Step 1 – Analyse the specific corruption types in your area

SUMMARY

We suggest you start by understanding the different corruption types that you are faced with.

1. Look at the template of sector corruption types and adjust these according to your situation.

2. Gather available data. We suggest that you do this first in a broad way, to get a sense of which issues are big or small across the sector, across countries, across different regions. Then, gather available data at the micro level, local to you.

3. Decide if it would help to do a formal analysis of the corruption types and levels of corruption risk. This takes time but gives you a thorough baseline for your reforms. It also serves to show the level of danger and damage from corruption to staff and to the public.
4. Consider doing an analysis of the levels of support and opposition that you can expect. This is called a ‘political economy analysis’.

Prepare for the later step in which you develop your strategy (Step 4) by thinking about which the best ‘entry points’ are likely to be – certain corruption types, regardless of scale, merit being tackled first because they are the most likely to build momentum and/or enable further reform. This choice of starting point is hugely context dependent.

AUTHOR AND CONTRIBUTORS

The originating author of ‘Analyse the specific corruption types’ is Mark Pyman, managing editor of CurbingCorruption.

1.1 SECTORS ARE THE PRIME UNIT OF ANALYSIS

Most corruption analysis has been done at national level. This has a major drawback – nations are complex, and corruption is multi-faceted, so it is hard if not impossible for the reforms to be well targeted. Working at sector level allows the detailed corruption issues and the political dynamics to be unpacked, so that remedial work can be focused at an appropriate scale and level of detail. Our experience – and belief – is that the differences between sectors are large and significant. These sector differences are often bigger than the corruption differences between one country and another.

Working within a sector also allows the reformers to share problems and solutions within their sector across regions and countries. There are international professional links within most disciplines – the medical profession, policing, education, agriculture, telecoms, banking, etc – all have multiple forums where professionals in that sector get together. Common ways to tackle corruption form a natural part of those discussions. Several sectors have already started down this path, with active sector-specific international collaborations, such as in mining, in defence and in education.

What is a ’sector’? Read more

When we talk of sectors, we mean the separate structures and functions through which national life operates. ‘Structures’ includes the legislature, the judiciary and the civil service. ‘Functions’ includes public sector functions (the health sector, the education sector, police services, public financial management, public procurement, state-owned enterprises, etc.), economic functions (telecommunications, mining, construction industry, shipping, etc.)
and the multiple public-private systems that span both public and private (sport, infrastructure projects, national heritage, land & property, etc). Our classification of economic sectors comes, with adaptation, from the Industrial Classification Benchmark.

We consider private industry as a sector, in addition to considering its role within each of the functional sectors. We also pragmatically consider sub-national government as if it were a sector, though it shares the multi-sector responsibilities of a national government. This is because the specificities of tackling corruption in local governments, especially in cities, often have more in common with other cities and local governments around the world than within their country.

1.2 DIFFERENTIATION WITHIN A SECTOR

Corruption is not one phenomenon, but many different sorts of abuse, minor and major, all aggregated together. Differentiation between the different types of corruption is essential in order to tailor the reform measures to the specific problem. For example, in policing, there will be various forms of corruption at a high political level, such as allowing organised crime in specific areas or ensuring that independent oversight is permanently weak; corruption in the management of the police service, such as improperly promoting some officers or permitting officers to stay in lucrative positions; corruption and lack of integrity in personal behaviour, such as evidence tampering or demanding illegal fines; and so on. Similar differentiation exists in every sector.

How we differentiate different corruption types – Read more

We differentiate the corruption types in the following four ways:

First, we separate corruption types that are different from one sector to another by treating each sector differently – this is the basis of Curbing Corruption. For example, the corrupt police behaviour examples above are quite different from pharmaceutical-related corruption types within the health sector, which again are very different phenomena from the corruption in relation to passing school exams within the education sector.

Second, whilst some of the corruption types are clearly sector-specific, as discussed above, corruption types that seem to be generic also have significant differences from one sector to another. For example, the corrupt
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diversion of salaries en-route from the ministry to the worker or promotions that are driven by corrupt payments not by merit. Whist these look to be similar phenomena, the modalities by which the corruption takes place and is facilitated are usually very different in one sector from another. The reforms are similarly likely to be different from one sector to another. Our experience is that this is true for all the ‘generic’ types of corruption, whether it be corruptly influencing policy, favouritism in appointments and promotions, small-scale facilitation payments, and so forth.

Third, we try to be specific about the corruption type, so that you can start to direct remedial actions against it. So, ‘corruption due to a non-meritocratic civil service’ would not be a corruption type because it is so broad. Instead, we break it down into several more detailed and therefore more manageable corruption types. Similarly, ‘collusion’ is not a corruption type because it is so general.

Fourth, we try to differentiate groups of corruption types according to who the reforming organisation is likely to be. So, we tend to categorise the types into 5 or 6 groups, such as ‘leadership level’, ‘finance’, ‘procurement’, ‘personnel’ and ‘operations’. Sometimes these are more specific, such as ‘corruption at school level’ to distinguish it from ‘corruption at Education Ministry level’.

1.3 THE TYPOLOGY – THE LIST OF SECTOR-SPECIFIC CORRUPTION TYPES

In making these differentiations we have to strike a balance between defining a ‘reasonable’ number of distinct corruption types whilst not making the number unmanageably large. We end up with between 10 and 50 in each sector, with the typical number being 30 corruption types. These are then grouped into 5 or 6 different categories, such as corruption at policy level, corruption related to finance and budgets, corruption related to field operations or service delivery, corruption related to the management of personnel and corruption types related to procurement.

You will see the typology for each sector within that sector review, or you can get a good idea of them by taking a look at some of them here. Usually we present them both as a table – where each one is described, and as a one-page diagram, which we find is very easily assimilated by people in that sector.
Here are typologies from six of the sectors.

### Corruptiion typology – School education

<table>
<thead>
<tr>
<th>POLICY</th>
<th>FINANCE &amp; CONTROL</th>
<th>AT SCHOOLS - DIRECT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Misallocation to agencies, projects</td>
<td>15. Leakage of new project allocations</td>
<td>27. Payment to get good grades</td>
</tr>
<tr>
<td><strong>TEACHERS</strong></td>
<td>17. Bribes to auditors and monitors</td>
<td>29. Payment for exam certificates</td>
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<tr>
<td>4. Teacher recruitment</td>
<td><strong>AT SCHOOLS - INDIRECT</strong></td>
<td>30. Payment for exam questions</td>
</tr>
<tr>
<td>5. Teacher promotion, posts, exit</td>
<td>18. Accepting high absence levels</td>
<td>31. Payment for others to do the exam</td>
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<tr>
<td>7. Allocation of teacher allowances</td>
<td>20. Schools used for private purposes</td>
<td>33. Requiring use of certain textbooks</td>
</tr>
<tr>
<td>8. Teacher training (TT): selection</td>
<td>21. Theft of school budgets</td>
<td>34. Duress payment for private tutoring</td>
</tr>
<tr>
<td>9. TT: grading, exams, graduation</td>
<td>22. Theft of locally raised funds</td>
<td>35. Duress to work for free for teachers</td>
</tr>
<tr>
<td><strong>PROCUREMENT</strong></td>
<td>23. High prices for meals, uniforms</td>
<td>36. Teacher requiring sexual favours</td>
</tr>
<tr>
<td>11. Infrastructure contracts</td>
<td>25. Resources allocated by politicians to favoured schools</td>
<td>13. Poor leadership behaviour</td>
</tr>
<tr>
<td>13. Improper contract management</td>
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<td>15. Theft from salary chain</td>
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### Corruption typology – Police Services

<table>
<thead>
<tr>
<th>POLICY</th>
<th>PERSONNEL</th>
<th>BEHAVIOUR &amp; OPERATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bias in domestic policing strategies</td>
<td>13. Poor leadership behaviour</td>
<td>24. Evidence tampering or theft</td>
</tr>
<tr>
<td>3. Political interference</td>
<td>15. Theft from salary chain</td>
<td>26. Uncontrolled operational independence</td>
</tr>
<tr>
<td>4. Influence of interest groups</td>
<td>16. Weak values and standards</td>
<td>27. ‘Noble cause’</td>
</tr>
<tr>
<td>5. Penetration by organised crime</td>
<td>17. Criminal activities</td>
<td>28. Levying illegal fines</td>
</tr>
<tr>
<td><strong>FINANCE</strong></td>
<td>20. Biased rotations</td>
<td>31. Discriminating behaviour</td>
</tr>
<tr>
<td>8. Improper asset disposals</td>
<td><strong>PROCUREMENT</strong></td>
<td>32. Extortion</td>
</tr>
<tr>
<td>10. Illegal private activity</td>
<td>22. Improper contract award or delivery</td>
<td>34. Inaction due to ‘Bonds of loyalty’</td>
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<tr>
<td>11. Providing private security</td>
<td>23. Misuse of confidential tenders</td>
<td><strong>CurbingCorruption.com</strong></td>
</tr>
<tr>
<td>12. Facilitation payments</td>
<td></td>
<td><strong>CurbingCorruption.com</strong></td>
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</tbody>
</table>
Corruption typology - Health

**HEALTH FUNCTIONS**
1. Poor clinical protocols
2. Unnecessary interventions
3. Informal payments in interventions
4. Informal payments in waiting lists
5. Prescribing unnecessary or costly medicines
6. Over-charging
7. Other cases of illegal contact
8. Inappropriate prescribing and misuse of the electronic systems
9. Over-treatment

**LEADERSHIP & GOVERNANCE**
10. Capture by special interests
11. Inappropriate care strategies
12. Dereliction by fraud, tax controls

**HEALTH WORKFORCE**
13. Inappropriate selection for jobs, promotion or training
14. Inappropriate absenteeism
15. Nepotism in restrictive expert groups
16. Inappropriate professional accreditation
17. Expert bias in complaints procedures
18. Improper inducements for conferences, research, placements
19. Fake workshops and fake per diems
20. Discrimination against groups
21. Undeclared or tolerated conflicts of interest
22. Fake reimbursement claims

**MEDICAL PRODUCTS, VACCINES & TECHNOLOGIES**
23. Substandard, falsified medicines
24. Inappropriate approval of products
25. Inappropriate product quality, inspection
26. Private sector collusion in markets
27. Corruption in new product R&D
28. Companies ‘gaming’ the system
29. Theft and diversion of products
30. Re-packaging of non-sterile and expired products
31. Legal parallel trade in drugs
32. Overly high pricing on non-medical products
33. Inadequate control of non-intervention studies
34. Improper benefits from companies
35. Improper acceptance of donated devices
36. Improper research, trial & marketing practices by companies

**HEALTH FINANCING**
37. Corruption in health insurance
38. Corruption in procurement
39. Complex & opaque tendering procedures
40. Decentralised procurement that enables corruption
41. Donor collusion in corruption
42. Corrupt invoicing by suppliers

**HEALTH INFORMATION SYSTEM**
Not usually a source of corruption types

Corruption typology – Higher Education

**POLITICAL CORRUPTION**
1. Politicians promote private universities for political and ideological purposes
2. Diversion of higher education budgets
3. Regime involvement in university affairs including appointments
4. Awarding unearned degrees to politicians, their relatives and cronies
5. Money in student politics

**ADMINISTRATIVE & BUREAUCRATIC CORRUPTION**
6. In accreditation, licences
7. In selection/admission of students
8. In accommodation management
9. In international student recruitment
10. Nepotism and favouritism in appointing and promoting staff
11. Staff absenteeism
12. Embezzlement of research grants and operational funds
13. Fraud in procurement
14. Plagiarism
15. Essay and dissertation mills
16. Falsification or research data and results
17. Fake journals and peer reviews
18. Exam leakages
19. Using unauthorized material in exams
20. Impersonation
21. Hacking Test banks
22. Bribe-influenced alteration of marks on exam scripts or in the exam results database
23. Degree Mills / Certificate forgery

**ACADEMIC FRAUD & CHEATING**
24. Unwelcome sexual advances when submission for such conduct is made an explicit or implicit condition for employment or academic outcome.
Table 3. Corruption risks at various stages in the delivery of a construction project

<table>
<thead>
<tr>
<th>Stages</th>
<th>Risks</th>
<th>Main actors</th>
</tr>
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</table>
| Project appraisal                           | • Political influence or lobbying by private firms that biases selection to suit political or private interests  
• Promotion of projects in return for party funds  
• Political influence to favour large projects and new construction over maintenance  
• Underestimated costs and overestimated benefits to get projects approved without adequate economic justification | • Government ministers  
• Senior civil servants  
• Procurement officers  
• Private consultants (e.g., planners, designers, engineers, and surveyors) |
| Project selection, design, and budgeting    | • Costly designs that increase consultants’ fees and contractors’ profits  
• Designs that favour a specific contractor  
• Incomplete designs that leave room for later adjustments (which can be manipulated)  
• High cost estimates to provide a cushion for the later diversion of funds  
• Political influence to get projects into the budget without appraisal | • Government Ministers  
• Senior civil servants  
• Procurement officers  
• Private consultants (e.g., planners, designers, engineers, and surveyors) |
| Tender for works and supervision contracts  | • Bribery to obtain contracts (leaving costs to be recovered at later stages)  
• Collusion among bidders to allocate contracts and/or raise prices (potentially with assistance from procurement officers)  
• Interference by procurement officers to favour specific firms or individuals  
• Going to tender and signing contracts for projects that are not in the budget | • Procurement officers  
• Private consultants (e.g., supervising engineer)  
• Contractors |
| Implementation                               | • Collusion between contractor and the supervising engineer (with or without the client’s knowledge) that results in the use of lower quality materials and substandard work  
• Collusion between contractors and the supervising engineer to increase the contract price or adjust the work required in order to make extra profits, cover potential losses, or recover money spent on bribes | • Procurement officers  
• Private consultants (e.g., supervising engineer)  
• Contractors and subcontractors |
| Operation and maintenance, including evaluation and audit | • Agreement by the supervising engineer to accept poor quality work or work below the specification, leading to rapid deterioration of assets  
• A lack of allocated funds for maintenance, as new construction takes precedence in the project identification stage for future projects | • Procurement officers  
• Private consultants (e.g., supervising engineer)  
• Contractors and subcontractors |
1.4 ANALYSING CORRUPTION TYPES

Doing such an analysis can be a two-hour exercise or it can be a six month one. The quick way is always attractive. Your own staff are usually well aware of the corruption issues, often with extensive experience of working in large, complex, bureaucratic environments. Hence, they are likely to be the best informed about what the corruption problems are, which ones can be tackled, and which ones need to be left for later. You might give them the list of corruption from the relevant sector review in CurbingCorruption and ask a group of them to analyse which are the more relevant ones and their relative importance. This simple approach has the advantage that you can quickly capture the ‘top of mind’ knowledge of your senior professionals. It has some disadvantages, notably that it is likely to focus on the more immediate issues.

In the mid-range, you may have specialist groups with extra knowledge, like internal audit groups, regulatory agencies and professional fraud groups. Together with external groups like community groups, private sector associations and civil society, you can get a more inclusive analysis done, still quite quickly. It has the same disadvantages as above.
At the most thorough end of the spectrum, you can get a detailed analysis done by groups with professional anti-corruption knowledge, if possible combined with sector expertise. These groups might sit within universities, or civil society, or think tanks. Such analyses are likely to take from two months to six months. In large initiatives, there are several analytical techniques you can consider, as mentioned below. There is also an obvious and often sizeable political advantage to having a thorough, independent analysis done of the corruption issues and risks. If you have time and funds, we recommend that you do a thorough analysis.

1.5 FORMAL ANALYSIS

There are lots of different methodologies and names for corruption analysis tools, but they all do much the same thing. They aim to develop concrete insights regarding forms of corruption, the extent of each, and the vulnerabilities in the particular sector or agencies or functions. The purpose is to focus the application of practical prevention measures. They use a simple methodology. First, they identify the underlying laws, regulations, and guidelines governing the target agency or function.

Then, they identify the main processes; Identify key steps (both formal and informal) for each business process; Assess strengths and vulnerabilities to corruption of each step (based on weaknesses in the formal system and weaknesses in the capacity/ incentives to implement the formal system).

Then they make some estimation of the scale of each one, usually through survey information. They might be able to access existing surveys that provide information on the perceived scale of the corruption types, or they may commission a survey, or they may do their own. These can be small – a ‘straw poll’ of 50 people – or they can be large. One analysis that I have been involved in, of Education corruption in Afghanistan, developed its own survey data from 550 interviews.

Here are three such analysis techniques: Vulnerability to Corruption Analysis (VCA), Public expenditure tracking surveys (PETS) and Quantitative Service Delivery Surveys (QSDS). There are others that are more community based, such as citizen report cards.
1.5.1 Vulnerability to Corruption Analysis (VCA)

Systematic analysis of vulnerabilities to corruption/abuse is necessary to identify problems, select priorities, and sequence interventions in a sector-wide approach. Various organisations have provided guidance on how to do such assessments, such as World Bank (2009), DFID (2010), USAID (2006), European Union (2010) and UNODC (2005). VCAs, as described by the World Bank, 2009, aim at developing concrete insights regarding forms of corruption, sources, implications, extent, and vulnerabilities to corruption in particular sectors, agencies, and functions in order to develop practical prevention measures. The VCAs use a simple methodology focused on analysis of key government business processes. This approach normally involves initial meetings, usually with the most senior members of staff for each area, followed by observations of work places and processes, and then return meetings with wider groups of staff to discuss, review, and revise information on business processes. Efforts are made to understand both the formal (de jure) and informal (de facto) processes that are in place and operative. The VCAs in general follow these steps.

The most extensive analyses of corruption issues using VCA has been pioneered by the Afghanistan Anti-Corruption Committee (2017), commonly known as ‘MEC’. MEC is the premier anti-corruption entity in Afghanistan, set up by Presidential decree in 2010, led by a Committee of six (three eminent Afghans and three international experts), and with an Afghan Secretariat of some 25-professional staff. It is funded by international donors.

Here is the description of their VCA on education, which covered the whole of the school education sector:

- The analysis covers the whole of the Education Ministry, not just a sub section;
- Work is based on an analytical set of the 36 education-specific corruption issues
- The analysis is founded on a wide range of interviews, with segmentation of the target population; in the provinces as well as in the central governments
- The analysis includes a review of the written processes and relevant laws, to judge the extent of differences in practice
- The active engagement of the relevant Minister right from the beginning was essential. Without this the assessment does not proceed.
• An active and extensive quarterly follow up, over 18 months with visits to the provinces, active engagement of local stakeholders and publication of findings.

1.5.2 Public Expenditure Tracking Surveys (PETS)

PETS is a World Bank tool, and it is a formal process to set one up and get it carried out. On the other hand, they can provide very comprehensive data on a particular sector. The discussion of them below comes from Poisson 2010 in the application of PETS in education: “PETS surveys aim to “follow the money trail” (mainly non-salary expenditures), from the central ministry of education level right down to the school level. These studies permit the calculation of rates of “leakage” in these flows, which have been shown to range from 87 per cent of the per-capita subsidy paid to primary schools in Uganda in 1995 to 49 per cent of the non-wage funds allotted to primary schools in Ghana in 1998. An analysis of the available research has shown that leakage rates can depend on different variables such as school size, location, student poverty level, and teacher profile. For example, in Uganda leakage rates have tended to increase in small schools with less qualified staff who do not feel able to question authorities about the funding that they are supposed to receive. PETS surveys also show that leakage rates can vary depending on funding modalities. Research carried out in Zambia has shown that the leakage rate stood at 10 per cent for rule-based funding applied to primary schools (600 US$ per school, irrespective of the size) versus 76 per cent for the discretionary funding given by local authorities to schools in 2001, thereby illustrating the linkages between leakage rates and funding modalities.”

1.5.3 Quantitative Service Delivery Surveys (QSDS)

QSDS is another World Bank tool. This text is again from Poisson 2010 in education: “QSDS surveys are used to collect quantitative data on the efficiency of public spending and the different aspects of “frontline” service delivery usually represented by schools in the education sector. For example, they may be used to measure teacher absenteeism and the percentage of “ghost” teachers that feature on official lists of active teachers. They can also include estimates derived from unannounced spot checks of samples of schools that are considered to be representative. The collection of additional data at school level can provide useful insights into the relationships between corrupt practices and contextual variables – for example, trends in
absenteeism and their linkages with variables such as teachers' age, gender, status and teaching conditions.”

1.6 POLITICAL ANALYSIS

Regarding the factors driving the corruption in each sector, you and your colleagues are likely to know the political and power context. It is valuable to consider this more formally. Who is gaining from each corruption type and why? Who might gain, who might lose from reducing corruption in this specific area? For each corruption type, who are your supporters are and who are the possible spoilers.

Doing such a ‘Political Economy Analysis’ means that these issues are laid out in a structured way and can help decide which corruption types you should address. It will also help when you put together the overall strategy that fits best with your specific context. This is discussed further in Step 3 – Develop your overall strategy.

Here are three simple guides to doing a political economy analysis. You can commission someone to do the analysis formally, or you can follow the steps yourself for an informal analysis.

- **Hudson et al 2016** Everyday Political Analysis (EPA);
- **Effective States and Inclusive Development Research Centre (ESID) 2015** Making political analysis useful: adjusting and scaling.
- **Whaites 2017** The Beginners guide to Political Economy Analysis (PEA)

Whaites 2017 The beginners guide to political economy analysis (PEA)

This guide borrows from the best materials that are available while also adapting some approaches by incorporating wider ideas on politics and institutions. This guide affirms that there should never be an official `orthodoxy' for PEA and so the emphasis here is on questions, prompts and ideas to help thinking and practice. The note instead focuses on `the essentials' of PEA as they relate to the following questions: ☀ Why do we do political economy analysis, and what is it? ☀ What kinds of issues and ingredients are often included in a PEA? ☀ How do we make sense of the different varieties of PEA? ☀ What tools are out there to help us conduct a PEA? ☀ What is thinking and working politically?
Hudson Marquette and Waldock 2016 Everyday political analysis
This is a framework for thinking about politics and power called Everyday Political Analysis (EPA). EPA is for anyone who is convinced that politics and power matter, but feels less sure of how to work out what they mean for their programs. This note introduces a stripped-back political analysis framework – stripped down to its barest bones – leaving only the essentials needed to help frontline staff make quick but politically-informed decisions.

ESID 2015 Making political analysis useful - adjusting and scaling
There are three types of analysis – their purpose affects the questions to ask, the intended audience, or even their timing. 1) Agenda-setting analysis aims to establish a shared language and understanding. 2) Problem-solving analysis aims to increase rates of implementation. 3) Influencing analysis aims to develop a political strategy for change. The report encourages organisations to start small and be pragmatic.

If you want to go into more detail, look at the following:

- OECD 2015 A governance practitioner’s notebook: alternative ideas and approaches (on politics, public sector reform and stakeholder engagement); Tools for political economy analysis from the EU(2008).
- Hudson and Leftwich 2014 From political economy to political analysis; and

Khan, Mushtaq, Andreoni, Antonio, Roy, Pallavi (2016) *Anti-corruption in adverse contexts: a strategic approach*. SOAS Research Online. [http://eprints.soas.ac.uk/23495/1/Anti-Corruption%20in%20Adverse%20Contexts%20%281%29.pdf](http://eprints.soas.ac.uk/23495/1/Anti-Corruption%20in%20Adverse%20Contexts%20%281%29.pdf)