruption Barometer public opinion is critical of government performance on anticorruption, however.

↔ **Mali's** control of corruption is severely limited by its capacity to enforce rule of law. Some progress on administrative simplification and transparency which should be pursued further is thus offset by regress on the judiciary and law enforcement. Mali is however on top of its income group on many components, indicating that it needs financial support for its reforms: further administrative simplification, an increase in the effectiveness of the Courts, public expenditure and procurement transparency, police reform. The country struggles against political stability problems and has a very low number of e-citizens, which impedes the development of an autonomous critical mass creating strong demand for reforms.

↳ **Malta** used to lead in the top of trust in government in Europe, despite being rather on the bottom on conflict of interest regulation, financial disclosures for officials and party finance and enjoying mediocre fiscal transparency. However, the failure of government to protect journalists, capture of top government by business interests and possibly organized crime shook the country. Recent revelations of government favoritism and lack of independence of the judiciary made its score of judicial independence decline. The public integrity issue is used politically without clear signs of the existence of a cross party objective critical mass in favor of public integrity.

↔ **Mexico** has made considerable progress over the last ten years in administrative simplification, transparency and party finance reform. The country is held back by its incapacity to deal with organized crime and violence in a rule of law manner. The judiciary does not manage to hold

powerful figures to account, be they office holders, union leaders, or top criminals. There is high demand for good governance by media and civil society, but the lack of accountability of the police, military and top executive, complicated with the organized crime infiltration prevent the many reforms of last years from making a decisive difference. The most urgent reform in Mexico is that of prosecution and law enforcement more generally, which has to become both more lawful and more effective. However, as some regions work better than others Mexico has internally the good models to follow in order to progress.

↔ **Moldova** has managed to redeem its democracy after each periodic deep fall, but this has not helped its governance progress significantly along years. The country has adopted all the anticorruption laws and institutions in the repertory, largely with the encouragement and the financial support of the international community. Given the sub-optimal rule of law in this post-Soviet country, the string of anticorruption institutions proved entirely useless and even a source of concern, as their politicization threatened opposition politicians, due to selective enforcement or simply judicial repression. Moldova has reached the limit of what can be achieved by administrative simplification and transparency and desperately needs some international political consensus on rebuilding basic rule of law constitutional architecture. This would include the cleaning of grey areas related to separatist Transnistria; deep depoliticization and an entire vetting process of judges and prosecutors, with European support.

↗ **Mongolia** has made progress on administrative simplification and transparency, but its Communist legacy has proven difficult to shake. Popular demand for good governance has been growing in urban areas, with some untapped potential in e-government and e-participation. Reducing resources for corruption by legislative and administrative reforms, in the Estonian/Georgian way remains the way ahead, as the evolution of the judiciary might remain slow. This implies that a far broader effort is needed than the limited work of the agencies dedicated to corruption. More transparency of public expenditures would be a good place to insist on.

↗ **Morocco** has been progressing on administrative simplicity, transparency and e-citizens, although it could do far more on fiscal transparency. Demand for good governance and contestation of legal rents have been growing and promise changes in the future. The challenge for Morocco is to avoid violent contestation of its oligarchic crony capitalism by improving regulatory quality, so to gradually reduce rents, eliminate various legal exception and monopolies and open up to competition. Without a more inclusive approach to the distribution of economic benefits and a citizen friendly administration on the model of Georgia, major risks of political instability lie ahead.

↔ **Mozambique** is among the countries with the lowest human development capital in the world, with such low normative constraints that kleptocracy can fully capture the state, even in cooperation with international banks. The only blow to corruption has come from outside in the form of an US investigation into the massive embezzlement of development funds involving the Credit Suisse bank. The only way ahead is through an alliance between the weak civil society and development donors to push for full public expenditure transparency. Donors' investment in civil society and community level accountability may also help until some critical mass is built that can shake the power of kleptocrats

↗ **Myanmar** has made progress on several counts, although as it started from the very bottom on all indicators it is still lagging behind the region and the income group. Seeing the limited autonomy of judiciary and the media, radical progress cannot be made, but there is still room to advance financial transparency, administrative burden and regulatory quality.

↔ **Namibia** has largely stagnated for the past ten years. Government favoritism is the rule of the game, and the domination of one party over almost three decades has consolidated and is not challenged by a press and a judiciary which work otherwise far better than the regional average. Capture is maintained by state property and regulation which allow an important control over the economy, in particular in natural resources, and distribute preferentially to a network of clients.

Resources for corruption are very high in Namibia, well above the regional average. Due to the low digital empowerment of citizens who are the losers of these arrangements government could resist opening access through liberalization, administrative and transparency reforms.

➤ **Nepal** has been progressing on several indicators in the past decade, especially fiscal transparency and e-government, although lagging on judicial independence and administrative burden. Despite its low human development it can still progress by reaping some benefits of e-government reforms, but only radical regulatory and administrative measures to eliminate rents and prevent corruption would make a radical change.

➤ **Nicaragua** is a captured state with no accountability. The civil society and opposition media risk serious consequences if denouncing corruption. The only anticorruption comes from abroad: United States adopted the Nicaragua Human Rights and Anticorruption Act, bipartisan legislation that grants the Treasury Department the power to sanction any “current or former official of the Government of Nicaragua or any person acting on behalf of that Government for acts of repression against dissent or corruption”. Sanctions on one hand and support for civil society and the media on the other, if at all possible seems the only options for the present.

↔ **Nigeria** has been progressing on administrative burden in the past decade, although it still has a lot to do on fiscal transparency and regulatory quality. Constrained by a poor security situation and an ethnic patronage structure, the country’s efforts against corruption have had limited impact: most of its citizens appreciate the efforts of the government in Global Corruption Barometer. Nigeria needs full transparency of expenditures, property, procurement and proceeds of natural resources, as well as more use of social accountability for audits of public projects. However, the number of enlightened citizens is still small and insufficient progress was made on e-government and e-participation.

↔ **Netherlands** is one the best governed countries in the world and in top 5 of IPI. Its bureaucracy and judiciary are autonomous from the political power and its number of e-citizens is among the highest in the world. Its public accountability mechanisms are however [light?] and based on a culture of trust. Still, international scandals related to companies registered in Netherlands or top politicians in EU institutions suggest that the Dutch very good domestic governance does not translate well across borders. The remedies are the implementation of international anti-bribery conventions and the adoption of transparent and far more exhaustive financial and conflict of interest disclosures for public officials.

↔ **New Zealand** has been a historical champion of good governance, promoting innovations and establishing early on a governance based on ethical universalism. All its IPI components are at a near maximum. It is however difficult for any less developed country to copy the public management style of New Zealand, starting with its constitutional arrangements which prohibit any budget deficit.

➤ **North Macedonia** has been a world champion of good governance regulation due to its EU accession process. This did not prevent it from being in the same time a fully captured state until very recently. While the country seems to have returned to democracy, with only the lack of autonomy of the judiciary reflecting the past, it probably has one of the largest implementation gaps when good governance is concerned. The challenge for the new regime is not only to depoliticize the public agencies inherited from the previous regime, but also not to politicize them again. A related challenge is to dismantle the structure of rents instead of inheriting and exploiting them. High e-citizenship and the country’s international ambitions offer favorable grounds for the positive evolution to continue.

↔ **Norway** leads the world in fiscal transparency and freedom of the press, and indeed in the Index for Public Integrity. It also diverges from many countries on the top of governance by its enforcement of international anticorruption regulations. Norway is under-regulated where public accountability mechanisms are concerned (on party finance restrictions, financial disclosures,

conflict of interest), and only on the European average where freedom of information and procurement regulations are concerned. However, it seems that transparency, freedom of the press and a record number of e-citizens have done an excellent job of constraining corruption, even in the presence of high natural resources.

↔ **Qatar** has been a regional champion of good governance on behalf of administrative simplicity and e-government, although only a modest performer in its income group. But stagnation set in over the last decade and showed the limits of a good governance model based on enlightened despotism. Despite their good quality, neither bureaucracy nor the judiciary is autonomous from political authorities, and the law does not apply equally to everyone. The corruption in Qatar has been only exposed in international scandals or judicial investigations. Internally, there is low financial transparency and no accountability. The large number of e-citizens are unlikely to challenge a regime based on generous patronage fueled by rich mineral resources.

↔ **Pakistan** has made some progress on fiscal transparency, but there is far more room to simplify administration and improve quality of regulation, as it lags behind region and income group. The situation of the judiciary and the media is far more difficult to tackle seeing the political instability and the everyday risk of violence. The number of e-citizens is the smallest in the region and on the bottom of the income group, which also should be addressed.

↔ **Paraguay** has been incrementally redressing its judicial independence, but is still at the bottom of its income group and region. On nearly every component, its progress over the past ten years has been below average, explaining why it remains the absolute laggard. However, a decent, although by no means overwhelming, mass of critical citizens and some press freedom will continue to put some demand for good governance. Unlike other Latin American countries, which have exhausted preventive tools and must absolutely reform their judiciary, Paraguay can progress still a lot by administrative simplification, removal of legal privileges and increased transparency.

↗ **Peru** has experienced some progress on several of IPI components over the last ten years, while in the same time seeing four successive presidents indicted for corruption due to an investigation started in a neighboring country, Brazil. While there is still room for progress on reducing administrative burden and remodeling the Contraloria on the Chilean model, Peru needs to emulate Uruguay's soft formalization techniques to attract from the underground the 70% vulnerable workers and fiscalize its economy. Furthermore, repeated interventions in the judiciary by successive presidents with the declared aim of reforming it have only added to the politicization and lack of accountability of magistrates. There is high popular demand for good governance in Peru, and some resulted in brand new political parties which acceded in January 2020 to the Parliament supporting a presidential reform agenda

↔ **Philippines** has been lagging in both its income group and region in nearly every component for the past ten years. Judicial independence even decreased. It could realize a lot by administrative reforms Rwanda style, transparency and cooperation with press and civil society. Political violence challenges makes the government prefer repression instead, with the result of delivering human rights infringements more than good governance and of depressing precisely the institutions and civil society that would be needed to fight corruption.

↔ **Poland** has been one of the most successful postcommunist countries in creating a governance based on public integrity, powered by a free press, decentralization, and a policy of reducing corruption resources through privatization and administrative simplification. An abundance of resources in the form of EU funds after the year 2000 led to the growth of non-competitive procurement and a return to politicization and government favoritism practices. Still, Poland's high proportion of e-citizens and sound local government provide a sound basis for good governance demand. Despite its judiciary being imperfect, any strong intervention by politicians to fix it only risks making it even less autonomous and endangering rule of law, one of Poland's proudest early achievements.

↔ **Portugal** has been a success of good governance among EU member states and the main components of an optimal integrity equilibrium are all in good place, despite its judiciary having a mediocre rating. However, in the Eurobarometer surveys citizens complain of corruption. Euro-pam.eu shows that some public accountability mechanisms are below the EU average and related to vulnerable areas like public procurement and conflict of interest regulation, particularly for public officials.

↔ **Romania** has been a constant achiever over the past ten years on all IPI components, despite its citizens complaining in the Eurobarometer of being the most corruption affected Europeans in their daily lives. Its good ranking is due to some administrative simplification reforms and increase in transparency. Its regulatory quality still needs serious improvement and its e-government still has a long way to go, despite some progress. While the size of rents was constantly reduced due to privatizations, and the percentage of bribes declined significantly in the Eurobarometer, public procurement remains fairly particularistic, legislation is deeply shaped by private lobbies and an industry of fake credentials in education has become institutionalized. If judicial independence has only showed moderate progress in ten years despite ending the culture of impunity (with prime ministers, ministers and generals imprisoned for corruption in massive numbers), it is because the stress on anticorruption and its political instrumentalization strained the judicial independence instead of helping it.

↔ **The Russian Federation** has been redressing over the last decade from a situation where its governance was largely inferior to its human development index. The redress comes in particular from administrative and transparency reforms, as well as e-government. The most dismal performance remains on freedom of the press, e-citizenship and judicial independence, where it is at the bottom of its income group. In particular the lagging of e-citizenship, where resources would exist for a far better performance shows that Russia chooses to develop state capacity without investing in societal human resources. Popular demand is still insufficient to speed up its transformation. However, quality of governance varies greatly across different geographical regions.

↔ **Rwanda** has been progressing gradually over the past ten years in administrative simplification, e-services offered and e-participation. Petty corruption was drastically diminished and administrative capacity increased. Fiscal and public procurement transparency leave much to be desired, though, and accountability is achieved in an authoritarian manner yes -- where social allocation is far from universal and rule of law does not apply equally for everyone. It is hard to see how much can Rwanda progress further in the absence of some liberalization allowing free reporting of corruption.

↔ **Saudi Arabia** has made some progress on e-government and administrative simplification over the past decade, being credited by Global Competitiveness Report 2019 with a judiciary at the level of US and UK. However, this alleged progress is offset by its performance on e-citizenship, budget transparency, trade openness and freedom of the press, where it is on the bottom of its income group. There is considerable room to progress without major political change simply by pushing more decisively the agenda of e-government on the model of United Arab Emirates.

↔ **Senegal** Despite some incremental progress over the past ten years, Senegal lags behind in every component of the IPI except freedom of the press, when compared to both the region and its income group. Nevertheless, it is roughly on the world average on all components except e-citizens, where it is far behind. Many anticorruption instruments have been set up, but opponents have to fear them far more than the rulers. The state remains deeply nepotistic and patrimonial, and that will not change even if reforms continue on transparency and administrative burden. For a fundamental change, far greater popular demand is needed.

↔ **Serbia** has made some progress on e-government and e-citizens, but has largely stagnated or regressed on freedom of the press and judicial independence. While most public accountability instruments have been adopted and transparency of political parties finance works, politicization

of the public sector and government favoritism in procurement have not diminished. Serbia lags behind the European average at competitiveness of public procurement. While its good popular demand for good governance and the EU context are advantages, they risk being offset by brain-drain and the inability of the EU accession process to attack legal rents and the quality of regulation more directly.

↗ **Sierra Leone** has the least digitally empowered population of the world, although some free press. It has progressed in the last decade on fiscal transparency and some business friendly legislation. Despite a judiciary not autonomous from political authorities, donors invested in an anticorruption agency for twenty years, which proved, of course, a disappointment. Recent political changes increased popular demand and trust in change, according to Global Corruption Barometer, but radical reforms supported from donors are needed for a reset.

↔ **Singapore** has always led in charts as an achiever on governance, in particular for its low transaction costs and high administrative simplicity. It is not covered by IPI due to absence of fiscal transparency and has no freedom of information legislation, although the government publishes periodical reports on the public sector. Reporting on corruption in the media is difficult, if not impossible. The economy has a corporatist structure where business and political elites are closely tied, thus limiting access to opportunities for outsiders, which earned the country a top position in the Economist Crony capitalism index. However, its high Internet penetration and growth of e-citizens may bring higher demand for more equal opportunities in the future.

↔ **Slovenia** has been one of the cleanest post-communist countries, helped by its high human development capital, and remains a top achiever on good governance. The euro crisis and the instrumentalization of anticorruption for political ends took some shine away from the small Central European nation. Some of its past achievements, like the online tracking public expense system, need sustaining, as in the field of public procurement less information seems available than on the average in Europe, according to Europam.eu, posing a risk to government favoritism.

↗ **The Slovak Republic** has been struggling with government favoritism and EU funds corruption for the past decade, with the results of becoming overregulated in most public integrity mechanisms and at maximum scores on the IPI. The demand for good governance is extremely high and limited only by the difficulty of the society to articulate its interests in the form of a pro-integrity sustainable majority in the Parliament. Political developments have been encouraging for the past years, though, and a better judiciary will follow better politics, and not the other way around.

↔ **South Africa** has managed to stop in the past decade the decline in its governance, which had always enjoyed better quality than predicted by human development capital. Its judiciary is the best in the region, its budget transparency is at a maximum, and freedom of the press very good for both region and income group. The country has considerable room to progress by cutting red tape and increasing administrative simplicity, in relation with simple citizens as much as with businesses. The investment in e-services will only pay off if similar efforts are done on increasing e-participation. South Africa is on top of the region on e-citizens, but an absolute laggard in its income group. There is where its development potential lies.

↔ **Spain** has experienced major corruption scandals in the past decade, which its mediocly rated judiciary handled quite successfully, with record numbers of local, regional and national powerful figures convicted for corruption. The lack of full autonomy of the judiciary from partisan interest is the main IPI component dragging down Spain: otherwise the country has decent autonomy of bureaucracy from political authorities and an administration which works well for the citizen. However, its public accountability framework shows it lagging behind EU average on sanctions for conflict of interest or lack of transparency, where issued had arisen; furthermore, its procurement regulation also needs an upgrade to best practices in the EU. The strong demand for good governance is often instrumentalized by populist politics, but the number of e-citizens and the activism of non-partisan civil society are strong assets.

↗ **Sri Lanka** has made progress on e-government and red tape reduction, though much more remains to be done. Transparency reforms have also started and are the way forward, especially on public expenditures. The number of e-citizens is still limited but the trend is upward.

↔ **Sweden** is one of the countries in the world with best control of corruption as a result of both reduced opportunities- due to great transparency and an administration low on power discretion- and high constraints, due to high freedom of the press, numerous e-citizens and a judiciary autonomous from private interest. However, in the past decade several vulnerabilities showed, especially related to Swedish companies transacting abroad that have been sanctioned by American authorities enforcing Foreign Corrupt Practices Act. The OECD Working Group on Bribery has since 2012 repeatedly urged Sweden to reform its own laws to ensure the investigation and prosecution of companies that bribe foreign public officials to obtain advantages in international business. Transparency of public procurement could also be increased, as it is far below European average, and some sanctions on conflict of interest introduced.

↔ **Switzerland** is among the top ten well-governed countries in the index for public integrity, on behalf of the perfect balance across all its components, without leading in any either within the region or its income group. Its performance is all the more remarkable seeing that its public accountability framework is light, in particular on financial disclosures for officials and funding of parties. Its risks come from the export-driven nature of its economy, and its long term tradition of bank secrecy. It took some US pressure for Switzerland to open up bank secrecy, but some of its finest banks and companies have been embroiled in corruption scandals overseas. OECD considers that Switzerland could do more to enforce the international anti-bribery convention.

↘ **Tanzania** has been lagging for the past decade, and even regressing in IPI on fiscal transparency and press freedom. Constraints to corruption cannot work with a record low number of e-citizens, and a judiciary and bureaucracy which are not autonomous from private interest. Citizen empowerment by way of extending Internet and Internet literacy, on one hand, and transparency and digitalization reforms, to make public services more accessible, on the other, seem the only feasible ways ahead in the absence of some major political overhaul which would shake the existing structure of established rents. Given the lack of independence of the judiciary, repressive anticorruption policies are hardly advisable.

↔ **Taiwan** has managed, despite its contested status, one of the most successful transitions to good governance, although challenges remain. It is not covered by IPI due to absence of Open Budget Index coverage. However, the quality of its audit and control institutions are acknowledged as being sound, its administration is business friendly, and the autonomy and capacity of the bureaucracy are superb. E-government and e-participation are also high.

↔ **Tajikistan** has improved in the past decade on administrative burden and fiscal transparency, although on the latter it remains the absolute leader of the region and income group peers. Despite leading on judicial independence among its peers, no progress was registered; on the contrary – and press freedom regressed. With a very low number of e-citizens, there can be no effective normative constraints to control state capture and a public sector functioning mostly on the basis of connections.

↔ **Thailand** has regressed on freedom of the press and judicial independence over the past decade, which offset its progress on administrative simplification, fiscal transparency and e-government. The country has been struggling for a while to move from a connections-based society to a merit based one and its overall IPI score shows that incremental progress across the board has been made, despite the difficulties of holding governments accountable. The way ahead is though more e-government, more e-participation and more social accountability, as the country has a fair number of e-citizens. It needs to achieve a gradual reduction of rents and a universalization to access to public services and positions. It is of vital importance that ordinary people can daily report on corruption without fear of consequences, on social media or anonymized call numbers at control agencies. Traditional media also needs to be allowed to cover corruption.

↔ **Timor Leste** has made some progress over the past decade on administrative burden and freedom of the press, but continues to be the regional and income group laggard on fiscal transparency, import-export red tape and judicial independence. Although its rank in the IPI is good, its progress is limited by weak civil society and grassroots demand for good governance. Trinidad and Tobago has not seen significant progress on any IPI component for the past decade and in the Global Corruption Barometer 2019 a majority of people think that corruption has gotten worse. Although it enjoys a good freedom of the press compared to the region and a reasonable number of e-citizens, it could do better on reducing corruption resources: e-government, reducing administrative burden and increasing transparency in procurement and public expenditures. However, it has ratified all possible treaties on corruption and expected its Integrity Commission to deliver integrity.

↔ **Tunisia** continues to be the regional leader in good governance, but a laggard in its income group. Over the last ten years it has progressed less than expected, in particular on the Arab Spring agenda of administrative simplicity, soft formalization policies and fiscal transparency. It even regressed on judicial independence. Its main progress was in the area of e-government and e-participation and its main assets remain a free press and a highly educated and committed civil society. Tunisia needs to tackle directly (and get support for) the reduction of legal rent granting privileges and the broad opening of access opportunities rather than to embark in the adoption of more standard anticorruption repertory tools which will remain unimplemented.

↔ **Turkey** has fast turned from an achiever into a backslider in the last ten years, despite an administration which had made progress on reducing red tape and transparency. The regress is due to the lack of autonomy of the judiciary and the repression of the free press. Both have come first under fire due to top corruption investigations. Turkey is a captured state by a party and its group of businessmen, but being a large and diverse country, with numerous e-citizens and some tradition of autonomy from politics of both administration and army more struggle for return to pluralism and better governance lies ahead.

↔ **Ukraine's** control of corruption has progressed at a slower speed than Russia in the past decade, especially on e-government and administrative simplicity, the critical Estonia-style reforms needed to exit the post-communist maze. Recent efforts have seen some redress on public procurement and specific sectors, like health or education, but not on judiciary, where the debate was stuck on creating special islands of excellence instead of an overall reform plan, Estonian style. Popular demand is still limited by the insufficient penetration of Internet and the low e-participation. Quality of governance varies importantly across different geographical regions and is hindered by the war in the East. The way ahead for Ukraine is in continuing to cut rents, as it had started to do in energy, eliminate legal privileges enshrined in its economy, and manage its transparency in procurement with public management tools (sanctions, management contracts, flexible shares according to performance) in order to prevent corruption. It is important that popular demand for good governance get an increased political representation.

↔ **Uganda**, the target of many Western donors anticorruption policies, has been lagging for the past decade, even on the relatively costless policies of reducing administrative discretion and increasing fiscal transparency. In the absence of freedom of the press, its whistleblower protection act did not have any impact (whistleblower journalists were arrested, even from the BBC). Selective enforcement and discrimination resulted also from an anticorruption (?) deprived of autonomy. Citizen empowerment by way of extending Internet and Internet literacy, on one hand, and transparency and digitalization reforms, to make public services more accessible, on the other seem the only feasible ways ahead in the absence of some major political overhaul which would shake the existing structure of established rents. Global Corruption Barometer 2019 records very high disapproval of the government anticorruption policies.

↔ **United Kingdom** is one of the oldest countries in the world to have established good governance. While often justly criticized for not taking harsher measures against corrupt foreigners

who launder their funds through its financial system, UK has an impeccable domestic control of corruption, with extremely competitive and transparent public procurement and a party finance regulation which far exceeds the European average. Its anticorruption legislation is the most advanced in the world and its increasing enforcement for corrupt dealings abroad opens room for great progress in other nations as well. There is some concern towards the capacity of the press to play the role it has historically played against corruption, due to its financial vulnerability and the legal harassment of journalists in civil Courts. Control of conflict of interest at executive level could also be stepped up.

↔ **United States** is the best model of a low red tape, low transaction costs government, with wide ranging transparency covering from public expenditures to private property. This reduces opportunities for corruption. Public accountability arrangements vary from federal to state level and across states, and so does corruption, but both legal and normative constraints are generally high. Media and civil society are very active in monitoring government favoritism, especially legal favoritism and political corruption. US has also been the first country in the world to have introduced legislation forbidding bribing abroad, and remains the most active enforcer of public integrity internationally. There is growing concern that both internally and externally public integrity under the current presidency will continue to backslide and a variety of checks on abuses of power, both Constitutional and at the level of political norms, will be further weakened --

↗ **Uruguay** has experienced one of the few successful transitions to good governance in contemporary times. Its positive evolution has started with its democratization, but the last ten years have also seen all IPI components progress well. It is on top of the region when judicial independence and administrative simplicity are concerned, although there is some room to progress on transparency still. The most impressive development, however, is on e-participation, with an increasing number of e-citizens and smart government policies to offer e-services to reduce informality and promote good governance. This is a country from which many lessons can be learned.

↘ **Venezuela** has been backsliding over the past decade in nearly every component of IPI but judicial independence, where it has always been at the bottom of both the region and its income group. It regressed significantly even on the less political components, like administrative burden, and is the only one in the region not to have progressed on e-government. Education, on the other hand, has progressed a bit, which together with the moderate number of e-citizens promises a long struggle for better governance.

↔ **Vietnam** has been making progress on reducing administrative burden and e-government, but lags behind its region and income group peers due to lack of fiscal transparency and freedom to discuss corruption publicly and report it. However, its moderately high number of e-citizens by the regional standards promises an increased demand of good governance in the future.

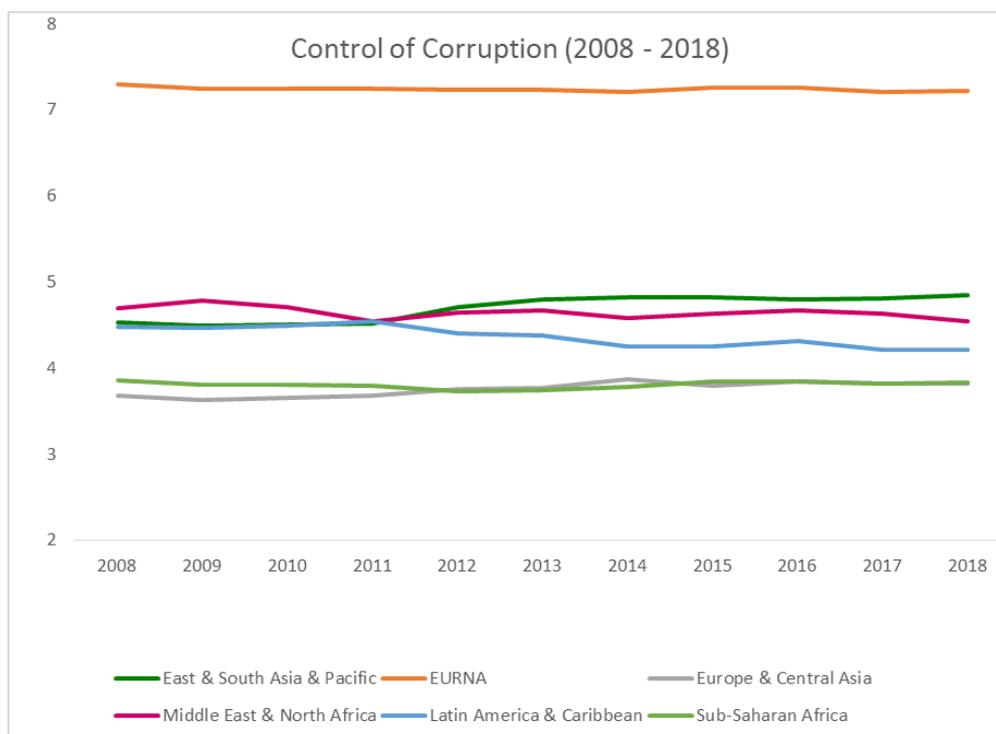
↔ **Yemen's** governance situation is entirely explicable by its destructive internal war and cannot be addressed separately.

↔ **Zambia** has been mostly lagging on all IPI components during the past decade, except for some business-friendly administrative reforms. Global Corruption Barometer 2019 records very high disapproval of the government anticorruption policies. Full fiscal transparency and transparency of all procurement announcements and awards is the minimal step ahead if any progress is to be made.

↔ **Zimbabwe** has lagged behind on good governance in the past ten years, although some small progress was made on judicial independence and e-services offered. The deep power asymmetry inherited from the Mugabe regime and the extremely low number of e-citizens do not promise less capture of the state in the future.

Appendix II

Figure 1. Evolution of the WGI Control of Corruption Average by Region (2008-2018)



Data source: World Economic Forum Judicial Independence (2008-2018), scaled to 0 – 10, with 10 being the highest score.

Table 1. Change in IPI components on WGI Control of Corruption (2008-2018)

Table 1: IPI components on Control of Corruption (2008 to 2018 change)						
	(1)	(2)	(3)	(4)	(5)	(6)
	I	II	II	IV	V	VI
Human Development Index	0.528** (0.256)	0.447 (0.287)	0.547** (0.276)	0.170 (0.177)	0.619** (0.269)	0.575** (0.248)
Administrative Burden	0.0664 (0.0547)					
Trade Openness		0.177 (0.179)				
Open Services Index			0.0592* (0.0303)			
Judicial Independence				0.237*** (0.0498)		
E-Participation Index					0.0250 (0.0214)	
Freedom of the Press						0.245*** (0.0693)
Constant	-0.292** (0.129)	-0.276** (0.132)	-0.400*** (0.132)	-0.0774 (0.0975)	-0.401*** (0.146)	-0.196 (0.122)
Observations	115	112	117	106	117	117
R ²	0.057	0.064	0.086	0.212	0.073	0.186
Adjusted R ²	0.040	0.047	0.070	0.197	0.057	0.172

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$