The Diversity of Corruption and the Corruption of Diversity

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1. Introduction

Over the past two or three decades corruption has become an intensively discussed issue. In 2010, BBC World Service published the findings of a poll surveying more than 13,000 people across 26 countries identifying corruption as 'the world's most frequently discussed global problem' (BBC 2010). According to Transparency International, the leading NGO and pioneer in the anti-corruption discourse 'corruption comes in many forms' (TI) by employing certain practices that enable actors to take advantage by the 'abuse of entrusted power for private gain' (TI g). Frequently corruption-scandals hit the headlines of newspapers and media reports around the world and there is a widespread agreement among policy makers, experts and scholars that corruption hinders the 'good' development of societies and especially the functioning of free markets and international business. Thus, not only NGOs and NPOs address the problem of corruption but also corporations and companies increasingly recognize it as an 'eruptive element' for doing business in international markets.

Against this backdrop this article raises the question of how and why corruption became the 'world's most frequently discussed problem' (BBC 2010). Thus, how and why certain practices became 'gathered together, characterized, analyzed, and treated as' (Foucault 2001: 171) corruption and thereby became subject to regulation. In particular the article aims to explore why the practice of bribing became a problem for international business and how power is exercised by anti-corruption measures. Thereby the article seeks to explore the role of problematization (Foucault 2010, 2001; Deacon 2000; Koopman 2013; Bacchi 2012) in (1) assembling the present understanding of corruption and in (2) administering the conduct of governments, organizations and individuals along anti-corruptive lines.

2. Method: Analysis of Problematization

Foucault's concept of problematization (Foucault 2001, 2010; Koopman 2013; Deacon 2000; Bacchi 2012) invites us to study the way certain practices became a problem at a given time and place in history. Accordingly, this analysis focuses on the specific ways by which the diversity of practices - accessible for multiple social fields and actors - is diminished by being recognized as a problem (e.g. corruption). Therefore, the case of Transparency International (TI) serves as an example for the formation of the anti-corruption discourse and the specific

and changing ways of problematizing corruption in international business and the exercise of power along anti-corruptive lines.

First, *problematization* is characterized as 'the way an unproblematic field of experience or set of practices which were accepted without question [...] becomes a problem, raises discussion and debate, incites new reactions, and induces a crisis in the previously silent behavior, habits, practices and, institutions' (Foucault 2001: 74). As such, *problematization* is the very point of departure, for analyzing the creation, innovation and transformation of practices. Therefore, analyzing the organizational history and development of TI (Eigen 2003; Krastev 2004) seeks to explore in which (changing) ways within the last two to three decades the *practice of bribing* became a problem for international business and free markets. This analysis draws upon an account of TI's founder Peter Eigen (2003) which in detail describes the story and development of the organization. Moreover, the analysis will be enriched by writings of scholars that have situated TI's story in a wider context of historical and political developments. (Krastev 2004; Hindess 2007; Wrage/Wrage 2005; Engels 2014)

Second, for Foucault the process of *problematization* comprises 'the relation of thought and reality' (Foucault 2001: 170). Accordingly, *problematization* is the social processes by which discourses construct ways of thinking about certain aspects of this world (e.g. corruption) and thereby constitute the reality of this aspect. Therefore, an analysis of TI's *Corruption Perception Index (CPI)* (Hansen 2011, 2012) seeks to explore (1) how corruption is made thinkable in a global context and (2) how this framing enables the exercise of power along anti-corruptive lines.

Finally, the article aims to conclude by opening up a discussion on the dangers of 'corruption critique' (Engels 2014) as currently employed by the anti-corruption industry.

3. The Diversity of Corruption: A Historical Perspective

From a historical perspective, the diversity of practices that today forms the notion of corruption did not always or naturally pose a problem to mankind. While certain social practices at a given time have been 'silently accepted' at another time the very same practices were 'gathered together, characterized, analyzed, and treated as' (Foucault 2001: 171) a problem. Therefore, Engel's historical account of corruption documents the transformations

of the way societies variously employed 'corruption critique'. For instance, in the early modern period, clientelism and patronage were irreplaceable for the functioning of society by forming the social and constituting a moral duty of citizenship (Engels 2014: 54). Thus, clientelism and patronage were neither recognized as corruption nor treated as a problem.

Throughout history, the notion of corruption included and excluded certain social practices which thereby became subject of *problematizations*. 'Corruption-critique' has taken many forms and was variously employed to mobilize and transform political power. For instance, at the end of the 19th century the Caciques (or the 'Caciquismo': a political leader) in Spain became publicly accused of 'corrupt' conduct and thus lost their political power. Or at the beginning of the 20th century in Europe an upcoming fascism criticized Jews for 'being corrupt' and thus questioned their political integrity and power. While around 1945 the *problematization* of corruption nearly disappeared, within the last two or three decades a powerful discourse on anti-corruption returned into the public sphere (Engels 2014; Krastev 2004; Sampson 2010; Sousa et al. 2009; Tänzler 2010). According to Sampson (2010) an 'anti-corruption industry' emerged in which the struggle against corruption has become 'mainstreamed, projectified and organized' (p. 278).

4. The Case of Transparency International

First, TI's history and development offers rich material to explore in which ways corruption became a problem for international business (Eigen 2003; Galtung 2000; Sampson 2005: 117–123, 2010: 274–275). Second, TI's Corruption Perception Index (Hansen 2011, 2012) can illustrate how corruption is made up as an (measurable) object of thought and which thereby enables the exercise of power along anti-corruptive lines. (see also Weiskopf/Zimmermann 2017: 6–11; 13-18)

A. Bribery as a Problem for Business: TI's History and Development

Founded in 1993 as a non-governmental organization (NGO) TI became a pioneer of the modern anti-corruption discourse. At that time Peter Eigen and some of his colleagues from the World Bank decided to build a 'global coalition against corruption' to pursues the mission

of a 'world free of corruption'. As a former World Bank official concerned with development aid in East Africa Eigen became frustrated by the perceived failure of the World Bank to prevent loans to corrupt leaders and to stop the *practice of bribing* in international business. Thus, Eigen brought together businessmen, international lawyers, ex-diplomats and civil servants to found TI as an organization that could independently focus on the creation of an anti-corruption movement. In this sense, TI's approach of challenging corruption can be conceived as a historically specific form of 'corruption critique' or *problematization*. (see also Weiskopf/Zimmermann 2017: 6–11)

> *'Corruption is a basic evil of our times. It shows its ugly face everywhere. It is the root of almost all major problems – or at least it prevents their solution – and has divesting consequences especially in the poor regions of our world, where it caught millions of people in misery, poverty, illness, violent conflicts and exploitations.' (Eigen, 2003: 11, in Weiskopf & Zimmermann 2017)*

In the context of the *practice of bribing*, Wrage & Wrage (2005) observed that the practice has been commonly and legitimately used in international business for a long time. Accordingly, up until the late 1970ies U.S. companies regarded the *practice of bribing* as a 'useful and appropriate means to penetrate the markets of foreign countries and particularly post-colonial states' (p. 320). However, when in 1977 the *Foreign Corrupt Practices Act* was passed in the U.S. the *practice of bribing* became recognized under the notion of corruption. Thus, the *practice of bribing* became constructed as a crime and forbidden for U.S. companies. Because of the tough anti-corruption laws and policies against bribery in the U.S. American companies experienced a competitive disadvantage and thus increased the pressure to establish a level 'playing field' for international business. At the end of the 1990ies other OECD countries started to criminalize the payment of bribes to foreign officials. (Krastev 2004: 228–235). In this sense, in the anti-corruption discourse, U.S together with international authorities problematized bribery under the notion of corruption within a legal-prohibitive approach and companies were - if they liked it or not - forced to obey the international rules of doing business. (see also Weiskopf/Zimmermann 2017: 6–11)

However, around the 1990ies in the anti-corruption discourse TI started to problematize bribery in economic terms and framed it as not only illegal (and illegitimate) but also unprofitable for international business. Accordingly, bribery was recognized as a 'vast consumer of time and other resources' (Wrage & Wrage 2005: 318) and therefore not only

illegal, but also unprofitable. The creation of a 'corruption free business environment' is seen as being in the very interest of economic actors. TI's approach – particularly as it developed from the late 1990s onwards – exemplifies this form of *problematization* quite well. TI for example stresses that 'anti-corruption is an important factor for companies in their business relationships and an increasingly important criterion for investors, young talent and consumers' (TI 2013 in Weiskopf/Zimmermann 2017). It urges organizations to take the 'costs of bribery and sanctions for bribery, the potential impact of internal fraud and of reputational damages' into account and to consider the benefits of ,complying with anti-corruption regulations and engaging in the fight against corruption.' (ibid.) The fight against corruption is not only seen as being beneficial to individuals, organizations and society, but also as economically rational, since it helps to ,reduce corruption related risks, avoid or reduce legal sanctions linked to a corruption case, obtain tax credits and benefit from financial and commercial gains' (ibid).

To sum up, what can we learn from TI's history and development in respect to the specific and changing way of problematizing corruption? The case of TI illustrates in which way 'corruption critique' is contemporarily employed in anti-corruption discourse. In the founding phase (1993 onwards) TI's *problematization* of corruption focused on 'good' development of societies and on the *prohibition* of corruption as an illegitimate practice. Since the late 1990ies TI increasingly focused on the 'good' development of international business and problematized corruption in *neoliberal* terms. (Engels 2014; Krastev 2004; Hindess 2007; Weiskopf/Zimmermann 2017). Thereby the *practice of bribing* became subject of changing ways of *problematization.* While up until the late 1970ies, the *practice of bribing* was 'silently accepted' in international business it became problematized around the 1980ies, in *legal-prohibitive* terms and from the 1990ies onwards, in *neoliberal-preventive* terms**.**

B. How is Power Exercised by Anti-Corruption? The CPI as a Technology of Power

As a NGO, TI gives advice to governments, business organisations and individuals how to address and challenge the problem of corruption. Therefore, TI developed the *'Corruption Perception Index' (CPI)*. First launched in 1995 and published on a regular basis (TI b) the CPI pledges to offer a scientific quantitative method for measuring the extent and scope of corruption. More precisely the CPI is a method for measuring the *perception* of corruption in

different countries (Lambsdorff 2000). Accordingly, the CPI 'captures the informed views of analysts, businesspeople and experts in countries around the world' (TI b in Weiskopf/Zimmermann 2017)

For instance, the *CPI 2016* ranks 176 countries on a scale of 0 (highly corrupt) to 100 (very clean). At the top of this ranking we can find Denmark and New Zealand (90) and at the bottom South Sudan (11) and Somalia (10). TI comments that "over two-thirds of the 176 countries and territories in this year's index fall below the midpoint of our scale' with a global average of 43. To compare the scores countries are visualize from yellow (very clean) to dark red (highly corrupt) on a global map. While the EU and Western Europe are shown as relatively 'clean' whereas sub-Saharan Africa is presented as 'highly corrupt'. Finally, the problem of corruption is quantified and visualized: 'Global performance' and 'G20 performance' are juxtaposed (TI b in Weiskopf/Zimmermann 2017).

By using 'sound, objective and professional analysis' (TI b in Weiskopf/Zimmermann 2017) the diversity of practices becomes organized by numbers and ranking within TI's notion of corruption. The obscure phenomenon of corruption is made visible, measurable and thus governable. Countries are ordered and ranked according to the 'level' of (perceived) corruption and can be compared with each other; also the progress (or regress) of a country can be measured by comparing the indicators in a temporal dimension. Notably, Johann Graf Lambsdorff - inventor of the CPI - pointed at the methodological danger of 'year-to-year comparisons' (Lambsdorff 2000: 3) Nonetheless TI uses the (dangerous) comparative potential of CPI for promoting anti-corruption around the world. (Weiskopf/Zimmermann 2017: 13–18)

TI not only pretends to measure the 'real levels of corruption' (Lambsdorff 2000: 8) by evaluating perceptions, it also uses the CPI as a tool to engage governments, organizations and individuals in anti-corruption. According to Ivan Krastev, the most important aspect of the CPI 'was the public conviction that it was possible to compare levels in certain countries and to monitor the rise of corruption in any one individual country' (Krastev 2000: 37 in Hansen 2012: 515). When it is taken for granted that the CPI can represent the 'truth of corruption', anti-corruption becomes the subject for exercising power over governments, organisations and individuals. Given that such indexes do not simply represent a pre-given

reality, the CPI influences, shapes or even constitute reality (Weiskopf/Zimmermann 2017: 13–18)

For instance, low scoring countries in the CPI increasingly face the consequences of their ranking and thus become forced to engage in the war against corruption. Not primarily because of their experience with corruption in their country, but because the CPI pointed out the 'real' extent of corruption. Low rankings not only make it difficult for the country to participate in global markets but also for foreign investor to do business with the 'corrupt'. Consequently, anti-corruption experts are employed to help the country to challenge corruption. In this sense, I interpret the CPI as a technology of power that enables governments and organisations to reflect on themselves in order to improve along the patterns provided by TI's CPI. (Weiskopf/Zimmermann 2017: 13–18)

To sum up, what can we learn from TI's *CPI*? TI constructs corruption as a problem or a 'risk' to be managed in business, and at the same time offers a 'scientific' tool that attributes power to their own work. TI's CPI - as a *technology of power* - first, illustrates how by the quantitative measurement of perceptions a diversity of social practices is 'gathered together, characterized, analyzed, and treated as' (Foucault 2001) corruption. Second and based on what Foucault called *problematization* these practices are recognized as 'unhealthy', 'unclean' or 'amoral' for society and thus are in need to be challenged. 'Understanding the *CPI* as a *technology of power* requires both a questioning of the adequacy of such quantitative methodologies in the study of corruption and a consideration of the performative effects of these technologies' (Weiskopf/Zimmermann 2017: 13–18)

5. Discussion: The Corruption of Diversity?

Drawing on Foucault's work as a history of *problematization* that has analyzed various historical occasions in which society has started to recognize certain aspects of reality as problematic and thus made them subject of regulation, the article aimed to show in which ways the *practice of bribing* has become a problem for international business and how power is exercised by making corruption thinkable in a global context. Against the findings provided by the case of TI, I argue that for us the capacity to recognize corruption as global problem stems from the prevailing *problematization* of a global anti-corruption discourse.

While Engels (2014) has remarkably shown how history contingently employed 'corruption critique' for various (political) ends on a local scale, the present project of anti-corruption increasingly operates on a global scale. This *problematization* currently employs a 'corruption critique' that is (A) concerned with the good development and values of business (rather than against) and (B) uses *technologies of power* (CPI) ant thereby exercises power along anti-corruptive lines. In so doing, 'corruption critique' organizes the diversity of practices (e.g. bribery) by 'corruption-critique' and thereby makes them subject to regulation and exclusion in certain social fields (e.g. international business).

Indeed, 'corruption critique' is nothing new to mankind. However, the practices that became (or become) subject of this critique and the way they became problematic is historically contingent. By looking at past, comparatively 'unorganized' *problematizations* of corruption in history (see Engels 2014), it becomes evident that the contemporary 'corruption-critique' is increasingly inscribed in institutions and organisations that operate on a global scale (e.g. TI). Consequently, the current project of 'corruption critique' goes unchallenged by being entrusted to a powerful anti-corruption industry, which defines what practices make up corruption and thereby administers the conduct of governments, organisations and individuals along anti-corruptive lines. The danger of this form of 'corruption critique' or form of *problematization* lies in the universalizing tendencies to frame the notion of corruption globally while neglecting the local and context-specific diversities of the way practices are practiced.

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