Anti-Corruption Agencies: A Review of Experience

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[Note to readers. Anticorruption policies are established to advance one or more of the following: 1) the investigation/prosecution of bribery and other crimes, 2) the prevention of corrupt acts through such actions as the simplification of procedures and the policing of conflicts of interest, 3) the education of the public, the media, and government officials on what constitutes corruption and why it must be combated, and 4) the coordination of the activities of different government agencies responsible for one or more of these actions. In 2001 the World Bank commissioned Professor Meagher to review the experience to date with anticorruption agencies, both those responsible for more than one of these functions and those with a single mission. He examined the operation of anticorruption agencies in Argentina, Malaysia, Tanzania, the United States, Hong Kong, Singapore, and India in detail and reviewed to a lesser extent those in other countries. The following are excerpts from his 130 page report.]

Performance Measures:

How well did the agencies reviewed in this paper perform in terms of their mission and goals – and why? Enabling statutes or the anticorruption agencies’ own public information will usually describe the mission as one of preventing and deterring corruption through several types of activities. Typically, the activities fall into the following categories:

- Receive and respond to complaints
- Intelligence, monitoring, and investigation
- Prosecutions and administrative orders
- Preventive research, analysis, and technical assistance
- Ethics policy guidance, compliance review, and scrutiny of asset declarations
- Public information, education, and outreach.

Most of the agencies reviewed report some data on their performance in these areas. A few of them (e.g. the Hong Kong ICAC and the U.S. OGE) publish benchmarks against which their performance can be measured.
Explanatory Factors:

Professor Meagher had earlier identified a series of factors that might explain differences in performance. Here he reviews the impact of key ones:

Establishment: The success of an agency depends on its being carefully situated from the start within a set of well-defined supports. These would include a comprehensive anti-corruption strategy, careful planning and performance measurement, realistic expectations, and strong enough political backing (across class/party) to make it effective regardless of (political and personal) consequences.

Focus: The agency needs to be strategic in defining its focus in a way that will maximize its effectiveness. For example, an agency could focus on prevention and monitoring government implementation of anti-corruption policy (foregoing a comprehensive mandate, as in Korea); its jurisdiction could be mainly prospective (only limited concern with past cases, as in Hong Kong); it could choose cases selectively, based on clear standards (as in Argentina and the Australian state of New South Wales); or it could deal only with the probity and reputation of the public service (as in the U.S. and India). It appears that clarity of focus is indeed consistently associated with success – except where massive resources are available (Hong Kong).

Accountability: This comprises such things as the application of legal standards, the availability of judicial review, systems for public complaints and oversight, a requirement that the agency answer to all branches of government and the public, and precise and comprehensive expenditure accountability. [While not uniformly associated with success,] many of the successful agencies are strongly accountable, but this is probably an outgrowth of the rule of law, which seems to be more consistently associated with success.

Independence: This in some cases arises simply from outside accountability, sometimes from the agency’s placement and line of responsibility, the appointment and removal procedures for top officials, or some form of fiscal autonomy. The most important sign of independence is the absence of political intrusion into the agency’s operations. Formal independence is no more a cause of success than accountability. De facto autonomy, on the other hand, enables an agency to operate on a consistent and professional basis with relatively little partisan intrusion – and in most environments, this mode of operation is important for success.

Staff: Agencies in this field, as in others, depend on well-trained personnel – including sufficient numbers with highly specialized skills. Staff should also be well-compensated, subject to integrity reviews and quick removal, and endowed with a strong ethic of professionalism, integrity, and high morale. While one cannot specify a benchmark number of staff, due to the variations in agency design and context, it is quite clear that a sufficiency of highly professional, well-compensated, and motivated employees is strongly associated with success.

Other resources: These include sufficient funds, adequate facilities and assets, and high-level information sharing and coordination with other government bodies. The picture here is essentially the same as for personnel. The overall budgets of these agencies (apart from Hong Kong’s) do not correspond closely with strong capability and success. Singapore’s CPIB had a
budget of $3.23 million in 1991-2, considerably less than most of the other agencies, and yet has highly compensated and qualified staff, as well as a strong reputation for effectiveness. A country that is serious about restraining corruption will allocate sufficient funds, and ensure that they are well-used.

**Lessons**

*Focus:* The element of focus turns out to be more fundamentally important than expected, and is underemphasized in the literature. No agency can cope with an unlimited mandate. Choices must be made.

The limitations of agencies are usually much more severe than people realize when they set out to establish them. Where the agency is not structurally independent, then it can be no more powerful than its bureaucratic and political patrons. This may be very powerful or very weak, depending on the environment. An agency’s success depends to a great extent on cooperative relationships with other elements of government. In a sense, this is a strength, since it forces anti-corruption champions to achieve strategic consensus and to commit to concrete forms of cooperation, before moving forward. Unfortunately, this is rarely the case, and it probably breaks down often even in cases where it has been achieved. As a result, agency’s are regularly frustrated by their inability to secure information, cooperation, prosecutions, etc.

**Recommendations**

The first group of suggestions concerns advice to member countries. They should be encouraged to avoid the “tackling-the-symptom bias” referred to in part 2 above. Where a country does not have an anti-corruption agency, or where it does not have a single-agency strategy, this should not be the first recourse. The relevant question here is: “What are existing agencies doing, are they falling short, and what will most cost-effectively address this problem?” If an anticorruption agency is deemed to be the answer, the design and establishment of such an agency must come only after a sufficient political consensus is achieved concerning an anti-corruption strategy, and about what exactly the agency will do to ensure that the strategy is effectively implemented. At the design stage, careful, integrated analysis will be needed of the core issues of: mission, jurisdiction, powers, selectivity, relationships, and resources. As a separate matter of high priority, accountability will need to be addressed. If all of these issues are not fully and adequately addressed, the member country should be encouraged to consider alternatives. Those could range from court-strengthening or administrative reform projects to contracting revenue and audit services to an internationally reputable company, to establishing a less complicated agency such as an ombudsman.