

# The Asian Regulatory Framework in Corruption Prevention:

## *Three Uneasy Propositions*

Scott A. Fritzen  
Associate Professor and Vice Dean  
LKY School of Public Policy  
National University of Singapore

# Three propositions

- Diffusion *without* convergence
- Political will *without* progress
- Progress *without* satisfaction

# 1. Diffusion *without* convergence

- Despite the globalization of anti-corruption measures, we are actually not yet seeing significant convergence of institutions.
- Example #1: many forms of ACA that target completely different mechanisms.
- Example #2: transparency and freedom of information provisions.

## 2. Political will *without* progress

- Despite the realization that corruption threatens systemic stability, and significant resources thrown into implementation, actual progress in changing behavior can be imperceptible.
- Revisiting *Quis Custodiet Ipsos Custodes*
  - Example: the case of Vietnam

## *Findings (1): Corruption pervasive in bureaucracy? (2004 survey)*

- 57% paid extra money during traffic violations; 50% when going to People's Inspectorate or court (p. 42)
- 35% of civil servants admitted having in last 12 months directly observed other officials receiving money or presents to work in favor of the bearers" or "people in positions of authority intentionally causing difficulties to others in order to cause them to give money" (p. 102)
- Three-fourths of citizens interviewed listed corruption as the matter of "greatest concern" from a list of 17 social and economic problems.

# *Findings (2):* Levels: Domestic private sector views

Different 2004 World Business Environment Survey sponsored by World Bank in Vietnam, sample of 500 business of various types (many small).

- *Pervasiveness: “Do firms have to pay some irregular ‘additional payments’ to gov’t officials to get things done?” – 37% say “sometimes”; 34% “frequently” or “usually”.*
- *Unpredictability: “Do firms know in advance how much this ‘additional payment’ is?” – only 24% ‘frequently’ or above*
- *Lack of accountability: “Can firms go to other officials to get ‘correct treatment’ or ‘recourse’?” – only 30% “frequently” or above.*
- *Impact: Corruption “major” or “moderate” obstacle for 35% of firms – third highest category of constraint behind “anti-competitive practices of other producers” (44%) and “access to financing” (37%).*

# Anti-corruption efforts: policy statements and legal framework

December 2005 umbrella anti-corruption law: No separate, independent anti-corruption agency, but...

- Administrative reform program
- Participation, transparency and complaints
- Oversight and inspections.

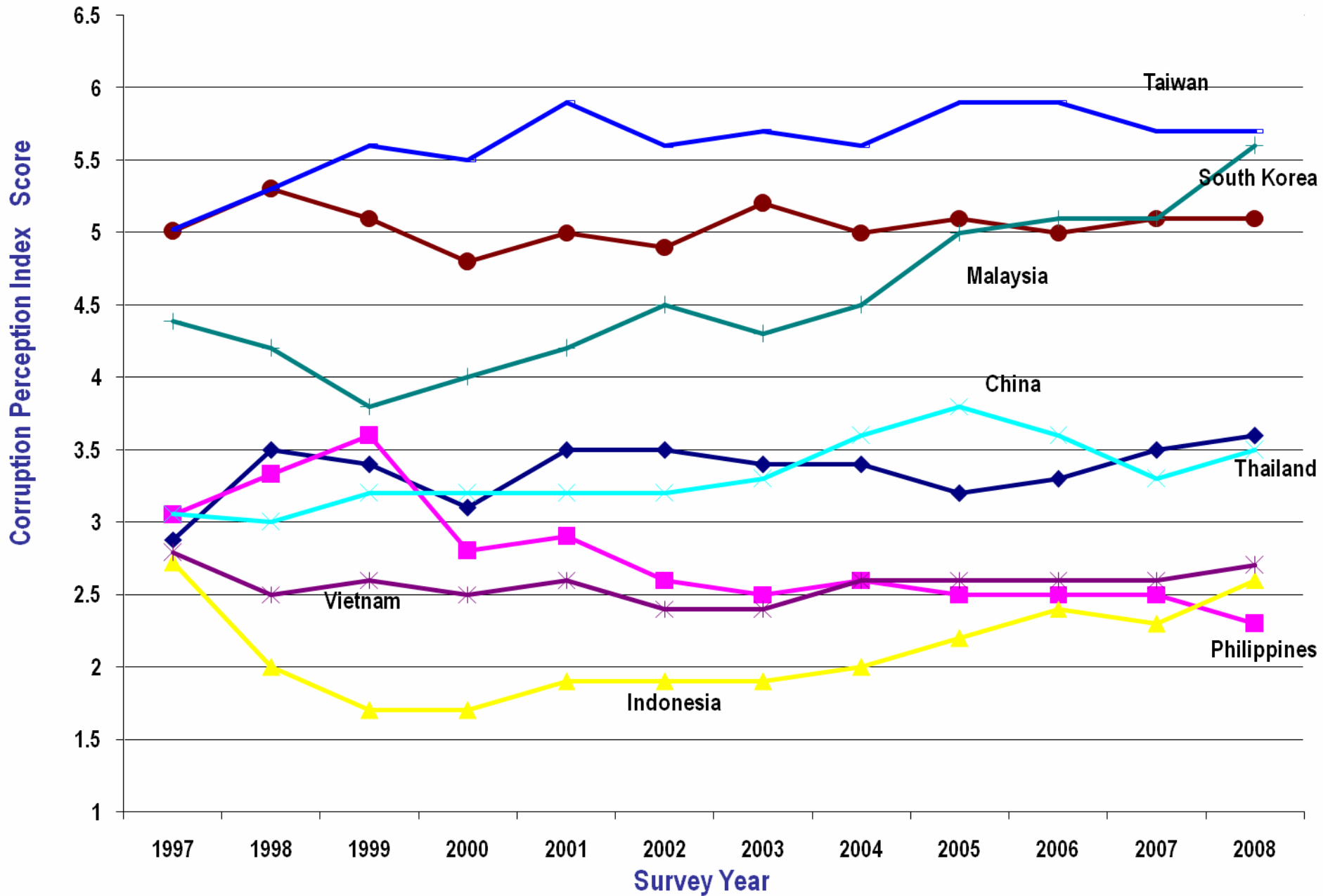
# But will it work to address root causes?

- The contested terrain: assessing anti-corruption efforts against governance capacities and context
  - Centralization
  - Bureaucratic dominance, and
  - State-centeredness

# Implications for Vietnam:

- Oversight mechanisms and internal control-based strategies face challenges:
  - poor information availability outside the executive,
  - poor incentives to raise complaints given potential ‘conflict of interests’ of individuals moving between People’s Councils and Committees in succession, and
  - the weak independence of non-executive actors once complaints are raised.

# Changes in Perception of Corruption



Progress *without* Satisfaction

# Conclusions

- A growth industry...
- Look for different sources of energy:
  - From different parts of gov, society (some ‘islands’ of integrity? independent press? Watchdog ngos?)
- Don’t expect smooth process. Look beyond “political will” to the presence of contestation. Look for dynamic, unintended effects.
- Draw lessons carefully!