Corruption - Theory and Practice
A Theoretical Analysis of its Definition and Measurement

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Abstract

The aim of this thesis is to investigate the definition of the phenomenon corruption, and also if corruption can be measured. There are many definitions of the concept, the most common and simplest definition being the one by the World Bank “the abuse of public power for private benefit” (Tanzi, 1998: 564).

Various organizations measure corruption and each organization uses different methods to collect information. Many organizations present their results by ranking countries according to a scale, making a cross-country comparison. Using their own specific scaling gives a general view of how corrupted a country is. In this thesis, five international organizations are chosen. What they all have in common is that they are connected to corruption in some way. Most of the five organizations do not devote their time only on investigating corruption. Out of the five it is only Transparency International who focuses exclusively corruption. The other four organizations investigate corruption as a part of a more extensive research.

The information from defining corruption and information based on international organizations are applied to four countries chosen for this study. The four countries are: Denmark, Greece, Italy and Sweden. The countries are chosen due to that they are all members of the European Union. Denmark and Sweden are generally placed on a high ranking when organizations measure corruption, indicating that there is little corruption in the country. Greece and Italy are not ranked as high as the two Nordic countries.

This thesis is based on various literature and information from organizations, especially when investigating how corruption can be measured among countries.
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List of abbreviations

BPI Bribe Payers Indexs
CPI Corruption Perception Index
EU European Union
GI Global Integrity
GRECO Groupe d’Etats Contre la Corruption (Group of States Against Corruption)
OECD Organization for Economic Co-operation and Development
SGI Sustainable Governance Indicators
TI Transparency International
UN United Nations
WGI Worldwide Governance Indicators
1 Introduction

Parents buy their children a place in good schools to avoid the waiting list, hoping for a better education. The police stop you in the traffic and invent a faux pas you have made; in return for being left without punishment, the police will demand money which the policeman will put in his own pocket. These are just two examples of situations where corruption is involved (Rothstein & Uslaner, 2005).

The word corruption is often associated with cases occurring in developing countries, or in former Eastern European states (Karlsson & Korsell, 2007). Also countries situated around the Mediterranean Sea and Asian countries (Andersson, 1999). People living in countries where there is corruption believe that corruption does not occur in their own surroundings, mostly due to corruption being traditionally associated with a country’s economy and political development (Karlsson & Korsell, 2007).

Today corruption exists in all countries, including Western countries. Scandals involving corruption have appeared increasingly over the years, and also there has been more awareness about the causes and consequences. Not only has it been noticed among researches, but also among the public. The effects are in many cases negative. For example, it affects trust, democracy, society and legitimacy. Corruption exists on different levels, within organizations such as governmental but also within international organizations (Andersson, 1999). It is a universal problem and does not only happen in certain organizations or situations. The extension is to all countries, in organizations, in the private and public sector both in non-profit and profit organizations (Myint, 2000). There are many reasons why corruption has negative effects, yet eliminating corruption will not necessarily make the world a better place. If corruption would not occur, the result would be inefficiency and an extensive supervision (Andersson, 1999). Getting out of corruption is not easy, and if certain reforms are not implemented then corruption will continue. The phenomenon of corruption is nothing new, it has been known for hundreds of years (Tanzi, 1998). From an economic perspective, corruption can hinder the economic development and modernization in a country (Myint, 2000).

Gary Becker (1968) a Nobel Prize winner in economics, points in his article that if the state would be abolished, then corruption would also be abolished. But Becker does not take into account that corruption can exist even in the private sector. In a civilized and
modern society, the society has many functions and cannot function if there is no state. Tanzi (1998) discusses the argument Becker presents, and states that the argument stands in conflict with reality (Tanzi, 1998). Some situations are easier to put into corrupted behaviours than others (Rothstein & Uslaner, 2005). Corruption is a subject placed highly on the agenda of many organizations (Utrikesdepartementet, 2007).

This thesis will focus on defining corruption and examining whether corruption can be measured. The results of the research will be evaluated by looking at specific chosen countries; in this case: Denmark, Greece, Italy and Sweden.

1.1 Background

The phenomenon has always existed but it was especially during the 1990’s that the phenomenon got attention, in developed and developing countries, large and small markets. Governments have collapsed due to allegations of corruption. There have been different reasons for the attention corruption has gotten. One reason is that countries having democratic governments, in general have free media and people are open to talk about corruption. It has created an environment where discussing corruption is acceptable and not a taboo as it used to be. Globalization is another reason. In countries where corruption is insignificant, people have now come in contact with countries where corruption is present. It works as a disease, when a country with petty corruption gets infected by the country with larger amounts of corruption (Tanzi, 1998).

Corruption has a long history, and first started off with giving gifts aiming at certain results, such as achieving personal objectives. Gifts were used for different purposes, not always honest purposes, where one of the purposes was for a person to get what he or she wanted. The system was the origins of bribes, eventually turning into corruption. They were given as bribes, and this occurs still today, but in more complicated and more complex ways, involving money or exchanging services. Corruption can occur even after a gift or exchange has been made, but for the purpose of using the service later (Karlsson & Korsell, 2007).

During the last few years scandals which involved corruption occurred more and more often, many countries have been affected. Corruption does not only harm individuals, political parties and institutions are affected, it affects the trust of the political system as
a whole. Also, the media’s role is larger than before since it started to report on scandals involving corruption or cases where corruption can occur (Andersson, 1998). In the long run it leads to fiscal deficits, which makes it hard for governments to control the country. Not just economically but in other areas where government is in charge. In general, corruption increases inequality, meaning people who are well-positioned are those who benefit of making use of the system (Tanzi, 1998).

Today many organizations investigate and evaluate different levels of corruption, one of them being Transparency International (TI, 2009a), which has developed an index over countries, ranking them according to the extent of corruption within public officials, and also including politicians and business men. What is interesting about the index is that in general the north European countries are listed on top.

Investigating corruption can be made in different ways; it can be measured or be defined. There are organizations measuring corruption based on how corrupted a country is. Important for organizations when measuring is to have a definition and trying to define is not easy. Organizations who deal with corruption have to have a definition of the concept; there are those who only work by looking at what corruption is, while others have taken it as part of a more extensive research. The ways to rank countries eventually are not always accurate, instead of being objective they are often more subjective.

According to an article in Forbes (2007) “Corruption can take on a host of different forms. It can, and often does, involve the police and judicial systems, including questionable enforcement of business contracts and other commercial litigation” (Forbes, 2007). Corruption has increased over the years, and more scandals are exposed.

Corruption is described in many ways, and it can be difficult to describe the concept. But normally it is not hard to recognize corruption when it is discovered or described (Tanzi, 1998).

1.2 Problem and Purpose

One of the methods when investigating corruption is looking at various indices presented by international organizations. Aspects included and methods for constructing
the indices vary between different organizations, but they have similar methods. Many of the organizations look at the current situation. Many organizations do not measure merely the corruption aspect, but include also other factors in the research. Meaning they do not only look into the concept, but also include factors which are somehow connected to a country, such as freedom, democracy, etc.

The indices presented by organizations use different methods and questions differ when they are conducting their research, in many of the indices presented. The most common way to present the result is to look at each country and then grade them according to each organization’s scale.

The questions which will be answered in this essay are the following:

- What is the definition of corruption and can it be defined?
- Corruption presented in indices, how are they measured?
- Is there corruption in countries such as Denmark, Greece, Italy and Sweden, based on what authors and organizations say?
- Countries are compared and why are they different from each other, are there any clear factors or what can be found due to differences
- What is the explanation for a differing level of corruption in the investigated countries?

### 1.3 Design and Method

Corruption is a major subject to investigate, and investigating all aspects of this phenomenon is not possible within this thesis. Due to time limitations and also all areas involving corruption, this thesis is not enough. The thesis focuses instead on the definition and the measurement of corruption. The purpose of this thesis is to define and explore how corruption is measured; it requires considerable research and analysis. In order to delimit the scope of the study, the problem will first be approached in an investigation of authors’ texts. The number of organizations has been limited to five. The organizations chosen are all different and they all use different methods, but the results are similar. Organizations used in this thesis are a variety of known and less
known organizations. The five organizations presented in this thesis are; Freedom House, Global Integrity, Heritage Foundation, Transparency International and Worldwide Governance Indicators. The most known of these five organizations is Transparency International, academic researchers and sometimes other organizations refer to them. These five organizations were chosen due to their differences in approaching the concept corruption, the factors included and their different methods. Their results are somehow similar, meaning they all use cross-country comparisons.

To be able to answer the questions posed in the purpose and problem, the thesis will be based on mainly secondary sources, such as books, reports, articles, working papers and dissertations. For information about the organizations various web sites have been used. Websites have mainly been used with the purpose to explore methods used in the indices, and to study the rankings of the four selected countries.

The method used in the thesis is a qualitative study (Esaiasson, Gilljam, Oscarsson & Wängnerud, 2002). Text analysis will be used, meaning it will be based on what others have written about the subject (Svenning, 2003). The type of literature used in the thesis is dissertation papers, texts published in journals or articles. This to see how academic researchers have expressed themselves within the subject, and also what kind of literature exists made by researchers. By using different types of literature and information from websites on organizations, it will give the thesis more diversity and include a variety of opinions, instead of having just one opinion. Also, text analysis is to provide a diversified spectrum of opinions retrieved from various resources, rather than just one or a few. It also aims at giving an indication about what kind of research has been carried out.

Important to keep in mind is that the method used in this thesis is based on the interpretation of the researcher. Due to this impartiality the information presented may be biased. Information collected and content is based on the judgment of the researcher. The researcher has previous knowledge and assumptions about the subject which also affects the choice of literature and the content. A wide range of different types of literature and information has been collected and analyzed with the aim of trying to avoid being subjective. For some of the organizations, information can only be retrieved directly from the organization. However, this information can be considered as being reliable.
Academic researchers and organizations use different approaches and different aims when writing. Academic researchers are freer in their writing; they do not have to follow any specific directions or are most often not limited of what others want them to write. They can choose their own method and in which direction their paper will be focused on. In general, what they write does not have to correspond to a specific time, for example, they can write about how corruption was a hundred years ago or how it was ten years ago. Organizations do not have the same freedom as academic researchers. Rather, the researchers within the organizations are bound to write what reflects the organizations views and ideas, and in general they use the same method. Also, organizations follow a time axis, meaning they write the present state of corruption. Representatives of organizations are expected to express values and opinions of the organization in their writing rather than their own. What they write has to correspond to the work and the general opinions of the organization. Organizations either fully devote their time to investigate corruption or include corruption as part of a more extensive investigation.

The four countries selected for a more extensive research are all members of the European Union. Denmark and Sweden are two countries assumed to be homogeneous, meaning similar in the sense of similar background. People in both countries have a similar perception of corruption. These two Nordic countries are also old national states with a long political history. Denmark and Sweden are countries where corruption is perceived to be petty or nonexistent. While it is known that in Greece and Italy corruption exists, their political culture is also very different from Denmark and Sweden. Furthermore, there are cultural differences between the countries, what is perceived to be corruption in each country is different. In Greece and Italy corruption is part of the daily life, while in Denmark and Sweden the cases involving corruption are not as numerous as in Greece and Italy. Also, between the countries there are cultural differences and perception of corruption is not the same.

1.4 Disposition

In the next chapter (chapter 2) various definitions of corruption will be presented, using texts retrieved from academic researchers as well as descriptions provided by international organizations. Chapter 3 will define five different indicators which could probably be used for measuring corruption. In chapter 4 the indicators are used for
evaluating the four countries: Denmark, Sweden, Italy and Greece. The fifth chapter is divided into two parts. The first part contains a discussion on the definition and the measurement of corruption. While the second focuses on analyzing the results and the indices. The conclusion concludes and sums up the thesis.
2 Definition

The concept “corruption” is difficult to define, and many interpretations of the phenomenon exist. This chapter provides an overview of the concept, based on definitions given by authors and organizations. Also, this chapter will deal with the spreads and types of corruption. It will bring up a few of the most common forms of the concept, and also examine the boundaries; where does the line go, what is considered as corrupted situations according to academic researchers and organizations.

2.1 According to Academic Researchers and Organizations

In a society where corruption occurs there are people who benefit from it but also those who lose. The negative effects of corruption are harmful for the entire society, since it affects the private and the public sector, not only a certain group. This is one of the most severe effects of corruption, it harms a whole society. When it harms a whole society, it is hard for countries to get themselves out of the corrupted situation they are in. However, Uslaner (2008) states that in general it affects the poor more often than the rich people. Corruption can be seen as an extra tax taken from individuals, and it results in individuals having fewer resources to spend on consumption (Uslaner, 2008). There are also economic changes, and privatization has been associated with corruption. Corruption can improve the distribution of resources in some situations, since it may reduce growth and provide individuals with motives to obtain human capital that can improve corruption possibilities (Tanzi, 1998). However, how corrupted a country is all depends on cultural differences, how accepted corruption is in a society. That is one of the deciding factors of how corrupted a country is.

The popular and simplest definition of the concept is the World Bank’s definition “the abuse of public power for private benefit” (Tanzi, 1998: 564). Tanzi discusses flaws with using this concept and means it does not involve the private sector, and it does not exist within large private enterprises. Tanzi means the definition of the concept is not enough, since it clearly exists within the private sector and also in large enterprises. Corruption also exists within private activities which are controlled by the government, with this it means for example hiring a person and not doing that based on merits, but based on contacts. A person is hired because the parent is working in the company. The abuse of public power does not have to be for someone’s private benefit. It can be the benefit of someone’s for example family, class, party or friends. In some countries, part
of the income of corruption is to finance activities such as political parties (Tanzi, 1998).

Finding a common definition of corruption would only create problems, such as political problems, because corruption covers and involves many things. What is also important and should be taken into consideration when trying to define corruption is that it differs from one country to another. The definition of corruption differs among countries as well among various international organizations. One definition in one country does not necessarily take the same significance in other countries. Other factors such as cultural differences and the peoples’ perception of corruption also matter (Sampford et al., 2006: 26).

The essence of corruption deals with bribes, it needs at least two people for corruption to occur; a donor (the one giving) and a receiver (the one accepting). The essence of corruption and what unites all the definitions of corruption is about the abuse of power. The abuse of power is one common aspect of all definitions, hence also considered as the core of corruption (Karlsson & Korsell (2007).

Transparency International (TI, 2009a) is an organization working with corruption. TI tries to put an end or at least reduce corruption and its consequences. According to TI, corruption is devastating and hurts all people around the world. TI fights corruption on a national level. The organization can be seen as a mediator, getting together businesses, government, civil society and media, and also lobbyists. TI defines corruption as “the abuse of entrusted power for private gain” (TI, 2009a). Basically there is a difference between the public and the private, because this is not always clear in some societies (Rose-Ackerman, 1999). There are also two types of differences in what TI defines as ‘according to rule’ corruption and ‘against the rule’ corruption” (TI, 2009b). The first deals with bribes which are received as a compensation for something which the receiver has to do because it is within his or hers job description and demanded by law. The second means bribes which are not legal. The bribes that receivers obtain are generally prohibited. “Against the rule corruption” (TI, 2009b), on the other hand deals with receiving bribes illegally.

The United Nations (UN) Against Corruption was one of the first who started to negotiate against corruption. Instead of defining the concept with different meanings,
UN means it is better to list all the types of forms corruption may take. Therefore, UN lists the types of corruption and the actions of corruption (Sampford et al., 2006). However, the type of corruption UN focuses on is criminal bribery (TI, 2010).

A common problem with various definitions, it creates many cases of corruption. Due to that simply one definition is not enough, Tanzi (1998) states that corruption today is considered as being a problem.

A common problem with various definitions of corruption is that it has created many situations and cases of corruption. Simply one definition is not enough, and corruption today is considered as being a problem (Tanzi, 1998).

According to Sampford et al. (2006) corruption is a leak: a leakage of resources that would affect the public, since corruption has more negative effects than positive. International aid organizations such as the World Bank do not identify corruption as a leak; the World Bank is not able to identify the different levels of leakage. “Corruption represents a ‘leakage’ of resources from institutions that are supposed to be using them for social objectives” (Sampford et al., 2006:7). Corruption is not only about stealing or the misuse of the public officials. It is about a leakage between resources from institutions, where the institutions are supposed to use resources for good causes. Corruption also includes illegal payments and any type of bribes or fraud; anything that will not benefit the public fund, but rather the private gain. Those things are common in many poor countries where corruption is more visible. Policemen are a common group who accepts payments and are often cited as an example (Sampford et al., 2006: 8).

2.2 Spread of Corruption

The spread of corruption in societies varies; “it can be rare, widespread or systematic” (Myint, 2000: 41). Rare corruption is easy to find, overcome and isolate, but most importantly, it is possible to prevent it from spreading. The widespread kind is harder to detect, control and limit. The most difficult kind is the systematic. When corruption becomes involved in the daily life, it affects institutions, rules, the behaviour of people and attitudes. When faced with systematic corruption, it is hard to get out of this type of situation. And in countries where this type of severe corruption exists it has serious
effects on the economy. In these cases one of the most common forms is bribery (Myint, 2000)

“Corruption is an outcome” (Svensson, 2005: 20), and it reflects the country on different levels such as legal, economy, culture and political institutions. Corruption can be seen as two sides, where one side is harmful and the other beneficial. Take an example where individuals pay bribes just to avoid penalties for unacceptable behaviour, or when rules are morally wrong such as stealing. The other side of corruption can occur due to bad policies or in situations where the institutions are inefficient and organizations seek to collect bribes from individuals (Svensson, 2005).

The purpose can be straightforward, to get hold of information or to be able to affect decisions in a certain direction (Karlsson & Korsell, 2007).

It is not always the case that someone needs to be bribed for something to happen, the other way around is also common: a person trying to prevent something from happening. The only way to solve the situation, according to that person, is by bribing someone else. Rewarding can also be included in bribery, meaning it occurs after an incident has happened. The purpose is that it will affect the recipient in the future, but also strengthen bonds between people (Karlsson & Korsell, 2007).

The fundamental idea is that the public office’s main task is to serve the public, by using the rules and norms set by the official. Corrupted situations occur when public officials act for their own private gain, which “violates the norms of public office and harm the interests of the public to benefit a third party” (Sampford et al., 2006: 45). This will give a reward to someone else.

2.3 **High and Low Level of Corruption**

There are many different cases of corruption and of different levels, emphasize has been put mainly on “high” and “low”. Those two are said to reinforce each other. High level of corruption is generally corruption occurring at the top, this referring to leading politicians who possess a high position. Individuals who are in the high level of corruption are those who are well privileged. A motivational factor for the high level politician occurs during political campaigns, the politicians want to remain in office and electoral campaigns can become an expensive matter. Therefore, an easy way to finance
a campaign is to accept bribes, in some countries this occurs and is common. There are societies where this is expected due to traditions and customs, the politician is expected to contribute to the society which people have elected them for and accepting bribes will help them to win the election (Karlsson & Korsell, 2007).

Low level corruption occurs as underhand payments. Generally it involves civil servants who have an insufficient salary which is not enough to meet the living expenses of their families. This is only one of the many driving factors for a civil servant to engage in corruption. Increasing the salaries for the civil servant does not necessarily mean the individual will stop engage in illegal situations, since the person will have more to lose if being caught (Myint, 2000). On the other hand Tanzi (1998) argues that increasing the wages for civil servants, could stop the underhand payments from occurring. It is not a guarantee that underhand payments would stop. However, both Tanzi (1998) and Myint (2000) state that the increase of salaries for workers has been successful. As example Sweden could serve, where corruption is basically nonexistent nowadays. Civil servants working in the public sector tend to have less corruption, than in those private sectors where civil servants are not given enough salary. Although, there is no proof that low level employees do not want the same high salary, and are less greedy than their superiors. There is a difference between the concepts “‘need driven’ and greed driven” (Myint, 2000: 41), meaning it is hard to draw a line of what is corruption and what is not.

Having a lowly paid job has other effects than just less money to spend, but it will also lead to the employees having a low morale. Employees working in the public sector generally become rude or indifferent. During those situations it is more difficult to keep and find good workers, since the good workers will find employment elsewhere. Those workers would find employment in the private sector, abroad or find a job with a better salary (Myint, 2000).

There is a correlation between corruption and GDP/capita. Countries that have a higher income tend to have a lower level of corruption. The lower the income level though, the more likely is an increase in the corruption level (Svensson, 2005). There is a weakening in between the line of private and public, what can happen is that the public can coincide with the private and it becomes harder to keep private and public apart. This will bring negative consequences in different sectors. If the public sector is not
functioning properly, then it will also affect the private. If people have to pay some sort of bribe for a service in the private sector, then the private sector will be corrupted. (Sjöstrand, 2005).

2.3.1 Bribes
This section will investigate closer on bribes, fraud, embezzlement and theft. The other types of corruption are only explained briefly.

There are different types of corruption, examples of corrupted behaviour includes; “(a) bribery, (b) extortion, (c) fraud, (d) embezzlement, (e) nepotism, (f) cronyism, (g) appropriation of public assets and property for private use, and (h) influence peddling” (Myint, 2000: 35). Nepotism, for example is when a person employs relatives or friends, which gives economic benefits for the person employing. Cronyism, services or positions which favour friends when employing to authority positions. (Myint, 2000).

It is important to distinguish the different types of corruption; there is a difference between corruption and cheating. According to Apostolis Papakostas (2009), corruption is seen as a relationship involving at least two parties. Trust is important as a necessity for citizens to trust each other, and a necessity for a functioning society (Trägårdh, 2009). Avoiding corrupted situations is not always easy, and individuals are drawn to those situations either voluntarily or by force.

Bribery can be traced far back and started off as gift giving. Gifts were a way for people to get what they wanted. This continued and laid the foundation to the forms of corruption we have today, including more severe forms of corruption. Corruption involves many actors, individuals, organizations, companies and at various levels. Today corruption has also developed into a transnational and international activity, with increased globalized economic intentions. This also includes businessmen who move their business abroad, and then be faced with corrupted situations (Karlsson & Korsell, 2007).

According to the Organization for Economic Co-operation and Development (OECD, 2009) bribery is a specific form of corruption, which is a voluntary action. For example,
giving something of value to an official with the only objective being to affect his work. The official then acts improperly or fails to do something which is included in their work. OECD focuses their work on criminalized foreign bribery rather than just bribery in general (TI, 2010).

Bribery is one of the most common forms of corruption; it is a way for a person to affect decisions or actions. It can for example be started by a person who wants a decision to favour the person itself, or directly in the future. A person can give another person some type of compensation; it does not necessarily have to involve money but can be services, inside information or other kinds of favours. Sampford et al. (2006) state that bribes can be given to a person directly or through a third person. The third person may be a colleague, a friend, family member, a relative, politician’s representatives for organizations, private charity organizations, etc.

Active and passive bribery are two common types of corruption. Active bribery refers to the situation when a bribe is paid or offered to someone (Sampford et al., 2006). It is also a promise to pay now or later (OEDC, 2007a). This includes payments or transactions where payments have been made. However, it does not include a bribe that is not accepted. Passive bribery implies that a person is accepting a bribe (Sampford et al., 2006). It is the official who receives the bribe, and therefore committed an offence (OECD, 2007a).

There are other types of corruption that will occur once bribery has appeared. Sampford et al. (2006) assert that when an official accepts a bribe it does not stop there; the official can be blackmailed or exposed to other types of threats.

According to Rose-Ackerman (1999), bribery is disguised; it is pretended to be in the form of gifts avoid committing a crime or limit crime. Gifts on the other hand are given by emotions to family, friends, relatives and are given to strengthen the bond of friendship or family.

There are two types of corruption called indirect and direct corruption. Indirect corruption is harder to identify and discover, the bribe is not given to only one bribe receiver, but it is given collectively. It is harder to define corruption when it is indirect, since it is in many cases hidden or disguised. Direct corruption is the exchange between a giver and a receiver, who keeps the bribe. When corruption is discovered, it involves
the direct corruption. Direct corruption mainly involves individuals (Karlsson & Korsell, 2007).

According to Karlsson & Korsell (2007), to bribe someone is misusing power and position to reach higher positions or to escape from certain situations. For instance a buyer is offered to buy a certain amount of a product. The bribe itself does not necessarily have to involve money. Tanzi (1998) claims that instead it can be involving services or keeping relations. Expensive dinners or paid trips are just two examples of bribes which do not involve direct financial compensation (Karlsson & Korsell, 2007). It can be more subtle than that, meaning it can be something as simple as a person saying he or she is sick, while the true reason is just an excuse for the person to going on vacation. By doing this the employee misuses its “public position” (Tanzi, 1998: 565) for his or hers own gain. This is also an act of corruption, and a bribe has not been paid.

2.3.2 Fraud, Embezzlement and Theft

Fraud, embezzlement and theft are three types of corruption that are quite similar to each other. All three of them involve transformation of money, property or other valuables to an individual who does not have the right to posses them, but can get access to them due to the position he/she holds (Sampford et al., 2006).

Fraud is the misuse of information to get the owner of a property to give it up voluntarily. Sampford et al. (2006) take an example of an official who takes money from donations to keep it for himself or pass it forward.

According to the Encyclopaedia Britannica (2010), embezzlement is a type of corrupted behaviour when an individual benefits from possessing something. For example, a person embezzles money from his/her employer. Or an investor entrusted with people’s money starts to embezzle money from its investors. Embezzlements can be from small sums up to larger sums. Embezzlement and fraud are very similar, since it considers someone who is entrusted property, money or valuables. The difference between fraud and embezzlement is that embezzlement is a type of financial fraud. Theft has the same essentials as embezzlement, stealing from someone else without having the right to (Sampford et al., 2006).
Sampford et al. (2006) claim that fraud; embezzlement and theft exist in large quantities. Those who are responsible of storing properties, money, valuables or just hold money are in the possession and position of stealing. Employees working in the public or private sector that have access to accounts or other valuable goods, can make unauthorized withdrawals and keep it for themselves or pass it forward.

2.4 Boundaries
In many cases corruption is seen as having a negative impact on people and the society. However, there are forms of corruption which are not considered as a crime. It is on the line of being illegal or violating the morals of the society. Meaning it contrasts where the line goes, when it is considered as a crime legally or when it is morally wrong in society. Corruption can be described by using three colours: black, grey and white. Black corruption comprises of situations which are perceived as crime by the public. Grey corruption is when the line between moral and crime is doubtful (Karlsson & Korsell, 2007). The grey zone is based on the laws already existing and already in practice. The grey reflects the moral standpoint, and how the morals change in the same pace as the citizens’ view on their civil rights, integrity and the relation between citizens and institutions (Sjöstrand red., 2005). Lastly, white corruption is not considered as crime. Though according to morals and ethics in society, it is sometimes considered the same way as it would be a crime. There are those who believe some actions are more acceptable than others, while others think some actions are unacceptable (Karlsson & Korsell, 2007).

Karlsson & Korsell (2007) claim that boundaries between black, grey and white are sometimes hard to draw, especially since corruption in many cases is kept hidden and illegal and the actors involved are not revealed. Exchanges between persons are considered more as black corruption, than grey or white corruption. Because grey or black corruption can be the actions made collectively, when bringing those kinds of cases to trial. It is easier to put a verdict on the black kind of corruption than the grey or white, mainly because it is easier to identify the black version. It is harder to convict organizations and the differences between black, grey and white shift due to countries, culture or social prerequisites (Karlsson & Korsell, 2007).
Susan Rose-Ackerman (1999) brings up examples where it may be difficult to know the boundaries of what is considered being legal and illegal. Taking the example of bribes and gifts, it is not unusual that companies give away gifts to their employees during Christmas time or any other special occasion. Karlsson & Korsell (2007) explain that people who have worked together during a long time sometimes develop relationship bonds which can lead to that the boundaries between private and work become unclear.

2.5 Summary

As stated in the chapter, there are many definitions of corruption, and it is a concept which is difficult to define.

Both organizations and authors try to define it, and they all have different approaches. For organizations working with defining the concept and the field it is important to an organization to have a definition which will help them in their work. Organization’s definition is general and focused on corruption occurring in the public sector.

The three described boundaries within bribery (black, grey and white) shows there are problems when trying to define corruption and know where the lines goes of what is corruption and what is not. The definition of corruption differs between countries. Also, an international definition is lacking. One difficulty with corruption is related to the fact that it is hidden. The most common form of corruption is bribes. In some societies bribery is very common; it is about exchanging something for another. It does not necessarily have to involve financial compensation, but it can be services, gifts of promises for a service or a favour in the future.

The abuse of power is one common aspect of all definitions, hence also considered as the core of corruption.
3 How to Measure

This chapter deals with measuring corruption with the help of five organizations somewhat connected to corruption. Each of the five organizations is evaluated based on the applied methods. Since all of them use different methods and present their results differently, this will show whether corruption is possible to measure.

Many say it is not possible to measure corruption, since measuring corruption means that someone investigates the state of the country, looking at factors such as the government, businesses and the public within a country. Still, there are organizations that try to measure corruption by using different methods (Sampford et al., 2006).

One way of measuring corruption is to look at indices, but it has to be remembered that corruption is illegal, thus making it hard to get a correct result even from indices on how corrupt a country is (Corruption Perception Index, CPI, 2008).

According to Uslaner (2008), corruption cannot be measured because of the simple reason that there is not a clear definition, nor is it transparent, making it hard to measure it. He writes: “If you can’t see it, you can’t measure it” (Uslaner, 2008: 11). Measuring will only give discussions to criticisms which in many cases will not be positive criticisms. Uslaner claims corruption cannot be measured, since it is not transparent.

Measuring corruption is hard and there is no certain method. Sampford et al. (2006) argue that one way of getting a better understanding of corruption is to look at indices made by various organizations, even though indices sometimes do not give a correct and fair picture of a country or an organization. Indices should not be trusted blindly.

It is possible to measure corruption according to the book “A User’s Guide to Measuring Corruption” (2008) which is cooperation between the United Nations Development Programme (UNDP) and Global Integrity. When measuring there are factors which need to be taken into consideration, one of them being that organizations doing measurements need to define what corruption is before proceeding (UNDP, 2008).

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2 Transparent means to see through something, it helps to fight corruption. The accountability of the public officials. In this case this means that the government can hold such things as press, most of their meetings, laws and other types of documents open to the public (Uslaner, 2008).
Kaufmann, Kraay & Mastruzzi (2003) have another method of measurement compared to for example, TI. They use a complementary measurement called Control of Corruption, which includes more data sets. The strategy used in this method is different from other organizations methods, a similarity being though that many organizations use a cross-country comparison. However, there are only small differences when looking from a larger perspective (Kaufmann, Kraay & Mastruzzi, 2003).

Sampford et al (2006) claim that trying to measure corruption the way organizations have done should be abandoned, and instead base it on “country-based studies” (Sampford et al., 2006: 53). This means that more focus should be put on countries, rather than trying to include as many parameters as possible.

Tanzi (1998) states that if corruption could be measured it would be eliminated. He also describes the difficulty of measuring, not only due to problems with definition but because is not clearly stated what is being measured. Instead Tanzi suggests that if corruption has to be measured, it should measure acts of corruption and not bribes paid out.

Uslaner (2008) claims the indices are not a hundred percent reliable. There are flaws when conducting and measuring corruption, Uslaner indicates that measuring corruption always has flaws.

3.1 Freedom House

Freedom House is a non-governmental organization that conducts research on conceptions of democracy, political freedom and human rights. It is an American organization and the headquarter is situated in Washington DC. The Freedom House publishes an annual survey called “Freedom in the World”. The survey evaluates “the state of global freedom as experienced by individuals” (Freedom House, 2009a). It is based on freedom and also opportunities to act spontaneously outside of governmental control and other organizations or institutions which hold a dominating role in society. There are two categories which are being evaluated; political rights and civil liberties. Political rights are rights for the citizens, where people can act and participate freely without too much political interference. This includes the right to vote, participate in the political process, to join and be active in political parties and organizations and to be
part of the public. The civil liberties are meant for individuals to express their opinions and beliefs; it is also their own freedom without any state or organization that interferes. Individual’s right to express their view and opinions are by voting and to participate in the political process, however, there are also other ways for them to express themselves.

Freedom House (2009a) points out that they do not evaluate government or the work of governments, and therefore it is not included in the survey. What Freedom House evaluates is freedom and rights which individuals can enjoy. It puts more focus on whether rights are implemented in practice and not just in theory.

Freedom House (2009a) uses a methodology by evaluating standards for civil liberties and political rights. The information used when evaluating is referred from the Universal Declaration of Human Rights. A standard model is applied when evaluating the countries which are included in their investigation. It does not only look on countries but also on territories. The assumption when evaluating countries and territories is that freedom is best achieved in “liberal democratic societies” (Freedom House, 2009a).

The survey includes 193 countries and 16 territories, and is conducted with the help of analytical ratings and reports. The evaluations of countries examine developments occurring during the year, the history of the country or territory. The civil liberties and political rights are included. Countries and territories are then being scored according to a scale constructed by Freedom House. Everything is then summarized and each country and territory is given a numerical value between 1-7 depending on the civil liberties and political rights. A score of 1 is indicating a high level of the degree of freedom, and a score of 7 indicates a low level of freedom respectively (Freedom House, 2009a). Countries and territories are being scored based on the performance of the questions and are then categorized into three categories: free, partly free and not free (Uslaner, 2008).

The information used in Freedom House’s results is gathered from professionals from many countries, international visitors and press, regarding freedom for organizations, human rights, state of the government, international news and domestic media. All these together compose the index, Freedom House presents.
Studies made by Freedom House use questions which are posed universally. Hence, the questions posed are trying to be as general as possible and not too specific. Still they should not be able to be applied to as many countries as possible, rather than just some. The questions are not individually made for each country, even though one country does not have the same conditions as another country (Freedom House, 2009b). The index includes political rights and civil liberties; it measures countries over time and includes a large number of them. However, according to Rock (2007) Freedom House has a few flaws, it does not include “electoral or procedural aspects of democracy” (Rock, 2007: 5), the right for citizens to influence.

3.2 Global Integrity

Global Integrity (GI, 2009a), a non-profit organization, manages the Global Integrity Indicator. It aims at being used as a tool on the national level to understand corruption and governance. The methodology consists of gathering information with the help of journalists and local researchers, who monitor the openness, accountability and trends of corruption around the globe (GI, 2010a). GI does not believe that corruption can be measured at the current state. Research is rather made by investigating the condition of the state. Trying to find solutions in the forms of policies or reforms is possible, tackling the problem straight on is however not a possible method. GI’s methods do not aim at increasing the awareness about or preventing the spread of corruption in a country, instead it suggests policy changes or reforms. GI claims that they investigate the behaviour of citizens and businesses in relation to government, and try to help finding and to recommend solutions to the problem through governance (GI, 2009b).

GI states that they are a unique organization since their methods are different from those of other organizations (GI, 2010b). The organization itself does not score each country; it is the researchers, experts and journalists that do that job. Instead GI structures, coordinates and helps with the financial part and publishes the results. GI functions more as a middle hand, making everything work.

GI does not only monitor what law and institutions are about, but also how they are. The degree of political independence, budget support and the access for citizens to “the anti-corruption mechanisms” (GI, 2009b) are also investigated. GI uses a checklist to
solve the problems with corruption and work towards an additional reform, than what governments have in their country at the moment. With the team of journalists reporting and using surveys to include the public, it makes it possible to inform citizens, businesses and governments in countries which are being investigated (GI, 2009b).

Countries investigated in the research are all based and rated according to the same standard, since it is then easier to compare between countries. GI argues that it does not matter if the country is rich or poor, it would still be evaluated with the same standard as any other country included in the survey (GI, 2010b).

The Integrity Indicators aim to report on how to work against corruption and how to promote public integrity. Global Integrity has teams of journalists in countries where they do research. Their tasks are to report and write the Reporter’s Notebook. This Reporter’s Notebook consists of essays explaining and analyzing corruption and the current state of corruption in the country. This method is a way to provide a short review of how corruption works when composing the score ranking. The journalists and researchers who assemble the Integrity Indicator are chosen carefully. Global Integrity finds their potential teams through partnerships with international organizations in the field of anti-corruption and governance (GI, 2009b).

The Global Integrity Index publishes an annual report about anti-corruption at the national level. The index does not measure the extent of corruption. According to GI corrosion is being compared with a disease, such as “cancer” (GI, 2009a). Instead of investigating and measuring how sick a country has been made due to corruption, GI simply tries to find the “medicine”, the cure. The medicine suggested to cure corruption is government’s responsibility, since citizens fail to see corruption and transparency (GI, 2009a).

At the moment, GI (2010b) only covers 92 countries in their research. According to GI themselves, the Global Integrity Index should be looked upon as an entrance to understand weaknesses and strengths. The index does not tackle the problem of corruption; they do not measure corruption but rather find a solution on how to overcome corruption and how to get out of it (GI, 2010b). GI focuses on good governance and anti-corruption, just to mention a few factors (GI, 2010c).
Integrity Indicators are followed and organized by six categories, which themselves have sub-categories. The six categories are: Civil Society, Public Information and Media, Elections, Government Accountability, Administration and Civil Service, Oversight and Regulation, Anti-Corruption and Rule of Law. The scoring for each country is between 0-100, 0 being worst and 100 perfect (GI, 2009b).

### 3.3 Heritage Foundation

The Heritage Foundation cooperates with the Wall Street Journal, which also provides them with publications. Compared to the other organizations examined in this chapter, Heritage Foundation is a conservative organization with traditional values. The traditional values are the American values (Heritage foundation, 2010g).

Compared to other organizations, the Heritage Foundation does not collect their own data; most of their data are from other sources such as cross-country surveys. Heritage Foundation relies on third-party resources. They use information from the International Monetary Fund and Transparency International to mention two of the organizations (Heritage Foundation, 2010b).

Heritage Foundation publishes an Index of Economic Freedom. The survey from 2010 is based on 179 countries. The index measures economic freedom in countries (Heritage Foundation, 2010a). By the help of 10 sub-indicators, Heritage Foundation has put together the index. The sub-indicators are: Business Freedom, Trade Freedom, Fiscal Freedom, Government Freedom, Monetary Freedom, Investment Freedom, Financial Freedom, Property Freedom, Freedom from Corruption and Labour Freedom. Each sub-indicator is evaluated and each category gets a score. The score of all of the sub-indicators are then given an overall value which is the value that will give the score for economic freedom for each country (Freedom House, 2010b). Countries are then ranked according to a scale from 0 to 100, the higher the number the better since it indicates that a country has more economic freedom. Scores can also be continuous, meaning countries can be scored with decimals (Beach & Kane, 2008). The measurement is categorized as the following:
- Free 100-80
- Mostly Free 79.9-70
- Moderately Free 69.9-60
- Mostly Unfree 59.9-50
- Repressed 49.9-0

(Heritage Foundation, 2010a).

3.4 Transparency International

Transparency International (CPI, 2008) sets up criteria when doing investigations. A country is given a ranking depending on the overall perception of corruption. In the investigation 13 different sources are being used, out of which 11 are independent organizations. Transparency International TI, 2009a) mainly focus on investigating corruption within the public sector.

A standardized model is used, and countries are being ranked according to the model. One of the conditions on the criteria on how to measure corruption is that the sources which are being used are measuring an overall extent of corruption. And also if it is either organizations, journalists, country experts or other types of researchers, they all have to be reliable. By using different types of sources in the method, it will give a broader knowledge and reliability. They come to different conclusions with the help of experts and the independent network of the correspondence. The independent network can for example be other types of non-governmental organizations or non-profit organizations, who are not necessarily dependent on government ideas. TI measures corruption by looking at good governance, the independence of the media, transparency and accountability and attempts, hence, to measure the overall extent of corruption (TI, 2009).

Sources used when constructing the Corruption Perception Index all use their own system when rating. The results are then standardized. Sampford et al. (2006) state that, to get a mean value for a country, standardization is applied by using a matching percentile technique. Using this method is necessary since every country will get a rank
from the individual sources. This method allows combining them. Nevertheless, the method has disadvantages and not all information can be taken into consideration. While it is not completely accurate, all sources can be included in the index between encompassed values of 0 and 10. Every country gets a ranking number. A country receiving a high ranking number will be placed high on the CPI scale. Countries receive one point decimal on the ten point scale, and are then being compared to other countries (Sampford et al., 2006). Getting the highest number 10 means that a country is completely free from corruption (Utrikesdepartementet, 2007). Even though the surveys do not say much about how widespread corruption is. TI still conducts the surveys annually by cross-country comparisons (Karlsson & Korsell, 2007).

13 different surveys are generally used when collecting information about countries; however, not all of the 13 surveys have to be used for every country. The country which is ranked highest in the ranking from 2009 is New Zealand; only 6 surveys were used (TI, 2009c).

Transparency International presents three ways of measuring; Corruption Perception Index (CPI), Global Corruption Barometer (GCB) and Bribe Payers Index (BPI).

The Corruption Perception Index is measured by investigating organizations in the political and public sector, collecting data and placing them in an overall ranking. The ranking is based on information from third parties, such as experts and organizations, for instance Asian Development Bank, African Development Bank, Bertelsmann Transformation Index, Country Policy and Institutional Assessment to mention a few. In the investigation more than 150 countries are evaluated, and expertise and public perception related to corruption is taken into account.

The Global Corruption Barometer is based on surveys and includes general questions on the public’s view of corruption. Thus, the Barometer also comprises the public’s view of experience of bribery in general and attitudes towards corruption around the world.

The Bribe Payers Index focuses on foreign firms engaging in bribery. This index aims at analyzing “the supply side”, meaning companies. The object is to investigate companies in mainly industrial countries and to measure the extent of corruption in various countries. The most effective one of the three is the Corruption Perception Index, since it provides a broader measuring compared to the other two (Sampford et al., 2006).
Indices are constructed with the help of people working within the organization, analysts, journalists and the public. Surveys estimate the level of corruption among politicians and public officials (Andersson, 1999). Sampford et al. (2006) mention a few problems related to CPI. One problem is that the sources used to put together the index change over time. It does not necessarily have to be the case that it would produce the same results every year, this leads to confusion. The data TI uses can be interpreted incorrect and can provide a skewed perspective of the results. Scandals a country faces can worsen a country’s ranking very fast. Despite this, TI’s annual indices are the most reliable index according to Andersson because many academic researchers refer to the Transparency International index, and in many research papers the index is interpreted (Anderson, 1999).

3.5 Worldwide Governance Indicators

Worldwide Governance Indicators (WGI, 2010a), is a program based on the World Bank. WGI measure governance and use six dimensions of governance where one of the six is: Control of Corruption (WGI, 2010a). WGI have a general definition of governance: “the traditions and institutions by which authority in a country are exercised” (Kaufmann, Kraay & Mastruzzi, 2009: 5). This involves governments being monitored. It basically involves how governments implement and exercise policies. There are six dimensions of governance:

1. **Voice and Accountability**: the level of how much citizens can participate. The participation in electing the government, but also the freedom of media, press, and the freedom of expression.

2. **Political Stability and Absence of Violence**: the risk of something happening to the government, such as threats of terrorism or different types of violence, in the public sector.

3. **Government Effectiveness**: how effective the government is, quality of services available to the public, the civil service and how independent the government is from “political pressures” (WGI, booklet, 2007: 2), how well government implements policies and governments’ commitment to the policy implementation.
4. **Regulatory Quality**: the performance of the government to outline policies and regulations. And the implementation will help to develop and promote the private sector.

5. **Rule of Law**: agents such as the police, the courts and other public agents will act rightly to maintain rules and laws, and to make sure laws are respected and obeyed in society.

6. **Control of corruption**: interpreted as "the extent to which public power is exercised for private gain" (WGI, booklet, 2007; 3). This includes all types of corruption at all levels, both large and small cases (WGI, booklet, 2007).

When putting together the survey, WGI work on a micro level or a “sub-national level” (World Bank, 2010). This means they collect information by using citizens in the country evaluated; information from the public and private sector is also included in the survey. WGI then analyze the conditions in the country and the suggestions on how to overcome corruption.

WGI use a method by giving countries scorings, by using a normal distribution where mean is zero, and standard deviation is the same for all periods, which is one. The interval is between -2.5 and 2.5. This means that countries can only be within these values. A higher score leads to better results and each country should aim at getting a high score (Kaufmann, Kraay & Mastruzzi, 2009).

### 3.6 Summary

One way of measuring corruption is by looking closer at indices made by different organizations. All five organizations use different methods and the results are presented differently as well. However, all five of them use similar data such as country experts, journalist, business people, etc to collect information the methods used when presenting the results, differ somewhat among organizations.

Freedom House focuses on how individuals can act outside the control of the government through other institutions playing a dominant role in society. It refers to the individual’s right to express himself in different ways such as their right to vote and to participate in the political life.
Heritage Foundation does not collect its own information, but constructs the index with the help of others.

Global Integrity focuses less than other organizations on measuring corruption; instead they are covering more areas. Their principal aim is, instead, to attempt to find a “cure” to the “disease” corruption. Generally this is done by suggesting policies and reforms.

Transparency International is the only organization that focuses solely on corruption, and uses a cross-country comparison where countries are ranked based on Transparency International’s own model. Also, Transparency International is the only organization which covers nearly all countries. It is the Transparency International which is most often included when research is made on corruption. The other four organizations are mentioned but not as frequent as TI.

Worldwide Governance Indicators include six dimensions of governance in their evaluation, and all of the dimensions are important when measuring. They do not measure only corruption but include more factors.

These five organizations are different and have different approaches to collect information and to present their information. In this thesis the organizations will function as a comparison between the four countries chosen; Denmark, Sweden, Italy and Greece.
4 Corruption in an European Context

The information about the five organizations which have been dealt with in the previous chapter will now be applied on the four chosen countries; Denmark, Sweden, Italy and Greece. It will be evaluated why some countries are ranked better than others, based on the indices made by the organizations.

The first table here serves to get an overview of how the countries are ranked, according to the five organizations presented in the previous chapter (chapter 3). Each country is ranked according to each organization’s own method and the score and rank are presented. Freedom House and Global Integrity do not have a ranking among the countries. Furthermore, Global Integrity does only rank Italy. None of the other three countries are included in their research.

<table>
<thead>
<tr>
<th></th>
<th>Transparency International</th>
<th>Heritage Foundation</th>
<th>WGI Control of Corruption</th>
<th>Freedom House</th>
<th>Global Integrity</th>
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<tr>
<td></td>
<td>Score</td>
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<tr>
<td>Denmark</td>
<td>9.3</td>
<td>2</td>
<td>93</td>
<td>1</td>
<td>2.32</td>
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<tr>
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<td>71</td>
<td>47</td>
<td>57</td>
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<tr>
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<td>63</td>
<td>48</td>
<td>55</td>
<td>0.13</td>
</tr>
<tr>
<td>Sweden</td>
<td>9.2</td>
<td>3</td>
<td>93</td>
<td>1</td>
<td>2.24</td>
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Table 1 – Ranking of the four countries according to different indicators

Transparency International ranks the Nordic countries high, while Greece and Italy are ranked lower. The scores for the Nordic countries are also higher. Countries receiving a high score on the Transparency International index CPI are considered to have a low level of corruption.

Heritage Foundation ranks Denmark and Sweden on first place and from the previous chapter it is known, that if a country receives a score between 100-80, it is considered as free. Both Denmark and Sweden yield a score of 93, being within the range of 100-80 and are therefore considered as being free. Being free indicates a high economic freedom, the higher the score the more economic freedom. Greece and Italy have received a score of 47 and 48 respectively. Examining the measurement reveals both countries are within the range of 49.9-0, indicating a country as repressed.
In the Worldwide Governance Indicators (WGI), the Nordic countries are not as close as they have been in the rankings of Transparency International and Heritage Foundation. Denmark is still found on a high ranking, while Sweden is ranked as number six. Greece and Italy are ranked low again, with Greece lower down than Italy. WGI give each country a score between -2.5 and 2.5, the higher scores leading to better results.

Freedom House does not have the same ranking system; instead countries are scored within the range of 1-7, where 1 indicates a high level of degrees of freedom. All four countries receive a high score. Italy and Greece both received 1.5 and Denmark and Sweden rank with a score of 1.0, the highest possible.

Global Integrity only includes Italy which is scored at 79, meaning the country is over average.

The following graph shows the organizations and differences between rankings of countries. It only includes three out of five organizations since Freedom House does not rank its countries, and Global Integrity only scores one country.

![Graph 1 – Overall performance of the four countries in TI, Heritage Foundation and WGI](image)

For each of the organizations, the lower down a country is drawn, the better. As seen in the graph, Denmark and Sweden are placed low. Also, there is not much of a gap between the ranks of different organizations for Denmark and Sweden.
Examining Greece and Italy, they are placed higher, indicating they are more corrupted. Also, gaps between the organizations occur and reveal a variety of ranking and scoring between these countries.

In the following part, the investigated countries will be presented and discussed.

### 4.1 Denmark

In Denmark the attitude towards corruption is low; people believe corruption is not high in the country (Holmberg, 2009). In general, the Danes have strong morals towards corruption (SGI, 2010). The level of corruption is low as well (GRECO, 2004). (Freedom House, 2010c), and there is a high transparency, meaning most of the documents and files issued by the government are open to the public. Exceptions do exists though and certain documents are of course confidential (Greco Evaluation, 2005).

According to Groups of States Against Corruption (GRECO, 2004), Denmark has a long tradition of integrity and this continues until today. The Danish civil servant in both the private and public sector has an understanding of the ethical standards in the country. There is also a tradition of transparency in Denmark, which have been important and made people more sensitive and aware in relation to corruption. The understanding of integrity and transparency generally leads to that there is not much written about corruption or the behaviour in public administration about corrupted cases.

The Sustainable Governance Indicators claim that there is hardly any corruption existing in Denmark (SGI, 2010). There have not been many national corruption scandals lately. Officials have accepted bribes in exchange for a favour or services, but it is not common as in countries such as Greece and Italy.

In the Corruption Perception Index conducted by TI (2009c), Denmark is ranked second. TI only used 6 surveys and Denmark’s score is 9.3. Since 10 is the maximum score, according to the TI the level of corruption in the public and private sector within the country is low.

In Heritage Foundation (2010a) Denmark received a score of 93, giving it a ranking on first place, indicating that the country is mostly free. Denmark is considered a “modern
and competitive economy” and therefore corruption in the country is low (Heritage Foundation, 2010b). Good results are achieved in all the 10 subcategories.

Corruption according to Freedom House is “extraordinary low” (Freedom House, 2010e). The score in Freedom House (2010b) is 1.0 which indicates free. The people in Denmark have the right to express themselves, the media is not controlled. The media reflects the political opinions of people, and perhaps most importantly they are critical towards the government. Denmark has a tradition of being open when it comes to trade and regulations are spread evenly (Freedom House, 2010e).

By only looking at the control of corruption on the Worldwide Governance Indicators (Kaufmann, Kraay & Mastruzzi, 2009) Denmark has a high ranking, with a score of 2.32 resulting in Denmark ending up at third place.

Denmark is not ranked in the Global Integrity (2009a).

In Denmark a concept called the Jante Law which are unwritten words and a form of attitude, which states that a person should believe he/she is better than anyone else. This phenomenon exists in the Scandinavian countries, mainly in the rural areas and in smaller cities where people had little contact with the surrounding world, which gave not much room for changes. And therefore the concept of the Jante Law was used (NE, 2010).

4.2 Greece

“Greece is perceived as the most corrupt of the EU countries” (Pop, 2009). Pop discusses that according to the TI index from 2008. In 2009 Greece has not had major improvements. Among the European countries, Greece is ranked lowest down of all the five organizations. Pop also states that after joining the European Union in 1981 (EU, 2010) the situation in Greece has not improved (Pop, 2009).

The country fails in many areas; corruption in the public administration is common. For example it is common within hospitals or the financial sector in form of taxes, but also within transport and the police force. The Sustainable Governance Indicators state that

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3 Jante Law is an own translation from Jantelagen translated by the author
Corruption occurs within the government on a national and local level (SGI, 2010). In Greece there exists a form of “petty corruption” occurring in small scales. Bribing employees in order to secure services, to which an individual already has the right to. An example of the building and construction sector could be bribing an inspector for getting a permit. Cases like these occur mainly due to “mechanisms intended to maintain integrity to work” (SGI, 2010).

Looking at the mechanisms it has traditionally been weak, due to its weaknesses it has created this way of living. Individuals, who are entitled to services such as health care or other types of permits, have to bribe someone to get the services. SGI (2010) indicate that there is no effective prosecution in Greece regarding corruption and there have not been many cases where it has lead to prosecution at all.

On the ranking of the Corruption Perception Index Greece is on the 71st place, together with Bulgaria, FYR Macedonia and Romania. For this, TI (2010c) used the same amount of surveys as in Denmark which is 6. The total score for Greece is 3.8.

Heritage Foundation (2010d) ranks Greece on 57th place, with a score of 62.7. With that result, it is within the ranking of moderately free. One of the reasons why the country is ranked at this place is due to what it lacks. It has been improving when it comes to openness and transparency, but it goes slowly. Privatization is more dominant than the government. Privatization has made the government’s role less dominant.

According to Freedom House (2010c) Greece is considered as free with a score of 1.5 based on their ranking. Corruption in the country is an ongoing problem. This is especially within the police force.

On the Control of Corruption Index, Greece received a score of 0.10, positioning the country on an 83rd place (Kaufmann, Kraay & Mastruzzi, 2009).

**4.3 Italy**

“Only recently did investigations of the state university system bring to light that students were allowed university admission through bribes” (SGI, 2010).

Corruption which is within public administration is not clear and it is also diffuse. In Italy corruption has been rooted during a long time. Some sectors are more affected by
corruption than others such as “different areas of public administration, in civil society, as well as in the private sector” (GRECO, 2008: 3). Bribing is common and occurs in various situations, for example a person has to bribe someone else to obtain a permit or licenses. Corruption in Italy is widely spread, it therefore affects the whole society since corruption in Italy is “a persuasive and systematic phenomenon” (Group of States against corruption, 2005; 6).

There exist differences between Northern Italy and Southern Italy. According to Putnam (1993), Northern Italy is functioning better than Southern Italy, even though they share the same rules and political institutions. The northern part has better and “well-established traditions of private-sector entrepreneurship” (Heritage Foundation, 2010e). The southern part has an agricultural sector to which the population has become dependent on. Additionally, the welfare of the government plays a significant role, meaning Southern Italy is dependent on the money it gets from the government (Heritage Foundation, 2010e). There are many reasons for why Northern Italy is functioning better. Putnam discusses that a large number of the population moved to the northern part (Putnam, 1993). The economy in Italy has in general been dominated by the service sector rather than agricultural sector. This is one of the reasons why the north is functioning better (Heritage Foundation, 2010e).

TI (2009c) ranks Italy on the 63rd place on the Corruption Perception Index. As was the case for the two previous countries, only 6 surveys were used when evaluating the country. Italy scored 4.3 on the 2009 index.

On the Heritage Foundation (2010a) Italy got a score of 48 indicating that the country is moderately free, with this score Italy is placed on 55th place. The overall freedom in Italy is not considered to be good. In fact, it is ineffective according to Heritage Foundation “ineffective public finance management, considerable corruption, and a high tax burden” (Heritage Foundation, 2010e). That indicates that it does not only have problems with corruption but also other types of problem such as financial issues.

According to Freedom House (2010b) measurements Italy receives a score of 1.5, which indicates it is free. Freedom House states that corruption is still a problem in the country, even though changes have occurred in the government. The Prime Minister Silvio Berlusconi has been guilty in situations where corruption is involved, but he has
never been charged. Instead, since Berlusconi returned to power he has taken control over 90 percent of the broadcast media in the country, although the country has the right to a freedom of speech and freedom of press.

The index put together by the Global Integrity (2009a) states Italy with a moderate rating with an overall score of 79 out of 100, indicating Italy being the country which is lagging behind other Western countries within “political financing regulations, judicial accountability mechanisms and whistle-blowing protection” (GI, 2010e). Corruption is an ongoing problem in Italy. GI identifies “‘double-faced’ reality of corruption” (GI, 2010e), meaning the whistle-blowing protection exists, but the power of networking and bribery is tighter and corruption such as bribery is in many cases happening secretly. Looking at the index composed by GI, Italy is ranked within the category of moderate (2010e).

In the ranking of Worldwide Governance Indicators (Kaufmann, Kraay & Mastruzzi, 2009), according to the Control of Corruption, Italy received a score of 0.13.

4.4 Sweden

In surveys measuring corruption in Sweden, the country is often ranked high. There are many explanations. According to Utrikesdepartementet (2007), one of them is the equality in the society, equality rules both economically and among citizens. The social class an individual belongs to is not important. Everyone should be treated equally and have the same opportunity, social class should not be a deciding factor (Karlsson & Korsell, 2007).

In general, people in Sweden consider corruption as morally wrong, but there are some forms where the Swedish people think it is acceptable. Most people in Sweden perceive that corruption is petty, in other words low.

The definition of the concept corruption made by the World Bank “the abuse of power for private gain” (Bauhr, Nasiritousi, Oscarsson, Pettersson, 2010) covers both private and public sector and is a straightforward definition. However, Bauhr, Nasiritousi, [Whistle-blowing protection according to GI is “Are employees protected from recrimination or other negative consequences when reporting corruption (i.e. whistle-blowing)?” (GI, 2010f) ]
Oscarsson, Pettersson (2010) argue that in real life it is not clear-cut. It does not hold for in certain scenarios, for example politicians or bureaucrats act in favour of their economic interest. The authors talk about a legal corruption, for example a politician favouring certain enterprises based on their “political colour” (Bauhr, Nasiritousi, Oscarsson, Pettersson, 2010: 6). That would mean that an enterprise’s political standpoint than is its merit.

In a survey made by Bauhr, Nasiritousi, Oscarsson, Pettersson that investigates the perception of corruption among the Swedish people, they found that corruption according to the Swedish people may not necessarily involve money, but rather it can harm the trust of the government and also “weakening democratic principles” (Bauhr, Nasiritousi, Oscarsson, Pettersson: 2010: 8). Meaning that in the society it may undermine the institutions with the ideas and principles corruption brings.

Corruption in Sweden has not been perceived as a major problem. In fact, in many international contexts Sweden is seen as a country where corruption is low. The common explanation for this is that Sweden has a well functioning political and legal system, the level of social capital is high, bureaucracy is somewhat effective, and tolerance towards corruption among citizens is low. However, Karlsson & Korsell (2007) point out that this does not mean that corruption does not exists in Sweden. There are several reasons to believe that corruption is a problem in the country. One factor has to do with globalization. Sweden is affected by situations happening outside the own country. It has become easier for companies to establish themselves abroad, and more companies move their businesses abroad. Most often companies have to adjust to the culture and laws in the new country. This occurs in Sweden as well when foreign companies buy Swedish companies (Karlsson & Korsell, 2007).

Based on the survey made by Bauhr, Nasiritouis, Oscarso, Pettersson (2010) who examine the perception of corruption among the Swedish people, many perceive that corruption in Sweden is petty. They also believe that it is not widespread as in other countries. Swedish people are proud to live in a country where corruption is petty, in a country where the phenomenon of corruption is rare. A reason could be the functioning bureaucracy and tax system in Sweden, that is absent in this form in many other countries.
In the Corruption Perception Index Sweden has never been placed lower than on 6th place (Andersson, Bergh, Erlingsson & Sjölin, 2008). Now, according to the 2009 index, Sweden is ranked 3rd together with Singapore (TI, 2010). Comparing with other countries, Sweden is considered as being a non-corrupted country (Andersson, Bergh, Erlingsson & Sjölin, 2008).

In the ranking of the Heritage Foundation (2010a), the Index of Economic Freedom, Sweden is ranked on first place. With an overall score of 93, Heritage Foundation (2010f) writes “the judicial system, independent and free of corruption, provides strong protection of property rights” (Heritage Foundation, 2010f). According to Heritage Foundation, Sweden has a high score, the legal and political system is strong and corruption is low. Heritage Foundation even claims corruption in Sweden is “nonexistent” (Heritage Foundation, 2010f).

Freedom House (2010b) gives Sweden a ranking of 1.0 indicating the country is free. Freedom House refers to Transparency International when explaining why Sweden has a low level of corruption. Even though Sweden’s level of corruption is low, corruption exists and scandals have been detected.

Worldwide Governance Indicators (Kaufmann, Kraay & Mastruzzi, 2009) give a score of 2.24 by only looking at the Control of Corruption. Ranking the countries based on the Control of Corruption, Sweden would end up on a 6th place.

4.5 Summary

Only three out of five rankings made by organizations proved to be useful for comparison. Freedom House does not have a particular ranking system, neither does Global Integrity. Also, Global Integrity does only rank Italy while the other three countries are not included.

Denmark does not have many cases involving corruption; it has had a long tradition of integrity and transparency. Due to this Denmark is considered as a country with low levels of corruption, the corruption occurring is on the local level and not on a high level. In the rankings of Transparency International, Heritage Foundation and Worldwide Governance, Denmark has a high ranking.
Greece is said to be the most corrupted country in the EU. It is visible to everyone and happening everywhere, now it is part of the everyday life. Not only does corruption happen within the public administration but also within the health care and financial sectors. People bribe to get services to which they are entitled, and not many corrupted cases are being prosecuted. On the rankings by the organizations Greece is, compared to Denmark and Sweden, placed lower.

Corruption in Italy has for a long time been rooted in the society, within the public administration it is very hidden and diffuse. It is the same problem as in Greece; a person has to bribe someone else to obtain the entitled services. A significant difference between Greece and Italy is that in Italy there is a difference between the South of Italy and the North of Italy. In Southern Italy corruption is higher than in Northern Italy. Also, as a whole, the economy has been dominated by the service sector.

Sweden as Denmark is a country where corruption is not as widespread as in Greece and Italy. An explanation for this is a functioning political and legal system and a high trust for their government. However, it does not mean corruption does not exist at all in Sweden. Corruption in Sweden simply does not take on the same features as Greece or Italy. Due to globalization, corruption also occurs outside the country boarders, the cases of corruption do not affect the public administration as in Greece and Italy. Just as in Denmark, Sweden is also placed on a high ranking according to the three organizations.

The Jante Law exists in the Denmark and Sweden and which are unwritten words and a form of attitude. People should not believe he/she is better than another person.
5 Discussion
This section will discuss the questions posed in the introduction of this thesis. The discussion is divided into two parts, the first part dealing with definition and measurement of corruption. The second part discusses the countries and the organizations.

5.1 Definition and Measurement
As stated, there is not one clear definition of corruption that is acceptable and can be explained in all situations, this shows how diverse the concept is. A definition of corruption in one country can not necessarily be applied to another country, it all depends on how extended the spread of corruption is.

The meaning of corruption is not the same throughout the world due to culture differences. Corruption in one country does not mean the same in another country. It all depends on the specific situation and if corruption is visible or not. In some countries corruption is to some extent considered acceptable and in some countries it is not.

One of the most used definitions is defined by the World Bank, the abuse of public power for private gain. This is considered as being the core of corruption, although this definition has flaws. As Tanzi (1998) states, there are flaws with the definition since it does not involve private gain. It is also about cultural differences, the definition and ideas of corruption are different in each country. In some countries corruption is more visible than in another, however, it does not have to mean that corruption does not exist. It does exist but in different forms. Since there are many definitions the concept can occur in many different ways. The definition stated by the World Bank does not work in all cases. Just as Tanzi argues, it does not cover the private sector.

A person may believe that corruption only exists in the public sector, meaning the government and other public institutions. It states that corruption does not exist in the private, such as small or large enterprises, which is not true, it also exist within the private and in some cases even more within private than the public.

Therefore, the definition by the World Bank may be the core of corruption in theory but in practice it does not hold, since it does not say anything about the abuse of private power. Many private enterprises move their business abroad; there enterprises have to
adjust to laws, customs and culture. In the country the enterprise is doing business in, corruption occurs in forms of bribes. Also, the private sector does not only have to involve companies or institutions. An agreement can occur between two people or a group of people, not only within a private enterprise. Due to the lack of definition one can say that anyone can be in corrupted situations, and it does not always have to be cases of bribes. It can include even the small situations, such as receiving a present from work.

Karlsson & Korsell (2007) discuss the boundaries of corruption. They identify three levels; black, grey and white, where black stands for the most severe type of corruption. Level grey is most hard to draw a line from; it is as if it would be two-sided. On one hand some cases are acceptable, and on the other hand there are situations where it is considered as corruption. What is seen as a corrupt situation depends on attitudes and morals in society. A situation can be considered as legally right but morally wrong.

Then it is a matter of how the society’s attitude and also the people’s attitude are. If people are brought up to believe that stealing for example is wrong, then people will know it is wrong to steal. But if people believe stealing is right and have never experienced a different attitude towards such behaviour, then people will steal. Most people know stealing is not right though, but there are other situations which can be considered as corruption but will maybe not be seen as such by the society. An example is to get a job thanks to contacts. Today this happens all the time; without contacts it is hard to get a job.

What academic researchers and organizations write about corruption is in many cases negative. If it affects society it has devastating effects and that for a good reason. Corruption is about the abuse of power, which is true since people use corruption as a tool to take advantage of situations which will favour themselves. Just because someone has a higher position does not make it right for them to take advantage of that. If an official employed by the government starts to accept bribes, in the end the money which is intended to serve the government is taken. The results are less money to spend, meaning less resources for health care or the education, just to mention a few. Employees who do not have a high position are those who are most likely to accept bribes, due to their low position.
There are organizations trying to measure corruption, by using country experts, journalists and surveys to obtain information. Countries are in many cases given scores according to each organization’s own standard model, and are then ranked. Almost all of the evaluated indicators do not attack the problem by going straight to it, only Transparency International focuses completely on corruption. The four remaining organizations do not tackle the problem the same way as Transparency International. Many of them measure more than just corruption, although many of them include corruption in their studies.

Even if all organizations claim they use country experts, one does not know what makes a person a country expert. It is not clear if it is an expert about the country or what defines a country expert. Because it is still hard to actually measure corruption and it also raises questions about the definition. If it is hard to define, it has to be harder to actually measure something that is not clearly defined. However, the results of the organizations should not be taken too seriously. It should be regarded with consideration, due to the problem with the definition of the concept and also the method of measurement. The results from organizations are good to get an overview, for example how corrupted countries are.

Only a few of the organizations include the public, meaning regular people who are neither country experts nor journalists. It is important to include those as well, even though many of them would not have the same knowledge. To also look at the perception of corruption among the public would strengthen the reliability of the organizations.

To get a better knowledge of the extent and spread of corruption, looking at indices can be helpful. But one has to keep in mind that they are not completely accurate since indices are using cross-country comparisons, which have both positive and negative sides. The positive side being that it makes it possible to compare the extent of corruption among countries, and since it would follow the same measurement and be evaluated using the same methods and sources. One can see which countries are the most corrupted and which are not, making people aware of the spread of corruption in different countries. However, the negative side of using cross-country comparison is the standard model organizations use when evaluating. Based on the information and evaluations from country experts, journalists, business people, etc, one can get a general
understanding how the conditions in the country are. In many of the indices presented, the Nordic countries are often placed on a high ranking; many people would think that within the Nordic countries corruption does not exist. However, this is not true just because the level of corruption is low according to the organizations.

Organizations should try to use other methods when measuring corruption, instead of only relying on a standard model, which is applied in all countries. If organizations looked at corruption in different countries by not using a standard model, it would be discovered that corruption exists in all countries, even in those which are placed high on the ranking according to the standard models. Many countries have different definitions of what corruption is; in all countries some sort of corruption exists. It is only different forms of corruption, and also how acceptable it is in each country which is decisive.

5.2 Countries and Indicators
In the table at the beginning of chapter 4, where countries and organizations are collected and compiled, Denmark and Sweden are both ranked high, while Greece and Italy are further down in the rankings. According to the Transparency International’s index, the Corruption Perception Index (CPI), Denmark and Sweden are ranked as some of the top countries. That could be interpreted as if there was no corruption in either of the two countries. However, it has to be kept in mind that it does not mean corruption is non-existent. Only the level of corruption is petty, many forget to take this into consideration and would most likely interpret it as corruption does not exist. Each organization has their own methods and ways of presenting the results. They do not have the same method of processing the collected data. However, many of them present their data in the form of an index. In some cases, corruption is only part of the whole survey, where organizations do not only focus on examining corruption. Even though the organizations have different methods, many of the organizations use the same type of resources such as country experts, journalists, business people and companies.

The Transparency International issues their CPI annually. When academic researchers discuss the concept of corruption and the measurement, it is the CPI that comes up for discussion. It is mentioned more frequently than any of the other four organizations presented here. If a person wants to see if corruption can be measured one should turn to
the index put together by the Transparency International, because it is where most of the countries and territories are included. However, the results of the organizations should not be trusted blindly, since corruption is also an illegal act and there is much information which is not covered, not just because it is illegal but also because it is hidden.

Global Integrity does not cover as many countries and territories as Transparency International do. Only one out of four countries is ranked, which makes it hard to actually know how the conditions in other countries are. It does not give a fair perception of other countries that are not included. Italy is given a ranking as moderate; this means the countries is not totally corrupted. At the same time Italy has still problems occurring in the country. The result from the Global Integrity index goes against the results from Transparency International, where Italy is placed on 63rd place. Which according to Transparency International corruption is a problem, and it needs to be taken care of.

Greece on the other hand is perceived to be even more corrupted than Italy, with being one of the European Union’s most corrupted countries. In the indicators Greece is the country which ends up at the lowest rank compared to the three other countries. The state itself is weak; it has experienced many cases of corruption. Within public administration there is a lack of structure, basically citizens cannot obtain certain services even though they are entitled to them. Therefore, it is easier for corrupted situations to arise. Compared to Denmark and Sweden, corruption is more visible in Greece and Italy.

The people in Denmark do not engage themselves into corrupted situations. Also Denmark has a high transparency; people can get access to public documents or publications published by the government or any other type of public organization. By doing this it shows that the government has nothing to hide and is open with what they are doing and their decisions they are making. The likelihood that people would trust their government would be higher. This obviously has an effect in Denmark, according to the evaluated indicators the country is ranked as one of the top countries with least corruption.
Similar to Denmark is Sweden, the country is also considered as one of the countries where corruption is low. One of many reasons for this is about equality, in Sweden everyone has the right to be treated the same way. Being a women or man, having another religion, being poor or rich, whatever the reasons are for people to be different from each other, that does not matter, everyone should have the same rights and social class should not be of interest. Everyone should be able to enjoy the same things. While in countries such as Greece or Italy social class does matter. If one comes from a good family one will be entitled to certain privileges. Also in Denmark and Sweden there is a large service sector, which works closely together with the people.

Many countries which are similar to Denmark and Sweden would consider corruption as non-existent or very low. And it is not widespread as in other countries such as Greece and Italy, where corruption has become a part of people’s daily life. In countries such as Denmark and Sweden where corruption is low, it does not necessarily mean that there exists no corruption. It is just saying that there are not many reported cases and if it happens, it is not as severe as in Greece and Italy, where corruption is more dangerous and the effects are more serious consequences. People, who live in countries where corruption is part of the daily life, are generally more understanding and acceptable of corruption than those who live in countries where corruption is not as widespread.

The Jante Law exists in Denmark and Sweden, as a form of unwritten writing. The saying of the Jante Law has also influenced the view of corruption among the Danish and Swedes. Since it is a form of attitude and people should not believe he or she is better than anyone else. It can also be interpreted as not flaunting for example about corrupted behaviours, since people would consider themselves better than others. And corruption is nothing to be proud of, which could be one of the reasons why corruption is wrong.

For example the level of corruption in Denmark is different than that in Greece, based on the indices where Denmark is always ranked high and Greece ranked much lower. This does not mean that corruption does not exist in Denmark but that it exists in Greece, this just means that the ethics and morals are higher in Denmark than they are in Greece. Still, in Denmark corruption can exist but might not be revealed.
6 Concluding remarks

The purpose of this thesis was to analyze if corruption could be defined and measured, with the help of various organizations, and the writing of academic researchers. The thesis also included four countries which were chosen due to their views of corruption and how visible it is within the country. This has been done by using literature, reports and also by looking at the organizations homepages.

Corruption is clearly not easy to define or measure, organizations try to measure what some authors claim not to be possible, because corruption is illegal and in many cases disguised. Depending on what type of definition corruption has if looking at countries, it will determine how spread out corruption is. Each country has different definitions of what corruption is. Today corruption is not only associated with poor countries; it also involves countries such as Denmark and Sweden.

Concluding for this is that there are many definitions of the concept. What was evaluated within this thesis is not enough to find a proper definition though. And it is hard to define it, since it involves many factors and the effects are in some cases very severe. However, academic researchers and organizations use the definition defined by the World Bank, the “the abuse of public power for private gain” (Tanzi, 1998: 564). Many use this definition and this is considered as being the core of corruption. Although, the definition is not enough since it only involves the public sector and not the private. The private sector does not only include private enterprises, it also includes the people. Corruption occurs between people, either between two people or groups of people.

Based on the results from the organizations used in this thesis, Denmark and Sweden are two countries ranked high for example according to the Transparency Index. This could be interpreted that corruption does not exist in these countries, however, it does exist. Even if it is does not come out as corruption, it can be other forms. Many people associate corruption with money exchanged from one person to another. But in countries as Denmark and Sweden this can occur just by simply giving a gift or other types of compensation. However, one should not exclude that there is no corruption in those countries, but that it comes in other forms. The definition is also due to cultural differences, in Greece and Italy corruption has a completely different meaning than in
Denmark and Sweden. In Greece and Italy corruption is more acceptable; it has become a way of living. Corruption is a type of game, where one knows that others will not be honest if no one else is honest.

It is likely that there are many cases of corruption which have not been revealed, as stated in the thesis. Corruption is hidden and also illegal, therefore one can question if measuring corruption is really possible. Still there are organizations that try to measure it, in many cases not just by investigating corruption as an indicator itself but rather include other types of factors which affect a country.

Depending on how high the wages are in a country, the degree of corruption will be determined. A country which has low wages will in general have more corruption than in countries where wages are high. Because of their low wages people do not have enough money, and are most likely to engage themselves in corrupted situations.

Suggestions on further studies within the subject are to do more research on the countries. To see how countries perceive corruption, and do a field study to see how the general public perceives corruption, since many of the organizations do not include the public. By also including the public it will give a broader knowledge on the local level, on how corruption is comprehended by people, and not only look at the private or public sector.
References


## Appendices

### Appendix 1 – Heritage Foundation

The countries are ranked according to their corruption score. The ranking stops when all the analyzed countries, meaning Denmark, Greece, Italy and Sweden have been ranked.

<table>
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<tr>
<th>Rank</th>
<th>Country</th>
<th>Corruption Score</th>
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<tr>
<td>1</td>
<td>New Zealand</td>
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<tr>
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Appendix 2 – World Governance Indicators

World Governance Indicators - Corruption with ranked countries

Countries are ranked according to their corruption score. The ranking stops when all the analyzed countries, meaning Denmark, Greece, Italy and Sweden have been ranked.

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