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An Investigation Into Best Practices and Lessons Learnt With Respect to China's Crackdown on Corruption

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Abstract

Corruption is a well-documented problem in China, as well as many other developed and undeveloped countries across the world. The problem is particularly pronounced in countries that have undergone rapid economic transformation, allowing large amounts of wealth to fall into the hands of a select few individuals. Although corruption has been researched extensively, what is less covered are potential solutions that the country, and others looking to carry out similar reform, could use to combat corruption most effectively. As China has transitioned from a planned economy to a market economy, and the economy has become more powerful than ever, corruption is increasingly seen as one of the largest barriers to its sustained economic growth. The purpose of this paper is to provide a recommendation to China, which highlights some of the ways that China can most effectively tackle the problem of corruption by analyzing the anti-corruptive measures that other countries, such as Hong Kong, have effectively executed.

Keywords

Corruption, fiscal policy, China, legislation, international relations, economy, reform

Disciplines

Business Law, Public Responsibility, and Ethics | Education Economics | International Business | International Relations | Legal Ethics and Professional Responsibility | Legislation | Other Legal Studies | Other Political Science

**AN INVESTIGATION INTO BEST PRACTICES AND LESSONS LEARNT WITH
RESPECT TO CHINA'S CRACKDOWN ON CORRUPTION**

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An Undergraduate Thesis submitted in partial fulfillment of the requirements for the Joseph
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Research Discipline:

Business

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ABSTRACT

Corruption is a well-documented problem in China, as well as many other developed and undeveloped countries across the world. The problem is particularly pronounced in countries that have undergone rapid economic transformation, allowing large amounts of wealth to fall into the hands of a select few individuals. Although corruption has been researched extensively, what is less covered are potential solutions that the country, and others looking to carry out similar reform, could use to combat corruption most effectively. As China has transitioned from a planned economy to a market economy, and the economy has become more powerful than ever, corruption is increasingly seen as one of the largest barriers to its sustained economic growth. The purpose of this paper is to provide a recommendation to China, which highlights some of the ways that China can most effectively tackle the problem of corruption by analyzing the anti-corruptive measures that other countries, such as Hong Kong, have effectively executed.

Keywords:

Corruption, China, Legislation, Economy, Reform

INTRODUCTION

“Facts prove that if corruption is allowed to spread, it will eventually lead to the destruction of a party and the fall of a state...Party committees at all levels must firmly oppose and combat corruption, and prevent and crack down on it more effectively to ensure that all officials are honest and upright, governments clean and incorruptible, and Communists of political integrity...All violations of Party discipline and state laws must be punished without exception, and we shall not be soft in dealing with them.”

- Xi Jinping, President of People’s Republic of China

Corruption is a problem that has been facing China as well as many other developed and undeveloped countries since their inceptions. According to Transparency International’s Corruption Perceptions Index from 1995-2015, 18 of the 25 Asian countries listed have CPI scores ranging from 8 (North Korea) to 39 (Mongolia) on a 100 point scale, signaling the widespread problem of corruption in the region (Corruptions Perceptions Index 2017). The economic effects of corruption globally are stratospheric, estimated at roughly \$1.5 trillion to \$2 trillion – roughly 2% of global GDP according to the IMF (IMF 2016). It was recently stated that corruption contributes to “rotting the entire political system slowly from within” in the *Deepening Democracy* report that the Kofi Annan Foundation publishes annually (Kofi Annan Foundation 2017). Therefore, it is vital for any country looking to continue on a path of rapid economic growth to devise a plan that limits corruption and its effects. The detrimental effects of corruption are further highlighted by Professor Hu Angang of the Tsinghua University School of Public Policy and Management, who estimated that the “illicit siphoning of funds from projects and companies wiped out the equivalent of 13% to 16% of China’s GDP, or about \$150 billion” (Angang 2001) in 2001, demonstrating the gravity of the issue. Ever since transitioning from a planned economy to a market economy, China’s economy has grown at rapid rates, allowing for more incidents of corruption to occur: government officials and employees at all levels have

been entrusted with increasing amounts of power and face decreased supervision, allowing for more opportunities to engage in corrupt activity (Yao 2002). In some cases, this has led to the misuse of funds and “the abuse of entrusted power for private gain,” the definition of corruption according to Charles Wolf in his paper titled *Economic Effects of Corruption* (Wolf 2003). With this in mind, corruption is viewed as one of the largest barriers to sustained economic growth in China by scholars today. In fact, in 1996, Former World Bank President, James Wolfensohn, identified corruption as the governance “cancer” which “diverts resources from the poor to the rich, increases the cost of running businesses, distorts public expenditures and deters foreign investors” (Indrawati 2014). Therefore, it is clear that a well thought through crackdown on corruption is of paramount importance if the country is to continue on its course of economic growth and achieve its 6.5% economic growth target for 2018 (WSJ 2018).

However, as with any form of radical change that a country undertakes, there can be short term ramifications that can be disadvantageous to a country’s economic prospects that must be considered. While there are definitely many long term benefits, any sort of drastic political change can cause turbulence and volatility in a country’s economy. In turn, this has the ability to deter investors which leads to capital outflows that can leave a country economically weakened. Although each country is a unique case with its own nuances, there are numerous lessons that can be learned from another country’s solutions to eradicating corruption, something that will be analyzed extensively in this paper. This paper will explore my research question in more detail by stating my hypothesis, elaborating on some of the motives behind my chosen research techniques (giving examples of where they have been deployed successfully by scholars in the field), and explaining who might find my research of particular significance. This paper will also

include a discussion of some of the challenges that might be faced when conducting this research and an explanation of how these will be mitigated.

The research conducted in this paper serves to highlight insights gleaned from previous anti-corruption campaigns across a variety of different countries and to provide a recommendation to China on how it can best solve any problems of corruption within the nation.

SIGNIFICANCE

This research serves to highlight the effects that a crackdown on corruption might have on a country's economic performance and serve as a potential proposal for countries looking to enact anti-corruptive measures, with respect to China in particular. The research may be useful to members of government, scholars of political science and economics as well as those with an interest in legal studies and corruption more generally. Other students or scholars who have a more general interest in emerging economies or governmental policy might also find this research useful.

As mentioned previously, much of the current literature and research on the topic has focused on historical anti-corruption efforts, as opposed to the one occurring in China at present, and has not delved as deeply into providing a potential solution that countries could use when enacting such measures. The research also focuses either on the anti-corruption measures and analyzes the policies used to crackdown on corruption, or on the economy more generally, looking at how it has performed historically. Therefore, my research will appeal to scholars who have an interest in the intersection of the two fields and are interested in exploring a synthesis of anti-corruption techniques used across multiple countries.

Given the historically high levels of corruption in developing countries, this paper could also be of significance to policymakers in such countries who are looking to implement new anti-corruption policies. Such countries have been experiencing similar increases in wealth and face corruption problems, resulting in the majority of non-ranking people demanding the government change its policies and crackdown on the misuse of public funds. Thus, those in charge of setting the country's policy might find the research in this paper of particular use when assessing how a country in a similar situation handled corruption and what were some of the best practices when so doing. They might use the research that I am conducting in order to inform their own decisions with respect to introducing anti-corruption measures. The research might also be of interest to those studying corruption at the corporate level, as many similar themes run through both types of organizations.

RESEARCH THESIS

By investigating countries that have greatly reduced the problem of corruption in their respective nations, such as Hong Kong and other countries across the globe, and applying and modifying some of these methods to those in China, this paper will provide a comprehensive proposal for countries looking to tackle corruption. Although no two countries are directly comparable, there is definitely something to be learnt from past experience, and this will provide the basis for this paper. Why do different countries deploy different methods when fighting the same problem? Is there one particular method that has yielded the greatest successes? Why do some countries choose a more radical and harsher approach while others opt in favor of more systematic and longer term solutions? In addition to answering these questions, there are additional questions that must be investigated in order to gain an understanding of how best to effect an anti-corruption campaign. For example, it might be easy to say that an anti-corruption

campaign will bring positive benefits to a country's economy. However, while this may be true in the long run, there is often turbulence in the shorter term created by way of social and political instability and uncertainty. Therefore, an anti-corruption campaign can actually harm a country's economic prospects in the short term. This paper will analyze previous countries' successful attempts to combat corruption and apply these to China's current approach by providing insights and recommendations based on the analysis.

LITERATURE REVIEW

Today, no one, including the Chinese Communist Party's leaders, denies that corruption is one of the largest problems facing China and is proving to be a problem to the country's economy, growth and overall prosperity. Although China's president, Xi Jinping, has begun to crackdown on corruption across the country by locking up officials and other business leaders with illicit ties to the government, this paper will look at whether such a drastic plan may actually have adverse effects on the country's economy in the next few years and if so, how might the government execute a plan that mitigates these downsides. While the clamp down is certainly a step in the right direction for the country of 1.4B people, it has also created turbulence and unease both domestically and internationally, with both local and foreign investors pulling money out of the country and parking it in safer havens across the Western world. In fact, in the last decade, China has lost roughly \$3.8 trillion due to capital flight (Forbes 2017). However, while there are definitely negative consequences to this anti-corruption campaign, the positive effects are far greater: Xi Jinping is making sure that those under his rule know that there is no room for corrupt behavior all while setting a precedent for other developing countries that are similarly rife with corruption by showing them that this is a problem which must be tackled without reservation. This literature review will provide a brief overview of some of the trends in

scholarly research centered around corruption in China as well as the country's economy and also highlight what further topics of research remain.

There are a few trends that have come to the surface based on the current scholarly literature on the topic. First of all, the scholarly texts focus on either China's crack-down on corruption or the country's economy. Few scholars have actually analyzed both topics in conjunction with one another and the economic side-effects that may arise as a result of such a war on corruption. There also appears to be copious research on how China's attitude towards corruption has been shaped historically. For example, in Ting Gong's paper on corruption (Gong 2003), one trend was that these articles traditionally focus on China from 1978 and only extend to 2000. Given this time frame, these articles do not therefore account for the most recent period during which there has been arguably the most change in terms of anti-corruption policies. These articles will serve to provide useful insight on past policy and may guide some of the views in this paper going forward. Finally, much of the research focuses very heavily on the political aspect of corruption in China. This research attempts to explain the roots of corruption in China and how the country's political system has led to a consolidation of vast amounts of power in the hands of a few political elite. Economic implications are discussed, albeit only in terms of the country's broader economic history rather than the country's current economic situation. They seek to show that corruption has been a product of the country's rapid increase in economic power, although do little to highlight the long-term economic effects of the resulting corruption.

One journal article is worth noting, as it articulates the relationship between China's economic situation and the political problems that bely the country's rapid economic growth. In the journal article titled "Dangerous Denials: China's Economy Is Blinding the World to Its Political Risks" (Pei 2005). Minxin Pei outlines how China's economy is growing at such a rapid

rate that it is distracting peoples' attention from the serious political problems that underlie the country's political situation. Minxin argues that as China's economy is on the rise, so are the risks of political crisis. From 1980 to 1997, China saw a 50-percent rise in inequality in China. China has "consistently placed the highest value on economic growth and viewed all demands for curbing its discretion and power as threats to its goal of rapid modernization." As a result, the country has seen "social deficits in education, public health, and environmental protection." Chinese politicians have dedicated money towards building shopping malls, factories and Formula One racing tracks and have "neglected social investments with long-term returns." This has led many to question that if China's political system is so rotten, can it really deliver robust growth year after year. These ideas will prove central to the investigation contained in this paper.

Minxin also hones in more closely on some of the concerns that the nation will face as a result of the wide-spread corruption, which has led its leaders to introduce anti-corruption measures. As Minxin states, the "party's inability to police its own officials, many of whom are now engaged in unrestrained looting of public assets, is one of Beijing's greatest worries." As a result of this corruption, officials' "loyalty to the party is questionable, if it exists at all." Minxin's statement hints at the fact that these high levels of corruption are simply unsustainable and that China will face a decline if it does not take a strong stance towards the subject.

In the journal article titled "Privilege and Corruption: The Problems of China's Socialist Market Economy" (Yao 2002), Shuntian Yao explains how China's corruption problem has become more serious during the period of economic reform from the lens of economic models as well as implicit and explicit corruption frameworks. Shuntian argues that the "long-term existence of the same privileged group in Chinese society has led to widespread collusion amongst its members, and as a result, these privileged group members, by "utilizing monopoly

power”, are able to seize “almost all the wealth created by the ordinary Chinese people”. This is furthered by the fact that China’s political system “grants and protects privileges, unless a political reform is initiated and privileges are eliminated, China’s problem of corruption will never be solved.” This provides some backing to Xi Jinping’s ruthless crackdown on corruption. In an effort to rid China of its rampant corruption, Xi Jinping’s crackdown has certainly been dramatic and rapid, harkening to the idea that he is trying to completely eliminate the privileges that have long been afforded to China’s upper echelons.

In his journal article, Shuntian Yao further explains how He Qinglian, a well-known Chinese political economic expert, has recognized that the widespread corruption problem in China is generated by “China’s political and economic system.” He also explores how Deng Xiaoping launched China’s economic reform in the late 1970s, and how since then “the Chinese economy has been growing at an exceedingly high rate, but corruption crimes have become more and more widespread and the average social wealth loss in each corruption case has become more and more substantial.” From this reading, there seems to be a correlation between economic success and corruption and it might be interesting to look into why despite China’s slowing economic growth, corruption levels have not seemed to be decreasing in recent years. The paper also explores how some people believe that Chinese culture makes its people, who have a “long tradition of placing personal connections above the law”, more prone to acts of corruption. As a result, they argue that “no matter what political system China chooses, the corruption problem can never be avoided.”

There also seems to be much research done into the Chinese economy around 1970. This is unsurprising due to the fact that this was around the time when the “Cultural Revolution” was gaining traction and the “Gang of Four” began spearheading change in the nation. However, this

is also a time when there was little wealth in the country and therefore few means by which powerful officials had to be corrupt. Due to the significant wealth that has been created in the last 10 years, there is a far greater concentration of wealth in the hands of a few individuals, and the means by which these individuals have attained that wealth has often been linked to special relationships with those in positions of power.

Overall, the current research on the topic reveals a couple of key trends. The writing either has foci on the political or economic spheres and rarely looks at corruption in China under the country's new leadership. Therefore, there does not seem to be much exploration relating to how the current anti-corruption policies will affect China's economy going forward or a potential recommendation on how best to solve some of these undesired consequences, something that this paper sets out to explore.

METHODOLOGY OVERVIEW

The foundations of this paper will rest on a combination of previous scholarly research and various corruption measures such as Transparency International's "Corruption Perceptions Index". As one cannot measure corruption directly, one must rely on public perceptions of corruption which are measured via surveys. Overall, the paper will resemble that of a literature review. This paper will draw on past research on corruption in China and other developing countries, and look at the methods these countries used to tackle the problems of corruption and the misappropriation of government funds. This research will also look at the practices carried out in individual provinces across China to see whether there have been any particular efforts that led to success and any that were particularly ineffective. Once this analysis has been conducted, it will be possible to formulate a recommendation on how China can best tackle corruption.

Existing Data

This paper will analyze the existing information available on countries that have tackled corruption and assess some of the methods, either successful or unsuccessful, that have been deployed. Once this information has been gathered, the paper's focus will shift to focus on trends and patterns that seem to underlie these countries' anti-corruption efforts and seek out those which might be applicable to China and its war on corruption.

This research will also examine whether anti-corruptive measures at the provincial level, given their success, have been expanded to the nation level. This could provide us with useful insights that would allow us to analyze what sorts of anti-corruptive measures are most and least successful. When doing so, however, it is imperative to bear in mind that there is a difference in geographical size and what may work in one or two provinces will not necessarily work across the whole country. Currently, it is interesting to note that the World Bank has been testing its own ideas in Chinese provinces before advocating for them to be put in place across the whole country.

Cross-Country Comparison

In order to provide a holistic recommendation and as helpful insights as possible into various anti-corruption measures, this research will also look into how anti-corruption reform in other countries, in particular in Hong Kong, which is ranked as one of the world's cleanest governments in the world by the World Bank, The Heritage Foundation and Transparency International, was carried out and how their respective economies fared as a result.

In addition to looking at how Hong Kong has enacted its anti-corruptive measures, this paper will look at how other countries have done so too. This will be done by looking at

Transparency International's global rankings of countries by corruption level and selecting those which have demonstrated a significant and constant decline in corruption as measured by the index. Kosovo, Liberia as well as Singapore have all proven their abilities as nations to bring down the levels of corruption that face their nations. An analysis of the exact methods that these countries have deployed, whether it be through establishing a dedicated anti-corruption force or some other body dedicated to combating the problem, will also be conducted. Once this has been carried out, these principles will be modified to best suit China and their applicability to China and its war on corruption will be assessed.

Corruption Indices and Formal Measures

Transparency International's "Corruption Perceptions Index" (Wolf 2003) will be used in order to gauge the levels of corruption within a nation. The index contains information from over 100 countries and aims to give a "voice to the victims and witnesses of corruption", aiming to work together with governments, businesses and citizens to "stop the abuse of power, bribery and secret deals" (CPI 2017). This scale ranks countries on a scale of 1 to 10, with 10 being the "most free," based on the opinions of country analysts, academics and businessmen regarding their perceptions of government cleanliness. From the period of 1995-2002, Hong Kong and USA both averaged 7.6/10 while mainland China has averaged 3.1/10 over the same period, highlighting the difference in public perception between countries that are regarded as least and most corrupt. For comparison, New Zealand and Denmark, which are the first and second highest ranking countries according to the 2017 Corruptions Perceptions Index, score 8.9/10 and 8.8/10 respectively (CPI 2017). One relevant aside, would be to note that in all years from 2012 through 2017, Denmark, Finland and Norway, all ranked in the top five least corrupt countries according to Transparency International's rankings.

It might also be informative to compare the aforementioned “Corruption Perceptions Index” with factors relating to economic performance, such as GDP and unemployment rate to see whether these factors increased or decreased when perception of corruption was high or low. For example, an analysis of how an increase in corruption, according to the “Corruption Perception Index,” affects the economy in terms of economic output measures and employment rate could be conducted. Thus far, it has been estimated by Charles Wolf in his paper on the “Economic Effects of Corruption” (Wolf 2003) that a “sharp increase in corruption” leads to an estimated 0.5% decrease in GDP growth.

A BRIEF HISTORY OF CORRUPTION IN CHINA

In order to best understand how China can solve its current problem of corruption, it is essential first to investigate some of the roots of corruption in China and how the problem first arose. The first place to begin when trying to understand some of the reasons for corruption at the provincial level, can be found in the tax system that was used in China during the 1990s. Scholars Thomas Bernstein and Xiaobo Lu (Bernstein et al. 2000) note that villagers in agricultural areas were “forced to pay a variety of taxes and fees, leading many to complain and some to protest when local exactions took up an increasing proportion of their incomes.” As a result, concerned that the protests would lead to widespread political instability in neighboring countries, and eventually across the entire country, the government initiated a “tax-for-free” reform in 2000 and began a process of abolishing agricultural taxes which was finally completed in 2006. However, while this process might have calmed dissenting locals at the time, it also led to what Bernstein and Lu call “local fiscal starvation,” meaning that areas which had previously relied on the agricultural tax were now struggling to cover daily operating costs due to the sudden decline in revenues that provincial leaders were accustomed to receiving from the taxes.

In short, the money that the previously instated taxes had been attracting were no longer flowing in, leaving officials with expenses that needed to be paid for some way or another.

As a result of this “fiscal starvation”, local governments had to find creative ways to disguise revenue shortfalls. A notable example of this occurred in the early 2000s, when a town in the province of Hunan sent a funding request to the county level government in 2004, asking for 900,000 yuan to carry out construction of a nearby office building. However, in reality, the office building was only projected to cost 300,000 yuan. Despite this, the 900,000 yuan request was granted even though it was enormously inflated. The town now had 600,000 yuan to cover other expenses, salaries and administrative costs. According to research by eminent scholars in the field, it seems as though this sort of illicit behavior has been occurring in China over the past many years. Hiroki Takeuchi, an Associate Professor of Political Science in the John Goodwin Tower Center for Political Studies, has conducted field interviews with over 100 local officials and villagers across seven provinces including Guangdong, Guizhou, Hebei, Hubei, Hunan, Jiangxi and Zhejiang, from 2004 to 2005 and found that the “collusive relationship between the county and town governments was not unusual in rural China” (Chung 2016). However, as Xi Jinping took power and enacted his anti-corruption campaign in 2012, officials who might have previously been all too willing to engage in the aforementioned dealings suddenly became reluctant to do so, leading to decreased economic prosperity for some provinces that might have benefited from the corruption of government officials.

Although the desire for reform is definitely a top priority at the top of Chinese government, China’s hierarchical structure means that it will take time for the individual cities, districts, towns and finally villages to implement changes. Even when implemented, the levels of fiscal transparency at the Chinese provincial level are very low and individual provinces are

often reluctant to disclose information related to finances. According to a paper by Shulian Deng, Jun Peng and Cong Wang, titled *Fiscal Transparency at the Chinese Provincial Level*, this is largely because there exists a “contradiction between the central government’s stated desire for more transparency and deep-rooted institutional and legal barriers against transparency” (Deng et al. 2013). Thus far, some grassroots-level governments have shied away from implementing policies enacted by the central government. However, in order for Xi Jinping’s agenda to be seen through, it is all the more necessary for the lower level towns to implement the reform policies. If local governments are reluctant to do so, it will be impossible for the Xi Jinping’s government to successfully conduct any reform plan.

Despite this, part of the reason why the CCP has been so successful and faced minimal opposition is because of the sustained economic development that China has undergone over recent years. This has given the ruling party credibility and strengthened its legitimacy. Members of the urban middle class have seen their salaries double over the past years and pensions have been increasing. The CCP has also evolved from a ruling party into a party of the entire nation, an evolution that has seen the organizational system of the CCP permeate all levels of society, acting as a defense mechanism that keeps other rival or dissenting political forces and parties. Currently, the CCP has around 90 million members across 400 million Chinese households, meaning that roughly one in four Chinese families contains a CCP member. Given this, any individual who opposes CCP rule might be going against their family or friends’ political views, creating a peer pressure that can discourage the publicization of opposing or contrarian political viewpoints. One interesting fact to note is that Chinese companies, such as Tencent and Alibaba, often have internal CCP branches. The CCP permeates all levels of society, thereby instilling the

idea of ultimate leadership. This means that no competing political organizations have the ability to revolt against the CCP.

MOTIVATION BEHIND TACKLING CORRUPTION

While it is generally acknowledged that corruption hinders economic growth and erodes the ethical and moral values of societies of countries across the globe, one must investigate the precise reasons for tackling corruption if one is to provide a recommendation on how best to do so. Some of these reasons, which will serve as a basis for understanding our final recommendation, are highlighted below.

The first negative effect related to corruption, would be that it leads to the inefficient use of limited public resources. Corruption allows investments to be earmarked for sectors that might not require the specific investments, preventing other areas of the economy from receiving the funding they might need in order to grow and thrive. Even more detrimental might be the siphoning of funds into the pockets of government officials and politicians, rather than for the use of projects that might benefit the public. According to research by the OECD in 2014 (OECD 2014), one often cited effect of corruption would be resources flowing into “big infrastructure projects or military procurement where kickbacks are high, to the detriment of sectors like education and health care. Furthermore, “public tenders are assigned to the highest bribe payer, neglecting better qualified companies not willing to bribe, which undermines the quality of the projects carried out” (OECD 2014). Corruption also leads to the inevitable slowdown of bureaucratic processes, as slower service means that government officials have more ability to leverage their power: in return for a bribe, individuals or companies can skip the line and receive faster processing of their requests. Through this process, individuals who have the money but might not be the most qualified might be able to ascertain positions or powers

which they might not otherwise receive based on competency or merit alone, allowing underqualified individuals to hold important positions that might detriment an organization or government's performance. The African Union estimated in 2002 that 25% of the GDP, roughly \$148B, of African states is lost to corruption each year. In Azerbaijan's poorest areas, Transparency International found in its 2006 Global Corruption Report (Transparency International 2006) that around 35% of births were conducted at home due to expensive medical costs at hospitals, whose facilities were meant to be free. In the US, it is estimated that Medicare and Medicaid lose 5% to 10% of their annual budgets to corruption (OECD 2014). Therefore, corruption is a serious problem that has the ability to derail a victim nation's economic performance and social advancement. Any country that wishes to advance socially and economically has clear incentives to reduce corruption.

However, it is not only economic performance that stands to suffer as a result of corruption. Worsened social conditions are another detrimental side-effect of the phenomenon. Studies have shown that child mortality rates in countries with high levels of corruption are about one third higher than in countries with low corruption and that infant mortality rates are almost twice as high (Hanf 2011). In terms of education, student dropout rates are almost five times as high. While it might be tempting to believe that corruption is a phenomenon that effects the powerful and the wealthy, it is evident that the trickle-down effects are significant, effecting young children as well as elementary education, both factors that influence a nation's future growth prospects. All in all, it was estimated in 2005 that \$20B to \$40B (World Bank 2016) is stolen from public budgets in developing countries through the corruption of high-ranking officials annually. For countries already entrenched in poverty, corruption's side-effects can lead

to worsened conditions and provide them with little opportunity to emerge from their current misfortunes.

In the case of China more specifically, the anti-corruption campaign was another way for Xi Jinping to cement his power as China's supreme leader in command. Xi Jinping has enjoyed success over his past five years as head of the CCP, managing to crackdown on corrupt officials in both his own party as well as the military. The anticorruption agency established by Xi has the ability to sidestep the courts and lock up any individual for months without access to lawyers. Given this, it might be argued that the anti-corruption campaign is a tool for silencing those who might side with the opposition or those who are not fully supportive of Xi's rule. During Xi's first term, he imprisoned rivals and instilled fear in those who might have otherwise opposed him, cementing his power. A newly founded anti-graft body, called the National Supervision Commission (Xinhuanet 2017), extends the reach of Xi Jinping's campaign against corruption to include individuals employed at universities and state-owned enterprises. While the current anticorruption watchdog is an arm of the Communist Party,

Perhaps most importantly, it is the sense of public trust and rule of law, the two defining characteristics of any nation, that are eroded by corruption. In nations founded on the principles of democracy, corruption in elections can undermine their founding principles if candidates can win through means other than being the most voted. If citizens start to realize that well-established rules and regulations can be avoided through the use of bribes, there is little incentive for individuals to listen to the rules if they have the financial horsepower to pay bribes and get what they want in an expedited fashion. For those who might not be able to pay to get their way, these practices breed dissent and can have the ability to increase inequality, causing the sort of

uproar and rebellion that was evident through the Arab Spring and subsequent populist movements across the globe (Rodrik 2017).

One final reason, and perhaps one that is more nuanced, is the use of anti-corruption campaigns to gain the support of a country's wider population and increase public approval. The notion of corruption is normally associated with the higher ranking officials within a country who manage to amass extreme amounts of wealth by leveraging their connections, something that is understandably despised by those on the opposite end, the everyday working man and women. In China's case in particular, corruption has been one of the major sources of public dissatisfaction, and something that the Chinese Communist Party feared could undermine the stability of the country's one-party rule. This has led to Xi Jinping using the phenomenon to his advantage by taking a harsh stance on corruption and cracking down on it very publicly as a means to cement his power and rule, garnering public favor in the process.

RESEARCH FINDINGS

Comparable Country Analysis

In this section, the research findings from the methods discussed earlier in the methodology section will be analyzed. The findings have been grouped by country and methodology.

Denmark

Denmark, Norway and Sweden are typically considered to be some of the least corrupt countries in the world, according to Transparency International's Corruptions Perceptions Index. For the purpose of this analysis, Denmark specifically will be examined due to the policies it uses being most translatable to China's case.

Denmark's boldest move against corruption occurred in 2017, when it hosted the world's largest anti-corruption conference in Copenhagen, organized by Transparency International and the International Anti-Corruption Conference Council. As we will see in the case of Kosovo, where President Jahjaga organized the international women's summit as a method of promoting her strong stance against corruption, Denmark seems to be deploying a similar strategy by hosting the world's biggest anti-corruption conference. The Minister for Development Cooperation, Ulla Tornaes, stated that it was only "natural to have this conference in the least corrupt country in the world." By playing host to this conference, the country is sending out a strong message to its people and also, more generally, the world that corruption will not be tolerated in Denmark. While it is true that Denmark is of a much smaller scale than China and that any change that proves successful in Denmark might not necessarily transfer successfully, there is definitely an advantage to hosting such a conference, which emphasizes Denmark's reputation as a leader in honesty and transparency and imposes a desire in its citizens to uphold this reputation.

In addition to Denmark, Sweden and Finland, New Zealand is another country that has consistently been ranked as one of the most transparent countries by the Corruption Perceptions Index. The "integrity system" deployed in these countries seem to be particularly effective at reducing corruption locally.

Perhaps surprisingly, studies have shown that freedom of press is positively correlated with the control of corruption in well-established democracies (Fardigh et al. 2011). It is also no coincidence that Finland, Denmark, Sweden and New Zealand all have high GDP per capita, low inequality rates and literacy rates at almost 100%. The countries also make strong and public efforts to prioritize human rights issues relating to gender and racial inequality.

In learning from these countries, China should note that Denmark and Sweden have not always been leaders in transparency and anti-corruption practices. However, well performing countries typically have a “long tradition of government openness, civic activism and social trust, with strong transparency and accountability mechanisms in place”, which all allow their citizens to “monitor their politicians and hold them accountable for their actions and decision” (Chene 2011).

Another method Denmark in particular has deployed to great effect is monthly publication of public servant spending on travel and gifts, in a “Code of Conduct” system (Transparency International 2012). Based on its success, it has been used in the UK to monitor parliament member spending after one individual claimed a 2,000 euro duck house as an expense related to his legislative duties. A recent anti-corruption law passed in Cambodia made it mandatory for 100,000 government officials to declare their assets as a method of combating the country’s culture of bribery. Posing a limit on the value of gifts that senior government officials are allowed to accept also serves to limit the possibility of bribery: Brazil has placed a 100 reais, or \$60 limit, on such gifts. This policy could be important in China, where much like Japan, there is a “culture of gift-giving” which is a major factor that contributes to corruption (Quah 2011).

Based on analysis of this Scandinavian nation, it seems as though a top priority for China and any other nation looking to fight corruption would be to openly disclose budget information. This holds the government and any officials in charge of distributing funds accountable and allows everyone to see where the money is going, preventing the likelihood that they are misappropriated. The Open Budget Index (International Budget Partnership 2017) ranks the transparency of “central government budget transparency” on a 100-point scale, and

unsurprisingly shows New Zealand, Sweden and Norway as the most open with scores of 89/100, 87/100 and 85/100 respectively, while China is one of the least transparent, with a score of 13/100. Public disclosure of the government budget and areas in which it is being spent could serve as one way in which China might be able to learn from these countries.

Singapore

One country that can act as an example for China as it looks for ways to combat corruption is Singapore, which currently ranks as the least corrupt country in Asia. Singapore has enjoyed huge success in curbing corruption, something that can be attributed to the “political will” of its People’s Action Party government which is reflected in “the allocation of sufficient budget and personnel to the Corrupt Practices Investigation Bureau”, which allows it to “ensure that it enforces the anti-corruption laws impartially, regardless of the offender’s position, status or political affiliation” (Quah 2016). However, as it currently stands, China has multiple anti-corruption agencies and its anti-corruption campaigns have proven ineffective due to the fact that they “do not address the causes of corruption.” There are numerous ways in which China can learn from Singapore’s successes. These include: emphasizing the importance of political will, reliance on a single Anti-Corruption Agency with adequate personnel and budget instead of multiple Anti-corruption agencies, enforcing the anti-corruption laws impartially and avoiding the use of corruption as a weapon against political opponents and finally, addressing the root causes of corruption rather than relying solely on anti-corruption campaigns. However, Jon Quah, retired Professor of Political Science at NUS and a current anti-corruption consultant based in Singapore, believes that the “implementation of these four lessons requires China’s political leaders to pay the high price of introducing checks on their power, which is unlikely to

occur” (Quah 2016). However, if China’s leaders are serious about reform, they will undoubtedly have to give up certain privileges.

Lee Kuan Yew, Prime Minister of Singapore from 1959-1990, said:

“It is easy to start off with high moral standards, strong convictions and determination to beat down corruption. But it is difficult to live up to these good intentions unless the leaders are strong and determined enough to deal with all transgressors, and without exceptions. CPIB (Corrupt Practices Investigation Bureau) officers must be supported without fear or favor to enforce the rules.”

China seems to have acknowledged the fact that their current practices might not be the most effective. Wang Qishan, Secretary of CCDI, China, recently gave a nod to the Hong Kong and Singaporean models, stating; “China should learn from the Hong Kong and Singapore model for tackling corruption as both have independent anti-corruption bodies, unlike China which relies on the party investigating itself” (Quah 2017).

Hong Kong

A hallmark example of a successful anti-corruption campaign is that of Hong Kong, somewhere that has been viewed as largely corrupt since the 1960s. Corruption was pervasive throughout all levels, from the individual to institutional levels. Hong Kong citizens even seemed to generally acknowledge that “police corruption was common”. Government officials openly asked for tips in return for processing requests in a timely manner and even the police force seemed equally receptive to such behaviors, so much so that Hong Kong citizens freely acknowledged that “police corruption was common” (Lai 2000).

Today, Hong Kong currently ranks as the 15th cleanest government globally by Transparency International, scoring higher than some of the world's most developed countries such as USA, Japan and France. It is worth mentioning that Singapore, which ranks as having the 7th cleanest government, is also a former British colony and deployed an anti-corruption effort similar to that of Hong Kong in order to eradicate corruption in the country. Melanie Manion, Professor of Public Affairs and Political Science at the University of Wisconsin – Madison, believes that “Hong Kong offers an example – probably the best in the world – of successful transformation from widespread corruption in the 1960s to clean government in the 1970s” (Manion 2004), which the country executed by setting up an Independent Commission against Corruption (ICAC) which exercised a three-pronged approach to tackling corruption. Therefore, in providing a recommendation to China, one would be particularly well-advised to pay close attention to this method which has served both Hong Kong and Singapore well.

There are multiple points upon which rests Hong Kong's anti-corruption success story, which include a free press, developed sense of civic duty, higher remuneration for civil servants and the use of informants (Manion 2004). However, the most important of them all is the three-pronged approach (TPA), which is founded on the basis of investigation, prevention and education, which are each housed under three separate departments within the ICAC. Below are the individual components of the three-pronged approach.

The Operations Department:

The OD consists of 1,351 agents and represents 73% of its total force. The division is tasked with investigating reports of corrupt activities in both the government and private as well as public sectors, and issuing necessary search warrants and making arrests when required.

The Corruption Prevention Department:

The CPD is operated by 62 agents who represent 5% of the ICAC's total employees. The CPD creates "safeguards in the system and in practices in both public and private organizations, enterprises and industries" (LaMagna 1999). They are tasked with preventing crime at a grassroots level rather than simply dealing with the symptoms. This is one area from which China would serve to learn well due to their dependence on addressing the symptoms of corruption, often catching officials once their acts have been committed.

The Community Relations Department:

The CRD consists of roughly 163 agents and is responsible for "educating the public sector on how to avoid any alleged corrupt activities even those that are unintentional" (Manion 2004). They carry out their aim by hosting seminars, forums and annual meetings as well as sending out anti-corruption messages through the media, websites and commercials. Their work trickles down to the youth, for whom the CRD make concentrated efforts to visit schools and promote moral and ethical behaviors and practices.

While implementing the above in a similar manner will prove key to a country's anti-corruption efforts, a country must also embrace the underlying "spirit and philosophy of the mission" (Miles et al. 2003). In particular, the three-pronged approach, if applied, must emphasize simplicity (institutional design), deterrence (powerful ordinances) and transparency (building public trust), all three of which will be discussed in greater detail below. Research found that "the results could be disappointing anti-corruption outcomes and administrative failure in the eyes of the public" (Gorta et al. 2003) if the three-pronged approach is not

followed. This may be something that China wants to consider, should they choose to implement the above approach.

The three key facets of the Hong Kong ICAC's approach can be summarized below:

1) Simplicity:

The ICAC uses techniques such as undercover operations and follows up on information that might be handed to them via informants. While many anti-corruption organizations across a variety of countries might share similar techniques, what seems to differentiate the ICAC and make it particularly effective is the simple organizational structure that is promoted via the three-pronged approach. South Korea, which established the Korean Independent Commission against Corruption (KICAC), did not enjoy the successes that Hong Kong did. Choi blames this on the KICAC's "overcomplicated institutional structure" which led to "poor performed outcomes" (Choi 2009). Choi highlighted that one of the key features of the ICAC is its "uni-structure" whereby it "functions independently as the one and only institution in the fight against corruption", compared to the "dual-structure" (multiple agencies fighting against corruption) that is effected by the KICAC and is characteristic of other countries' less effective anti-corruption organizations. One of the additional benefits of the "uni-structure" design is its ability to increase the integrity and independence with which agencies can combat corruption. Jiao found that compared to internal operations such as the Internal Affairs Bureau established by the NYPD, external and independent investigation forces are instrumental in reducing police corruption, compared to internal organizational changes (Jiao et al. 2005).

2) Deterrence:

The ICAC works with the public sector to prevent and decrease the likelihood of corruption by promoting awareness of organizational and personal integrity. The ICAC uses the “powers contained in criminal law” to instill the “fear of punishment” in order to prevent crime (van den Haag 2008). According to the laws, “offenders were automatically considered guilty, if they could not give a reasonable and justifiable explanation to the investigators and to the court that would establish the legality of the sources of all their holdings.” While harsh, this seems applicable to those officials in China, who might for some reason or another have acquired assets whose values might be far greater than their overall income, suggesting that they were likely acquired illicitly. “Because the ordinance empowers ICAC agents to examine bank accounts, investigate and confiscate an individual’s unexplained assets, holdings of pecuniary resources or property in trust (even without a court warrant)”, this has proven to be a “very effective anti-corruption strategy associated with productive outcomes” according to Lo and Yu (Lo et al. 2000). Adding to the forcefulness of this law are the “severity of legal punishments and the strictness of criminal laws” which have been associated with evidence of deterrent effects in policy evaluations (Lo et al. 2000). Harsh sentence lengths deter suspects from committing bribery or engaging in corrupt practices.

3) Trust:

Education is perhaps key to fixing the “root-cause” of corruption, something that is crucial to any successful anti-corruption campaign. The foundation of any educational approach is to “teach people to be strict in the matter of self-discipline and to refuse any corrupt opportunities.” In addition to solid education along those lines, public trust and confidence in the ICAC, or any similar anti-corruption agency, are key for their actions to be supported (Lai 2000). For example,

one of the reasons the ICAC proved to be so successful was that from 2000 through 2009, it received support of roughly 99% of Hong Kong residents and 95% of people reported that they were confident in the quality of the ICAC's performance (Quah 2010). Furthermore, 80% of respondents acknowledged that the ICAC's anti-corruption outcomes were "very effective" and served to improve the "transparency" and "openness" of the government. They believed that the ICAC was crucial to helping "maintain a corruption-free society" by upholding "fairness and justice" and providing "efficient investigation of corruption cases." This large amount of public trust and confidence in the ICAC's actions meant that individuals were more likely to cooperate with the agency and share tips or information on suspect behavior that might be indicative of corruption.

China and Hong Kong's anti-corruption reform have taken very different paths. For example, the Hong Kong government set up an independent anti-corruption agency, called the Independent Commission Against Corruption, whose sole purpose was to eradicate corruption in the Hong Kong government. The ICAC was not part of the Hong Kong Civil Service, operating independently and directly accountable to the Chief Executive of Hong Kong. The commission was responsible for multiple high profile arrests and convictions of police officers and made an effort to focus on high-ranking corrupt officials in addition to those of lower rank. One of the markers of this campaign's success was measured by "number of corruption reports." The commission also made sure to achieve major successes quickly and publicize these successes widely. Although Xi Jinping's campaign has achieved significant successes so far, disciplining over one million officials since President Xi took power in 2012 (Reuters 2017), the government has also failed to set up a dedicated anti-corruption agency in charge of combating corruption,

instead choosing to arrest and discipline officials through the CCDI, the Central Commission for Discipline Inspection.

One of the most telling aspects of Hong Kong's anti-corruption campaign was the ability of the country and its anti-corruption movement to be led by individuals not biased in favor of one side or swayed by a particular political viewpoint. Paul Romer summarized this with the below remark (Kohn 2013):

“The governor general in Hong Kong was not an authoritarian leader. He answered to the democratically elected British prime minister but his position did not depend on local political contests. As a result, neither the governor general nor the commissioners that answered to him had any interest in using the substantial powers of the commission for narrow political gain. They could be trusted with strong powers because they were held accountable to an offshore democracy that wanted Hong Kong to thrive.”

Another distinguishing feature of Hong Kong's anti-corruption campaign is the fostering of public confidence and trust within the community. The ICAC emphasized that “public trust” was one of the key factors of success of the TPA (Lee 2006). They believed that this system of trust made individuals more likely to confide in officials if they witnessed suspect behavior, which proved to be correct: among all cases brought forth for investigation, over 90% came to their attention because of a citizens' report. Furthermore, in roughly 71% of these cases, people would identify themselves as well (ICAC 2017), demonstrating the enormous sense of public trust for the ICAC that they were willing to reveal who brought forth the accusation. According to (Jiao 2010), this “robust public trust for ICAC operations and its anti-corruption outcomes” are believed “to result from a strong partnership with the community”. In China's case, which is a much larger country, it might be hard to create this sense of trust among the population of 1.4

billion individuals. One study (Haberfeld 2002) found that “one of the missions of community policing is to train police officers to understand community members, build trust and even to voluntarily gather community intelligence to solve crime problems”. This would be done through police force members “participating in community activities” which would not only increase a “sense of partnership” but also in turn “increase the level of trust” which would allow a “future police agenda to be promoted with confidence” (Chappell and Gibson 2009).

Liberia and Kosovo

Although Liberia and Kosovo might not strike us as countries that are directly comparable to China, there are numerous lessons that can be learnt from the way these countries cracked down on corruption problems that plagued their countries. In particular, it is useful to look at how the leaders of these countries took very decisive measures to eradicate any possibility for corruption in the country. Research findings would dictate that two political leaders who took the lead in fighting corruption within parts of the world previously infamous for graft.

One might begin by looking at Liberia’s “Iron Lady”, President Ellen Johnson Sirleaf, who was the first female head of state in Africa. President Sirleaf played an active role in rebuilding Liberia’s economy even before she came into office. In fact, she won the Nobel Peace Prize in 2011 for her contribution to both the peace process and women’s rights movements in Liberia. In her efforts to prevent corruption, she went so far as to suspend her own son along with 46 other senior government officials for failing to disclose assets to Liberia’s anti-corruption officials. This is perhaps one of the biggest and most significant indicators of President Sirleaf’s willingness to do whatever it takes to crackdown on corruption. In the case of China, one insight might be the significance with which Xi Jinping acts, for example

demonstrating with a few decisive measures that strike at the very heart of corruption in order to prove to the public how serious he is taking the problem.

Another example that can help us formulate insights is that of the President of Kosovo, Atifete Jahjaga, who was also the first female head of state in the Balkans. Prior to her assumption of power, she was a relatively unknown figure, serving as the deputy director of the national police. In Kosovo, corruption was perceived as the root of all evils and there was clearly incentive to clamp down on corruption that seemed to be ruining the chances that the country had to thrive economically. President Jahjaga, after only a few months as the President of Kosovo, in her first parliamentary speech, demonstrated her understanding that corruption was a huge problem plaguing the country and outlined very comprehensive plans for tackling the problem. One critical element of this plan involved the founding of a presidential anti-corruption council that served as a hub for all the government's anti-corruption efforts. This centralized council was responsible for all policy creation.

In addition to having a concrete plan, taking public action can be used as another way of reducing corruption by gaining the support of the public and investors in the country. For example, President Jahjaga of Kosovo realized that while establishing an anti-corruption council was important, it was only the beginning and that corruption was also a much broader international problem and its eradication required common solutions. She would not only have to establish the anti-corruption council but also make it known to everyone what she was doing and why she was doing it. When President Jahjaga organized the international women's summit in Kosovo, she made a concentrated effort to highlight that the conference was focused on tackling public corruption and the numerous benefits that would come from it, not only for the country as a whole but for individual citizens too. By doing this, Jahjaga was able to turn Kosovo from a

center of corruption into an international center for finding solutions against corruption and the President sent a strong message of her commitment to eliminating corruption. The public nature of this action also garnered the support and favor of the public, including regular citizens as well as investors who saw the potential gains for the country, both economically and socially, that would result from her hard stance on corruption.

When we look at both the case of Liberia and Kosovo, it is hard to miss the fact that the leaders of these countries were the first female leaders. This is important for multiple reasons, primarily because of the fact that one might infer that a leader who is classified as the “first”, might be more willing to prove themselves and therefore make an effort to crackdown hard on problems that face the country which they are ruling.

As is the case when any new policies are introduced, there will be skeptics who point out the pitfalls of a proposed plan or supposed solution. However, even if one might not necessarily agree with their point of view, it is still definitely worth taking into consideration due to the fact that they usually highlight something that might not have been considered by the original creators of that plan. In this case, critics of President Jahjaga’s anti-corruption measures stated that new leaders, upon assuming power and taking office, typically issue grand promises that are not met throughout their rule and thus any radical policies are doomed to fail from the outset: either through a lack of effort or due to competing priorities, their plans more often than not fail to materialize.

Critics also point out the problems with establishing a dedicated anti-corruption body that is responsible for handling all matter related to eradicating corruption, pointing out that such institutions could themselves become propagators of corruption and thus serve to multiple the very problem they were supposed to solve. Even worse, such institutions would be accused of

legitimizing corrupt officials by entrusting them with the very corruption initiatives designed to investigate them: if an organization is given the sole responsibility for handling anti-corruption measures with no oversight or governing body, there will be little incentive, apart from extreme moral consciousness, to refrain from corrupt ways. This is especially the case in developing countries where government workers, who might not otherwise be paid high salaries, can be easily swayed by the promise of extra funds in return for under the table favors.

Indonesia and Ghana

In addition to Kosovo and Liberia's anti-corruption efforts, there are numerous lessons to be learnt from the efforts that have taken place in Indonesia and Ghana. As highlighted above, countries in developing and lower-income countries are often those most plagued by corruption and are often the countries at the forefront of any anti-corruption movement. A key to solving the problem is successfully designing, implementing and defending anti-corruption institutions. The Innovations for Successful Societies programme at Princeton University examined anti-corruption agencies in eight countries: Botswana, Croatia, Ghana, Indonesia, Latvia, Lithuania, Mauritius and Slovenia, the results of which can be useful to us. As part of the study, researchers from Princeton interviewed more than 150 people at all levels inside the respective anti-corruption agencies, as well as external experts, in order to identify not only the achievements or shortcomings of such agencies but also, crucially, how they overcame the obstacles that they faced along the way.

Looking at their research, the first takeaway is that related to strong internal controls and accountability mechanisms, ensuring a stable and strong organization that is responsible for handling matters related to corruption while putting in place measures that prevent any internal abuse of power. Such breaches could give the organization, and more importantly, the wider

governing body, a negative name that could damage their reputation and make it harder for them to carry out any future initiatives. In order to ensure the above, any anti-corruption organization must be focused on hiring staff with high integrity and an astute ethical compass so that they can prevent themselves from engaging in corrupt practices. Although this is hard to screen for when hiring new members, there are various measures that hirers can conduct including judgment based questions that test a candidate's judgment when faced with complicated ethical dilemmas. These are frequently used in the finance world when screening new recruits, especially given the financial crisis of 2008, which was largely thought to be a product of individuals taking risky bets and failing to act in the best interests of their clients.

Although Indonesia's corruption eradication commission did not announce its first case for over a year after its creation, it spent that time recruiting staff through open competition, establishing ethical codes, training investigators and developing comprehensive internal procedures. This deliberate approach avoided the sort of internal corruption scandal that blighted Latvia's corruption prevention and combating bureau where two staffers were discovered to have stolen seized assets value at about \$300,000.

Insights Learned from Provincial level Anti-Corruptive Measures

According to a recent report by *The Beijing News* (SCMP 2015), the highest number of senior provincial-level officials to be caught under the government's crackdown on corruption worked in the southern province of Guangdong, where ninety senior officials have been formally accused of corruption by anti-graft investigators since President Xi Jinping launched his anti-corruption initiative in late 2012. Hubei is the second highest with 61 officials, which is followed closely by Sichuan, Henan and Shanxi with 54, 52 and 50 cadres respectively, accused of engaging in corrupt practices. Fifteen provinces have caught more than 20 cadres. However, the

report did not mention whether the officials have been convicted in court for corruption offences. 90 officials in Guangdong include top leaders in at least seven cities including Guangzhou, Shenzhen and Dongguan. Shanxi is one of the centers of the government's anti-corruption campaign and seven provincial-level officials from vice governor to department head have stepped down in disgrace, according to the report.

A Lesson from Corporations

While looking at countries might seem the most logical approach to glean insights into anti-corruption practices, it is also useful to look at corporate governance and how these entities aim to instill positive practices. While corporations and countries are two distinctly different entities, each with their own nuances, there are definitely similarities that can be drawn between the two. After all, both are run by a select view of people, contain a large body of individuals and have their performance gauged by a specific set of economic measures. Patrick Lencioni, founder and president of the Table Group, a management consultancy firm that specializes in executive team development, outlines some of his research in the Harvard Business Review. Lencioni's findings have numerous relevant implications and insights for China and how the country's rulers can use values to have a positive influence on the behavior of their people.

Although Enron publicly stated its values of "communication", "respect" and "integrity" in its 2000 annual report, they proved meaningless, demonstrating the lack of effectiveness of these so-called "espoused values" (Lencioni 2002). Instead, stating "aspirational values" and "core values" are far more effective. Aspirational values are those that a "company needs to succeed in the future but currently lacks", for example a company "may need to develop a new value to support a new strategy". This could be applicable to China, a country that is eagerly trying to bring down its levels of corruption and increase transparency across the nation. In this

case, these new “aspirational values” would be centered around honesty and openness could be used in order to achieve these goals. Furthermore, when assessing suitability for promotion, government officials would be judged against these “aspirational values”, enhancing the likelihood that these officials will be thinking about them when before they might engage in activity that crosses the line. CEO Jean Kovacs, of Comergent, an e-commerce company, uses this very tactic. In a recent interview, she mentioned that her employees are “evaluated against the core values, and when it comes time to award stock, bonuses and raises”, she uses “the values statement as a metric”. On the other hand, core values are “deeply engrained principles that guide all of a company’s actions”. These values serve as “cultural cornerstones” that can never be “compromised”, either for “convenience or short-term economic gain”. In the case of China, the “aspirational values” approach may be more important due to the fact that the country currently does not have what one might consider “cultural cornerstones” aimed at preventing corrupt and transparent practices.

Another point that the authors mention is the fact that “many companies view a values initiative in the same way they view a marketing launch: a onetime event measured by the initial attention it receives, not the authenticity of its content,” which has the ability to “undermine the credibility of an organization’s leaders” (Lencioni 2002). Again, the parallels between how one governs corporations and countries are evident. President Ellen Johnson Sirleaf of Liberia, worried that her anti-corruption stance would only come across in her speech, made sure that she regularly and very publicly took action against those involved in corrupt practices, including imprisoning her own relatives once they had been proven guilty. Just as corporate leaders might be wary of making grand claims about their company’s values, leaders of nation face the same fear that once their initial inauguration speech is over, where they decry such practices and set

out new agendas going forward, their words will slowly fade into the back of the public's mind and as they venture deeper into their tenure, competing priorities will take over and there will be no change.

From my own personal experience, having interned at two well-known Wall Street firms, the values publicly stated by senior management mostly fell on deaf ears. Other interns knew that these were empty statements simply said to improve these firms' tarnished reputations after the 2008 financial crisis and no one really cared about what they were despite HR's best attempts to instill these values. Therefore, if young, impressionable college students, eager to make an impression are unreceptive to these values, what chance does China stand of using similar slogans to change the opinions and views of established officials steeped in their ways.

AN ANALYSIS OF CHINA'S CURRENT APPROACH

This section will include an analysis of how China is currently waging its war against corruption and analyze the various methods that Xi Jinping and his party are deploying.

Analyzing Party Congress Meeting Rhetoric

One of the most detailed insights into how China is tackling the problem of corruption can be found by analyzing President Xi Jinping's national addresses, most recently his report at the 19th Party Congress in which he reaffirmed his commitment to the anti-corruption campaign. A thorough reading through the transcripts of President Xi Jinping's various addresses clearly reveals that he has taken great effort to stress the ideology, political guidelines and policy directions with which he wishes to rule the country. Analysis of reports from other party leaders from the 12th to 19th Party Congress also highlight Xi Jinping's focus on anti-corruption and determination to make the government clean again. The words "corruption", "supervision",

“discipline” and “rule of law” were featured prominently throughout the speech, words not usually as prominent in previous leaders’ speeches, showing the current president’s clear efforts to take action against corruption compared to previous leaders.

Thus far, Xi Jinping has made it clear that he wants three main types of officials to be investigated: those who have not restrained themselves from misbehavior since the start of the anti-corruption campaign in 2012; those who have received strong complaints from the public; and those who occupy important positions with the potential to be promoted in the future (China Policy Institute 2017). What is less clear, however, is how cases of political and economic corruption will be handled. It is not unheard of for Chinese businesses to collude with government officials in order to get certain policies enacted or to be granted resources that they need. Xi Jinping has said that he wants a “close but transparent government-business relationship,” (China Policy Institute 2017) although it remains to be determined what exactly this will mean for China’s private sector businesses.

The definition of corruption, according to Xi Jinping, will also be extended to “officials without any achievement”, which can be regarded as a sort of “passive corruption”. Due to the harsh punishment and investigation currently taking place across China, officials are increasingly weary of getting involved in the private sector, leading to a reluctance to promote new projects in their provinces or counties. This can lead to depressed growth and innovation, which could be seen as an unintended consequence of the anti-corruption movement. In order to mitigate these unwanted side-effects, it might seem reasonable to create procedures by which officials are evaluated based on the initiatives they take to spur new business in their respective provinces while maintaining an open and anti-corrupt business relationship.

Broader Structural Changes

In order to support his anti-corruption campaign, President Xi has enacted numerous legislative measures in order to strengthen his grip over the country and ensure that China's one party system remains intact. In this section, some of the measures that have been taken thus far will be discussed.

Constitutional Amendments

President Xi Jinping recently announced his plans to abolish the country's Presidential term limits, meaning that he can remain in charge of China's Communist Party for as long as he wishes. On March 11, 2018, China's National People's Congress approved the plan to scrap term limits for the country, allowing Xi Jinping to be the country's "President for life". Out of the 2,964 delegates that cast their votes, 2,958 were in favor of the constitutional amendment, two were against it, and there were three abstentions.

Although the move undoubtedly cements Xi Jinping's power and allows him to enact policies without fear of public approval or concerns surrounding re-election, it did not come without criticism. Steve Tsang, director of the China Institute at SOAS University of London, believes that Xi is now "unquestionably a Leninist strongman" and is not "first among his equals" but instead "lord and master of them all". Former editor of China Youth Daily, a state newspaper, believes that this is a "historic retrogression", adding that "throughout history, only Chinese emperors and Mao Zedong had lifelong tenure until their deaths" resulting in a "disaster for the society and many painful lessons". Law professor at Peking University, He Weifang, (Washington Post 2018) added that "if the constitution of one nation can be amended by the most powerful person according to his or her will, the constitution is not a real constitution" and that

“the legacy of Deng Xiaoping’s efforts to avoid lifelong presidency have been abolished completely”. Xi Jinping has built his presidency on a bold promise to “rejuvenate” China and put the country back at the center of the world. Mary Gallagher, director of the Lieberthal-Rogel Center for Chinese Studies at the University of Michigan, said that “everyone expects that this will make Xi Jinping a stronger, more decisive leader, but it’s also possible that he will need to justify this change by maintaining his popularity”. Gallagher adds that this does not bode well for difficult reforms ahead, such as raising the retirement age and introducing a property tax. “A second-term president with nothing to lose might have been in a better position to enact these changes and accept the blame before stepping down”. Professor Tsang, of SOAS, said that the “constitutional change signaled a worrying trend: the elimination of dissenting views in policymaking”, adding that “this shows he has now narrowed the scope of internal policy debates so much that no one dared to counsel him.” Tsang said; “if Xi is right, he will be more effective in getting his policies implemented. But if Xi gets it wrong on any major policy matter, God help China, for there will be no one else who can.” Carl Minzner, a professor at Fordham Law School, said “Sunday’s vote showed that the political norms that have governed Chinese politics for decades are coming undone.” He added; “the risk now is: as those norms and institutions steadily erode, how much of the earlier instability could return?” By imposing this new ruling and removing presidential term limits, Xi Jinping is taking China back in time, to the Mao era, and erasing the collective leadership system and consolidating his power. However, with this move, President Xi’s ability to carry out his anti-corruption plans increases dramatically, giving him the ability to effect them exactly how he wishes and freeing him from the urge to act in accordance with public opinion in order to increase approval ratings in anticipation of re-election.

Despite managing to gain lifelong control over China, President Xi's rule occurs within a highly oiled and well-institutionalized party system, surrounded by officials who have risen through the ranks through their own hard work and personal ability. In research conducted by Barbara Geddes, a Professor of Political Science at UCLA, it was found that when a leader rises through a political party, which President Xi has done, rather than creating his own, that party is more resilient to a leader's attempts to control the system. Xi Jinping has earned his place as the ruler of China's existing party, which should allow him to maintain the favor of his party. Professor Barbara Geddes also introduces the idea of a "personalist dictator", a leader who "exercises power with little outside restraint, unencumbered by rules of commitment to ideology". It is clear that President Xi's leadership cannot be characterized as such. President Xi's trajectory has been very different to that of personalist dictators such as Saddam Hussein's in Iraq or other high profile dictators in other countries. These dictators often killed and assassinated competent officials of rival parties, filling their positions with friends and sometimes even family, leaving a bitter taste in the mouths of those who might have worked hard for promotions but lost out due to nepotism or garnering the currying the favor of the right leader. Although President Xi might not yet be classified as a personalist dictator, he may well be characterized as one later on in his tenure, which is now life-long. Xi Jinping currently controls who gets appointed to the party's executive committee and over time, he could look to fill these positions with people who share his own beliefs and ideological thinking.

Even though Xi Jinping has taken efforts to silence rivals through various anti-corruptive measures, he very much represents China's Communist Party. One of the factors from which Xi Jinping benefits is the strong devotion to the Chinese Communist Party that runs through the nation, with an estimated 1 in 4 Chinese families possessing a CCP member. This strong support

base contrasts President Xi from other leaders who govern in a dictatorial manner and secure support for their campaigns through financial rewards or other nepotistic means.

Limitations of CCP's Current Anti-Corruption Measures

There are of course numerous limitations that must be investigated if one is to provide a holistic investigation into the state of China's anti-corruption campaign. In recent years, many of the high profile corruption scandals that have risen into public limelight have occurred unintentionally. That is, they have been discovered by accident rather than some sort of planned and targeted investigation. For example, it was only when his son crashed his Ferrari in Beijing that Ling Jihua, the former chief of the General Office of the CCP, had his corruptive measures investigated: how could this civil servant afford to buy his son a Ferrari? Similarly, had it not been for a falling out between Gu Kailai (Bo Xilai's wife) and Englishman Neil Heywood, who threatened to reveal the couple's secrets, Bo Xilai, the former Party Secretary of Chongqing, would not have had his corrupt dealings exposed. Therefore, given that these high-profile cases were unveiled through fortunate strokes of serendipity, one might question whether and if at all, the government is able to stamp out corruption completely, especially in the case of higher ranking officials who might have increased power to cover up their corrupt actions.

Unintended Consequences of the Anti-Corruptive Measures

One of the unintended consequences of the anti-corruptive measures are the short-term economic downsides that the President's campaign has had on the Chinese economy. Although Xi Jinping intended to use the anti-corruptive measures as a way to cement his power and garner public favor while bolstering the Chinese economy, there are definitely detrimental consequences that should be kept in mind in order to execute an effective campaign as possible.

Some scholars have noted that one of the major drivers behind Xi Jinping's anti-corruption drive has not been his overpowering sense of morality and integrity but that it has instead been driven by a sense of fear, with scholars citing his angst that the one-party system could not be maintained unless there was a significant crackdown on corruption. Past historical movements, such as the Tiananmen protests in 1989 have been grounded in people's dissatisfaction that resulted from corruption and inequality, many of the characteristics that are seen in China today. The campaign, then, seems to be part of Xi Jinping's desire to gain control and strengthen his regime. Additionally, Xi Jinping's recent decision to abolish a limit on Presidential terms, which effectively allows him to stay in power with unlimited duration, makes this reasoning all the more believable.

One of the most interesting aspects of President Xi Jinping's anti-corruption campaign is its definition of corruption. As Hiroki Takeuchi notes, many local governments have been facing financial problems for years, "causing them to misappropriate fiscal transfers and cook the books in order to cover basic operational expenses" (Takeuchi 2014). The most recent anti-corruption campaign has imposed fear upon local level officials, who now live in fear that they could be potential targets even if they might not be corrupt in the traditional sense. One takeaway from this would be to ensure that there is a clear definition of corruption and what the consequences for engaging in these certain "corrupt" practices might be. Additionally, it would be useful to define the period over which an individual can be liable for certain offenses. For example, given that the corruption campaign and its subsequent rulings were introduced in 2012, would it still be valid to punish an official for an act that he committed in 1990, when there might have been different definitions of what constitutes a "corrupt" practice? It might be argued that if you go far

back enough in any individual's history there would be found acts that could be considered "illegal", whether in China or indeed any country across the globe.

RECOMMENDATIONS AND BEST PRACTICES FOR CHINA

Now that an examination of countries that have successfully effected anti-corruption campaigns has been conducted, highlighted below are some of the recommendations and best practices for China going forward. However, prior to examining these recommendations, it might be useful to highlight four of the major limitations of the current anti-corruption campaign (Quah 2016).

One of the first recommendations that must be given to China is that regarding setting a concrete definition for corruption and what would constitute a corrupt act. Hong Kong's crackdown on corruption provides us with a useful case, one from which China might be well-advised to take note. In this case, both a "narrowband" and "broadband" definition was used.

Narrowband:

Corruption that includes bribery, fraud, embezzlement, kickbacks and other alleged corrupt activities based on cultural background and social context (Hsieh 2017). The act in question must also satisfy the legal definition of corruption as "the abuse of public power for private gain" (Van Dijk 2008) and it must also "designate the three basic actors included in the elements of corrupt activities: (1) "the occupant of the public office", (2) "the intended beneficiary of the office" and (3) "the actual beneficiary of the particular exercise of that office" (Philip 2006).

Broadband:

This definition of corruption uses global corruption measurements in their reference to criminal activities (Hsieh 2017). Quah mentions the Political Economic Risk Consultancy's annual survey, World Bank's annual analysis (control of corruption governance, the ease of doing business rank), the Global Competitiveness Report (public trust of politicians) and Transparency International's Corruption Perceptions Index as "appropriate international indicators for measuring corrupt activities within a broader context and providing a context to mitigate the blurred definitions in outcome evaluations and cross-nation studies" (Quah 2011). Langseth believes that "integrating both narrowband and broadband definitions provides the essential elements in which to more accurately describe activities under investigation" (Langseth 2006). This is definitely true in today's increasingly interconnected world, given China's increasing importance in the economies of foreign countries, where corruption can involve both local and international criminal activities.

Second, China might be well-advised to focus on dealing with the precise causes of corruption rather than the symptoms: rather than addressing the root causes and reducing some of the incentives for individuals to act in a corrupt manner, the current campaign focuses on punishing those who have already acted in corrupt ways, making it likely that others will continue to act poorly. As Eric Uslaner and Bo Rothstein mention in their paper titled *The Historic Roots of Corruption*, "systemic corruption is deeply rooted in a state's underlying social and historical political structure." Therefore, changes to a country's overall political structure must be made rather than simply punishing offenders if the nation is to make considerable reductions in instances of corruption.

Third, anti-corruption laws in China are sometimes enforced selectively and not impartially. This leaves room for bias in the trial phase. One individual might receive a harsher sentence than another even though they have essentially committed the same wrongdoing simply because he might be in favor of the current regime or because the other individual might have fallen out with a member of the regime. In January 2018, corruption punishments in China spiked 44%, when the party disciplined 4,327 cadres (Financial Times 2018). However, head of the CCDI Wang Qishan said that three-quarters of those sanctioned received only “light discipline” and that because the majority of the disciplined majority were party members, they were not prosecuted in court (Financial Times 2017). This has led some to believe that rather than demonstrating serious efforts to punish corruption, these spikes might in fact be a method that the government is using to coerce officials to comply with government ideology and act in accordance with the country’s leaders in Beijing.

The fourth and final limitation that I highlight is the fact that political leaders use the anti-corruption campaign as a weapon against their political opponents. Those individuals in power use the anti-corruption campaign as a veil behind which they can lock up opposition leaders or those who might hold different political views. Given the wide-ranging definition of corruption and the various acts that can fall under the umbrella term, it provides an excuse under which individuals can be put away behind bars and silenced. Willy Wo-Lop Lam, who authored *Chinese Politics in the Era of Xi Jinping*, believes that “Xi has used the campaign to eliminate key members of rival factions within China’s Communist Party – the Shanghai faction, led by former President Jiang Zemin, and the Youth League faction, led by former President Hu Jintao” (Financial Times 2017). Lam adds that as a result of the anti-corruption drive, “Xi Jinping has been successfully building up his own faction, the Xi Jinping faction, which has now displaced

the Shanghai faction and the Youth League faction as the largest faction in the political party”. Lam also believes that “Xi has become the strongest Chinese leader since Mao Zedong by wielding the anti-corruption campaign as a Machiavellian tool to eliminate potential rivals”. However, Peter Corne, a managing partner at Dorsey & Whitney, who has practiced law in China for over two decades, believes that Lam’s comments are exaggerated and that President Xi’s actions will in fact prove beneficial to China and its population of 1.4 billion. He believes that “if Xi is using the anti-corruption campaign to remove political rivals, then it is only a small part of what has become a far-reaching reform of how China is governed”. He cites the benefits, saying that “the fact that all government officials are so aware of this and so careful now means that it’s become the new normality and it has changed the way people think and the way people do things. And I think that’s going to sustain”. Corne adds that “from discussion with local people, that’s [the anti-corruption movement] completely changed their view about the country. It’s given them hope.” According to Corne, therefore, there seem to be benefits not only for the country but also for the everyday working man.

FINDING SUCCESSFUL TRAITS

Now that some of the limitations have been discussed, below is an analysis of the traits that seem to be hallmarks of successful anti-corruption campaigns based on the analysis of comparable countries discussed earlier in the paper. The analysis will also include insights that might be gleaned from corporate culture creation, such as how companies instill positive behaviors in their employees, and gauging how these methods can be used by China’s leaders. Set forth below is an approach, that rests on five pillars, for China to follow in order to aid in the fight against corruption.

First, it is imperative for any successful anti-corruption campaign to cultivate and grow a network of influential alliances. This entails garnering external support critical for anti-corruption agencies to overcome powerful opponents as well as fostering effective alliances with different groups, which creates a network that prevents individuals from engaging in corruption. (The Guardian 2014). For example, in Croatia, a dedicated bureau for combating corruption and organized crime was setup and sought to gain media support by training its prosecutors in media relations. Prior to the setting up of such a bureau, government officials had been reluctant to talk to the media, something the Croatian government wanted to change: by speaking to the media, they could cultivate an influential alliance that would allow them to disseminate certain messages and ideas among the country's population, acting as a propaganda machine of sorts. In a similar effort to cultivate these influential alliances, Ghana's commission on human rights and administrative justice helped to build its own base of support by encouraging the formation of local civil society organizations, with the agency's director personally organizing a local chapter of Transparency International (Human Rights Watch 2001) that was responsible for documenting, and recording in an orderly fashion, corruption levels in the country. In turn, this would place a certain level of accountability on the new initiative and allow them to track what policies were the most and least effective. Allies could also include other state institutions, such as those responsible for information and communications, and even international institutions such as UN bodies or philanthropic organizations. However, although these are powerful and influential alliances, they must be backed by the people within the country that is waging the war on corruption.

Second, a country must be able to instill behaviors in its citizens that support the mission, through an education system. Although awareness and education are the most often used tools to

directly tackle corruption, as seen in Hong Kong and other countries, changing the norms or behavior in government and society can also serve as a potent method of reducing corruption. One of the advantages of such an approach is that preventive reforms generate little pushback from opponents of anti-corruption agencies, who might otherwise reject the notion of setting up a dedicated anti-corruption agency (Fowler 2014). For example, Mauritius' Independent Commission against Corruption, Botswana's Directorate on Corruption and Economic Crime and Indonesia's Anti-Corruption Commission all made significant efforts to improve the integrity of public institutions: rather than setting up an entirely new organization, they simply focused on targeting select existing institutions and improving their reputations. Pursuant of this strategy, Mauritius' ICAC developed "integrity plans" to help instruct public institutions on "best practices" (Labelle 2012). Botswana and Indonesia followed similar paths, taking it a step further by collaborating with youth groups and students to build awareness of corruption in the wider population by starting from the ground up.

The third approach relates to careful target selection. Some agencies, including those that are part of developed and well-capitalized countries such as China, have the means and infrastructure to take on high-profile cases, involving high-level officials and prominent interest groups. The size and power of the Chinese Communist Party gives its anti-corruption organizations a powerful backing that means it has no difficulty cracking down on high-profile individuals. However, agencies in other countries, either because the countries are less developed and lack the extensive resources or because the agencies themselves are simply newer, often have less credibility, and therefore act in a more limited capacity with reduced political clout (Kuris 2014). This can make tackling corruption a much more challenging process. Either way, the leaders of anti-corruption agencies who seek to mitigate corruption must weigh the pros and

cons of prosecuting each case diligently, as unexpected backlash or opposition by the masses can lead to uproar and ultimately result in a country being worse off than it was prior to the change being instigated. In the case of China, Willy Wo-Lop Lam, author of *Chinese Politics in the Era of Xi Jinping*, believes that there is a “good possibility, in fact, that if high-level corruption continues, the people would rise up and overthrow the party” (Lam 2015), demonstrating the severity of corruption and the need for it to be eradicated swiftly.

In Latvia, the anti-corruption bureau found that its high-visibility anti-corruption efforts targeted specifically against oligarchs garnered significant public support shortly after the 2008 financial crisis (Kuris 2013), although this support could be seen as partly driven by austerity measures that were enacted over roughly the same timeframe. However, when Lithuania’s Special Investigation Service decided to investigate politicians prior to the general elections in 2004, it did not have the media and public support it needed to overcome the pushback it faced. Lithuania’s lack of success demonstrates the importance of cultivating influential alliances and leveraging them to effect a highly publicized campaign. The service’s director resigned, and the agency turned to a low-visibility approach that emphasized education and the simplification of bureaucratic processes in broader government.

Although these approaches have been shown to help countries either eliminate or at least reduce their corruption problems, they are just one facet of the strategy a country must use if it is to increase its overall transparency and accountability. However, these approaches do provide valuable guidance for countries and their respective governments around the world who hope to reduce the corrosive effects of corruption in their countries, governments or corporate institutions.

The fourth pillar relates to the highest echelons of a country's governing body, and rests on a sense of strong political will, which must be present in great amounts if a country is to combat corruption effectively. The ruling political party must provide the anti-corruption agencies with the powers, budget, personnel and independence to enforce the anti-corruption laws impartially (Quah 2017). In Singapore, the government rejected the British method of using the police as a force to curb corruption, instead setting up a dedicated anti-corruption agency to deal with such matters. This approach resulted in such success that countries across the globe from Hong Kong to Botswana and Rwanda all decided to implement similar agencies. One caveat is that the anti-corruption agency in question must have the aforementioned characteristics, including large powers, budget and personnel in order to work effectively as a "watchdog" rather than an "attack dog" against the government's political opponents (Quah 2017). Analysis of the Singaporean method of tackling corruption also reveals that a government with the political will to learn from past mistakes and implement appropriate reforms is crucial to determining the root causes of corruption. The importance of any anti-corruption agency or governing body, such as the Corrupt Practices Investigation Bureau in Singapore, in investigating all corruption cases and enforcing the anti-corruption laws impartially, are also significant factors in building sense of impartiality among a country's people (Quah 2017).

The fifth pillar relates to the law. A legal framework that criminalizes corruption related abuses and an independent and efficient judiciary must be set up. Legislative and institutional means of fighting corruption, such as the *Inter-American Convention against Corruption* (1996) and the *United Nations Convention against Corruption* (2005), help nations unite and provide the legal backing for nations in their fight against corruption. The latter, the United Nations Convention against Corruption (UNCAC), has been so successful that it is "recognized as a

reference framework for the fight against corruption, which many countries formally adopted.”
(Khaghaghordyan 2014).

UNCAC is the first global agreement that comprehensively addresses corruption from a legal standpoint. It was created by the UN’s General Assembly, after there emerged the need for an international legal instrument against corruption itself. The convention is the most comprehensive anti-corruption treaty that has been adopted by the UN. Its main objective is to promote and strengthen measures to combat domestic and international corruption, outlining laws and procedures for dealing with related issues. The contract was ratified by 30 states in 2005 and currently there are 169 countries party to it. There are four pillars of the UNCAC, which include: Prevention, Criminalization, International Cooperation and Asset Recovery.

In order for governments wishing to join to be accepted, they must act in accordance with the following (Khaghaghordyan 2014):

- Adopt preventive anti-corruption policies and practices
- Establish and operate preventive anti-corruption body or bodies
- Establish and enforce Codes of conduct for public officials
- Establish and operate appropriate systems of public procurement and management of public finances based on transparency, competition and objective criteria
- Establish public reporting mechanisms; and
- Promote active participation of society in the prevention of and fight against corruption

In order to achieve these goals, countries that are party to the agreement must enact new laws or amend existing laws in order to become compliant with the agreement, which can prove to be a barrier to entry to partaking in this contract.

While the contract outlines in detail the measures that each country should take in order to reduce the instances of corruption they face, these commandments can be overly restrictive in cases and countries might feel the need to take on too many anti-corruptive measures in too short a time frame, leading to poorly implemented policy that might not have been sufficiently thought through. The convention also does not possess the power to enforce its terms. Even still, UNCAC sets out formal guidelines that spur any nation on the correct path to fighting corruption.

The sixth pillar relates to education. Countries with the largest number of primary school enrolments in 1900 had the greatest GDP per capita a century later (Glaeser 2004). A similar relationship was found between historical levels of education in 1870 and 2010 and levels of corruption in seventy-eight countries (Uslaner et al. 2016). Uslaner also found that “the persistence of high levels of corruption in many countries suggests that its roots stem from long-term factors rather than from more recent institutional changes.” Thus, education is one way for positive long-term habits to be cultivated.

Research has also shown that higher levels of education have been linked with lower levels of corruption (Goldin et al. 1999). A strong correlation was found between the mean number of years of schooling in a country in 1870 and its level of corruption in 2010. Even more telling was that moving from the fewest years of education (such as in African nations) to the highest (such as in Switzerland) led to an increase in the CPI of 7.0 (Uslaner et al, 2016).

Research also shows that education leads to increased levels of honesty and trust as well as a “sense of identity with the entire country rather than with specific sects or groups” and that “education creates strong social bonds among different groups in a society”, which all make corruption and favoritism less likely (Darden 2013). Education also “creates a sense of citizenship and loyalty towards the state” (Weber 1976) which further serves to prevent individuals from engaging in corrupt behaviors such as using public funds for personal gain.

There is also evidence to suggest that increased levels of education lead to “greater levels of wealth and equality for countries” (Uslaner et al. 2008), which are both linked to lower levels of corruption. High levels of inequality allow those in powerful positions or those with wealth to undermine the legal framework and political institutions, allowing them to use them for their own benefit. High inequality also means that the elite are more likely to pursue “socially harmful policies, since the legal, political, and regulatory systems will not hold them accountable” (Dutta et al. 2013). Therefore, by increasing the availability of affordable education for citizens, levels of inequality will decrease and those in elite positions will be less likely to engage in socially harmful behaviors. It must be acknowledged that one caveat to this recommendation is that current education levels are highly dependent on historical levels of education, making it a variable that is hard to change. Countries with the highest levels of education in 1870 were also those at the top 140 years later in 2010. Despite this, increasing current levels of education has been shown to reduce corruption, although not as much as historical levels (Uslaner et al. 2008).

CONCLUSION

As we can see from the above, there is no one right way to put an end to corruption. A combination of multiple factors, such as establishing a dedicated and independent anti-corruption body, public education on what constitutes corrupt practices as well as creating a legal

framework that criminalizes corruption related offenses must be used in conjunction with each other in order to create the most effective change. However, irrespective of the country that is waging the war on corruption, the fight will always require a sustained effort and change to the country's fabric will take years rather than months, no matter how radical the reform.

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