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CORRUPTION BETWEEN REALITY AND REPRESENTATION
HOW TO CHANGE THE REPUTATION OF A COUNTRY

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*“The more you fight against corruption,
higher becomes its perception”*

Introduction

a-The fallacy of the perceptive indicators of corruption and their negative macroeconomic consequences.

b-The need of developing scientifically verifiable objective indicators.

c-Aims of the research: make progress towards a new, more proper measurement index to be shared on an international level.

This research does not affirm that Italy, or other countries, aren't characterized by a significant corruption rate. However, we wish to prove that international judgment on our legal environment is often ungenerous, if not wrong, with relevant consequences also on a macroeconomic level. Indeed, it is necessary to reflect upon corruption measurement systems to make them more adherent to reality, neutralizing the adverse effects of merely perceptual indexes on the image of Italy, as well as of other countries.

Methodology. The research on perceptive indexes of corruption is divided in three parts.

*The first includes a definition of corruption meant to highlight the difference between maladministration and bribery.

*The second part leads us to the choice of what to measure, focusing not only on corruption as a deviance, but also on the contrast to the phenomenon with particular attention to the reactions of public administrations.

*The last part of the research will lead to the identification of a new set of indicators which will be defined according to jurisdictional (ex. amounts of penalties imposed or paid); statistic and communication and other standard criteria.

The research, we repeat, is conducted according to the expectation to produce, if possible, a new measurement index to be shared on an international level.

1. Corruption is a criminal and social phenomenon of considerable magnitude that affects countries across the globe to a different extent. It is recognized unanimously as a negative phenomenon which should be prevented and contrasted on a legislative, judicial, and cultural level. It is one of the main topics at the center of international debates, of multilateral conventions and negotiations and of the activity of many civil society organizations.

Over time, other than being considered an area of intervention on a strictly legal, substantive, procedural, international cooperation and regulatory level, corruption has been the subject of sociological and political approaches aimed to measure its impact.

Such exercises haven't always contributed to advance the actual knowledge of the corruption scenario.

2.The Italian and other legal systems

In the Italian legal system, the absolute independence of the National Anti-Corruption Authority on a preventive level and of both investigative and prosecutorial Magistrates, on a repressive level, ensure that most cases of corrupt phenomena are prosecuted.

Other legal systems (even among developed countries and G7 and G20 partners) aim to follow the Italian example by ensuring greater independence and autonomy for magistrates and central anti-corruption authorities.

3.International Indicators

Nowadays, the indicators proposed internationally for measuring corruption are almost exclusively based on the perception of the phenomenon:

- *World Governance Indicators (WGI)*
- *Transparency International : the Corruption Perception Index (CPI)*
- *Global Corruption Barometer*
- *Gallup*
- *Eurobarometer*
- *The Thermometer of Corruption in Italy*

They measure the perception of a phenomenon that could be influenced by various factors which are different from corruption itself, such as media influence, anti-corruption campaigns practiced by governments, and various cultural conceptions of corruption.

4.The limits of the perception's approach.

The difficulties to accept a system based on the mere perception of corruption are easy to explain. Perceptual indicators are based on the assumption that since corruption schemes are mainly closed/internal ones, there is a concrete difficulty in the detection of deviances in the exercise of public power or business activity aimed at pursuing peculiar purposes for money or other scopes. In other words, it is argued that since corruptors and corrupted will hardly denounce themselves, following the natural instinct of safeguarding their reputation, it is necessary to rely on other indices to have a real description of reality, especially on a macro level.

The first limit of such an assumption is in its definition itself.

Such an approach, based on perception is not only applied to corruption in its strictly literal sense, given that on an international level, the term includes a wider range of fields with respect to simple bribery: it encompasses illegal behaviours which include all forms of maladministration in general (fraud, speculation). For such behaviours, the previous assumption according to which corruptor and corrupted will not denounce themselves is not always valid. It often happens that an entire administration is referred to as "corrupt" based on merely perceptive indices which are primarily created to contrast bribery rather than corruption as a whole.

Similarly, in some cases, simple indicators of corruption in international economic transactions have been used to describe a country's corruption level, once again creating a biased estimate (foreign bribery and Corruption Perception Index).

The macro-economic impact of such biased indexes may affect the interpretation of economic policies: the implications are not only scientific or theoretical but practical. If, in fact, unreliable indicators are considered valid, the risk is that excessive importance is given to annual reports or

publications on corruption, that haven't been proved on multiple levels, who produce a false representation of situations analysed.

The *Organization for Economic Cooperation and Development OECD* in Paris has studied and analysed the consequences of the Corruption Perception Index on the performance of economies of different countries. A high index implies less reliability of the country taken into consideration other than less attractiveness in terms of investments and an overall reputational damage. It is important to notice that the problem is not only related to public administration and to various subjects by which it is composed, but it also has a negative effect on the output of our industries who operate abroad.

5. The Council of Europe on the limits of the perception' Index

The value of the EURISPES research thesis, on the limits and shortcomings of the perception approach in the corruption Indices, finds an authoritative confirmation in the position expressed by the Council of Europe on the occasion of the presentation of the 19th General Activity Report "*Anticorruption trends, challenges and good practices in Europe & the United States of America*". elaborated by the specific control body against corruption: the "Group of States Against Corruption" – GRECO, based in Strasbourg (France) and composed by the representatives of 49 European and extra-European member states, such as, for example, the United States of America. (June 25 2019)

In that occasion, the Council of Europe's anti-corruption body GRECO warned that public perceptions of low levels of corruption in certain countries may lead to underestimating the need for measures to combat corrupt practices. GRECO also expressed concern about the overall slow progress in implementing its recommendations and called on states to address them without delay.

Council of Europe Secretary General *Thorbjørn Jagland* said: "Corruption has devastating consequences for human rights, democracy and the rule of law. Overall our member states have made progress to put in place measures to prevent and combat corruption, but much more needs to be done. GRECO's recommendations are not optional. Governments, parliamentarians and other national authorities should show their commitment to fighting corruption by fully implementing GRECO's recommendations".

GRECO's President, *Marin Mrčela*, Vice-President of the Supreme Court of Croatia, said: "No country is immune to corruption. All countries, irrespective of their position in perception indexes, are required to take concrete measures to prevent and counter corruption. Relying on perceptions and underestimating the strength of preventive measures leaves the door open to behaviours which may very quickly turn into corruption"

From the Foreword of the 19th Report: "Relying on perceptions, and underestimating the strength of preventive measures, leaves the door wide open to behaviours which may very quickly turn into corruption. When conflicts of interest are not properly managed, ethical norms are ignored, political party funding is opaque, the justice system is not or is not perceived as being independent – just to mention a few examples – corruption can very quickly find a way in. And when it does, it is disruptive for any country (or institution), including from a political, social, economic and reputational point of view. This is why it is in every country's interest to fully implement GRECO's recommendations" (19th Report, Foreword, pg.5).

From the 19th Report it emerges, in particular, that some countries, classified by Transparency International, as more virtuous because at the top of the Corruption Perception Index CPI, do not appear to be in line with the recommendations given by the peer review mechanism to verify the implementation of the Criminal Anti-Corruption Convention adopted by the Council of Europe CoE itself.

6.A final comment

We can state that even according to the Council of Europe, as already highlighted in the Eurispes research, the "perception" of public opinion is not a sufficient element to establish the level of corruption in a country. Therefore, new Indices have to be elaborated and used by the international and national authorities as well as by non public civil societies bodies.

References:

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