

COMBATING ASIAN CORRUPTION: ENHANCING THE EFFECTIVENESS OF ANTI-CORRUPTION AGENCIES

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I. INTRODUCTION

Corruption has become a "normal" phenomenon all over the world, especially after the end of the Cold War and the advent of globalization.

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Corruption is not a 21st century problem because it "has existed and been a problem since the beginning of human history."² It is "a crime as old as time"³ and was "ubiquitous" in ancient Egypt, Israel, Rome and

1. Jon S.T. Quah, "The Normalization of Corruption: Why it Occurs and What can be Done to Minimize it" (Paper prepared for the United Nations Department of Economic and Social Affairs, New York, December 2015), p. 9.

2. Leslie Holmes, *Corruption: A Very Short Introduction* (Oxford: Oxford University Press, 2015), p. 1.

3. Stephen Moore, *Power and Corruption: The Rotten Core of Government and Big Business* (London: Vision Paperbacks, 1997), pp. 14-28.

Greece.⁴ In Roman law, a bribe taker “soils” his hands as a bribe was “filth” and bribe money in both Latin and English was “dirty.”⁵ “Greasing the wheels” was a widespread custom in antiquity and corruption was commonly practised in Greece, “the cradle of democracy,” during the 5th century.⁶ In *The Politics*, Aristotle recommended in 350 B.C. that: “to protect the treasury from being defrauded, let all money be issued openly in front of the whole city, and let copies of the accounts be deposited in various wards.”⁷ On November 9, 2006, two bronze urns were discovered in Baoji City, China, with inscriptions of 111 ancient Chinese characters narrating the story of how a noble man, ZHOU Sheng, had bribed the parents of a legal investigator to avoid being charged for appropriating farmland and slaves in 873 B.C.⁸

Surveys conducted by the British Broadcasting Corporation in 2010-2011 and by Worldwide Independent Network/Gallup International in 2013 indicate that corruption is now the “world’s no. 1 problem.”⁹ Corruption is a serious problem all over the world especially after the end of the Cold War and the advent of globalization. However, the World Bank’s taboo on corruption was only broken by its president, James Wolfensohn, when he spoke of the negative consequences of the “cancer of corruption” on aid programs at its October 1996 annual meeting.¹⁰ Corruption became an important governance concern among the international development community during the 1990s because of its high cost and adverse impact on poverty and development in many countries. It was estimated by the African Union that African countries lost more than US\$148 billion per year, or 25 percent of Africa’s GDP.¹¹ Corruption exacerbates poverty in a country by reducing investment and economic growth and increasing income inequality as lower levels of corruption are

4. Seymour Martin Lipset and Gabriel Salman Lenz, “Corruption, Culture, and Markets,” in Lawrence E. Harrison and Samuel P. Huntington (Eds.), *Culture Matters: How Values Shape Human Progress* (New York: Basic Books, 2000), p. 112.

5. John T. Noonan, Jr., *Bribes* (New York: Macmillan Publishing Company, 1984), p. xvii.

6. Carlo Alberto Brioschi, *Corruption: A Short History*, trans. Anthony Shugar (Washington, DC: Brookings Institution Press, 2017), pp. 9-10.

7. Quoted in Anwar Shah, “Tailoring the Fight against Corruption to Country Circumstances,” in Anwar Shah (Ed.), *Performance Accountability and Combating Corruption* (Washington, DC: World Bank, 2007), p. 234.

8. “Corruption alive in China 2800 years ago,” *China Daily*, November 19, 2006.

9. Holmes, *Corruption*, p. xiii.

10. Jon S.T. Quah, *Curbing Corruption in Asian Countries: An Impossible Dream?* (Bingley, UK: Emerald Group Publishing, 2011), p. 7.

11. B.C. Smith, *Good Governance and Development* (Basingstoke: Palgrave Macmillan, 2007), p. 175.

statistically associated with lower levels of income inequality.¹² Hence, it is not surprising that corruption has been identified as an important global issue affecting development.¹³

The globalization of corruption has contributed to an overriding concern among governments and international organizations on how to combat corruption in many countries. The globalization of electronic communications has increased the opportunities for corruption, “the difficulty in controlling it, and the potential damage it can inflict” because of the ease in transferring money across borders and laundering “funds of dubious origin.”¹⁴ International organizations like the Asian Development Bank (ADB), Organization for Economic Cooperation and Development (OECD), the United Nations Development Programme (UNDP), United States Agency for International Development (USAID) and the World Bank, have organized many international conferences and workshops on the causes, consequences and control of corruption in various countries since the 1990s.¹⁵

Table 1: 27 Asian Countries by CPI Scores in 2016

CPI Score ^a	Countries	No. (%)
80 – 100	Singapore (84)	1 (3.7%)
70 – 79	Hong Kong SAR (77), Japan (72)	2 (7.4%)
60 – 69	Bhutan (65), Taiwan (61)	2 (7.4%)
50 – 59	Brunei Darussalam (58) South Korea (53)	2 (7.4%)
0 – 49	Malaysia (49), China, India (40) Mongolia (38), Indonesia (37) Maldives, Sri Lanka (36) Philippines, Thailand, Timor-Leste (35), Vietnam (33), Pakistan (32) Lao PDR (30), Nepal (29) Myanmar, Papua New Guinea (28)	20 (74.1%)

12. Bertram I. Spector, *Detecting Corruption in Developing Countries: Identifying Causes/Strategies for Action* (Sterling, VA: Kumarian Press, 2012), pp. 25-32.

13. Vinay Bhargava, “Curing the Cancer of Corruption,” in Vinay K. Bhargava (Ed.), *Global Issues for Global Citizens: An Introduction to Key Development Challenges* (Washington, DC: World Bank, 2006), Chapter 18, pp. 341-370.

14. Patrick Glynn, Stephen J. Kubrin and Moisés Naim, “The Globalization of Corruption,” in Kimberly Ann Elliott (Ed.), *Corruption and the Global Economy* (Washington, DC: Institute for International Economics, 1997), pp. 12, 14-15.

15. See for example, Sahr J. Kpundeh and Irene Hors (Eds.), *Corruption and Integrity Improvement Initiatives in Developing Countries* (New York: UNDP, 1998) and ADB and OECD, *Combating Corruption in Asian and Pacific Economies* (Manila: ADB, 2000).

	Bangladesh (26), Cambodia (21) Afghanistan (15), North Korea (12)	
Total	27 countries	27 (100%)

^aThe CPI score ranges from 0 (very corrupt) to 100 (highly clean). To be included in the CPI, a country must have three independent surveys on its perceived extent of public sector corruption.

Source: “Corruption Perceptions Index 2016,” Berlin, available at: https://www.transparency.org/news/feature/corruption_perceptions_index_2016 (accessed January 25, 2017).

Social problems are “wicked” because they are “ill-defined,” “rely upon elusive political judgment for resolution” and are “never solved.”¹⁶ Corruption is a “wicked problem”¹⁷ in many Asian countries in spite of their anti-corruption efforts during the past six decades. Their disappointing performance on Transparency International’s Corruption Perceptions Index (CPI) in 2016 is shown in Table 1, which indicates that only seven countries have CPI scores above 50, with Singapore being the least corrupt Asian country as it is ranked 7th among 176 countries with a score of 84. By contrast, the other 20 countries (74.1 percent) have low scores ranging from 12 for North Korea to 49 for Malaysia.

Why have their anti-corruption initiatives failed and what can Asian policymakers do to minimize corruption in their countries? Unlike previous efforts,¹⁸ this monograph addresses these questions by identifying the contextual constraints influencing the implementation of anti-corruption agencies (ACAs) in six Asian countries. Its main thesis is that most ACAs in Asian countries have failed not only because of the lack of political will and capacity but also because their policymakers have not addressed the causes of corruption. Gregory contends that “policy advice is needed to better inform the policy decisions taken and to try to ensure that the prospects for policy effectiveness are maximized and the risk of

16. Horst W.J. Rittel and Melvin M. Webber, “Dilemmas in a General Theory of Planning,” *Policy Sciences*, 4 (2) (June 1973): 160.

17. Romeo O. Ocampo, “Wicked Problems, Government Failures: Corruption and Lesser Evils,” *Philippine Journal of Public Administration*, 54 (1-2) (January-December 2010): 44.

18. For example, Robert Klitgaard, Ronald Maclean-Abaroa and H. Lindsey Parris, *Corrupt Cities: A Practical Guide to Cure and Prevention* (Oakland, CA: Institute for Contemporary Studies, 2000) is based on the three case studies of Hong Kong, La Paz in Bolivia, and New York City. Bertrand de Speville, *Overcoming Corruption: The Essentials* (Richmond, UK: de Speville & Associates, 2010) provides advice to policymakers based on his experience as Hong Kong’s ICAC Commissioner from 1992-1997. The latest effort is Robert I. Rotberg, *The Corruption Cure: How Citizens and Leaders can Combat Graft* (Princeton, NJ: Princeton University Press, 2017), Chapters 10-11, pp. 290-312.

policy failure minimized.”¹⁹ This monograph provides advice to policymakers to enhance their political will to minimize corruption and is written for Asian policymakers and anti-corruption practitioners concerned with enhancing the effectiveness of their ACAs. Nevertheless, the lessons for combating corruption in Asian countries might also be useful for policymakers in other countries if the contextual differences are taken into account.

Asian countries employ three patterns of corruption control depending on the number of ACAs used to enforce the anti-corruption laws.²⁰ Table 2 shows that the first pattern of implementing the anti-corruption laws without relying on an ACA is practised in Japan and Papua New Guinea. The second pattern refers to Afghanistan, China, India, Pakistan, Philippines, Taiwan and Vietnam that rely on multiple ACAs to curb corruption. The third and most popular pattern of relying on a single ACA was pioneered by Singapore with the establishment of the Corrupt Practices Investigation Bureau (CPIB) in September 1952 and replicated in February 1974 with the formation of the Independent Commission Against Corruption (ICAC) in Hong Kong. The success of the CPIB and ICAC in minimizing corruption has promoted the belief that ACAs are effective in combating corruption²¹ and led to the proliferation of nearly 150 ACAs around the world.²²

Table 2: Patterns of Corruption Control in 27 Asian Countries

Pattern	Features	Countries
1	Implementing the anti-corruption laws without an ACA	Japan, Papua New Guinea (2)
2	Reliance on multiple ACAs to implement the anti-corruption laws	Afghanistan, China, India, Pakistan, Philippines, Taiwan, Vietnam (7)
3	Reliance on a single ACA to implement	Singapore, Hong Kong SAR, Malaysia, Brunei Darussalam, Nepal, Sri Lanka, Maldives, Thailand, Macau SAR, South

19. Robert Gregory, "Policy Advice," in Bertrand Badie, Dirk Berg-Schlosser and Leonardo Morlino (Eds.), *International Encyclopedia of Political Science*, (Thousand Oaks, CA: Sage Publications, 2011), p. 1892.

20. Quah, *Curbing Corruption in Asian Countries*, pp. 25-29.

21. UNDP, *Practitioners' Guide: Capacity Assessment of Anti-Corruption Agencies* (New York: UNDP, 2011), p. 8.

22. Samuel De Jaegere, "Principles for Anti-Corruption Agencies: A Game Changer," *Jindal Journal of Public Policy*, 1 (1) (August 2012): 80.

	the anti-corruption laws	Korea, Indonesia, Lao PDR, Bangladesh, Bhutan, Mongolia, Timor-Leste, Cambodia, Myanmar (18)
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Source: Compiled by the author. The anti-corruption strategies of the six Asian countries in bold type are analyzed in this monograph.

An ACA is a specialized organization established by a government to minimize corruption in the country. De Sousa defines an ACA as a public funded body of “a durable nature, with a specific mission to fight corruption and reduce the opportunity structures propitious for its occurrence in society through prevention and repressive measures.”²³ Following Charron, an ACA is: (1) separate from other government agencies and focuses on preventing and controlling corruption; (2) a permanent organization; (3) funded by the government; (4) accountable either to parliament, the ministry of justice, or the executive; (5) responsible for disseminating information on domestic corruption to the media and other law enforcement agencies; and (6) recognized by, and accessible to, the general public.²⁴ There are two types of ACAs in Asian countries, depending on the scope of their functions: (1) Type A: those dedicated ACAs that perform only anti-corruption functions; and (2) Type B: those diffused ACAs which perform both anti-corruption and non-corruption-related functions.

Type A ACAs perform these anti-corruption functions: policy development, research, monitoring and coordination of implementation measures; prevention of corruption in power structures; education and awareness raising; and investigation and prosecution of corruption cases.²⁵ The first Type A ACA in the world is Singapore’s CPIB, which was established in September 1952, and followed by the formation of many Type A ACAs in other Asian countries. By contrast, Type B ACAs perform both anti-corruption and non-corruption-related functions in Afghanistan, China, India, the Philippines, Taiwan, Vietnam, Macau SAR, Timor-Leste and South Korea. For example, the Office of the Ombudsman (OMB) in the Philippines performs these five functions: (1) investigation of anomalies and inefficiency; (2) prosecution of graft cases in the Special Anti-Graft Court; (3) administrative adjudication involving disciplinary

23. Luis de Sousa, “Anti-Corruption Agencies: Between Empowerment and Irrelevance,” *Crime, Law and Social Change*, 53 (1) (February 2010): 5.

24. Nicholas Charron, “Mapping and Measuring the Impact of Anti-Corruption Agencies: A New Dataset for 18 Countries,” (Paper presented at the New Public Management and the Quality of Government Conference in Goteborg, Sweden, November 13-15, 2008), p. 6.

25. Gorana Klemencic, Janez Stusek, and Inese Gaika, *Specialized Anti-Corruption Institutions: Review of Models* (Paris: OECD, 2008), pp. 9-10.

control of all elective and appointed officials except for members of Congress and the Judiciary and impeachable officials; (4) provision of assistance by public officials and employees to the public to enhance the delivery of services; and (5) graft prevention by analyzing anti-corruption measures and increasing public awareness and cooperation.²⁶

Table 2 shows that 18 Asian countries have relied on a single ACA while seven Asian countries have relied on multiple ACAs to combat corruption. However, because of space constraints, this monograph focuses only on these six Asian countries: China, India and Philippines, which rely on multiple ACAs; and Singapore, Hong Kong SAR²⁷ and South Korea, which rely on a single ACA.²⁸ Before proceeding further, it is necessary to analyze the policy contexts of the Asian countries and their impact on the effectiveness of the ACAs.

II. THE POLICY CONTEXTS OF ASIAN COUNTRIES

But giving advice that works to make people better off in their own eyes requires an understanding of the social, economic, political, religious, and cultural context of the people to whom that advice is being provided. ... Despite the best of intentions and a high degree of technical expertise, without understanding of the social context, it is extraordinarily difficult to give good, effective advice.

Lloyd J. Dumas, Janine R. Wedel and Greg Callman²⁹

Scholars have relied on the moralizing, historical, economic and ecological approaches for studying corruption in many countries.³⁰ Following Riggs, who advocated the use of the ecological approach to

26. OMB, *Annual Report 2008* (Quezon City: OMB, 2009), pp. 7-8.

27. Hong Kong, a Special Administrative Region (SAR) of China, is referred to as a country here for convenience.

28. For an analysis of the anti-corruption strategies in Japan, Taiwan, Thailand, Indonesia and Mongolia, see Quah, *Curbing Corruption in Asian Countries*. Chapters 2, 5, 8, 10 and 11, respectively. For Myanmar and Vietnam, see Jon S.T. Quah, "Minimizing Corruption in Myanmar: An Impossible Dream?" and Robert Gregory, "Combating Corruption in Vietnam: A Commentary," *Asian Education and Development Studies*, 5 (2) (2016): 175-194, 227-243.

29. Lloyd J. Dumas, Janine R. Wedel and Greg Callman, *Confronting Corruption, Building Accountability: Lessons from the World of International Development Advising* (New York: Palgrave Macmillan, 2010), pp. 5-6.

30. See Arnold J. Heidenheimer (Ed.), *Political Corruption: Readings in Comparative Analysis* (New Brunswick, NJ: Transaction Books, 1970) for examples of research on corruption using these approaches.

compare administrative systems,³¹ the ecological approach is employed in this study because it is more comprehensive and useful than the other three approaches. The ecological approach in public administration is based on “the idea that public administrators operate in an environment which *constrains* them, but that what the public administrators do may, in turn, affect the environment.”³² A country’s environment influences greatly the nature of its public administration in three ways. First, the environment determines how the civil servant perceives the problems to be solved, identifies the alternatives for dealing with these problems, and mobilizes the resources and support needed. Second, the clients to be served or regulated, the interest groups and other stakeholders who may support or oppose the policy, must be identified. Finally, the impact of the consequences of public policies must be assessed within the constraints of the environment.³³

Table 3: The Policy Contexts of 26 Asian Countries^a

Country	Land area (sq. km)	Population (2016)	Colonial legacy	GDP per capita (2016)	Political system
Macau SAR	30	612,170	Portuguese	US\$73,187	SAR, China
Maldives	298	417,490	Portuguese Dutch, British	US\$8,601	Democracy
Singapore	719	5,607,280	British	US\$52,960	Democracy
Hong Kong SAR	1,075	7,346,700	British	US\$43,681	SAR, China
Brunei Darussalam	6,000	423,200	British	US\$26,938	Constitutional Monarchy
Timor-Leste	15,000	1,268,670	Portuguese	US\$1,158 ^b	Democracy
Taiwan	36,179	23,540,000	Japanese	US\$22,598 ^b	Democracy
Bhutan	47,000	797,760	Not colonized	US\$2,804	Constitutional Monarchy
Sri Lanka	66,000	21,203,000	British	US\$3,835	Democracy
South Korea	99,274	51,245,710	Japanese	US\$27,538	Democracy
North Korea	121,000	25,368,620	Japanese	No data	Communist
Bangladesh	143,998	162,951,650	British	US\$1,358	Democracy
Nepal	147,000	28,982,770	British	US\$729	Democracy
Cambodia	181,000	15,762,370	French	US\$1,269	Constitutional Monarchy
Lao PDR	237,000	6,758,350	French	US\$2,353	Communist
Philippines	300,000	103,320,220	Spanish	US\$2,951	Democracy

31. Fred W. Riggs, *The Ecology of Public Administration* (Bombay: Asia Publishing House, 1962), pp. 1-2.

32. Ivan L. Richardson and Sidney Baldwin, *Public Administration: Government in Action* (Columbus, OH: Charles E. Merrill Publishing Company, 1976), p. 24.

33. *Ibid.*, p. 24.

			United States		
Vietnam	331,114	92,701,100	French	US\$2,185	Communist
Malaysia	332,665	31,187,260	British	US\$9,502	Constitutional Monarchy
Japan	377,727	126,994,510	Not colonized	US\$38,894	Constitutional Monarchy
Papua New Guinea	463,000	8,084,990	British Australian	US\$2,268 (2014)	Democracy
Thailand	513,115	68,863,510	Not colonized	US\$5,907	Constitutional Monarchy
Afghanistan	652,000	34,656,030	British	US\$561	Democracy
Myanmar	677,000	52,885,220	British	US\$1,275	Transitional Democracy
Pakistan	803,940	193,203,480	British	US\$1,468	Democracy
Mongolia	1,565,000	3,027,400	Chinese Russian	US\$3,686	Democracy
Indonesia	1,904,443	261,115,460	Dutch	US\$3,570	Democracy
India	3,287,263	1,324.17 m	British	US\$1,709	Democracy
China	9,560,900	1,378.66 m	Not colonized	US\$8,123	Communist

^aHong Kong and Macau are SARs of China. ^b2015 figure

Sources: Economist, *Pocket World in Figures 2016 Edition* (London: Profile Books, 2015), various pages; World Bank, "Population, total," Washington, DC, available at: <http://data.worldbank.org/indicator/SP.POP.TOTL> and World Bank, "GDP per capita(current US\$)," Washington, DC, available at: <http://data.worldbank.org/indicator/NY.GDP.PCAPCO> (both accessed August 8, 2017).

The study of how Asian countries combat corruption must begin with an analysis of their policy contexts, which refer to the geographical, historical, economic, demographic, cultural, political and legal aspects of their environments that influence the formulation, implementation and evaluation of their anti-corruption measures.³⁴ The "fragile" nature of those Asian countries with high scores on the Fragile States Index (FSI) 2016 constitutes a serious obstacle to their anti-corruption efforts. The importance of considering the policy context in solving public administration problems was recognized by Fukuyama who observed that "most good solutions" to these problems must "incorporate a great deal of context-specific information."³⁵

A. Geographical Constraints

As geography is derived from a Greek word meaning a "description of the earth," Kaplan observes that "man's actions are limited by the physical parameters imposed by geography" which serves as "a major

34. Quah, *Curbing Corruption in Asian Countries*, pp. 30-31.

35. Francis Fukuyama, *State Building: Governance and World Order in the Twenty-First Century* (London: Profile Books, 2004), p. 58.

constraint on—and instigator of—the actions of states.”³⁶ It is not accidental that the poorest countries in the world are located “where geography, by way of soil suitability, supports high population densities, but not economic growth—because of distance from ports and railheads.”³⁷ Land-locked countries which are resource-scarce and located between “neighbors who either do not have opportunities or do not take them” are condemned to “the slow lane.”³⁸ Lacking access to the sea, being land-locked exacerbates the constraints on a country’s economic, political and social development.³⁹ The five Asian countries which are land-locked are Afghanistan, Bhutan, Lao People’s Democratic Republic (PDR), Mongolia and Nepal.

A country’s size defined in terms of its land area is an important factor affecting the effectiveness of an ACA because a large country or archipelago encounters more problems in implementing anti-corruption laws in the provinces or outer islands than a small country or city-state. This means that Macau SAR, Singapore and Hong Kong SAR, which are among the smallest territories shown in Table 3, have encountered fewer problems in enforcing anti-corruption laws than China, which is the largest Asian country with a land area of 9,560,900 sq. km, and the third largest country in the world after Russia and Canada.⁴⁰

Apart from its land area, a country’s geographical location can promote or hinder its efforts in combating corruption. China shares its borders with 14 countries including Afghanistan, Bhutan, India, Kazakhstan, Kyrgyzstan, Lao PDR, Mongolia, Myanmar, Nepal, North Korea, Pakistan, Russia, Tajikistan and Vietnam. China is located in a “bad neighborhood” with its neighbors, except Bhutan, having high perceived levels of corruption, according to the CPI in 2016.⁴¹

36. Robert D. Kaplan, *The Revenge of Geography: What the Map tells us about Coming Conflicts and the Battle against Fate* (New York: Random House, 2012), pp. xix, 29.

37. *Ibid.*, p. 32.

38. Paul Collier, *The Bottom Billion: Why the Poorest Countries are Failing and What can be Done about it* (Oxford: Oxford University Press, 2007), pp. 55-57.

39. Keith McLachlan, “Introduction,” in Dick Hodder, Sarah J. Lloyd and Keith McLachlan (Eds.), *Land-Locked States of Africa and Asia* (London: Frank Cass, 1998), p. 3.

40. Economist, *Pocket World in Figures 2016 Edition* (London: Profile Books, 2015), pp. 14, 132.

41. “Corruption Perceptions Index 2016,” Berlin, available at: https://www.transparency.org/news/feature/corruption_perceptions_index_2016 (accessed January 25, 2017).

B. Colonial Legacy

Formative historical experiences are “those circumstances in the past with significant transference to the immediate environment”⁴² of anti-corruption policy. The most important formative historical experience influencing the implementation of their governments’ anti-corruption measures today in many Asian countries is their colonial legacy. Except for Bhutan, China, Japan and Thailand, which have not been colonized, Table 4 shows that the other 22 Asian countries were colonized by these ten countries: Australia, Britain, China, France, Japan, Netherlands, Portugal, Russia, Spain and the United States. Tan contends that the colonial heritage of the Asian countries is an important factor influencing their subsequent development. Singapore, Hong Kong, South Korea and Taiwan have benefited from the infrastructural development, educational attainment and commercial development initiated by their colonial governments. However, those South and Southeast Asian countries, which were acquired to extract raw materials, or to produce cash crops for exports, did not benefit from their colonial heritage.⁴³

The British colonial legacy in Singapore has been more positive than the Dutch colonial legacy in Indonesia. The British “invested heavily in roads, railways and harbors, and educated the local populations in their colonies in the language of international trade, science and technology, English.”⁴⁴ They built a modern transport system from the north of Malaya to the south in Singapore, which served as the major port through which raw materials were shipped, and manufactured goods were imported. Accordingly, extensive port and storage facilities, ship-chandlery and bunkering facilities, and banking and insurance industries were developed by the British to service the many ships passing through Singapore and to provide financial services for the importers and exporters. The British system of justice and public administration was established in Malaya and Singapore to provide the legal and administrative framework for commerce.⁴⁵ According to Lange, Hong Kong and Singapore have “the most impressive developmental

42. Donald P. Warwick, “Cultural Values and Population Policies: Cases and Contexts,” in John D. Montgomery, Harold D. Lasswell and Joel S. Migdal (Eds.), *Patterns of Policy: Comparative and Longitudinal Studies of Population Events* (New Brunswick, NJ: Transaction Books, 1979), p. 307.

43. Gerald Tan, *Asian Development: An Introduction to Economic, Social and Political Change in Asia* (Singapore: Times Academic Press, 2000), pp. 19 and 21.

44. *Ibid.*, p. 11.

45. *Ibid.*, p. 12.

improvements among all former British colonies over the past fifty years.”⁴⁶

Table 4: Colonial Status of Asian Countries

Colonizer	Countries
Australia	Papua New Guinea
Britain	Bangladesh, Brunei Darussalam, Hong Kong SAR, India, Malaysia, Myanmar, Nepal, Pakistan, Papua New Guinea, Singapore, Sri Lanka
China	Mongolia
France	Cambodia, Lao PDR, Vietnam
Japan	North Korea, South Korea, Taiwan
Netherlands	Indonesia
Portugal	Macau SAR, Timor-Leste
Russia	Mongolia
Spain	Philippines
United States	Philippines
Not colonized	Bhutan, China, Japan, Thailand

Source: Compiled by the author

During the 17th to 18th centuries, Britain adopted “a pragmatic approach to corruption” as these “founding fathers of British power” – Francis Bacon, Samuel Pepys and Warren Hastings – had “contentedly accepted bribes and never felt a twinge of shame in their souls.”⁴⁷ However, Treisman found that former British colonies with common law legal systems had significantly lower perceived corruption because of their “superior administration of justice” and their “preoccupation with procedural fairness even at the expense of social hierarchy.”⁴⁸ However, this does not apply to all the 11 former British colonies in Asia but only to Hong Kong and Singapore, which have benefited from the tradition of meritocracy introduced by the British with the establishment of the Public Service Commissions in both territories in 1950 and 1951 respectively, because recruitment and promotion in their civil services are based on merit and not patronage.⁴⁹ Singapore’s economic development is the result

46. Matthew Lange, *Lineages of Despotism and Development: British Colonialism and State Power* (Chicago, IL: University of Chicago Press, 2009), p. 189.

47. Brioschi, *Corruption*, p. 93.

48. Daniel Treisman, *The Causes of Corruption: A Cross-National Study* (Los Angeles, CA: Department of Political Science, University of California at Los Angeles, 2000), pp. 31-32 and 46.

49. Quah, *Curbing Corruption in Asian Countries*, pp. 202 and 240.

of its “highly effective bureaucratic state with relatively high levels of inclusiveness.”⁵⁰

By contrast, the Dutch did not invest in infrastructure or educate the local population because they were interested in Indonesia for its raw materials and spices.⁵¹ Furthermore, unlike the British, the Dutch did not introduce the tradition of meritocracy because they did not rely on merit to recruit the local civil servants, who were selected by hereditary succession.⁵² Consequently, the Dutch did not leave behind a “workable model of public administration, and had done little to train Indonesians for responsible positions.”⁵³ The absence of meritocracy in Indonesia’s public bureaucracy is reflected in the importance of patronage in the recruitment and promotion of civil servants and has increased their vulnerability to corruption and weakens their capacity to implement public policies effectively.⁵⁴

The Philippines was colonized by Spain from 1565 to 1898 and by the United States from 1898 to 1946. The Spanish colonial administration was concerned with two aspects: commercial profit and spreading its religion. Corruption was introduced to the Philippines by the Spanish as the “low salaries and poor working conditions of the bureaucrats and the many opportunities available for corrupt behavior contributed to the widespread corruption in the colonial bureaucracy.”⁵⁵ A public office was viewed as a grant or favor from the King during the Spanish colonial period and “many bureaucrats actually treated the transaction as a business – selling an office at a profit and buying a more lucrative one.”⁵⁶ Thus, it is not surprising that the Spanish colonial bureaucracy’s most serious weakness was the “internal moral corruption of its members.”⁵⁷

50. Lange, *Lineages of Despotism and Development*, p. 189.

51. Tan, *Asian Development*, p. 13.

52. Quah, *Curbing Corruption in Asian Countries*, p. 361. See also Agus Pramusinto, “Weak Central Authority and Fragmented Bureaucracy: A Study of Policy Implementation in Indonesia,” in Jon S.T. Quah (Ed.), *The Role of the Public Bureaucracy in Policy Implementation in Five ASEAN Countries* (Cambridge, UK: Cambridge University Press, 2016), pp. 135-136.

53. Donald P. Warwick, *Civil Service Reform in Indonesia: Problems and Possibilities* (Cambridge, MA: Harvard Institute for International Development, unpublished confidential report, 1978), p. 3.

54. Quah, *Curbing Corruption in Asian Countries*, p. 363.

55. Jon S.T. Quah, “Bureaucratic Corruption in the ASEAN Countries: A Comparative Analysis of their Anti-Corruption Strategies,” *Journal of Southeast Asian Studies*, 13 (1) (March 1982): 158.

56. Jose N. Endriga, “Historical Notes on Graft and Corruption in the Philippines,” *Philippine Journal of Public Administration*, 23 (3-4) (1979): 247-249.

57. Onofre D. Corpuz, *The Bureaucracy in the Philippines* (Manila: Institute of Public Administration, University of the Philippines, 1957), p. 129.

Unlike the Spanish, the Americans adopted a secular colonial policy that provided the Filipinos with more opportunities for participating in the affairs of their country. This was reflected in the creation of a modern civil service by the Americans and their efforts to localize it. The First Philippine Commission recommended the formation of an efficient and non-partisan civil service in 1899. On September 19, 1900, the Second Philippine Commission passed an act for the establishment and maintenance of an efficient and honest civil service in the Philippines.⁵⁸ In short, an important legacy of American colonial bureaucracy is the introduction of meritocracy in the Philippines. It should also be noted that the American colonial bureaucracy was incorrupt because the bureaucrats received higher salaries and corrupt officials were promptly prosecuted.⁵⁹ Unfortunately, these two positive aspects of American colonial rule in the Philippines have not endured after the attainment of independence in July 1946 because the contemporary public bureaucracy is afflicted by rampant corruption and relies on patronage rather than merit in the recruitment and promotion of civil servants. The cultural value of *utang na loob* or debt of gratitude, promotes nepotism in the Philippines because public officials readily perform favors for their relatives, including the appointment of unqualified persons.⁶⁰ As Filipino parents expect their children to be “forever grateful” to them, their children’s *utang na loob* to them “should be immeasurable and eternal.”⁶¹

The French consolidated their influence in Indochina from the middle of the 19th century and in 1887, a unified French colonial administration was established in Indochina and marked the culmination of French colonial rule in Southeast Asia. They monopolized economic activity in Indochina and controlled most of its finance and trade. In 1906, they introduced French education and also established tertiary education. However, unlike the British, the French “did little to develop their Southeast Asian colonies, and concentrated on the export of primary products from these territories.”⁶² Instead of emphasizing the training of civil servants like the British, the French introduced political and administrative institutions in Indochina by imposing “a complex system

58. *Ibid.*, p. 191.

59. Endriga, “Historical Notes on Graft and Corruption in the Philippines,” 254.

60. Quah, *Curbing Corruption in Asian Countries*, p. 132.

61. Tomas D. Andres, *Understanding Filipino Values: A Management Approach* (Quezon City: New Day Publishers, 1981), p. 25.

62. Tan, *Asian Development*, p. 15.

of direct and indirect colonial rule which transferred few important government skills to indigenous persons.”⁶³

During the colonial period, the rural Vietnamese in central and northern Vietnam were governed by the mandarin and village officials. However, by the end of the colonial period, the village structures that had moderated their behavior degenerated and contributed to “unprecedented levels of corruption, nepotism and patron-clientism.”⁶⁴ The French did not train and promote Vietnamese civil servants to higher administrative positions except “in the field where they had little actual authority or responsibility commensurate with their positions.” Consequently, the departure of the French administrative personnel when Vietnam became independent left a huge vacuum because the Vietnamese officials who replaced them had little administrative experience.⁶⁵ In other words, apart from introducing education, the French did not invest in infrastructure, introduce meritocracy or provide training for the Vietnamese civil servants.

Portuguese penetration of Asia began when Vasco da Gama reached the south western coast of India.⁶⁶ The Portuguese “began using Macao regularly” in 1555⁶⁷ and administered it from 1557⁶⁸ until December 20, 1999, when it was returned to the People’s Republic of China after 442 years of Portuguese colonial rule. Portuguese colonialism in Asia and Africa was described as “royal, authoritarian, and commercial.”⁶⁹ Portugal’s colonial administration was based on the four principles of political unity, spiritual assimilation, administrative differentiation, and economic solidarity.⁷⁰ However, corruption, bribery and smuggling flourished in the Portuguese empire because the colonial governors and

63. Frank C. Darling, *The Westernization of Asia: A Comparative Political Analysis* (Cambridge, MA: Schenkman Publishing Company, 1980), pp. 128, 131.

64. John Gillespie, “The Political-Legal Culture of Anti-Corruption Reforms in Vietnam,” in Tim Lindsey and Howard Dick (Eds.), *Corruption in Asia: Rethinking the Governance Paradigm* (Annandale, NSW: Federation Press, 2002), p. 174.

65. D.L. Rose and V.H. Vu, *The Vietnamese Civil Service System* (East Lansing, MI: Vietnam Advisory Group, Michigan State University, 1961), p. 1.

66. Tan, *Asian Development*, p. 15.

67. J.M. Braga, *The Western Pioneers and their Discovery of Macao* (Macao: Imprensa Nacional, 1949), p. 102.

68. Steve Shipp, *Macao, China: A Political History of the Portuguese Colony’s Transition to Chinese Rule* (Jefferson, NC: McFarland & Company, 1997), p. 1.

69. Bailey W. Diffie and George D. Winius, *Foundations of the Portuguese Empire, 1415-1580* (Minneapolis, MN: University of Minnesota Press, 1977), p. 301.

70. Marcelo Caetano, “Principles and Methods of Portuguese Colonial Administration,” in *Principles and Methods of Colonial Administration* (London: Butterworths Scientific Publications, 1950), p. 86.

overseas officials were overworked and underpaid and “had every incentive to seek alternative forms of income—particularly since they often were forced to draw upon personal funds in order to fulfil their overseas assignments.”⁷¹

Macau was an example of a settler-dominated colony because the Portuguese came to live and work there as proprietors and rulers and not as farmers.⁷² The legacy of Portuguese colonialism in Macau was threefold. First, Portuguese became the *lingua franca* and Catholicism was the religion adopted by all the colonies, including Macau, as one of the aims of the colonial administration was the “spiritual assimilation” of the local population.⁷³ Second, the constitution and major institutions, including the Macau Civil Service and its personnel system are based on the Portuguese model with no major differences because “the principles are the same.”⁷⁴ The third and most important legacy was “that the government of Portuguese Asia was notorious for its corruption” because “surrounded by sickness, poverty, and death, by strange customs, incredible opulence, and easy companions eager to compromise the newcomer,” many Portuguese settlers with “basically good morals slipped them off on the eastward voyage, only to dress in them again” if they ever returned home. However, while they were in Asia, “the trick was to move from one office to a grander one every triennium and to invest the dishonest gains from one in the illicit opportunities peculiar to the next.”⁷⁵

Furthermore, “personal connections also played vital roles in the fraud and corruption that plagued the Portuguese empire during this era.”⁷⁶ Many aspects of Portuguese society, including “patronage and paternalism, corruption and fraud, commerce and trade, cross-cultural communication and exchange” were interrelated and reflected the “personal nature of the Portuguese social world and the role of social networks in Portuguese society.”⁷⁷ A major cause of bureaucratic corruption in Macau was the Portuguese style of colonial governance, which had “an inefficient and parasitic administrative structure,” with

71. Erik Lars Myrup, *Power and Corruption in the Early Modern Portuguese World* (Baton Rouge, LA: Louisiana State University Press, 2015), p. 4.

72. S.E. Finer, *The History of Government from the Earliest Times*, Vol. III (Oxford: Oxford University Press, 1997), p. 1378.

73. Braga, *The Western Pioneers and their Discovery of Macao*, p. 145.

74. Wong Cham Li, “The Public Personnel System in Macau,” *Asian Journal of Public Administration*, 12 (2) (December 1990): 176.

75. Diffie and Winius, *Foundations of the Portuguese Empire, 1415-1580*, p. 419.

76. Myrup, *Power and Corruption in the Early Modern Portuguese World*, p. 171.

77. *Ibid.*, pp. 174-175.

many civil servants who were “morally inadequate” and corrupt, and a highly politicized civil service.⁷⁸ The civil service was politicized because the Portuguese politicians occupying senior positions recruited and promoted assistants or middle-level bureaucrats on the basis of political considerations instead of merit.⁷⁹

Portuguese colonial rule in Timor-Leste was “often brutal and exploitative” because it was primarily extractive with the export of sandalwood and coffee and limited investment in infrastructure, health and education. Indonesia’s invasion of Timor-Leste in 1975 exacerbated the situation because it incorporated “the pervasive and systemic corruption” in Indonesia into the administration of its 27th province.⁸⁰ The absence of Timorese officials among the senior bureaucrats in Timor-Leste during Indonesia’s occupation and the rudimentary public infrastructure were two important obstacles encountered by the United Nations in its efforts to develop Timor-Leste’s administration after the attainment of independence in May 2002.⁸¹

C. Economic Development

There is a great deal of disparity in the level of economic development of the Asian countries as reflected in their gross domestic product (GDP) per capita, which ranges from US\$561 for Afghanistan to US\$73,187 for Macau SAR, as shown in Table 3. Among the 27 Asian countries included in Transparency International’s CPI in 2016, Table 5 shows that there is a strong association between their CPI scores and GDP per capita in 2016 because, with the exception of Bhutan, the other six countries with CPI scores of 50 and above have GDP per capita ranging from US\$22,598 for Taiwan to US\$52,960 for Singapore.

ACAs must be provided with the required personnel, budget and operational autonomy to enable them to perform their functions effectively. This means that combating corruption is expensive because the government has to provide the ACA with an adequate budget and sufficient personnel.⁸² The governments in countries with high GDP per

78. Lo Shiu Hing, *Political Development in Macau* (Hong Kong: Chinese University Press, 1995), p. 176.

79. *Ibid.*, p. 177.

80. Benjamin Allen and Edward Anderson, *Corruption Assessment: Timor-Leste* (Washington, DC: Management Systems International and US Agency for International Development, September 15, 2009), p. 1.

81. *Ibid.*, p. 1.

82. Jon S.T. Quah, “The Critical Importance of Political Will in Combating Corruption in Asian Countries,” *Public Administration and Policy: An Asia-Pacific Journal*, 18 (2) (Fall 2015): 13.

capita will be able to allocate the resources needed by their ACAs for combating corruption and to pay adequate salaries to their civil servants to minimize petty corruption. This means that poor countries like Afghanistan and Nepal will require financial and technical assistance in fighting corruption from international organizations like the UNDP, the World Bank and other donor agencies. For example, Afghanistan was the top recipient of technical and financial assistance from the UNDP in 2011 with US\$492.5 million.⁸³

Table 5: CPI Scores and GDP Per Capita of 27 Asian Countries in 2016

No.	Country	CPI 2016 Rank & Score	GDP per capita 2016
1	Singapore	7 th (84)	US\$52,960
2	Hong Kong SAR	15 th (77)	US\$43,681
3	Japan	20 th (72)	US\$38,894
4	Bhutan	27 th (65)	US\$2,804
5	Taiwan	31 st (61)	US\$22,598 ^a
6	Brunei Darussalam	41 st (58)	US\$26,938
7	South Korea	52 nd (53)	US\$27,538
8	Malaysia	55 th (49)	US\$9,502
9	China	79 th (40)	US\$8,123
10	India	79 th (40)	US\$1,709
11	Mongolia	87 th (38)	US\$3,686
12	Indonesia	90 th (37)	US\$3,570
13	Maldives	95 th (36)	US\$8,601
14	Sri Lanka	95 th (36)	US\$3,835
15	Philippines	101 st (35)	US\$2,951
16	Thailand	101 st (35)	US\$5,907
17	Timor-Leste	101 st (35)	US\$1,158 ^a
18	Vietnam	113 th (33)	US\$2,185
19	Pakistan	116 th (32)	US\$1,468
20	Lao PDR	123 rd (30)	US\$2,353
21	Nepal	131 st (29)	US\$729
22	Myanmar	136 th (28)	US\$1,275
23	Papua New Guinea	136 th (28)	US\$2,268 ^b
24	Bangladesh	145 th (26)	US\$1,358
25	Cambodia	156 th (21)	US\$1,269
26	Afghanistan	169 th (15)	US\$561
27	North Korea	174 th (12)	No data

^a2015 figure. ^b2014 figure.

83. UNDP, *Annual Report 2011/2012: The Sustainable Future We Want* (New York: UNDP, 2012), p. 36.

Sources: Transparency International, "Corruption Perceptions Index 2016" and World Bank, "GDP per capita (current US\$)," Washington DC, available at: <http://data.worldbank.org/indicator/NY.GDP.PCAPCO> (accessed August 8, 2017).

D. Population and Culture

The size of a country's population is an important factor influencing an ACA's output as the ACAs in countries with larger populations would receive more corruption complaints than their counterparts with smaller populations. This is clearly shown in Table 6, which compares the number of complaints received by the Commission Against Corruption (CAC) in Macau SAR and the OMB in the Philippines from 2006 to 2010.⁸⁴ The OMB's average number of 12,685 complaints per year during 2006-2010 is 16 times more than the CAC's average of 795 complaints per year during the same period.

Table 6: Complaints received by Macau's CAC and Philippines' OMB, 2006-2010

Anti-Corruption Agency	2006	2007	2008	2009	2010	Average
Commission Against Corruption Macau SAR	840	736	796	923	681	795
Office of the Ombudsman Philippines	13,602	10,824	13,205	12,736	13,057	12,685

Sources: CAC, *Annual Report 2010* (Macau: CAC, 2011), p. 11; OMB, *Annual Report 2009* (Quezon City: OMB, 2010), p. 32; and OMB, *Annual Report 2010* (Quezon City: OMB, 2011), p. 5.

Apart from its size, the ethnic diversity of the population and its cultural values and practices also affect the perceived extent of corruption and the ACA's effectiveness in curbing corruption. Corruption is viewed with different levels of tolerance in various countries. In Thailand, the population's tolerant attitude toward corruption constitutes an important obstacle to the government's anti-corruption strategy. There is no equivalent word for corruption in the Thai language because Thais do not view corruption as harmful to the public interest. The closest Thai equivalent for corruption is *choh rat bang luang*, meaning "to defraud the state" or stealing from the King, which is risky but not perceived as an

84. These two ACAs are comparable because both perform the functions of an Ombudsman too.

erosion of the public interest.⁸⁵ Since “nobody is hurt by corruption,” Thais tolerate corruption as a way of life and “unlike Westerners, they expect their leaders to be corrupt too, and accept the fact as part of life.”⁸⁶ In addition to their tolerance for corruption, many Thais also “cringed with embarrassment” if important people are humiliated. Consequently, this explains why “Thais are not used to seeing people who used to be in authority treated like dirt in that way”⁸⁷ and why coup leaders are not punished but ignored if they are unsuccessful.

The Thai population’s tolerance for corrupt practices is reflected in their identification of these seven levels, which are ranked from less to more severe misconduct, with the first three levels deemed as acceptable practices and the remaining four levels as unacceptable practices: (1) *Sin nam jai* (gift of goodwill); (2) *Khan am ron nam cha* (tea money); (3) *Praphuet mi chob* (improper behavior); (4) *Sin bon* (bribery); (5) *Rith thai* (extortion); (6) *Thut jarit tor nathi* (dishonesty in duty); and (7) *Kan khorrachuan* (corruption).⁸⁸ For most Thais, the first level of *sin nam jai* is not viewed as corruption because “*nam jai* or ‘good will from the heart’ is highly valued as a personal attribute in Thai culture” and if inexpensive gifts are given by people to show their appreciation for the service they have received.⁸⁹ In other words, the Thai population’s tolerance for corruption is explained by the widespread practice of gift-giving by the public to officials for services rendered to supplement their low salaries.⁹⁰ Furthermore, to enhance their promotion prospects, civil servants give gifts to their superiors because favoritism is more important than merit in determining their career advancement.⁹¹

85. Niels Mulder, *Inside Thai Society: Interpretation of Everyday Life* (Amsterdam: Pepin Press, 1996), p. 174.

86. Elliot Kulick and Dick Wilson, *Thailand's Turn: Profile of a New Dragon* (New York: St. Martin's Press, 1992), p. 36.

87. Victor Mallet, *The Trouble with Tigers: The Rise and Fall of Southeast Asia* (London: HarperCollins Publishers, 1999), p. 229.

88. Sakkarin Niyomsilpa, *The Political Economy of Telecommunications Reforms* (London: Pinter, 2000), pp. 141-142.

89. Pasuk Phongpaichit and Sungsidh Piriyarangsarn, *Corruption and Democracy in Thailand*, 2nd edition (Chiang Mai: Silkworm Books, 1996), pp. 166-167.

90. Quah, *Curbing Corruption in Asian Countries*, p. 290.

91. Likhit Dhiravegin, “The Thai Bureaucratic Elite: A Study of their Promotion and Career Advancement Patterns,” in Peter S.J. Chen and Hans Dieter Evers (Eds.), *Studies in ASEAN Sociology: Urban Society and Social Change* (Singapore: Chopmen Enterprises, 1978), pp. 97-98.

E. Political and Legal Systems

The political system is perhaps the most important aspect of a country's policy context because of the nature of political leadership and the strength of its political will to combat corruption. Treisman observes that "a long duration of democracy appeared necessary to significantly reduce corruption"⁹² because democracy also provides citizens with "an opportunity to punish governments that fail to control corruption."⁹³ However, Rose-Ackerman has noted that "in democracies the desire for re-election will deter corruption so long as the electorate disapproves of the practice and has some way of sorting out valid from invalid accusations."⁹⁴

Countries which have undergone a peaceful transfer of power through free and fair elections are more likely to be effective in combating corruption than those regimes which have assumed power through conflict or a military coup. Post-conflict countries like Cambodia, Nepal, Papua New Guinea, Sri Lanka, Timor-Leste and Vietnam, which have endured protracted periods of civil war, are "particularly vulnerable" to corruption because of the combined effect of "the legacy of wartime occupation," the management and distribution of "massive influxes of material wealth" from natural resources or foreign aid, and the "overall weakness of the state."⁹⁵

Related to their political systems are the legal systems of Asian countries which are influenced by their colonial heritage and are based on the common law or civil law systems or a combination of both systems with other influences. Asian countries which are former British colonies usually adopt the common law system with these four features: (1) there is no written constitution or codified laws; (2) judicial decisions are binding; (3) there is extensive freedom of contract; and (4) everything is permitted that is not expressly prohibited by law. By contrast, Asian countries following a civil law system are former French, Dutch, German, Spanish or Portuguese colonies with these four features: (1) there is a written constitution based on specific codes; (2) legislative enactments are binding; (3) there is less freedom of contract; and (4) there are

92. Treisman, *The Causes of Corruption*, pp. 40-41.

93. Asparisim Ghosh, "Corruption: Reform's Dark Side," *Far Eastern Economic Review*, March 20, 1997, p. 20.

94. Susan Rose-Ackerman, "Democracy and 'Grand' Corruption," *International Social Science Journal*, 149 (1996): 376.

95. Sarah Dix and Nihal Jayawickrama, *Fighting Corruption in Post-Conflict and Recovery Situations: Learning from the Past* (New York: UNDP, June 2010), pp. x-xi.

constitutional court, administrative court and civil court systems to review the consistency of legislation and administrative acts.⁹⁶

A country's legal system is an important factor influencing the effectiveness of its ACA because it specifies the nature of the anti-corruption laws and the ACA's legal powers and independence. In Singapore, the Prevention of Corruption Act (POCA) of 1960 and its subsequent amendments provide details of the powers of the CPIB.⁹⁷ The powers of Hong Kong's ICAC are specified in the ICAC Ordinance of 1974 and the Prevention of Bribery Ordinance (POBO) of 1971.⁹⁸ As Singapore and Hong Kong are former British colonies, they adopted the English common law system with the inclusion of *shariah* law for Muslims in Singapore and Chinese customary law in Hong Kong.

However, countries with a civil law system would need to make structural changes to adopt a CPIB or ICAC-style ACA. For example, President MA Ying-jeou of Taiwan responded to the July 14, 2010 arrest of three high court judges and a district prosecutor for bribery by reversing his earlier decision of not establishing an ACA.⁹⁹ On July 20, 2010, he announced that "the new agency would not be a carbon copy" of the ICAC or CPIB, and would come under the jurisdiction of the Ministry of Justice (MOJ), but not report directly to the President.¹⁰⁰ President Ma missed the golden opportunity of improving the effectiveness of Taiwan's anti-corruption measures when the Agency Against Corruption (AAC) was established as part of the MOJ in July 2011. As the CPIB and ICAC are the most effective Asian ACAs, it is puzzling why President Ma did not want to emulate these ACAs in view of his desire to curb corruption effectively in Taiwan.¹⁰¹ He did not explain his decision but one reason is that Taiwan's civil law system based on the German model requires changes in government structure to establish an independent ACA like the CPIB and ICAC. The other more important reason was President Ma's lack of support from his party, the Kuomintang, which was responsible for

96. World Bank, "Key Features of Common Law or Civil Law Systems," Washington DC, available at: www.ppp.worldbank.org/public-private-partnership/legislation-regulation/framework-assessment/legal-systems/comm-on-vs-civil-law (accessed February 10, 2017).

97. Quah, *Curbing Corruption in Asian Countries*, pp. 219-221.

98. Jeremiah K.H. Wong, "The ICAC and its Anti-Corruption Measures," in Rance P.L. Lee (Ed.), *Corruption and Its Control in Hong Kong: Situations up to the late Seventies* (Hong Kong: Chinese University Press, 1981), pp. 51-59.

99. Jon S.T. Quah, *Taiwan's Anti-Corruption Strategy: Suggestions for Reform* (Baltimore, MD: School of Law, University of Maryland, 2010), p. 89.

100. Ho Ai Li, "Taiwan to set up agency to fight graft," *Straits Times*, July 21, 2010, p. A18.

101. Jon S.T. Quah, "Evaluating the Effectiveness of Anti-Corruption Agencies in Five Asian Countries," *Asian Education and Development Studies*, 4 (1) (2015): 154-155.

the rampant spread of “black gold” politics and vote-buying under the leadership of President LEE Teng-hui (1988-2000).¹⁰²

F. Difficult Governance Environment of Fragile States

As the effectiveness of ACAs also depends on their “enabling environment,”¹⁰³ the difficult governance environment of the most fragile Asian countries constitutes a serious obstacle to the effective implementation of their anti-corruption strategies. The difficult governance environment of these fragile states is reflected in their high levels of corruption, political instability, government ineffectiveness, and low level of the rule of law. Table 7 shows that among the 25 Asian countries¹⁰⁴ included in the FSI 2016, only Singapore, Japan and South Korea have “Very Stable” scores of 32.9, 35.1 and 36.1, respectively. Conversely, the remaining 22 countries have higher FSI scores, ranging from 56.6 for Mongolia to 107.9 for Afghanistan. Table 7 also confirms that Singapore, Japan and South Korea have higher CPI scores and percentile ranks for political stability, government effectiveness, and rule of law than North Korea, Myanmar, Pakistan and Afghanistan which are the four most fragile Asian countries.

Table 7: Difficult Governance Environment of 25 Asian Countries, 2016

Country	FSI 2016 Rank and Score	CPI 2016 Rank and Score	Political stability 2016	Government effectiveness 2016	Rule of law 2016
Singapore	18/178 (32.9/120)	7/176 (84/100)	99.5	100.0	96.2
Japan	22/178 (35.1/120)	20/176 (72/100)	86.2	95.7	88.5
S. Korea	23/178 (36.1/120)	52/176 (53/100)	51.9	80.8	86.1
Mongolia	51/178 (56.6/120)	87/176 (38/100)	73.3	50.5	46.6
Brunci Darussalam	56/178 (62.0/120)	41/176 (58/100)	93.8	81.3	73.1
Malaysia	64/178	55/176	50.0	76.0	71.2

102. Editorial, “What is really the ‘Lee way’?” *Taipei Times*, March 15, 2000, p. 8; and J. Bruce Jacobs and I-hao Ben Liu, “Lee Teng-hui and the Idea of Taiwan,” *China Quarterly*, 190 (June 2007): 392.

103. UNDP, *Capacity Assessment of Anti-Corruption Agencies*, p. 27.

104. Hong Kong SAR, Macau SAR and Taiwan are excluded in the FSI 2016.

	(66.1/120)	(49/100)			
Vietnam	73/178 (70.7/120)	113/176 (33/100)	51.4	52.9	57.2
Maldives	88/178 (74.0/120)	95/176 (36/100)	60.0	40.9	36.1
China	92/178 (74.9/120)	79/176 (40/100)	27.1	67.8	46.2
Indonesia	93/178 (74.9/120)	90/176 (37/100)	33.3	53.4	38.9
Bhutan	101/178 (77.6/120)	27/176 (65/100)	82.9	70.2	68.3
Thailand	105/178 (78.8/120)	101/176 (35/100)	15.7	66.3	55.3
India	109/178 (79.6/120)	79/176 (40/100)	14.3	57.2	52.4
Lao PDR	124/178 (84.4/120)	123/176 (30/100)	62.4	39.4	24.0
Philippines	125/178 (84.7/120)	101/176 (35/100)	10.0	51.9	36.5
Papua New Guinea	129/178 (86.2/120)	136/176 (28/100)	29.0	23.6	24.5
Cambodia	133/178 (87.4/120)	156/176 (21/100)	52.4	24.5	12.5
Sri Lanka	136/178 (87.7/120)	95/176 (36/100)	49.5	44.7	54.3
Bangladesh	143/178 (90.7/120)	145/176 (26/100)	10.5	25.5	30.8
Timor-Leste	144/178 (90.8/120)	101/176 (35/100)	43.3	13.9	10.1
Nepal	146/178 (91.2/120)	131/176 (29/100)	19.0	19.7	19.7
North Korea	149/178 (93.9/120)	174/176 (12/100)	21.9	3.8	3.4
Myanmar	153/178 (96.3/120)	136/176 (28/100)	23.3	16.3	16.8
Pakistan	165/178 (101.7/120)	116/176 (32/100)	1.4	28.8	20.2
Afghanistan	170/178 (107.9/120)	169/176 (15/100)	1.0	9.6	3.8

Sources: World Bank, "Worldwide Governance Indicators 2016," Washington, DC, available at: <http://info.worldbank.org/governance/wgi/#reports> (accessed October 8, 2017); Transparency International, "Corruption Perceptions Index 2016"; and The Fund for Peace, "Fragile States Index 2016," Washington, DC, available at: <http://library.fundforpeace.org/fsi16-report> (accessed August 8, 2017).

III. COMBATING CORRUPTION WITH A SINGLE ANTI-CORRUPTION AGENCY (ACA)

Each State Party shall ... ensure the existence of a body or bodies or persons specialized in combating corruption through law enforcement. Such body or bodies or persons shall be granted the necessary independence ... to be able to carry out their functions effectively and without any undue influence. Such persons or staff of such body or bodies should have the appropriate training and resources to carry out their tasks.

Article 36, UNCAC¹⁰⁵

A. Singapore's Effective Corrupt Practices Investigation Bureau (CPIB)

Corruption was a serious problem in Singapore during the British colonial period but is no longer a problem today, thanks to the CPIB's effectiveness, which is reflected in its ranking as the least corrupt Asian country with a CPI score of 84 in 2016, and its consistently high performance on the other indicators of the perceived extent of corruption in 2016 as shown in Table 8. Its effectiveness is also confirmed by its 100 percent conviction rate and the CPIB Public Perceptions Survey's finding that 89 percent of the 1,011 respondents had rated Singapore positively on its efforts in controlling the corruption situation in 2016.¹⁰⁶

Table 8: Singapore's Performance on Corruption Indicators, 2016

Indicator	Singapore's Performance
Control of Corruption	2.1 (97.1)
Corruption Perceptions Index	7 th /176 (84/100)
PERC Corruption Survey	1 st /16 (1.67/10)
Diversion of Public Funds	3 rd /138 (6.2/7)
Irregular Payments and Bribes	3 rd /138 (6.7/7)
Organized Crime	7 th /138 (6.4/7)
Ethical Behavior of Firms	3 rd /138 (6.2/7)
Public Trust in Politicians	1 st /138 (6.4/7)

Sources: World Bank, "Worldwide Governance Indicators 2016"; *Asian Intelligence*, No. 944, March 30, 2016, p. 1; Transparency International "Corruption Perceptions Index 2016"; and Klaus Schwab (Ed.), *The Global Competitiveness Report 2016-2017* (Geneva: World Economic Forum, 2016), p. 319.

105. United Nations Office on Drugs and Crime, *United Nations Convention Against Corruption* (Vienna: UNODC, 2004), pp. 26-27.

106. CPIB, *Annual Report 2016* (Singapore: CPIB, 2017), pp. 7, 9.

Corruption was widespread in Singapore during the British colonial period because of the government's weak political will and reliance on the ineffective Anti-Corruption Branch (ACB) of the Criminal Investigation Department (CID) in the Singapore Police Force (SPF) to curb corruption. The Prevention of Corruption Ordinance (POCO), which was enacted in December 1937, made the ACB responsible for corruption control even though the 1879 and 1886 Commissions of Inquiry had found that police corruption was rampant in Singapore. The problem of corruption deteriorated during the Japanese Occupation (February 1942 to August 1945) because the high inflation rate made it difficult for civil servants to survive on their low salaries. Trading in the black market was a "way of life" and nepotism and corruption were "perfectly acceptable" as individuals depended on "connections, friends and relatives" to get jobs.¹⁰⁷ Conditions further worsened after World War II and bureaucratic corruption increased because of the inadequate supervision of the poorly paid civil servants.¹⁰⁸

The ACB was ineffective for three reasons. First, as a small police unit with 17 personnel, the ACB was inadequate in minimizing corruption in the Singapore Civil Service, including the SPF. Second, as the ACB was a Type B ACA responsible for corruption control and 15 other non-corruption-related functions, this meant that combating corruption was given lower priority and it had to compete with other branches of the Criminal Investigation Department (CID) for limited manpower and resources. Third, the ACB's Achilles' heel was that as part of the SPF it could not curb police corruption because of the conflict of interest involved. The ACB's weaknesses were exposed by the Opium Hijacking scandal of October 1951 when it was discovered that three police detectives were part of a gang of robbers who stole a shipment of 1,800 pounds of opium worth about US\$133,330. Investigations revealed that some senior police officers were also involved with the robbers and importers of the opium.¹⁰⁹

The ACB's failure made the British colonial government realise that it was unwise to rely on the ACB to curb corruption when there was widespread police corruption in Singapore. The government rectified its mistake by replacing the ACB with the CPIB in September 1952 as a Type

107. Lee Gek Boi, *The Synonan Years: Singapore under Japanese Rule 1942-1945* (Singapore: National Archives of Singapore and Epigram, 2005), p. 142.

108. Quah, "Bureaucratic Corruption in the ASEAN Countries," 161-162.

109. Jon S.T. Quah, *Combating Corruption Singapore-Style: Lessons for other Asian Countries* (Baltimore, MD: School of Law, University of Maryland, 2007), pp. 14-16.

A ACA outside the SPF's jurisdiction. However, the CPIB was ineffective during its first eight years because of its limited personnel and powers. The CPIB had fewer personnel than the ACB as it began operations with R. Middleton-Smith as its director and 12 officers, who were on short secondment from the SPF. The CPIB investigation officers' "short secondment and limited time and capacity to conduct thorough investigations" and "the social stigma of investigating fellow police officers" had hindered the CPIB's effectiveness.¹¹⁰

The People's Action Party (PAP) won the May 1959 general election in Singapore and formed the government with LEE Kuan Yew as prime minister. In his memoirs, Lee revealed that he and his colleagues were determined to keep Singapore free from corruption because they were "sickened by the greed, corruption and decadence of many Asian leaders." This was reflected in their wearing "white shirts and white slacks to symbolize purity and honesty" in their personal behavior and public life when they took the oath of office on June 5, 1959.¹¹¹

Learning from the mistakes of the British colonial government, the PAP government retained the CPIB as an independent Type A ACA and enhanced its effectiveness by enacting the Prevention of Corruption Act (POCA) in June 1960 to strengthen its legal powers and increasing its budget and personnel. The POCA empowers the CPIB director and officers to arrest and search persons and to investigate their bank accounts, income taxes, and other documents. More importantly, section 24 assists the CPIB officers investigating corruption cases by requiring those accused persons to account for their "pecuniary resources or property" that are disproportionate to their known sources of income.¹¹²

Unlike the British colonial government's weak political will in combating corruption, the PAP leaders realized from the outset the critical importance of political will by enhancing the CPIB's legal powers and providing it with the required personnel and budget to perform its functions effectively. The growth in the CPIB's budget and personnel from 2008-2015 is shown in Table 9 and reflected in the increase of its per capita expenditure from US\$2.32 in 2008 to US\$4.87 in 2015. The CPIB's staff-population ratio has also improved from 1:56,163 to 1:23,858 during the same period.

110. CPIB, *The Journey: 60 Years of Fighting Corruption in Singapore* (Singapore: CPIB, 2012), p. 18.

111. Lee Kuan Yew, *From Third World to First, the Singapore Story: 1965-2000* (Singapore: Times Media, 2000), pp. 182-183.

112. Quah, *Curbing Corruption in Asian Countries*, p. 220.

Table 9: CPIB's Budget and Personnel, 2008-2015

CPIB	2008	2010	2012	2014	2015
Budget (in millions)	US\$11.2	US\$14.7	US\$20.3	US\$29.3	US\$26.8
Personnel	86	90	138	205	232
Per capita expenditure	US\$2.32	US\$2.90	US\$3.82	US\$5.36	US\$4.87
Staff-population ratio	1:56,163	1:56,408	1:38,496	1:26,682	1:23,858

Sources: Compiled and calculated by the author from the CPIB's budget and personnel in Republic of Singapore, *Singapore Budget 2008-2016: Annex to the Expenditure Estimates* (Singapore: Budget Division, Ministry of Finance, 2008-2016), various pages.

In addition to its legal powers, adequate personnel and budget, the CPIB is an effective Type A ACA for four reasons. First, even though the CPIB comes under the jurisdiction of the Prime Minister's Office, it has operational autonomy because the prime minister and other political leaders do not interfere in its daily operations and its director reports to the secretary to the cabinet. After the establishment of the Elected Presidency in 1991, the CPIB's director can obtain the Elected President's consent to investigate allegations of corruption against ministers, members of Parliament and senior civil servants if the prime minister withholds his consent.¹¹³ As "successive prime ministers and presidents have persistently and unequivocally supported and defended" the CPIB's impartiality, Gregory contends that "political self-denial by Singapore's politicians maintains the agency's *de facto* independence, which is essential for sustaining its reputation for impartiality, and thus its popular legitimacy."¹¹⁴

Second, the CPIB adopts a "total approach to enforcement" and deals with both major and minor cases of public and private sector corruption, regardless of the amount, rank or status of the persons being investigated. The same processes and procedures apply to everyone being investigated, including ministers and chief executive officers of major companies. There is emphasis on both bribe-givers and bribe-takers as they are equally culpable according to the POCA.¹¹⁵ Section 37 of the POCA states that Singapore citizens working for their government in embassies and other

113. Quah, *Combating Corruption Singapore-Style*, pp. 40-41.

114. Robert Gregory, "Political Independence, Operational Impartiality and the Effectiveness of Anti-Corruption Agencies," *Asian Education and Development Studies*, 4 (1) (2015): 130-131.

115. Soh Kee Hian, "Corruption Enforcement," (Paper presented at the Second Seminar of the International Association of Anti-Corruption Associations, in Chongqing, China, May 17-18, 2008), pp. 1-2. Soh was the CPIB director from 2005-2010.

agencies abroad would be prosecuted for corrupt offenses committed in other countries and would be dealt with as if such offenses had occurred within Singapore.¹¹⁶ The CPIB also investigates anonymous corruption complaints if there is sufficient information to initiate an investigation.

Third, the CPIB's effectiveness can be attributed to its efforts to enhance the capabilities of its officers by sending them for training programs on management and professional topics in Singapore and abroad. It has organized four Anti-Corruption Expertise regional training workshops in Singapore on investigation, computer forensics, management of ACAs, and cross-border investigation and legal assistance for ACA officers in many Asian countries from 2006-2015. In July 2004, the CPIB formed a Computer Forensics Unit to enhance the investigative and evidence-gathering skills of its officers by providing them with the knowledge of forensic accounting to enable them to trace ill-gotten assets and retrieve incriminating evidence from seized computers and mobile telephones. The CPIB has also conducted joint operations with the Commercial Affairs Department and the Immigration and Checkpoints Authority to develop networks and partnerships with other public agencies in Singapore.¹¹⁷

The fourth and most important reason for the CPIB's success is its impartial enforcement of the POCA. This means that anyone found guilty of a corruption offense is punished regardless of his or her position, status, or political affiliation. The CPIB has investigated five PAP leaders and eight senior civil servants in Singapore without fear or favor from 1966-2014. For example, in November 1986, the Minister for National Development, TEH Cheang Wan, was accused of accepting S\$1 million in bribes from two property developers. However, he committed suicide one month later before he could be charged in court. The second example involved Edwin Yeo, the CPIB's assistant director, who was charged on July 24, 2013 with misappropriating US\$1.41 million from 2008-2012. He was found guilty of criminal breach of trust and for forgery and sentenced to 10 years imprisonment on February 20, 2014.¹¹⁸

116. Quah, *Curbing Corruption in Asian Countries*, pp. 220-221.

117. Soh, "Corruption Enforcement," pp. 3-4.

118. Jon S.T. Quah, "Singapore's Corrupt Practices Investigation Bureau: Four Suggestions for Enhancing its Effectiveness," *Asian Education and Development Studies*, 4 (1) (2015): 77, 80-81.

B. Hong Kong's Effective Independent Commission Against Corruption (ICAC)

In 2016, Hong Kong SAR was jointly ranked 15th with Belgium among 176 countries with a CPI score of 77 and was the second least corrupt city-state after Singapore. Like Singapore, Hong Kong's success can be attributed to the ICAC's effectiveness as reflected in Table 10, which confirms its low extent of perceived corruption, according to eight indicators. Corruption was a serious problem in Hong Kong before the establishment of the ICAC in February 1974. Bertrand de Speville, a former ICAC commissioner, observed that "corruption was deeply rooted, widespread, generally tolerated and, in some sectors, highly organized." All government departments were infected with corruption, especially the police, customs and excise service, immigration department, fire and ambulance services, and the prison service. Corruption was also a problem in the housing, public works, education and health departments.¹¹⁹ Hong Kong provided "a fertile soil for corruption to flourish" because the rapid population increase during 1945-1974 severely strained the provision of social services and food, housing, water, schools, health care and other services were in short supply. Immigrants from mainland China were encouraged to pay bribes to the police and other civil servants to avoid being harassed by them. The government's monopoly and regulation of various activities and the discretion given to those civil servants in charge provided many opportunities for corruption.¹²⁰

Table 10: Hong Kong's Performance on Corruption Indicators, 2016

Indicator	Hong Kong's Performance
Control of Corruption	1.6 (91.8)
Corruption Perceptions Index	15 th /176 (77/100)
PERC Corruption Survey	4 th /16 (3.40/10)
Diversion of Public Funds	12 th /138 (5.9/7)
Irregular Payments and Bribes	12 th /138 (6.3/7)
Organized Crime	18 th /138 (6.0/7)
Ethical Behavior of Firms	17 th /138 (5.5/7)
Public Trust in Politicians	21 st /138 (4.6/7)

Sources: World Bank, "Worldwide Governance Indicators 2016"; Transparency International, "Corruption Perceptions Index 2016"; *Asian Intelligence*, No. 944, March 30, 2016, p. 1; and Schwab (Ed.), *The Global Competitiveness Report 2016-2017*, p. 197.

119. Bertrand de Speville, *Hong Kong: Policy Initiatives against Corruption* (Paris: Development Center, OECD, 1997), p. 11.

120. *Ibid.*, pp. 13-14.

As Hong Kong was also a British colony, an ACB was established as a special unit within the CID of the Royal Hong Kong Police Force (RHKPF) in 1948 to investigate and prosecute corruption cases.¹²¹ The police was the most corrupt government department¹²² because the “daily extensive contact with the public provided ample opportunity” for policemen to be involved in corrupt activities.¹²³ Police corruption was rampant during the early days of the RHKPF because the poorly paid policemen supplemented their incomes by accepting bribes from the owners of brothels and gambling dens, and the British colonial government accorded low priority to crime control and tolerated the alliance between the police and the triads.¹²⁴

As part of the ACB’s review of the Prevention of Corruption Ordinance (POCO), a study team visited Singapore in 1968 to examine how its anti-corruption laws worked in practice. The study team was impressed with the CPIB’s independence and attributed Singapore’s success in combating corruption to the CPIB’s independence from the police.¹²⁵ The British colonial government in Hong Kong did not support the creation of an independent ACA for three reasons: the adverse effects on police morale; the difficulties in recruiting and training an independent team of expert investigators; and the need for coordination with other departments in the RHKPF related to anti-corruption investigations.¹²⁶

The RHKPF did not accept the study team’s recommendation of setting up an independent ACA outside its jurisdiction and suggested instead the upgrading of the ACB into the Anti-Corruption Office (ACO) with the enactment of the Prevention of Bribery Ordinance (POBO) in May 1971.¹²⁷ The escape of a corruption suspect, Chief Superintendent of Police, Peter F. Godber, on June 8, 1973 to Britain angered the public in Hong Kong and undermined the ACO’s credibility. The government appointed a Commission of Inquiry chaired by Sir Alastair Blair-Kerr to

121. Kuan Hsin-Chi, “Anti-Corruption Legislation in Hong Kong – A History,” in Lee (Ed.), *Corruption and its Control in Hong Kong*, p. 24.

122. Leslie Palmier, *The Control of Bureaucratic Corruption: Case Studies in Asia* (New Delhi: Allied Publishers, 1985), p. 123.

123. de Speville, *Hong Kong*, p. 14.

124. Allan Y. Jiao, *The Police in Hong Kong: A Contemporary View* (Lanham, MD: University Press of America, 2007), p. 194.

125. Wong, “The ICAC and its Anti-Corruption Measures,” p. 47.

126. H.J. Lethbridge, *Hard Graft in Hong Kong: Scandal, Corruption, the ICAC* (Hong Kong: Oxford University Press, 1985), pp. 99-100.

127. *Ibid.*, p. 98.

investigate the circumstances that enabled Godber to escape to Britain and to evaluate the POBO's effectiveness.¹²⁸

The governor, Sir Murray MacLehose, accepted Sir Alastair's advice of considering public opinion and decided for political and psychological reasons to establish a new ACA that was independent of the RHKPF. Thus, the revelation of Godber's corrupt activities and adverse publicity arising from his escape to Britain was the catalyst that made the governor accept the risk of removing the RHKPF's control over the investigation of corruption. MacLehose's decision was path-breaking because his predecessors and previous committees had deferred to the police mainly because they feared a collapse of police morale if the control of corruption was transferred to an independent ACA.¹²⁹

The ICAC was established on February 15, 1974 with the enactment of the ICAC Ordinance to "root out corruption and to restore public confidence in the Government."¹³⁰ MacLehose demonstrated his political will in combating corruption by providing the ICAC in 1974 with 369 personnel and a budget of HK\$16.1 million (US\$2.06 million).¹³¹ He was the longest serving governor of Hong Kong from 1971 to 1982 and continued to provide "unwavering budgetary support" to the ICAC until his retirement.¹³² His successors continued to provide the ICAC with adequate budget and personnel as, 40 years later, its budget has increased by 58 times to HK\$937.12 million (US\$120.14 million) and its number of personnel grew by almost four times to 1,358 in 2014.¹³³ Table 11 shows that the ICAC's per capita expenditure has increased from US\$13.40 in 2008 to US\$17.24 in 2015 and its staff-population ratio has also improved from 1:5,780 to 1:5,408 during the same period.

Table 11: ICAC's Budget and Personnel, 2008-2015

ICAC	2008	2010	2012	2014	2015
Budget (in millions)	US\$97.7	US\$104.65	US\$112.96	US\$120.14	US\$126.01

128. Quah, *Curbing Corruption in Asian Countries*, p. 252.

129. Ibid, pp. 252-253. See also Ray Yep, "The Crusade against Corruption in Hong Kong in the 1970s: Governor MacLehose as a Zealous Reformer or Reluctant Hero?" *China Information*, 27 (2) (July 2013): 197-221.

130. Wong, "The ICAC and its Anti-Corruption Measures," p. 45.

131. Lethbridge, *Hard Graft in Hong Kong*, pp. 107, 231.

132. Yep, "The Crusade against Corruption in Hong Kong in the 1970s," 216.

133. "Head 72 Independent Commission Against Corruption," ICAC Budget 2014, Hong Kong, available at: www.budget.gov.hk/2014/eng/pdf/head072.pdf (accessed April 29, 2017) and ICAC, *Annual Report 2014* (Hong Kong: ICAC, 2015), p. 25.

Personnel	1,263	1,321	1,282	1,358	1,351
Per capita expenditure	US\$13.40	US\$14.89	US\$15.78	US\$16.59	US\$17.24
Staff-population ratio	1:5,780	1:5,317	1:5,581	1:5,333	1:5,408

Sources: Compiled and calculated by the author from the ICAC's budget and personnel from its annual reports and budget from 2008-2015.

Why has Hong Kong succeeded in minimizing corruption after the ICAC's formation in February 1974? A former ICAC commissioner, Fanny Law, has identified these strengths of Hong Kong's "sound integrity system": a strong political will to curb corruption; a common integrity framework for civil servants, politicians, judicial officers, and staff of the watchdog agencies; a vibrant civil society with independent media and nongovernment organizations; and an independent ICAC with a comprehensive anti-corruption program.¹³⁴

Bertrand de Speville, the ICAC commissioner from 1992-1997, has attributed the ICAC's effectiveness to five factors. First, the most important factor is the government's recognition that corruption is a serious problem and its provision of adequate budget and personnel to the ICAC to deal with it. Second, to gain public confidence, the ICAC must be unimpeachable and its staff "must have unblemished integrity" and be "dedicated and effective anti-graft fighters." Third, the ICAC has formulated and implemented a carefully designed long-term three-pronged strategy, which focuses on investigation, prevention, and education. Fourth, the ICAC has succeeded in gaining public confidence by ensuring that all corruption reports, no matter how small, are investigated. Finally, the ICAC is effective because of "a combination of factors that collectively produced an advantageous environment in which to counter corruption."¹³⁵

In his evaluation of Hong Kong's integrity system, Cheung contends that the ICAC's three-pronged strategy of investigation, prevention and education has contributed to its success in combating corruption because it has (1) inculcated fear among corrupt offenders by enforcing the anti-corruption laws impartially; (2) reduced the opportunities for corruption by streamlining procedures and management processes to prevent

134. Fanny Law, "The Hong Kong Integrity System," in Leo Huberts, Frank Anechiarico and Frederique Six (Eds.), *Local Integrity Systems: World Cities Fighting Corruption and Safeguarding Integrity* (The Hague: Blu Legal Publishers, 2008), pp. 98-99.

135. de Speville, *Hong Kong*, pp. 53, 55-56.

corruption; and (3) changed the population's attitudes toward corruption through community education and publicity.¹³⁶

In short, the critical factor responsible for the ICAC's success is the political will of Hong Kong's government to recognize corruption as a problem and its commitment to solve it. De Speville has identified the government's decision to tackle the problem of corruption as "the *sine qua non* of effective action." The government must also be willing "to provide adequate funding, realising that overcoming corruption will be expensive."¹³⁷

C. South Korea's "Toothless" ACAs

After his inauguration in February 1998, President KIM Dae-jung launched a comprehensive anti-corruption strategy to ensure "clean and upright public office, transparent and reliable government, and a just and fair society" in South Korea. An important target was to improve South Korea's ranking on the CPI from 43rd position in 1998 to 20th position in 2003.¹³⁸ Using this criterion, Kim's anti-corruption strategy failed because South Korea was ranked 50th among 133 countries with a score of 4.3 in the 2003 CPI.¹³⁹ Similarly, South Korea's weak performance on the Political and Economic Risk Consultancy (PERC) corruption survey was reflected in the deterioration of its score of 4.00 in 1995 to 8.33 in 2000.¹⁴⁰

Table 12: South Korea's Performance on Corruption Indicators, 2016

Indicator	South Korea's Performance
Control of Corruption	0.4 (66.8)
Corruption Perceptions Index	52 nd /176 (53/100)
PERC Corruption Survey	8 th /16 (6.17/10)
Diversion of Public Funds	69 th /138 (3.5/7)
Irregular Payments and Bribes	52 nd /138 (4.5/7)
Organized Crime	69 th /138 (4.9/7)
Ethical Behavior of Firms	98 th /138 (3.5/7)

136. Anthony B.L. Cheung, "Evaluation of the Hong Kong Integrity System," in Huberts, Anechiarico and Six (Eds.), *Local Integrity Systems*, p. 106.

137. de Speville, *Hong Kong*, p. 71.

138. Republic of Korea, *Korea's Comprehensive Anti-Corruption Programs* (Seoul: Office of the Prime Minister, 1999), p. 6.

139. From 1995-2011, the CPI score ranged from 0 (highly corrupt) to 10 (very clean). However, from 2012, the CPI score was changed to 0 (highly corrupt) to 100 (very clean).

140. Quah, *Curbing Corruption in Asian Countries*, p. 338. The PERC corruption survey score ranges from 0 (least corrupt) to 10 (most corrupt).

Public Trust in Politicians	96 th /138 (2.5/7)
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Sources: World Bank, "Worldwide Governance Indicators 2016"; Transparency International, "Corruption Perceptions Index 2016"; *Asian Intelligence*, No. 944, March 30, 2016, p. 1; and Schwab (Ed.), *The Global Competitiveness Report 2016-2017*, p. 225.

Table 12 confirms that corruption is still a serious problem in South Korea according to the eight indicators in 2016, including the CPI and PERC corruption survey in 2016. Its percentile rank for the World Bank's Control of Corruption indicator is 66.8 and its ranking for the other five indicators range from 52nd among 138 countries for Irregular Payments and Bribes to 98th among 138 countries for Ethical Behavior of Firms in 2016.

South Korea's failure to curb corruption effectively can be attributed to its government's weak political will, the low risk of detecting and punishing corruption offenses, and the population's tolerance for corrupt practices like gift-giving and paying *chonji* or bribe money. The South Korean government's weak political will in curbing corruption is reflected in the creation of the Korea Independent Commission Against Corruption (KICAC) on January 25, 2002 and its replacement by the Anti-Corruption and Civil Rights Commission (ACRC) on February 29, 2008.

Originally, the draft legislation initiated by the People's Solidarity for Participatory Democracy and supported by other civil society organizations proposed the establishment of the KICAC based on Hong Kong's ICAC. The KICAC's formation met with stiff resistance in the National Assembly and was also opposed by the Public Prosecutor's Office (PPO) and the National Police Agency (NPA) because both agencies wanted to perform the anti-corruption function themselves.¹⁴¹ However, the lack of freedom of the PPO and NPA from the president's influence has hindered "neutral law enforcement."¹⁴² Consequently, the Anti-Corruption Act's enactment on July 24, 2001 resulted in the KICAC's formation as a "poor cousin" of the ICAC because it could not investigate corruption cases.¹⁴³

The KICAC's inability to investigate corruption cases was its Achilles' heel and meant that it was not a full-fledged Type A ACA because it could not perform the primary function of investigating

141. *Ibid.*, p. 330.

142. Jin-Wook Choi, "Anti-Corruption and Governance," in Ambar Widaningrum and Jin Park (Eds.), *Governance and Reform in Indonesia and Korea: A Comparative Perspective* (Yogyakarta: Gadjah Mada University Press, 2011), p. 43.

143. Jon S.T. Quah, "Defying Institutional Failure: Learning from the Experiences of Anti-Corruption Agencies in Four Asian Countries," *Crime, Law and Social Change*, 53 (1) (2010): 41-42.

corruption cases and focused instead on the other functions of corruption prevention and education. The KICAC was only responsible for dealing with public sector corruption but not private sector corruption. Its anti-corruption functions were further diluted by President LEE Myung-bak when he merged the KICAC with the Ombudsman and Administrative Appeals Commission in February 2008 to form the ACRC in order to enhance their effectiveness.¹⁴⁴ However, the ACRC's creation, which resulted from the merger of three agencies with "weak functional relevancy and coherence," has blurred its anti-corruption role.¹⁴⁵

The ACRC has also inherited the KICAC's weaknesses because it cannot investigate corruption cases and focuses only on public sector corruption. Its stated objective was to improve its effectiveness. However, the unintended (or intended?) consequence of the KICAC's merger with the Ombudsman and Administrative Appeals Commission is the dilution of the emphasis given by the previous governments to combating corruption by according lower priority to this objective. The ACRC's establishment by President Lee reflected his weak political will in combating corruption as Table 13 confirms the marginal increase in the ACRC's per capita expenditure from US\$0.97 to US\$1.15 during 2008-2014 and its highly unfavorable staff-population ratios during the same period.

Table 13: ACRC's Budget and Personnel, 2008-2014

ACRC	2008	2010	2012	2014
Budget (in millions)	US\$47.6	US\$51.05	US\$55.1	US\$58.3
Personnel	466	466	465	465
Per capita expenditure	US\$0.97	US\$1.03	US\$1.10	US\$1.15
Staff-population ratio	1:105,021	1:106,030	1:107,527	1:108,430

Source: Compiled and calculated by the author from the ACRC's budget and personnel.

Corruption flourishes in those countries where it is perceived as a "low risk, high reward" activity because offenders are unlikely to be caught and punished. On the other hand, corruption is not a serious problem where it is perceived as a "high risk, low reward" activity as those involved in corrupt activities are likely to be caught and severely

144. Quah, *Curbing Corruption in Asian Countries*, p. 334.

145. Jin-Wook Choi, "Institutional Structures and Effectiveness of Anti-Corruption Agencies: A Comparative Analysis of South Korea and Hong Kong," *Asian Journal of Political Science*, 17 (2) (2009): 209.

punished.¹⁴⁶ Corruption in South Korea is a “low risk, high reward” activity because of the lenient punishment received by those found guilty of corruption offenses. The ACRC’s 2008 Corruption Perceptions Survey found that “lenient punishment for corruption” was identified as an important cause of corruption in South Korea by 24.1 percent of citizens, 21 percent of opinion leaders, 18 percent of business persons, 14.5 percent of foreign residents, and 12.9 percent of public servants.¹⁴⁷

Table 14: Punishment of South Korean Public Officials for Corruption Offenses, 1993-2004

Type of Case	Guilty Verdict	Served actual prison sentence	Suspended Sentences
Corruption case	131	41 (31.3%)	90 (68.7%)
Aggravated crimes below 50 m. won	62	13 (21.0%)	49 (79.0%)
Aggravated crimes over 50 m. won	35	17 (48.6%)	18 (51.4%)
Aggravated crimes total	97	30 (31.0%)	67 (69.0%)

Source: Joongi Kim, “The Judiciary’s Role in Good Governance in Korea,” in M. Ramesh and Scott Fritzen (Eds.), *Transforming Asian Governance: Rethinking Assumptions, Challenging Practices* (London: Routledge, 2009), p. 147.

According to the law, those persons found guilty of accepting bribes exceeding 50 million won (US\$50,000) would be imprisoned for longer than 10 years, while those who had accepted bribes between 10 million won and 50 million won (US\$10,000 to US\$50,000) would be jailed for more than five years. However, in reality, the courts are unusually lenient and do not impose the stricter sentences required by the law. Table 14 shows that for the 35 guilty public officials who accepted bribes exceeding 50 million won, only 17 (48.6 percent) were imprisoned and 18 (51.4 percent) received suspended sentences. Thus, more than half of the public officials found guilty of grand corruption were not punished for their misconduct.

The second reason why corruption is also a “low risk, high reward” activity in South Korea is that those found guilty of corruption offenses are not punished severely as they can be pardoned by the president. Former President CHUN Doo-hwan was sentenced by the Seoul district court in

146. Quah, *Curbing Corruption in Asian Countries*, p. 18.

147. ACRC, *Anti-Corruption Annual Report 2008* (Seoul: ACRC, 2009), p. 21.

August 1996 to death for mutiny, treason and corruption. His successor, former President ROH Tae-woo, was sentenced to 22.5 years' imprisonment on similar charges. Both Chun and Roh were fined US\$270 million and US\$350 million, respectively. However, in December 1997, President KIM Young-sam granted amnesty to both of them after serving only 16 months in jail.¹⁴⁸

President LEE Myung-bak granted special pardons on January 29, 2013 to 55 persons who were imprisoned for bribery. Among those pardoned were Lee's confidant and former minister, CHOI Se-joong; his friend and businessman, CHUN Shin-il; former parliamentary speaker, PARK Hee-tae; and his former political affairs aide. This latest round was the seventh time that Lee exercised his right to pardon guilty offenders during his term of office.¹⁴⁹ Consequently, he was criticized for "using pardons to let off friends and family at the end of one's presidency [which] is more than shameless – it is a deliberate insult to the Korean people."¹⁵⁰

Culture contributes to corruption when traditional practices like gift-giving and family ties influence individuals to give or receive bribes, and make them tolerate corrupt practices. The ACRC's 2008 Corruption Perceptions Survey also found that the "social culture tolerant of corruption" was identified as another important cause of corruption by 34.5 percent of foreign residents, 28.4 percent of opinion leaders, 25 percent of business persons, 23 percent of citizens and 19.6 percent of public servants.¹⁵¹ In South Korea, gift-giving contributes to corruption because an expensive gift is a bribe if it is given to an important individual in order to receive a favor. *Chonji* is a way of life in South Korea as mothers give *chonji* to teachers to ensure that their children do well at school, young lecturers get jobs at colleges by paying *chonji*, and drivers pay *chonji* to avoid speeding tickets. Small businesses give *chonji* frequently to those civil servants demanding money in exchange for every stage of administrative action related to their trade.¹⁵² Rich persons and large companies also pay *chonji* for the services and cooperation provided by civil servants.

This "deeply entrenched custom" is practised by government ministers and agencies that pay *chonji* to journalists and editors for

148. Quah, *Curbing Corruption in Asian Countries*, p. 324.

149. "South Korean leader pardons ex-aides," *Straits Times*, January 30, 2013.

150. C.H. Ahn, "President Lee's corrupt relatives and associates could be pardoned," *Hanykoreh*, January 10, 2013.

151. ACRC, *Anti-Corruption Annual Report 2008*, p. 21.

152. B.S. Kim, "Corruption and Anti-Corruption Policies in Korea," *Korea Journal*, 38 (1) (1998): 53.

favorable coverage of their activities. The “*chonji* system makes the various government offices hostage to the reporters who cover them” because reporters write critical articles about government officials if they “fail to hand over acceptable amounts.” Press coverage of scandals committed by public officials is “frequently linked to the failure of officials to hand over enough *chonji* to ensure a cover-up.” Senior executives of major corporations usually pay reporters *chonji* of one million won for a favorable interview.¹⁵³

As South Korean business persons, politicians and senior government officials frequently host dinner banquets, give expensive presents during holidays, and make cash donations at weddings and funerals, these practices reinforce the culture of collusion and pose serious corruption risks because it is difficult to distinguish gifts from bribes. After many years of debate, the National Assembly passed the Improper Solicitation and Graft Act on March 3, 2015, which would imprison those journalists, teachers and civil servants for up to three years for accepting single cash donations or gifts worth more than one million won.¹⁵⁴

On May 9, 2016 the ACRC announced that the Improper Solicitation and Graft Act would be implemented on September 28, 2016. This law prohibits the acceptance of a gift worth 50,000 won (US\$42.85) or receiving more than 100,000 won (US\$85.70) in cash for a wedding or funeral; the acceptance of a gift worth more than one million won (US\$857) or accumulated gifts worth more than three million won (US\$2,571) a year; and public officials, journalists and teachers from being treated to a meal by their job-related contacts if the meal costs more than 30,000 won (US\$25.71).¹⁵⁵ However, critics of this law contend that the “tough limits on accepting meals and gifts” may have adverse effects on the economy.¹⁵⁶ Nevertheless, the enactment of the Improper Solicitation and Graft Act in March 2015 and its implementation in September 2016 would reduce the South Koreans’ tolerance for corrupt practices if the new gift-giving regulations are enforced impartially by the public agencies.

Corruption can be minimized if South Koreans abhor corruption and do not tolerate corrupt practices by anyone. This means that no one is above the law and anyone found guilty of corruption offenses is punished

153. Boye Lafayette de Mente, *Korean Etiquette and Ethics in Business*, 2nd edition (Lincolnwood, IL: NTC Business Books, 1994), p. 30.

154. “South Korea passes anti-graft law,” *Straits Times*, March 5, 2015, p. A13.

155. M.J. Ser, “Graft law targets monetary gifts,” *Korea JoongAng Daily*, May 10, 2016.

156. “Backlash against S. Korea’s strict anti-corruption law,” *Straits Times*, May 28, 2016, p. A26.

according to the law, without special treatment or amnesty granted by the president. If corrupt leaders and public officials are leniently punished for committing corrupt acts and pardoned by the president, it would be difficult to encourage South Koreans to avoid corruption if these corrupt individuals are not punished severely for their misconduct.

On August 25, 2017, LEE Jae-yong, Vice-Chairman of Samsung Electronics, was sentenced to five years' jail for bribing then President PARK Geun-hye to ensure Lee's control of the *chaebol* that owns his company.¹⁵⁷ Lee's imprisonment indicates that Samsung is no longer "untouchable" and that South Koreans would no longer provide business leaders "political immunity in exchange for untrammelled economic growth."¹⁵⁸ However, it remains to be seen whether President MOON Jae-inn, who was elected on May 9, 2017, has the political will to keep his electoral promise to end the practice of pardoning those corporate tycoons who are found guilty of corruption offenses.

IV. COMBATING CORRUPTION WITH MANY ANTI-CORRUPTION AGENCIES

"Too many cooks spoil the broth."

English idiom¹⁵⁹

Among the 13 barriers to coordination identified by Peters, "defending the organization's 'turf'" or "the things that the organization holds dear and may perceive as threatened by other organizations, such as money, space, and time"¹⁶⁰ is perhaps the most important reason for the competition and lack of coordination among the multiple ACAs in China, India, and Philippines. This section explains why the reliance on multiple ACAs in these three countries is ineffective in curbing corruption. Table 15 provides details of the ACAs in the three countries.

157. "Samsung heir Lee Jae-yong sentenced to 5 years' jail for bribery," *Channel NewsAsia*, August 25, 2017.

158. Choe Sang-Hun, Jeyup S. Kwaak and Paul Mozur, "Samsung verdict sends a tough new message to South Korea Inc.," *New York Times*, August 25, 2017.

159. The meaning of this idiom is: "where there are too many people trying to do something, they make a mess of it." See "Idiom: Too many cooks spoil the broth" at: <https://www.usingenglish.com/reference/idioms/too+many+cooks+spoil+the+broth.html> (accessed May 26, 2017).

160. B. Guy Peters, *Pursuing Horizontal Management: The Politics of Public Sector Coordination* (Lawrence, KS: University Press of Kansas, 2015), p. 32.

Table 15: Reliance on Multiple ACAs in Three Asian Countries

Country	Anti-Corruption Agencies
China	Central Commission for Discipline Inspection (lead ACA), Ministry of Supervision, Supreme People's Procuratorate, National Corruption Prevention Bureau
India	Central Bureau of Investigation (lead ACA), Central Vigilance Commission, Anti-Corruption Bureaus and State Vigilance Commissions in 28 States
Philippines	Office of the Ombudsman (lead ACA), <i>Sandiganbayan</i> (Special Anti-Graft Court), Presidential Commission on Good Government, Inter-Agency Anti-Corruption Coordinating Council, Office of the Deputy Secretary for Legal Affairs

Source: Compiled by the author.

A. China's Flawed ACAs

Table 16 shows that China has a high level of perceived extent of corruption according to eight corruption indicators in 2016. While China's score on the PERC survey has worsened from 7.3 in 1995 to 7.5 in 2016, its CPI score has increased from 21.6 to 40 during the same period.¹⁶¹ However, corruption remains an intractable and "maddingly resilient" problem in China today in spite of its reliance on multiple ACAs and anti-corruption campaigns.¹⁶²

Table 16: China's Performance on Corruption Indicators, 2016

Indicator	China's Performance
Control of Corruption	-0.3 (49.0)
Corruption Perceptions Index	79 th /176 (40/100)
PERC Corruption Survey	11 th /16 (7.5/10)
Diversion of Public Funds	44 th /138 (4.1/7)
Irregular Payments and Bribes	54 th /138 (4.3/7)
Organized Crime	78 th /138 (4.7/7)
Ethical Behavior of Firms	52 nd /138 (4.1/7)
Public Trust in Politicians	30 th /138 (4.2/7)

Sources: World Bank, "Worldwide Governance Indicators 2016"; Transparency International, "Corruption Perceptions Index 2016"; *Asian Intelligence*, No. 944, March 30, 2016, p. 1; and Schwab (Ed.), *The Global Competitiveness Report 2016-2017*, p. 147.

161. Jon S.T. Quah, "Singapore's Success in Combating Corruption: Four Lessons for China," *American Journal of Chinese Studies*, 23 (2) (2016): 196.

162. Robert Lawrence Kuhn, *How China's Leaders Think: The Inside Story of China's Past, Current and Future Leaders*, Revised edition (Singapore: John Wiley & Sons Asia, 2011), p. 180.

1. *Reliance on Multiple ACAs*

As the four ACAs in China employ a sectoral approach in investigating corruption, the Central Commission for Discipline Inspection (CCDI), which is the lead ACA, and the Discipline Inspection Commissions (DICs) are responsible for disciplining those members of the Chinese Communist Party (CCP) accused of corruption offenses. Those found guilty of disciplinary offenses, including corruption, are punished according to the severity of their offenses.¹⁶³ However, the CCDI was criticized for protecting party cadres who were under investigation by shielding them in “a safe nest” and exempting them from criminal punishment.¹⁶⁴ Among the 115,143 CCP members disciplined during 1992-2006, 44,836 (38.9 percent) were warned, and 32,289 (28 percent) of them were given a serious warning. Thus, two-thirds of those party members who were disciplined “got away with only a mild to serious warning that appeared to have no real punitive consequences.”¹⁶⁵

The CCP has treated its corrupt members leniently because of the political tradition of not imposing them with the legal penalty to avoid embarrassing the CCP and government and prevent the erosion of official authority. Thus, instead of punishing high-ranking officials, which is shameful and threatens the authority of the CCP and government, the preferred option is to rely on “internal resolution.” Not surprisingly, corrupt party officials believe that they would unlikely be caught and punished.¹⁶⁶

As not all party officials who are suspected of corruption and investigated in China are convicted, there are three reasons why some corrupt officials are punished less severely. First, those corrupt officials who are cooperative, make voluntary confessions, provide information on other corrupt officials, and return illegal income to the government, are punished less severely. Second, some corrupt officials receive less harsh punishment depending on the definition of the amount of money

163. These punishments include a warning, serious warning, demotion from duty, expulsion from the CCP with a two-year probation period, or expulsion from the CCP and transfer to the judicial system for those accused of accepting bribes exceeding 5,000 yuan. See Flora Sapio, *Implementing Anti-Corruption in the PRC: Patterns of Selectivity* (Lund: Center for East and Southeast Asian Studies, Lund University, Working Paper No. 10, 2005), pp. 8 and 10.

164. *Ibid.*, pp. 8-9.

165. Minxin Pei, “Fighting Corruption: A Difficult Challenge for Chinese Leaders,” in Cheng Li (Ed.), *China’s Changing Political Landscape: Prospects for Democracy* (Washington, DC: Brookings Institution Press, 2008), pp. 230-232.

166. Lening Zhang, “White-Collar Crime: Bribery and Corruption in China,” in Jianhong Liu, Lening Zhang and Steven F. Messner (Eds.), *Crime and Social Control in China* (Westport, CT: Greenwood Press, 2001), pp. 28 and 33.

embezzled or bribes received. Third, when there are too many corrupt officials, only seriously corrupt officials are punished but the less corrupt officials are exempted from punishment in order to avoid paralyzing the operations of the city or local government. Indeed, “when the number of corrupt agents becomes too high, curbing corruption becomes too difficult, if not impossible.”¹⁶⁷ The inconsistencies in investigating and punishing corrupt officials at both the central and local levels in China have undermined the credibility of the disciplinary agencies and encouraged the belief among the officials that they would unlikely be punished for corruption offenses.¹⁶⁸

The Ministry of Supervision (MOS) was dissolved in 1959 but was restored by the Standing Committee of the 6th National People’s Congress in December 1986 to curb corruption in the civil service.¹⁶⁹ It is responsible for checking “all contracts signed with foreign interests for any indications of ‘corruption’—from failure to provide for compensation within legal limits to undercover arrangements that amount to bribery.”¹⁷⁰ The MOS also receives and investigates complaints about civil servants and personnel of state administrative departments violating administrative procedures. The CCDI and MOS have their counterparts at the provincial, municipal and county levels. As most civil servants are also CCP members, the MOS and CCDI merged in January 1993 after working together for six years. Nevertheless, both ACAs have retained their separate organizational identities, with the MOS being responsible for the control of administrative punishment in State Council organs and the CCDI focusing instead on the punishment of the CCP members.¹⁷¹

The Supreme People’s Procuratorate (SPP) was re-established in 1978 to combat judicial corruption. Anti-corruption efforts in the SPP were institutionalized after the Tiananmen anti-corruption and democracy movement in 1989 with the establishment of the Procuratorial Division of Graft and Bribery, the Bureau for Embezzlement and Bribery of the People’s Procuratorate, and the General Bureau of Anti-Corruption.¹⁷² In December 1995, the SPP further strengthened its capacity by creating an

167. Yongshun Cai, *State and Agents in China: Disciplining Government Officials* (Stanford, CA: Stanford University Press, 2015), pp. 130-131.

168. *Ibid.*, p. 133.

169. Stephen K. Ma, “The Dual Nature of Anti-Corruption Agencies in China,” *Crime, Law and Social Change*, 49 (2) (March 2008): 154.

170. Boye Lafayette De Mente, *The Chinese Way in Business: The Secrets of Successful Business Dealings in China* (Tokyo: Tuttle Publishing, 2013), p. 99.

171. David Shambaugh, *China’s Communist Party: Atrophy and Adaptation* (Washington, DC: Woodrow Wilson Center Press, 2008), pp. 132-133.

172. Ma, “The Dual Nature of Anti-Corruption Agencies in China,” 154.

Anti-Corruption and Anti-Bribery General Office and similar offices at the provincial level in 28 provincial procuratorates and at the municipal level in nearly 300 municipal procuratorates.¹⁷³

Unlike the CCDI, MOS and SPP, which focus on the investigation and prosecution of corruption offenses among public officials, the National Corruption Prevention Bureau (NCPB) was formed on September 13, 2007 as China's fourth ACA to implement preventive measures, monitor the transfer of assets across the organizations, facilitate and promote information sharing between agencies, and police corrupt practices among private enterprises, social organizations, and nongovernmental organizations. This means that the NCPB focuses on corruption prevention and private sector corruption, which are not dealt with by the CCDI, SPP and MOS. The NCPB is located within the MOS and consists of 30 personnel drawn from the MOJ, the Supreme People's Court and the SPP.¹⁷⁴

The CCDI, MOS and SPP are ineffective ACAs because the "limited coordination between the three agencies, a lack of timely, actionable information, and narrow oversight capabilities all hinder anti-corruption work."¹⁷⁵ However, the NCPB cannot enhance coordination and facilitate cooperation among the ACAs in China because apart from its limited independence and minimal enforcement capabilities, its creation has increased complexity instead of improving coordination. The NCPB is in "a highly untenable position" because it lacks the power to enforce its mandate of coordinating the work of the ACAs.¹⁷⁶ The NCPB's creation is "symbolic" as it cannot investigate individual cases of corruption.¹⁷⁷

2. *Reliance on Anti-Corruption Campaigns*

Apart from relying on the four ACAs to implement the anti-corruption laws and regulations, the CCP also employs anti-corruption campaigns to enhance their enforcement. In China, a mass campaign is "a series of organized, planned actions for a particular purpose, usually

173. Jon S.T. Quah, *Hunting the Corrupt "Tigers" and "Flies" in China: An Evaluation of Xi Jinping's Anti-Corruption Campaign (November 2012 to March 2015)* (Baltimore, MD: Carey School of Law, University of Maryland, 2015), p. 27.

174. Jeffrey Becker, "Tackling Corruption at its Source: The National Corruption Prevention Bureau," *Journal of Chinese Political Science*, 13 (3) (2008): 291.

175. *Ibid.*, 287.

176. *Ibid.*, 297-299.

177. Chen Gang and Zhu Jinjing, "China's Recent Clampdown on High-Stakes Corruption," *EAI Background Brief*, No. 490 (Singapore: East Asian Institute, National University of Singapore, November 19, 2009), p. 13.

involving the mobilization of a large number of people to engage in highly visible, intensive, and concentrated activities.”¹⁷⁸ The anti-corruption campaigns in China during the 1980s and 1990s were anti-corruption struggles (*fan fubai douzheng*) characterized by enhanced publicity to encourage the public to report corruption and corrupt officials to confess their misconduct, and the demand by the political leaders to increase the enforcement of the anti-corruption measures.¹⁷⁹

In November 2012, President XI Jinping launched the most intensive anti-corruption campaign to eliminate the “tigers and flies” or those senior and junior officials who had become rich through bribery and patronage. This campaign focuses on these aspects: (1) grassroots level where whistle-blowers and netizens use social media to expose low-ranking corrupt officials; (2) corrupt officials below the county and department levels; (3) private sector corruption; and (4) corruption as a weapon in factional infighting among the CCP leaders.¹⁸⁰ More importantly, Xi’s campaign curbs the Chinese officials’ extravagance on the three public expenses on vehicles, banquets, and overseas trips or *sangong xiaofei*, which has generated a great deal of public criticism. The “Eight Directives” (*baxiang guiding*) to streamline the bureaucracy and curb waste and extravagance were approved by the CCP Politburo on December 4, 2012 and implemented in the provinces and municipalities from January 2013.¹⁸¹

Xi’s anti-corruption campaign also relies on inspection teams (*xunshizu*) which are sent across China to investigate corruption in corruption-prone provinces, ministries, state corporations and public agencies. The CCDI sent 20 inspection teams across the country in 2013, followed by another 26 inspection teams in 2014.¹⁸² In addition, the CCDI has stationed 53 DICs in 48 leadership bodies among the ministries and agencies of the State Council, the Supreme People’s Court, the SPP, and

178. Alan P.L. Liu, “Mass Campaigns and Political Development in China,” *Current Scene*, 11 (8) (August 1973): 1.

179. Melanie Manion, *Corruption by Design: Building Clean Government in Mainland China and Hong Kong* (Cambridge, MA: Harvard University Press, 2004), p. 161.

180. Andrew Wedeman, “Xi Jinping’s Tiger Hunt and the Politics of Corruption” *China Research*, 13 (2) (October 15, 2014): 204.

181. Shi Jiangtao, “Xi Jinping’s guidelines to cut back extravagance go into effect,” *South China Morning Post*, January 4, 2013.

182. Chen Gang, “The ‘Tigers’ in Xi Jinping’s Anti-Corruption Campaign,” *EAI Background Brief*, No. 933 (Singapore: East Asian Institute, National University of Singapore, June 30, 2014), p. 9 and Chen Gang, “Wang Qishan and China’s Central Commission for Discipline Inspection,” *EAI Background Brief*, No. 1012 (Singapore: East Asian Institute, National University of Singapore, April 2, 2015), pp. 16-17.

major state-owned enterprises.¹⁸³ The campaign has resulted in the investigation of 74 civilian “tigers” or officials of vice-ministerial rank or above and 30 military “tigers” in the People’s Liberation Army (PLA) from November 2012 to May 2015.¹⁸⁴ Furthermore, over 180,000 CCP members and government officials, 74 provincial level officials, 4,024 PLA officers (including 82 generals), and 68 ministerial and vice-ministerial officials were investigated and punished during 2013-2014.¹⁸⁵

However, in spite of the large numbers of party members and government officials being investigated and punished for corruption offenses, Xi’s anti-corruption campaign is ineffective for three reasons. First, the Achilles’ heel of Xi’s campaign is that it has treated the symptoms of corruption instead of addressing its five causes in China. The campaign has focused only on discouraging the cultural practices of *guanxi* (connections) and gift-giving by curbing official extravagance on the three public expenses of cars, banquets, and overseas trips. In addition to the “Eight Directives”, the State Council issued on November 25, 2013 a regulation that banned all government agencies from using public funds to organize galas. This was followed by another regulation in December 2013 that removed shark’s fin soup, bird’s nest soup and wild animal products from the menu and prohibited the provision of free cigarettes and expensive liquor at official dinners.¹⁸⁶ Xi himself set an example by having a simple dinner of “four dishes and a soup” during his official visit to Fuping county in Hebei Province in late December 2012.¹⁸⁷ The State Council circulated on December 18, 2013 guidelines for “funeral and internment reform” to ensure that CCP members and officials set an example for others by having “simple, civilized funerals without monumental gravestones, fireworks and the practice of collecting gifts (bribes).”¹⁸⁸

This means that the other four causes of low salaries of officials, red tape, low probability of detection and punishment of corruption offenders, and discretion of local officials without accountability, are not addressed

183. Cheng Li, *Chinese Politics in the Xi Jinping Era: Reassessing Collective Leadership* (Washington, DC: Brookings Institution Press, 2016), p. 48.

184. Quah, *Hunting the Corrupt “Tigers” and “Flies” in China*, pp. 41-54.

185. David Shambaugh, *China’s Future* (Cambridge, UK: Polity Press, 2016), p. 119.

186. J.T. Quigley, “No more Shark’s Fin Soup and Bird’s Nest Soup at CCP Banquets,” *The Diplomat*, December 9, 2013.

187. Brian Spegele, “Xi eats plainly amid focus on official waistlines,” *Wall Street Journal*, December 31, 2012.

188. Christina Larson, “China’s anti-graft campaign bans luxury funerals,” *Bloomberg Business*, December 20, 2013.

by the CCP.¹⁸⁹ Corruption in China cannot be minimized unless the CCP also initiates appropriate measures to deal with these causes. This limitation of Xi's campaign was indicated by WANG Qishan, the CCDI's Secretary, in October 2014 when he admitted that "it's necessary to address the symptoms of corruption before treating its root causes."¹⁹⁰ Shambaugh also observes that Xi's campaign targets "the behavioral *manifestations* of corruption (bribery, private villas, lavish lifestyles, luxury goods, mistresses)" but "not the systemic *sources* of corruption (lack of transparency, lack of autonomous media, lack of autonomous judiciary, rent-seeking, slack auditing and tax systems, and lack of political competition)."¹⁹¹ In short, after almost five years, Xi's campaign is still focusing on the symptoms of corruption without treating the other four causes.

Second, Xi's anti-corruption campaign is ineffective because of the selective enforcement of the anti-corruption laws by the four ACAs. Unlike Singapore's CPIB, which has enforced the POCA impartially, the CCP enforces the anti-corruption laws selectively by protecting its corrupt members by handing them over to the CCDI to discipline them internally within the Party instead of transferring them to the SPP for criminal investigation and prosecution. However, not all the corrupt officials are protected by the CCP, especially those who are viewed to be political opponents by the CCP leaders. Xi's campaign is described as "a selective purge" because "many members of JIANG Zemin's factional network, and a rising number of HU Jintao's, have been brought down—yet none of Xi's own princeling associates have been touched."¹⁹² Thus, the acid test of the impartiality of Xi's anti-corruption campaign would be the investigation and prosecution of all "tigers and flies," regardless of their political affiliation or membership of factions within the CCP.

The third reason for the ineffectiveness of Xi's campaign is the CCP leaders' reliance on corruption as a weapon against their political opponents, as reflected in the persecution of CHEN Xitong, CHEN Liangyu, BO Xilai and ZHOU Yongkang from 1995 to 2014. These four party leaders were prosecuted not only for their corruption offenses but, more importantly, because they posed a threat to the consolidation of power of Presidents JIANG Zemin, HU Jintao and XI Jinping,

189. For an analysis of these causes, see Jon S.T. Quah, *Minimizing Corruption in China: Is this an Impossible Dream?* (Baltimore, MD: Carey School of Law, University of Law, University of Maryland, 2013), pp. 41-58.

190. Sun Xiaobo, "Institutionalizing anti-corruption a vital task," *Global Times*, October 19, 2014.

191. Shambaugh, *China's Future*, p. 120.

192. *Ibid.*, pp. 119-120.

respectively. China is not unique in using the CCDI as an attack dog against the CCP leaders' political foes because "the tendency to use corruption to settle political scores is widespread" in Cambodia, Indonesia, Malaysia and Vietnam too.¹⁹³

Thus, Xi's anti-corruption campaign is ineffective because it fails to address the causes of corruption, the CCDI enforces the anti-corruption laws selectively by protecting corrupt CCP members from criminal investigation and prosecution, and the CCP leaders use the CCDI as an attack dog against their political opponents. Even if President Xi continues his anti-corruption campaign until the end of his ten-year term of office in November 2022, the corrupt "tigers" and "flies" would resume business as usual the next day as though the campaign had not occurred at all because the incentives and opportunities for corruption persist in China and would prove to be irresistible to them once again. In short, "without tackling the underlying causes of corruption, no anti-corruption campaign, no matter how long it lasts or how intensive it is, can minimize the systemic corruption in China."¹⁹⁴

B. India's Ineffective ACAs

Unlike China, India is a democracy and was a former British colony. However, unlike Hong Kong and Singapore, India has not benefitted from the legacy of British colonial rule and has failed to curb corruption because of the lack of political will of its governments and their continued reliance on ineffective and poorly resourced Type B ACAs. The Central Bureau of Investigation (CBI) and the Central Vigilance Commission (CVC) are the most important ACAs in India, with the CBI as the lead ACA. As India is a sub-continent and the seventh largest country in the world with a land area of 3,287,263 sq. km,¹⁹⁵ the CBI and CVC rely on a vast network in the 28 states with their own anti-corruption bureaus (ACBs) and state vigilance commissions (SVCs) to deal, respectively, with anti-corruption and vigilance work, but the ACBs derive their powers of investigation from the Police Act because they are regular police units. The CBI has 16 zones and 60 branches, with each state having at least a branch or unit at the state capital or a major city. The SVCs are patterned after the CVC and

193. Dini Djalal, "Southeast Asia," in Robin Hodess (Ed.), *Global Corruption Report 2001* (Berlin: Transparency International, 2001), pp. 32-33.

194. Quah, *Hunting the Corrupt "Tigers" and "Flies" in China*, p. 96.

195. Economist, *Pocket World in Figures 2016 Edition*, pp. 14, 156.

are assisted by the ACBs in conducting investigations of corruption by public servants.¹⁹⁶

The high level of perceived extent of corruption in India is reflected in its weak performance on the eight indicators shown in Table 17. India's low percentile rank of 47.1 in 2016 for the control of corruption is confirmed by its 79th ranking among 176 countries on the CPI in 2016, and its last position on the 2016 PERC corruption survey. Similarly, the other five indicators in *The Global Competitiveness Report 2016-2017* show that there are high levels of diversion of public funds, irregular payments and bribes, and organized crime; and low levels of ethical behavior of firms, and public trust in politicians.

Table 17: India's Performance on Corruption Indicators, 2016

Indicator	India's Performance
Control of Corruption	-0.3 (47.1)
Corruption Perceptions Index	79 th /176 (40/100)
PERC Corruption Survey	16 th /16 (8.13/10)
Diversion of Public Funds	34 th /138 (4.5/7)
Irregular Payments and Bribes	49 th /138 (4.5/7)
Organized Crime	97 th /138 (4.3/7)
Ethical Behavior of Firms	37 th /138 (4.5/7)
Public Trust in Politicians	31 st /138 (4.2/7)

Sources: World Bank, "Worldwide Governance Indicators 2016"; Transparency International, "Corruption Perceptions Index 2016"; *Asian Intelligence*, No. 944, March 30, 2016, p. 1; and Schwab (Ed.), *The Global Competitiveness Report 2016-2017*, p. 203.

Corruption was made an offense in the Indian Penal Code in 1860 but India's battle against corruption only began with the creation of the Delhi Special Police Establishment (DSPE) in 1941 to "investigate cases of bribery and corruption in transactions" involving the War and Supply Departments because the tremendous increase in expenditure during the early stages of the Second World War provided many opportunities for corruption.¹⁹⁷ The CBI was established by the Government of India (GOI) in April 1963 by incorporating the DSPE as the Investigation and Anti-Corruption Division with five other divisions. The CBI performs these functions: (1) combating public sector corruption and curbing economic and violent crimes through investigation and prosecution; (2) ensuring "effective systems and procedures for successful investigation and prosecution of cases in various law courts"; (3) fighting cyber and high

196. Quah, *Curbing Corruption in Asian Countries*, p. 97.

197. *Ibid.*, pp. 92-93.

technology crime; (4) supporting state police organizations and law enforcement agencies regarding enquiries and investigation of cases; and (5) playing the lead role in combating national and transnational organized crime.¹⁹⁸

The CBI is a Type B ACA because it performs both anti-corruption and non-corruption-related functions as reflected in three of its divisions. The Anti-Corruption Division is responsible for investigating corruption and fraud cases committed by public servants working for the central government. The Economic Crimes Division investigates bank and financial frauds, import export and foreign exchange violations, large-scale smuggling of narcotics, antiques, cultural property, and smuggling of other contraband items. The Special Crimes Division deals with cases of terrorism, bomb blasts, sensational homicides, kidnapping for ransom and organized crime.¹⁹⁹

The CVC was formed in February 1964 on the recommendation of the Santhanam Committee to perform these four functions: (1) investigating improper transactions by public servants; (2) examining complaints of corruption, misconduct, lack of integrity or other malpractices committed by public servants; (3) supervising the vigilance and anti-corruption work of ministries, departments, and public enterprises by requesting and checking their reports on these activities; and (4) requesting the CBI to investigate a case or entrust the complaint, information or case for inquiry to the CBI, or to the ministry, department, or public enterprise concerned.²⁰⁰

India's high level of perceived corruption is also a reflection of the ineffectiveness of the CBI and CVC, which are afflicted with several weaknesses. The CBI's Achilles' heel is that it is a police agency because it derives its investigating powers from the DSPE Act of 1946. This means that, unlike Singapore's CPIB or Hong Kong's ICAC, the Government of India (GOI) has continued to employ the traditional British colonial government's method of relying on the police to curb corruption in India since 1963 even though this method is ineffective. As shown in Section III, the experiences of the CPIB and ICAC have exposed the folly of relying on the police to curb corruption when they are corrupt because the "golden rule" is that "the police cannot and should not be responsible for

198. CBI, *Annual Report 2014* (New Delhi: CBI, 2015), p. iii.

199. *Ibid.*, p. 4.

200. C.V. Narasimhan, "Prevention of Corruption: Towards Effective Enforcement," in S. Guhan and Samuel Paul (Eds.), *Corruption in India: Agenda for Action* (New Delhi: Vision Books, 1997), pp. 264-265.

investigating their own deviance and crimes.”²⁰¹ Unlike Singapore and Hong Kong, which have rejected the British colonial government’s method of relying on the police to curb corruption after 15 years and 26 years, respectively, the GOI has not learnt this important lesson after 54 years because it still relies on the CBI, which is a police agency, to fight corruption in the midst of rampant police corruption in India. This weakness is not surprising because “the greatest failing of India’s domestic political system is its inability or unwillingness to curb widespread corruption.”²⁰²

The CBI’s second weakness is that it is a Type B ACA that is responsible for the investigation and prosecution of corruption cases as well as other economic crimes and special crimes like terrorism and organized crime. After the Mumbai terrorist attacks in November 2008 and the current international concern with combating terrorism, it will be difficult for the CBI to focus exclusively on its anti-corruption functions because of the competing demands on its limited resources. This means that combating corruption is accorded much lower priority than fighting terrorism by the CBI. It should be noted that the CBI is not responsible for the other important functions of education, prevention and coordination of anti-corruption activities, which are neglected in India.

Third, the CBI is both under-staffed and poorly funded to perform its various functions effectively. Table 18 shows that while the CBI’s establishment has grown from 5,886 in 2003 to 7,274 in 2015, its actual strength varies from 4,623 in 2007 to 5,796 in 2013. This means that the number of vacancies ranges from 719 (12.1 percent) in 2009 to 1,693 (23.3 percent) in 2015. The CBI’s perennial inability to fill its many vacant positions during 2002-2015 reflects its serious staff shortage. B.R. Lall, a former CBI joint director, described the CBI as “a very small organization as compared to the quantum of crimes” committed in India and recommended the expansion of its personnel by 20 percent annually for the next decade.²⁰³ The CBI’s staff shortage is also not surprising and reflects the Indian state’s inadequate capacity to perform its essential functions because of “endemic shortfalls in human resources.”²⁰⁴

201. Maurice Punch, *Police Corruption, Deviance, Accountability and Reform in Policing* (London: Routledge, 2009), p. 245.

202. Michael R. Auslin, *The End of the Asian Century: War, Stagnation, and the Risks to the World’s most Dynamic Region* (New Haven, CT: Yale University Press, 2017), p. 118.

203. B.R. Lall, *Who Owns the CBI? The Naked Truth* (New Delhi: Manas Publications, 2007), pp. 230-231.

204. Milan Vaishnav, *When Crime Pays: Money and Muscle in Indian Politics* (New Haven, CT: Yale University Press, 2017), p. 43.

Table 18: Growth of CBI's Personnel, 2002-2015

Year	Establishment (100%)	Actual Strength	Vacant Positions
2002	5,920	4,908 (82.9%)	1,012 (17.1%)
2003	5,886	4,938 (83.9%)	948 (16.1%)
2004	5,891	4,811 (81.7%)	1,080 (18.3%)
2005	5,891	4,711 (80.0%)	1,180 (20.0%)
2006	5,959	4,652 (78.1%)	1,307 (21.9%)
2007	5,959	4,623 (77.6%)	1,336 (22.4%)
2008	5,960	4,874 (81.8%)	1,086 (18.2%)
2009	5,961	5,242 (87.9%)	719 (12.1%)
2010	6,526	5,147 (78.9%)	1,379 (21.1%)
2011	6,590	5,666 (86.0%)	924 (14.0%)
2012	6,586	5,755 (87.4%)	831 (12.6%)
2013	6,674	5,796 (86.8%)	878 (13.2%)
2014	6,676	5,676 (85.0%)	1,000 (15.0%)
2015	7,274	5,581 (76.7%)	1,693 (23.3%)

Sources: CBI, *Annual Reports 2004-2015* (New Delhi: CBI, 2005-2016), various pages and CVC, *Annual Report 2015* (New Delhi: CVC, 2016), p. 82.

Table 19: CBI's Budget and Personnel, 2005-2014

CBI	2005	2008	2014
Budget (in millions)	US\$30.3	US\$52.1	US\$65.5
Personnel	4,711	4,874	5,676
Per capita expenditure	US\$0.03	US\$0.04	US\$0.05
Staff-population ratio	1:234,217	1:243,373	1:228,206

Sources: Compiled by the author from the CBI's budget and personnel provided in its annual reports from 2005-2014.

Arising from the CBI's chronic staff shortage, it is not surprising that its staff-population ratio is unfavorable and ranges from 1:234,217 in 2005 to 1:228,206 in 2014. Table 19 indicates that even though the CBI's budget has grown from US\$30.3 million in 2005 to US\$65.5 million in 2014, its per capita expenditure has increased only marginally from US\$0.03 to US\$0.05 during the same period. The CBI's inadequate personnel and budget reflect the GOI's weak political will in curbing corruption in India.

The CBI's fourth limitation is that it cannot investigate corruption cases at the state level because the Constitution of India states that law and order come under the jurisdiction of the states. Section 5 of the DSPE Act of 1946 gives the CBI investigating powers and indicates that the central government can empower it to investigate the notified offenses in any state

with the consent of the government of that state.²⁰⁵ The CBI did not encounter any problem with that arrangement when the Congress Party was in power in the states and center during the post-independent period. However, with the Congress Party's decline in power, some state governments had withdrawn the consent given by their predecessors "whenever they felt that an investigation taken up by the CBI was politically embarrassing or uncomfortable for them." C.V. Narasimhan, a former CBI director, contends that the CBI's "unstable" status as an investigating agency within a state depends on the latter's mercy and is "a serious handicap" in developing a national network of anti-corruption investigating units.²⁰⁶

The CBI's fifth weakness is its lack of independence because it is "a nightmare" as an organization that serves "multiple masters" including the Ministry of Home Affairs for the appointment of the CBI director; the Ministry of Personnel, Training and Public Grievances for its budget; the Union Public Service Commission for the appointment of CBI senior officers above the rank of Superintendent of Police; the CVC, which supervises its investigation of corruption cases; and the Ministry of Law and Justice, which pays the salaries of its prosecutors.²⁰⁷ The CBI was perceived by the public as "a pliable tool of the ruling [Congress] party, and its investigations tend to become cover-up operations for the misdeeds of ministers."²⁰⁸ Madhav Godbole, a former senior civil servant in India, criticized the CBI for being used by the then Prime Minister Indira Gandhi as "an instrument of persecution" and for its "disgraceful" record of investigating corruption cases "involving the high, the mighty and the powerful."²⁰⁹ More recently, the former Central Vigilance Commissioner N. Vittal has criticized the CBI's lack of independence and credibility because it has become "a football between the party in power and the party in opposition" as the cases initiated by one regime are neutralized by the next.²¹⁰ A former CBI director, D.R. Karthikeyan, admitted that as the CBI was a government department, it was "expected to work as per the

205. Narasimhan, "Prevention of Corruption," p. 255.

206. *Ibid.*, p. 256.

207. Krishna K. Tummala, "Can India Combat Corruption?" in Jon S.T. Quah (Ed.), *Different Paths to Curbing Corruption: Lessons from Denmark, Finland, Hong Kong, New Zealand and Singapore* (Bingley, UK: Emerald Group Publishing, 2013), p. 174.

208. S.S. Gill, *The Pathology of Corruption* (New Delhi: HarperCollins Publishers India, 1998), p. 238.

209. Madhav Godbole, *The Changing Times: A Commentary on Current Affairs* (New Delhi: Orient Longman, 2000), p. 88.

210. N. Vittal, *Ending Corruption? How to Clean Up India* (New Delhi: Penguin Books India, 2012), pp. 132-134.

direction of its employer.”²¹¹ The harshest criticism was made by a Supreme Court Justice, R.M. Lodha, who denounced the CBI in May 2013 for being a “caged parrot” and “its master’s voice” and scolded the attorney-general for interfering in the CBI’s investigation of the “Coalgate” scandal involving alleged irregularities in the allocation of coalfield licenses to private companies.²¹²

The Supreme Court of India found that the CBI did not follow the proper procedure in investigating the Hawala scandal in 1991 because the alleged offenders were powerful persons.²¹³ Consequently, on December 18, 1997, it directed the transfer of the CBI’s supervision from the central government to the CVC, which became a statutory body responsible for supervising the CBI’s operations with the enactment of the CVC Act, 2003 on September 11, 2003.²¹⁴ The CVC supervises the CBI’s operations by conducting monthly meetings with the CBI director to review the progress and quality of the cases investigated. Furthermore, the CVC advises the disciplinary and other agencies in disciplinary cases involving vigilance at the investigation and inquiry stages. It also supervises the vigilance and anti-corruption work in the ministries and departments of the central government. The Chief Vigilance Officers (CVOs) in the ministries and departments provide advice on vigilance administration and the establishment of effective systems and procedures to remove systemic failures or loopholes. They submit monthly and annual reports to the CVC, which holds annual zonal meetings to review and monitor their performance.²¹⁵

Table 20: Complaints received and disposed by the CVC, 2010-2015

Year	Complaints received	Complaints disposed
2010	16,260	16,211
2011	16,929	17,238
2012	37,039	33,308
2013	31,432	33,284

211. *Ibid.*, p. 23.

212. Ross Colvin and Satarupa Bhattacharjya, “A ‘caged parrot’ - Supreme Court describes CBI,” *Reuters*, May 10, 2013.

213. The Hawala scandal involved the payment of US\$18 million to several politicians by four hawala brokers, including the Jain brothers. A “hawala” is an illegal transaction in foreign currency and an economic offense punishable under the Foreign Exchange Regulation Act, 1973. See N.K. Singh, *The Politics of Crime and Corruption: A former CBI officer speaks* (New Delhi: HarperCollins Publishers, 1999), p. 164.

214. CVC, *Annual Report 2008* (New Delhi: CBI, 2009), p. 1.

215. *Ibid.*, pp. 2 and 6.

2014	62,362	62,099
2015	29,838	30,789
Total	193,860	192,929

Sources: CVC, *Annual Report 2014* (New Delhi: CVC, 2015), pp. 23-24 and CVC, *Annual Report 2015* (New Delhi: CVC, 2016), p. 22.

The CVC consists of three Commissioners and 257 personnel (with 39 vacant positions) and also relies on 208 full-time CVOs and 500 part-time CVOs in various government departments in 2015.²¹⁶ The CVC and the internal vigilance machinery in the ministries and government departments are understaffed to handle its heavy workload, as reflected in the complaints and vigilance cases received and disposed by the CVC from 2010-2015. Table 20 shows that the CVC has received 193,860 complaints and disposed of 192,929 complaints during this period. Similarly, Table 21 confirms that the CVC has received 31,698 vigilance cases and disposed of 31,855 of these cases during 2010-2015.

Table 21: Vigilance cases received and disposed by the CVC, 2010-2015

Year	Cases received	Cases disposed
2010	5,327	5,522
2011	5,573	5,341
2012	5,528	5,720
2013	5,423	4,801
2014	5,492	5,867
2015	4,355	4,604
Total	31,698	31,855

Sources: CVC, *Annual Report 2014*, p. 14 and CVC, *Annual Report 2015*, p. 14.

Apart from its severe staff shortage, the other limitation of the CVC is that it is an advisory body that relies on other public agencies to investigate the complaints of misconduct by civil servants it receives. Consequently, given the CVC's limited budget and personnel, it has no alternative but "to continue to rely on vigilance divisions in government organizations and public sector units, which remain weak."²¹⁷

216. CVC, *Annual Report 2015* (New Delhi: CVC, 2016), pp. vii, 98.

217. Vikram Menon, "Anti-Corruption in India: Issues and Strategies," in Vikram K. Chand (Ed.), *Reinventing Public Service Delivery in India: Selected Case Studies* (New Delhi: Sage Publications, 2006), p. 339.

C. Philippines' Competing ACAs

President Elpidio Quirino established the Integrity Board on May 25, 1950 to investigate complaints of corruption against civil servants in the Philippines. However, it was short-lived and dissolved in November 1950 because of the lack of public support.²¹⁸ During the next 51 years, 18 ACAs were created by the various presidents, culminating in the formation by President Gloria Macapagal-Arroyo of the Presidential Anti-Graft Commission (PAGC) and the Governance Advisory Council in April and July 2001, respectively.²¹⁹ Today, the Philippines has five ACAs: the OMB (the lead ACA); the *Sandiganbayan* (Special Anti-Graft Court); the Presidential Commission on Good Government (PCGG); the Inter-Agency Anti-Graft Coordinating Council (IACC); and the Office of the Deputy Secretary for Legal Affairs, which assumed the PAGC's functions after its dissolution in November 2010 by President Benigno S. Aquino III.²²⁰ However, in spite of the efforts of these five ACAs, corruption remains a serious problem in the Philippines judging from its performance on eight indicators in 2016, as shown in Table 22. While the CPI score of the Philippines has increased from 2.77/10 in 1995 to 35/100 in 2016, it is still ranked 101st among 176 countries in 2016. The Philippines' score on the PERC corruption survey has increased from 6.60 to 7.05, indicating that the problem of corruption has deteriorated during 1995-2016.

Table 22: Philippines' Performance on Corruption Indicators, 2016

Indicator	Philippines' Performance
Control of Corruption	-0.5 (34.1)
Corruption Perceptions Index	101 st /176 (35/100)
PERC Corruption Survey	10 th /16 (7.05/10)
Diversion of Public Funds	102 nd /138 (2.9/7)
Irregular Payments and Bribes	105 th /138 (3.2/7)
Organized Crime	89 th /138 (4.3/7)
Ethical Behavior of Firms	71 st /138 (3.8/7)
Public Trust in Politicians	99 th /138 (2.4/7)

Sources: World Bank, "Worldwide Governance Indicators 2016"; Transparency International, "Corruption Perceptions Index 2016"; *Asian Intelligence*, No. 944, March 30, 2016, p. 1; and Schwab (Ed.), *The Global Competitiveness Report 2016-2017*, p. 297.

218. Quah, "Bureaucratic Corruption in the ASEAN Countries," 159.

219. Quah, *Curbing Corruption in Asian Countries*, p. 136.

220. Eric Vincent C. Batalla, "Treading the Straight and Righteous Path: Curbing Corruption in the Philippines," *Asian Education and Development Studies*, 4 (1) (2015): 55-56.

Corruption is widespread in the Philippines because the many ACAs have been ineffective during the past 67 years. There are two indicators of the weak political will of the many governments in the Philippines in combating corruption since 1950: (1) the inadequate human and financial resources allocated by the government to the OMB, as reflected in its high staff-population ratio and low per capita expenditure²²¹ and (2) the continued reliance by Filipino political leaders on ineffective multiple ACAs without making any improvements to enhance their effectiveness.

Table 23: OMB's Budget and Personnel, 2005-2014

OMB	2005	2008	2011	2013	2014
Budget (in millions)	US\$12.0	US\$19.6	US\$25.2	US\$37.5	US\$38.8
Personnel	957	1,007	1,193	1,211	1,214
Per capita expenditure	US\$0.15	US\$0.22	US\$0.26	US\$0.38	US\$0.39
Staff-population ratio	1:85,057	1:89,076	1:79,883	1:80,512	1:81,631

Sources: Compiled and calculated by the author from the OMB's budget and personnel provided in its annual reports from 2005-2014.

Table 23 shows that even though the OMB's personnel and budget have increased during 2005-2014, it is still severely under-staffed and under-funded because its staff-population ratio has fluctuated from 1:79,883 in 2011 to 1:89,076 in 2008 and its per capita expenditure has increased from US\$0.15 to US\$0.39 during 2005-2014. Former Ombudsman Simeon Marcelo concluded that the OMB was "designed to fail because of its crippling lack of resources" as he found that in 2004, the OMB's field investigator-bureaucracy ratio of 1:17,045 compared unfavorably with the ICAC's ratio of 1:208, and the ICAC's per capita expenditure of US\$12.43 exceeded the OMB's per capita expenditure of US\$0.10 by 116 times.²²² In 2014, there were 980 vacancies as the OMB had 1,214 personnel or 55.3 percent of its established strength of 2,194 positions.²²³

Apart from its limited budget and personnel, the OMB also lacks credibility as impeachment complaints were filed in 1996, 2001 and 2002

221. Jon S.T. Quah, "Benchmarking for Excellence: A Comparative Analysis of Seven Asian Anti-Corruption Agencies," *Asia Pacific Journal of Public Administration*, 31 (2) (December 2009): 182.

222. Simeon V. Marcelo, *Combating Corruption in the Philippines: Are we Plundering our Chances or Doing it Better?* (Quezon City: National College of Public Administration and Governance, University of the Philippines, Working Paper Series No. 2, 2005), pp. 1 and 3.

223. OMB, *Annual Report 2014* (Quezon City: OMB, 2015), p. 35.

against Ombudsman Aniano Desierto during his seven-year term for betraying the public trust. Even though these complaints were dismissed by congressmen, they have “sullied the already unsavoury reputation of the Ombudsman.”²²⁴ Hence, it is not surprising that the respondents in the 2009 Social Weather Stations Surveys of Enterprises on Corruption viewed the OMB negatively with a net sincerity rating of -8 percent.²²⁵ Ombudsman Mercedes Guterrez was criticized for focusing the OMB’s limited resources on investigating petty corruption instead of continuing her predecessor’s exposure of grand corruption cases. Consequently, the OMB was described as “the Street Ombudsman” because of its emphasis on investigating petty corruption cases.²²⁶ As Guterrez was a classmate of the First Gentleman, Miguel Arroyo, she was criticized for protecting the interests of President Gloria Macapagal-Arroyo, her husband, their friends and political allies. She was impeached by Congress on March 22, 2011 for not investigating the allegations against former President Macapagal-Arroyo and resigned as Ombudsman on May 5, 2011.²²⁷ The OMB’s net sincerity rating under the administration of President Benigno Aquino has declined from +39 percent in 2012 to +30 percent in 2016.²²⁸

The other two major ACAs—the Presidential Commission on Good Government (PCGG) and Inter-Agency Anti-Graft Coordinating Council (IACC)—are ineffective in curbing corruption for different reasons. The PCGG was formed by President Corazon Aquino in February 1986 to identify and retrieve the money stolen by the Marcos family and its cronies. It is not strictly speaking, an ACA because it is not involved in investigating corruption cases or in corruption prevention and education. Nevertheless, it has been a target for charges of corruption, favoritism and incompetence. By June 1988, five of its agents were charged with corruption and 13 agents were under investigation.²²⁹ Quintin Doromal,

224. Sheila S. Coronel and Lorna Kalaw-Tirol, *Investigating Corruption: A Do-It-Yourself Guide* (Quezon City: Philippine Center for Investigative Journalism, 2002), pp. 261-262.

225. Linda Luz B. Guerrero, Mahar Mangahas and Leo Rando S. Laroza, *The 2009 SWS Surveys of Enterprises on Corruption* (Quezon City: Social Weather Stations, 2010), p. 7.

226. “The Street Ombudsman,” *Newsbreak Online*, November 21, 2006.

227. M. Cayabyab, “PH Ombudsman behind other anti-corruption agencies in Asia,” *VERA Files*, May 10, 2011.

228. Social Weather Stations, “The 13th SWS Survey of Enterprises on Corruption: Marked Improvement in the Fight against Corruption in the last six years, but 2016 Survey shows some backsliding,” Manila, October 5, 2016, available at: <https://www.sws.org.ph/swsmain/artcldisppage/?artcsyscode=ART-20161005151549> (accessed June 19, 2017).

229. Jon S.T. Quah, “Comparing Anti-Corruption Measures in Asian Countries,” *Asian Review of Public Administration*, 11 (2) (1999): 81.

who was the PCGG Commissioner from April 1986 to October 1987, was charged for violating the Anti-Graft and Corrupt Practices Act (Republic Act No. 3019) on January 25, 1988. His successors, Ramon Diaz and Mary Concepcion Bautista, were also charged in 1989 for the same offense.²³⁰ In January 2013, the PCGG chair, Andreas Bautista, admitted that the accusations against the PCGG officials were “not without basis” because “they were the ones in charge of the chicken coop and some of them helped themselves to the eggs.”²³¹ By 2016, after 30 years, the PCGG had recovered only a total of US\$3.4 billion from Swiss bank deposits, shares, real estate, paintings and jewelry.²³² As the PCGG has failed to meet its objective of recovering fully the US\$10 billion stolen by Marcos and his family after 31 years, it has certainly outlived its usefulness and should be abolished without further delay.²³³

The IACC is a voluntary alliance of the OMB, Civil Service Commission (CSC), Commission of Audit (COA), PAGC and National Bureau of Investigation formed by their heads on June 11, 1997. The Department of Justice became the sixth member in 1998 and President Estrada officially recognised the IACC as part of his anti-corruption policy in August 1999.²³⁴ The IACC’s three functions are: (1) coordinating the activities of its members by sharing information, initiating the prevention, detection, investigation and prosecution of graft cases, and forming *ad hoc* inter-agency task forces to investigate major cases involving substantial losses of government resources; (2) conducting inter-agency skills training programs for the personnel of its members to enhance their skills in fraud detection, investigation, and prosecution of the offenders; and (3) promoting inter-agency conferences to enable the personnel of its members to exchange ideas and discuss common issues and problems.²³⁵

The IACC’s role is to enhance coordination among its member agencies but, “in reality, it is not active.”²³⁶ The IACC has only met twice, and the “slow progress in its revitalization” reflects the inability of its six

230. Asian Institute of Strategic Studies (AISS), *Grappling with Graft and Corruption* (Quezon City: AISS, 2003), pp. 143, 465.

231. “PCGG: Hunt for Marcos loot to end,” *Inquirer.net*, January 2, 2013.

232. “The Marcos family fortune,” *Straits Times*, August 31, 2017, p. A16.

233. Quah, “Evaluating the Effectiveness of Anti-Corruption Agencies in Five Asian Countries,” 154.

234. OMB, *Annual Report 2010* (Quezon City: OMB, 2011), pp. 26-27.

235. Sofronio B. Ursal, *Anti-Graft Guidebook* (Quezon City: Good Governance Books, 2006), pp. 222-223.

236. Eiji Oyamada, “President Gloria Macapagal-Arroyo’s Anti-Corruption Strategy in the Philippines,” *Asian Journal of Political Science*, 13 (1) (June 2005): 99.

member agencies to collaborate effectively among themselves.²³⁷ Alexander Rodriguez of the COA said that it was “almost impossible” to get the heads of the six member agencies to meet because of their hectic schedules.²³⁸ The former Ombudsman, Merceditas Gutierrez, “deactivated” the IACC by not convening it. Furthermore, instead of cooperating with the CSC, the OMB competed with it by also implementing the Oplan Red Plate program, which the OMB, COA, and CSC had earlier agreed under the Solana Covenant to be the CSC’s responsibility.²³⁹ The IACC’s inability to coordinate the activities of the ACAs is reflected in the UNODC’s Country Review Report of the Philippines, which has identified “inter-agency coordination and limited resources” as the major challenges faced by the OMB in investigating bribery and embezzlement cases.²⁴⁰ Like the PCGG, the IACC has clearly outlived its usefulness and should be disbanded without further delay.

The second manifestation of the Filipino political leaders’ weak political will in curbing corruption is their continued reliance on ineffective multiple ACAs in spite of their flaws. Like Afghanistan, China, India, Pakistan, Taiwan and Vietnam, the Philippines also adopted the strategy of relying on multiple ACAs instead of a single ACA. Quimson contends that the proliferation of ACAs in the Philippines has led to “duplication, layering and turf wars.”²⁴¹ Instead of coordinating their activities and cooperating with each other, these ACAs compete for recognition, personnel and resources because they are understaffed and poorly funded. Their overlapping jurisdictions diffuse anti-corruption

237. Ronald D. Holmes, “Combating Corruption in the Philippines: The Difficulty and Danger of Organizational Reform/Human Resource Development Initiatives.” in Ma Concepcion P. Alfiler and Eleanor E. Nicolas (Eds.), *Public Administration plus Governance: Assessing the Past, Addressing the Future* (Quezon City: National College of Public Administration, University of the Philippines, 2007), p. 181.

238. Coronel and Kalaw-Tirol, *Investigating Corruption*, p. 274.

239. Transparency and Accountability Network (TAN), *The Office of the Ombudsman: Is there Institutional Weakness?* PHDR Issue 2008/2009, No. 2, p. 5.

240. UNODC, *Country Review Report of the Philippines*, Review by Bangladesh and Egypt of the Implementation by the Philippines of Articles 15-42 of Chapter III, “Criminalization and Law Enforcement” and Articles 44-50 of Chapter IV, “International Cooperation,” of the UNCAC for the 2011-2012 review cycle, pp. 8, 35, Vienna, 2012, available at: <http://www.ombudsman.gov.ph/docs/uncac/Philippines%20Country%20Report.pdf> (accessed August 8, 2017).

241. Gabriella Quimson, *National Integrity Systems Transparency International Country Study Report: Philippines 2006* (Berlin: Transparency International, 2006), p. 30.

efforts, and result in “poor coordination in policy and program implementation, weak management and wastage of resources.”²⁴²

Why are new ACAs created by a new administration in the Philippines without evaluating the effectiveness of the existing ACAs? As the establishment of such ACAs is redundant, expensive and inefficient, Co *et al.* have advised that a new elected government should enhance existing anti-corruption measures instead of initiating new reforms.²⁴³ Unfortunately, President Rodrigo Duterte has ignored their wise advice and announced in his speech to 70 new presidential appointees on August 29, 2017 that he would establish a new PAGC to investigate corruption complaints in government. Apart from not justifying the creation of the PAGC, President Duterte also demanded unrealistically that the investigation of corruption complaints should not exceed more than a month.²⁴⁴ The continued reliance on the ineffective multiple ACAs during the past 67 years is an unequivocal manifestation of the Filipino political leaders’ lack of political will in combating corruption.

V. NINE LESSONS FOR POLICYMAKERS IN ASIAN COUNTRIES

Although the difficulties of applying lessons are numerous, the costs of ignorance are substantial too.

Richard Rose²⁴⁵

Table 24 provides a convenient summary of the analysis of the different levels of effectiveness of the ACAs in six Asian countries. Singapore, Hong Kong SAR and South Korea employ the third pattern of corruption control as they rely on the CPIB, ICAC and ACRC, respectively, to enforce the anti-corruption laws. By contrast, China, India and Philippines employ the second pattern of corruption control of relying on multiple ACAs, ranging from two ACAs in India, four ACAs in China and five ACAs in Philippines (see Table 15). From Table 24, it can be seen that Type A ACAs like Singapore’s CPIB and Hong Kong’s ICAC are

242. Oyamada, “President Gloria Macapagal-Arroyo’s Anti-Corruption Strategy in the Philippines,” 99.

243. Edna E.A. Co, M. Lim, M.E.J. Lao and L.J. Juan, *Minimizing Corruption: Philippine Democracy Assessment* (Pasig City: Friedrich Ebert Stiftung Philippines Office, 2007), p. 21.

244. Pia Ranada, “Duterte to create anti-graft commission,” *Rappler*, 29 August 2017, available at: <https://www.rappler.com/nation/180499-duterte-create-anti-graft-commission> (accessed September 1, 2017)

245. Richard Rose, *Learning from Comparative Public Policy: A Practical Guide* (London: Routledge, 2005), p. xii.

more effective than the Type B ACAs in South Korea, China, India and Philippines, judging from their 2016 CPI rankings and scores and other indicators. Apart from the strong political will of the governments of Singapore and Hong Kong SAR, which is reflected in their higher per capita expenditures and favourable staff-population ratios in 2014, both city states have higher GDP per capita and levels of government effectiveness in 2015 than the other four countries.

Table 24: Comparison of Six ACAs, 2014-2016

ACA	CPI rank & score 2016	GDP per capita 2015	Per capita expenditure 2014	Staff-population ratio 2014	Government effectiveness ^a 2015
CPIB (Type A) Singapore	7 th (84)	US\$52,888	US\$5.36	1:26,682	100.0
ICAC (Type A) Hong Kong SAR	15 th (77)	US\$42,327	US\$16.59	1:5,333	99.0
ACRC (Type B) South Korea	52 nd (53)	US\$27,221	US\$1.15	1:108,430	80.3
CCDI (Type B) China	79 th (40)	US\$8,027	No data ^b	No data ^b	68.3
CBI (Type B) India	79 th (40)	US\$1,598	US\$0.05	1:228,206	56.3
OMB (Type B) Philippines	101 st (35)	US\$2,904	US\$0.39	1:81,631	57.7

^aData provided are the percentile ranks of the six countries

^bChina's CCDI does not publish data on its budget and personnel.

Sources: Transparency International, "Corruption Perceptions Index 2016"; World Bank, "GDP per capita (current US\$)"; World Bank, "Worldwide Governance Indicators 2015" and Tables 9, 11, 13, 19 and 23.

There are nine lessons that policymakers can learn from the analysis of the different levels of effectiveness of the ACAs in the six Asian countries in the previous sections.

A. Political Will is Essential for Effective Corruption Control

After reviewing several definitions, Post, Raile and Raile define the “complex, multifaceted concept” of political will as “the extent of committed support among key decision makers for a particular policy solution to a particular problem.”²⁴⁶ Brinkerhoff’s specific definition of political will is “the commitment of actors to undertake actions to achieve a set of objectives – in this case, anti-corruption policies and programs – and to sustain the costs of those actions over time.”²⁴⁷ In other words, political will refers to the sustained commitment of political leaders to implement anti-corruption policies and programs. In the same vein, Kpundeh contends that political will is “a critical starting point for sustainable and effective anti-corruption strategies and programs” because elected or appointed leaders, civil society watchdogs and other stakeholders must demonstrate “credible intent” to “attack perceived causes or effects” of systemic corruption. Indeed, without political will, promises by political leaders and governments to reform the civil service or combat corruption will “remain mere rhetoric.”²⁴⁸

Political will is critical for effective corruption control as politicians can change “a culture of corruption if they wish to do so” because “they make the laws and allocate the funds that enable the laws to be enforced.” Consequently, it is not surprising that those corrupt politicians “who are the greatest beneficiaries of corruption have the greatest power and use the corrupt nature of government to maintain that power.”²⁴⁹ As combating corruption is expensive, the ACAs need sufficient budget and personnel to enforce the anti-corruption laws impartially. A World Bank study of the effectiveness of 50 ACAs concludes that “political will and commitment are the cornerstone of every successful anti-corruption effort.”²⁵⁰

246. Lori Ann Post, Amber N.W. Raile and Eric D. Raile, “Defining Political Will,” *Politics and Policy*, 38 (4) (2010): 659.

247. Derick W. Brinkerhoff, “Assessing Political Will for Anti-Corruption Efforts: An Analytic Framework,” *Public Administration and Development*, 20 (3) (2000): 242.

248. Sahr J. Kpundeh, “Political Will in Fighting Corruption,” in Kpundeh and Hors (Eds.), *Corruption Integrity Improvement Initiatives in Developing Countries*, p. 92.

249. Ian Senior, *Corruption – the World’s Big C: Cases, Causes, Consequences, Cures* (London: Institute of Economic Affairs, 2006), pp. 184, 187.

250. Francesca Recanatini, “Anti-Corruption Authorities: An Effective Tool to Curb Corruption?” in Susan Rose-Ackerman and Tina Soreide (Eds.), *International Handbook on the Economics of Corruption*, Vol. 2 (Cheltenham, UK: Edward Elgar, 2011), p. 565.

Table 25: Per Capita Expenditures and Staff-Population Ratios of Nine ACAs, 2014

ACA	Budget (in millions)	Personnel	Per capita expenditure	Staff- population ratio
ICAC (Type A)	US\$120.14	1,358	US\$16.59	1:5,333
CPIB (Type A)	US\$29.30	205	US\$5.36	1:26,682
ACRC (Type B)	US\$58.30	465	US\$1.15	1:108,430
AAC (Type A)	US\$14.40	240	US\$0.61	1:97,641
OMB (Type B)	US\$38.80	1,214	US\$0.39	1:81,631
ACC (Type A)	US\$5.99	1,264	US\$0.37	1:127,369
KPK (Type A)	US\$50.17	1,102	US\$0.19	1:230,943
NAB (Type A)	US\$20.52	402 ^a	US\$0.11	1:461,442
CBI (Type B)	US\$65.50	5,676	US\$0.05	1:228,206

^a As the NAB's personnel in 2014 is not available, its total manpower strength of 402 in 1999 is used as more than 300 seconded army officers returned to the Pakistani army in February 2008. See Transparency International Pakistan, *Pakistan National Integrity System Country Report 2014* (Karachi: TIP, 2014), p. 163.

Sources: Compiled and calculated by the author from the budgets and personnel provided in the annual reports of the ACAs.

While all governments have budget constraints, their “allocation of limited resources for ACA activities” signals their lack of “genuine commitment to the ACA’s mission.”²⁵¹ Table 25 confirms that the strong political will of the governments of Hong Kong SAR and Singapore in curbing corruption is manifested in the higher per capita expenditures and more favorable staff-population ratios of the ICAC and CPIB, respectively. By contrast, the weak political will of the governments in South Korea, Taiwan, Philippines, Bangladesh, Indonesia, Pakistan and India is reflected in the lower per capita expenditures and unfavorable staff-population ratios of the ACRC, Agency Against Corruption (AAC), OMB, Anti-Corruption Commission (ACC), *Komisi Pemberantasan Korupsi* (KPK), National Accountability Bureau (NAB) and CBI, respectively.

In addition to providing sufficient budget and personnel to the ACA, it will be shown below that the government has to further demonstrate its political will by ensuring that the ACA functions as an independent watchdog that enforces the anti-corruption laws impartially instead of an ineffective paper tiger or, even worse, as an attack dog against its political opponents.

251. *Ibid.*, p. 549.

B. The Importance of Policy Context

In view of the contextual differences of the 26 Asian countries shown in Table 3, and the fact that the causes of corruption are country specific, Shah cautions that adopting “one-size-fits-all approaches” to countries, which vary widely in the incidence of corruption and quality of governance, will fail because “policymakers need to understand the local circumstances that encourage or permit public and private actors to be corrupt.”²⁵² As the incidence of corruption is inversely related to the quality of governance in a country, those “countries with high corruption have a low quality of governance, those with medium corruption have fair governance, and those with low corruption have good governance.”²⁵³ There is a strong correlation between corruption and weak institutions because “bad institutions allow corruption to take hold, and corruption tends to weaken institutions over time leaving greed unchecked.”²⁵⁴ Table 26 shows that Singapore, Hong Kong SAR and Japan have a low incidence of corruption and good governance. Conversely, those 20 countries with high incidence of corruption from North Korea to Malaysia have poor governance. The four countries with medium incidence of corruption (Bhutan, Taiwan, Brunei and South Korea) have fair governance.

Table 26: Corruption Incidence and Quality of Governance in 27 Asian Countries, 2016

Corruption incidence	CPI rank and score 2016 (N=176)	Country	Governance (total percentile rank) 2016	Quality of governance
Low (N=3)	7 th (84)	Singapore	529.7	Good (500-600)
	15 th (77)	Hong Kong SAR	511.7	
	20 th (72)	Japan	529.5	
Medium (N=4)	27 th (65)	Bhutan	376.3	Medium (370-499)
	31 st (61)	Taiwan	499.6	
	41 st (58)	Brunei Darus.	415.2	
	52 nd (53)	South Korea	436.7	
	55 th (49)	Malaysia	367.2	
	79 th (40)	India	270.9	
	79 th (40)	China	241.2	
	87 th (38)	Mongolia	318.5	
	90 th (37)	Indonesia	268.6	

252. Shah, “Tailoring the Fight against Corruption to Country Circumstances.” p. 236.

253. Ibid., p. 243.

254. Jake Bright and Aubrey Hruby, *The Next Africa: An Emerging Continent Becomes a Global Powerhouse* (New York: St Martin’s Press, 2015), p. 125.

High (N=20)	95 th (36)	Sri Lanka	290.9	Low (0-369)
	95 th (36)	Maldives	226.0	
	101 st (35)	Thailand	259.0	
	101 st (35)	Philippines	237.0	
	101 st (35)	Timor-Leste	170.0	
	113 th (33)	Vietnam	248.3	
	116 th (32)	Pakistan	125.6	
	123 rd (30)	Lao PDR	170.1	
	131 st (29)	Nepal	144.5	
	136 th (28)	Papua N. Guinea	175.5	
	136 th (28)	Myanmar	130.1	
	145 th (26)	Bangladesh	141.1	
	156 th (21)	Cambodia	149.4	
	169 th (15)	Afghanistan	46.2	
	174 th (12)	North Korea	34.4	

Sources: Compiled from Transparency International, "Corruption Perceptions Index 2016" and World Bank, "Worldwide Governance Indicators 2016."

Shah contends that ACAs are more likely to be effective in those countries with low incidence of corruption and good governance, such as Singapore and Hong Kong SAR, than in those countries with high incidence of corruption and poor governance like China, India and Philippines.²⁵⁵ However, the success of Indonesia’s KPK in combating corruption shows that an ACA can be “highly effective even in an environment of poor governance and high corruption, and in a relatively short period.”²⁵⁶ Nevertheless, policymakers in those Asian countries with rampant corruption and poor governance must heed Shah’s advice to avoid misusing ACAs as “tools of political victimization”²⁵⁷ as will be elaborated below as the sixth lesson. Furthermore, policymakers in those countries that are contemplating the establishment of an ACA, like Papua New Guinea, should be aware of the preconditions for its success and the need to improve public sector governance by strengthening the rule of law and institutions of accountability.²⁵⁸

In sum, policymakers in those Asian countries that wish to enhance the effectiveness of their ACAs must identify those unfavorable aspects of their policy contexts which hinder their performance. For example, its small land area of 298 sq. km is deceptive and not advantageous for combating corruption because the Maldives consists of 1,190 small islands

255. Shah, “Tailoring the Fight against Corruption to Country Circumstances,” pp. 243-244.

256. Emil P. Bolongaita, *An Exception to the Rule? Why Indonesia’s Anti-Corruption Commission succeeds where others don’t*. U4 Issue, August, No. 4 (Bergen: Chr. Michelsen Institute, 2010), p. 28.

257. Shah, “Tailoring the Fight against Corruption to Country Circumstances,” p. 244.

258. *Ibid.*, p. 244.

grouped into 26 atolls, which are spread over 90,000 km. According to Gayoom, an Investigation Officer with the Maldives' ACC, the geographical barriers between the islands make it difficult for the ACC officers to reach destinations easily when prompt action is required to investigate cases urgently. Sea or air travel is also costly and not always available because of poor weather conditions. Consequently, it is time consuming for the ACC officers to obtain a court order for freezing and seizing suspicious bank accounts, confiscating undue properties and funds, and searching and seizing documentary evidence.²⁵⁹

C. Address Causes of Corruption and Not its Symptoms

The third lesson is that policymakers must initiate appropriate reforms to tackle corruption by addressing its causes instead of its symptoms. In spite of what is known about the causes of corruption,²⁶⁰ governments in many Asian countries have failed to do so because it is easier to deal with the symptoms than to address the root causes of corruption.²⁶¹ More importantly, corruption is widespread in many Asian countries because their political leaders have made decisions which facilitate rather than curb corruption. Furthermore, corrupt politicians, civil servants, business persons and citizens in these countries resist and subvert the implementation of comprehensive anti-corruption reforms to protect their vested interests.

In his comparative study of anti-corruption measures in Hong Kong, India and Indonesia, Palmier identified three important causes of corruption: low salaries of civil servants; ample opportunities for corruption provided by regulations and red tape; and the low probability of detecting and punishing corrupt offenders.²⁶² More specifically, he hypothesized that: "At one extreme, with few opportunities, good salaries, and effective policing, corruption will be minimal; at the other, with many opportunities, poor salaries, and weak policing, it will be considerable."²⁶³ Thus, it would be difficult for many Asian countries to minimize corruption if their governments fail to improve the low salaries of their

259. Fathimath Haifa Abdul Gayoom, "Criminal Justice Response to Corruption in Maldives," *Resource Materials Series*, No. 98 (2016): 139.

260. See for example, Daniel Treisman, "What have We Learned about the Causes of Corruption from Ten Years of Cross-National Empirical Research?" *Annual Review of Political Science*, 10 (2007): 211-244.

261. Steven D. Levitt and Stephen J. Dubner, *Think like a Freak: How to Think Smarter about Almost Everything* (London: Allen Lane, 2014), pp. 66-67.

262. Palmier, *The Control of Bureaucratic Corruption*, p. 271.

263. *Ibid.*, p. 272.

civil servants, reduce red tape, and increase the probability of detecting and punishing corrupt offenders.

Table 27: Red Tape and Corruption in Ten Asian Countries in 2016

Country	Ease of doing business rank 2016 (N=189)	Dealing with construction permits		CPI 2016 Rank and Score (N=176)
		No. of procedures	No. of days	
Singapore	1 st	10	26	7 th (84)
South Korea	4 th	10	28	52 nd (53)
Hong Kong SAR	5 th	11	72	15 th (77)
Taiwan	11 th	10	93	31 st (61)
Malaysia	18 th	15	79	55 th (49)
Papua New Guinea	145 th	17	217	136 th (28)
Myanmar	167 th	14	95	136 th (28)
Timor-Leste	173 rd	16	207	101 st (35)
Bangladesh	174 th	13.4	269	145 th (26)
Afghanistan	177 th	11	353	169 th (15)

Sources: World Bank, *Doing Business 2016: Measuring Regulatory Quality and Efficiency* (Washington, DC: World Bank, 2016), pp. 183, 187, 207, 212, 217, 222, 226, 232, 238-239; and Transparency International, "Corruption Perceptions Index 2016."

The association between red tape, which is reflected in the ease of doing business rank, and corruption in ten Asian countries in 2016 is shown in Table 27, which confirms that the top five Asian countries in terms of the ease of doing business rank have higher CPI scores than their bottom five counterparts. Singapore, which is ranked first for the ease of doing business, has a CPI score of 84 compared to Afghanistan's 177th rank for the ease of doing business and its CPI score of 15 in 2016. Consequently, it is not surprising that while it takes 26 days to get a construction permit in Singapore, the same process of getting a construction permit requires 353 days in Afghanistan, or nearly 14 times longer. In other words, it would be difficult to minimize corruption in Asian countries without reducing red tape.

D. Rely on Country's Best Minds to Combat Corruption

Corrupt individuals and organizations in Asian countries are powerful and have vested interests to circumvent the anti-corruption laws to avoid arrest and conviction for their offenses. Corruption is a formidable foe to defeat in these countries because corrupt individuals are highly intelligent and capable of finding legal loopholes or other methods to circumvent the anti-corruption laws. The most prominent example of a

“career fraudster”²⁶⁴ is Bernard Madoff, who was “smart, savvy, and experienced at bucking the system”²⁶⁵ because his Ponzi scheme had resulted in defrauding his clients of more than US\$10 billion.²⁶⁶

The personnel of public organizations are not only their “most precious asset” but also “the critical factor” responsible for their effectiveness.²⁶⁷ Furthermore, the increased reliance on technology to improve the delivery of public services in Asian countries today means that their civil services must be able to maintain expertise by attracting, nurturing and retaining high-quality personnel.²⁶⁸ As specialized public organizations, effective ACAs need “well-trained personnel, including sufficient numbers with highly specialized skills” who are recruited on the basis of merit, adequately compensated and accountable for their actions.²⁶⁹

Schein has attributed Singapore’s success to its incorruptible and competent civil service as “having ‘the best and brightest’ in government is probably one of Singapore’s major strengths in that they are potentially the most able to invent what the country needs to survive and grow.”²⁷⁰ An important lesson from Singapore’s experience in curbing corruption is the CPIB’s reliance on expertise. As shown in Section III.A, the CPIB has enhanced its enforcement capacity by focusing on capability building of its officers and building networks and partnerships with other public agencies in Singapore. The CPIB’s commitment to organizational excellence is reflected in the many awards it has won, beginning with the Singapore Quality Class Award in 1998, followed by the People

264. A career fraudster is a malefactor whose primary motive is to commit fraud and other crimes. See Mark Button and Jim Gee, *Countering Fraud for Competitive Advantage: The Professional Approach to Reducing the Last Great Hidden Cost* (Chichester, UK: John Wiley & Sons, 2013), p. 34.

265. Peter J. Sander, *Madoff: Corruption, Deceit and the Making of the World’s Most Notorious Ponzi Scheme* (Guilford, CT: Lyons Press, 2009), p. 223.

266. Colleen P. Eren, *Bernie Madoff and the Crisis: The Public Trial of Capitalism* (Stanford, CA: Stanford University Press, 2017), p. 6.

267. O. Glenn Stahl, *Public Personnel Administration*, 8th edition (New York: Harper & Row Publishers, 1983), pp. 3, 6.

268. *Ibid.*, p. 13.

269. Patrick Meagher and Caryn Voland, “Anti-Corruption Agencies (ACAs): Office of Democracy and Governance Anti-Corruption Program Brief” (Washington, DC: United States Agency for International Development, 2006), p. 12.

270. Edgar H. Schein, *Strategic Pragmatism: The Culture of Singapore’s Economic Development Board* (Cambridge, MA: MIT Press, 1996), pp. 221-222.

Excellence Award in 2003, and the Distinguished Public Service Award for Organizational Excellence in 2005.²⁷¹

Hong Kong's ICAC has also succeeded in recruiting qualified personnel with its "special qualifications, screening procedures, and remuneration packages" as it has filled 1,369 positions (94 percent) of its sanctioned strength of 1,457 personnel in 2016.²⁷² However, as shown in Table 28, some ACAs like Sri Lanka's Commission to Investigate Allegations of Bribery or Corruption (CIABOC), Bhutan's ACC, Philippines' OMB, Bangladesh's ACC and India's CBI have encountered tremendous difficulties in recruiting personnel to staff their positions. As Sri Lanka's CIABOC has 56 percent vacancies, its existing staff of 353 personnel in 2015 is clearly inadequate and cannot cope with the increasing number of complaints and the backlog of 13,665 complaints during the same year. It is therefore not surprising that the CIABOC has identified its "foremost challenge" as the "lack of staff to handle the rising number of complaints."²⁷³ It would be difficult for the CIABOC to improve its performance without recruiting more qualified personnel to fill its vacant positions.

Table 28: Vacant Positions in Five Asian ACAs, 2014-2015

ACA	Year	Establishment (100%)	Actual Strength	Vacant Positions
India's CBI	2014	6,676	5,676 (85%)	1,000 (15%)
Bangladesh's ACC	2014	1,264	960 (76%)	304 (24%)
Philippines' OMB	2014	2,194	1,214 (55%)	980 (45%)
Bhutan's ACC	2015	128	70 (55%)	58 (45%)
Sri Lanka's CIABOC	2015	802	353 (44%)	449 (56%)

Sources: CBI, *Annual Report 2014* (New Delhi: CBI, 2015), p. 84; Transparency International Bangladesh, *Anti-Corruption Agencies Strengthening Initiative Assessment of Bangladesh Anti-Corruption Commission 2016* (Dhaka: TIB, 2016), pp. 22-23; OMB, *Annual Report 2014* (Quezon City: OMB, 2015), p. 35; Bhutan ACC, *Annual Report 2014* (Thimphu: ACC, 2015), p. 40; and CIABOC, *Annual Report 2015* (Colombo: CIABOC, 2016), p. 33.

Similarly, Bhutan's ACC has also been unable to fill 45 percent of its sanctioned strength or to retain its staff as reflected in its high attrition rate

271. Jon S.T. Quah, "Curbing Corruption in Singapore: The Importance of Political Will, Expertise, Enforcement, and Context," in Quah (Ed.), *Different Paths to Curbing Corruption*, p. 156.

272. Meagher and Voland, "Anti-Corruption Agencies," p. 12 and ICAC, *Annual Report 2016* (Hong Kong: ICAC, 2017), p. 23.

273. CIABOC, *Annual Report 2015* (Colombo: CIABOC, 2016), pp. 33-34.

of 16.2 percent in 2010 and 2014. The reasons for the ACC's low recruitment and high attrition rates are: high workload and performance pressure, demand for high behavioral standards, perceived inequalities, a weak corporate culture, and better career opportunities elsewhere. The ACC's serious staff shortage has aggravated the workload of the existing personnel, especially the managers, and has affected its effectiveness in combating corruption.²⁷⁴

Table 28 shows that in 2014, the OMB's 1,214 personnel constitute only 55 percent of its established strength of 2,194 positions. This means that the OMB is severely under-staffed with 980 vacant positions (45 percent) in 2014. As Bangladesh ACC's 960 personnel constitute only 76 per cent of its approved staff strength of 1,264 in 2014, it needs to recruit more personnel to fill its 304 vacant positions. India's CBI has only 15 percent vacancies in 2014 but it has been plagued by the problem of under-staffing since its formation in 1963 because of its unpopular policy of "deputation" of suitable personnel from the states or the Inspector General of Police for transfer to the CBI.²⁷⁵

In short, it is unrealistic for a government to expect its ACA to be effective in curbing corruption if the ACA has not been provided with adequate personnel to perform its anti-corruption functions. Bhutan's ACC is trying its best to overcome its staff shortage among its small population of 797,760. India, Bangladesh, Philippines and Sri Lanka have much larger populations but the CBI, ACC, OMB and CIABOC would be unable to improve their performance unless their perennial staff shortage is rectified.

E. Rely on an Independent, Well-Staffed and Funded Type A ACA

The success of Denmark, New Zealand and Finland in combating corruption, which is reflected in their top three rankings on the CPI in 2016, shows that it is possible to curb corruption effectively without relying on an ACA if there are other institutions to ensure good governance.²⁷⁶ However, this option is unsuitable for those Asian countries that do not have other strong institutions to tackle the rampant corruption. Faced with the other two alternatives of relying on either a single ACA or multiple ACAs, policymakers should avoid relying on the ineffective ACAs in China, India and Philippines, and establish a Type A

274. Bhutan ACC, *Annual Report 2014* (Thimphu: ACC, 2015), pp. 39-40.

275. Palmier, *The Control of Bureaucratic Corruption*, pp. 34-35.

276. Jon S.T. Quah, "Different Paths to Curbing Corruption: A Comparative Analysis," in Quah (Ed.), *Different Paths to Curbing Corruption*, pp. 225-232.

ACA like Singapore's CPIB or Hong Kong's ICAC. They should also avoid creating a Type B ACA like South Korea's ACRC, which cannot investigate corruption cases, or Philippines' OMB, which is severely understaffed and poorly funded.

Unlike the CPIB and ICAC, the ACAs in many Asian countries are ineffective because of their governments' weak political will, as reflected in "their inadequate legal powers, limited budgets, lack of trained personnel, and lack of independence."²⁷⁷ In other words, most Asian ACAs have not performed well because they are not independent, well-staffed or adequately funded. This means that these ACAs can only improve their performance if their governments provide them with the necessary operational autonomy, personnel and budgets to perform effectively. Thus, China's CCDI, India's CBI, Philippines' OMB and South Korea's ACRC would continue to be ineffective ACAs unless their governments protect their independence and provide them with sufficient budgets and personnel.

Policymakers in those Asian countries like Japan and Papua New Guinea, which do not rely on ACAs to curb corruption, must be willing to provide the required independence, budget and personnel if they wish to establish a Type A ACA. Japan signed the UNCAC on December 9, 2003 and its reluctance to ratify it during the past 14 years reflects its government's unwillingness to establish a Type A ACA to eradicate the existing system of structural corruption, which favors the "rotten triangle" of corrupt politicians, bureaucrats and businessmen. Japan's continued non-ratification of the UNCAC indicates its reluctance to establish a Type A ACA to replace the ineffective and inadequately staffed special investigation departments of the Public Prosecutor's Offices in Tokyo, Osaka and Nagoya.²⁷⁸

Papua New Guinea does not have an ACA because it has relied since its independence in 1975 on the Ombudsman Commission to investigate complaints of maladministration, including corruption, and to enforce the Leadership Code to ensure that those in leadership positions behave with integrity.²⁷⁹ In 1997, the first draft bill to establish an ICAC in Papua New

277. Jon S.T. Quah, "Controlling Corruption in Asian Countries: The Elusive Search for Success," in Ting Gong and Ian Scott (Eds.), *Routledge Handbook of Corruption in Asia* (London: Routledge, 2017), p. 246.

278. Quah, "Evaluating the Effectiveness of Anti-Corruption Agencies in Five Asian Countries," pp. 156-157.

279. Albert Mellam and Daniel Aloï, *National Integrity Systems, Transparency International Country Study Report: Papua New Guinea 2003* (Port Moresby: Institute of National Affairs, 2003), pp. 30-31.

Guinea failed because it lacked sufficient parliamentary support. To cope with the absence of an ACA, Prime Minister Peter O'Neill formed the Investigation Task Force Sweep (ITFS) on August 12, 2011 to investigate corruption allegations in the Department of National Planning and Monitoring initially, but its mandate was later extended to the investigation of corruption in all government departments. With the prime minister's support, the ITFS was effective during its first three years as it convicted some high-profile politicians. However, its funding was cut after it served the prime minister with an arrest warrant for corruption in June 2014.²⁸⁰

Papua New Guinea's short-lived experiment of relying on the ITFS to curb corruption is instructive for policymakers in other Asian countries in two respects. First, it shows the futility of establishing a temporary task force to combat corruption instead of a permanent ACA. The second and more important lesson to learn from the ITFS episode is that Papua New Guinea's government must establish an independent Type A ACA that is both well-staffed and adequately funded so that its budget cannot be reduced arbitrarily by the prime minister if he is displeased with its actions. The failure of Papua New Guinea to establish a Type A ACA after 20 years should not minimize the importance of ensuring its independence and allocation of sufficient budget and personnel when it is formed. However, Act Now, a civil advocacy group in Papua New Guinea, has recently criticized the government for removing the proposed ICAC's powers of arrest and prosecution and making the prime minister in charge of the appointment process of the commissioners in the draft ICAC legislation. These amendments will make the proposed ICAC "toothless" and vulnerable to political interference.²⁸¹

F. Resist Temptation to Use the ACA as an Attack Dog

As the Type A ACA has enormous powers, policymakers must avoid making the serious mistake of giving into the temptation of using it as an attack dog against their political opponents. Governments lacking the strong political will to combat corruption usually establish ACAs as attack dogs to conduct "witch hunts" to "attack and eliminate members of the opposition or to punish members of their own party who are perceived as

280. Grant W. Walton, "Silent Screams and Muffled Cries: The Ineffectiveness of Anti-Corruption Measures in Papua New Guinea," *Asian Education and Development Studies*, 5 (2) (2016): 218.

281. "PNG Government removes critical powers from proposed corruption watchdog," *Pacific Islands News Association*, September 19, 2017, and "PNG government criticised for watering down ICAC draft," *Radio New Zealand*, September 20, 2017.

having stepped out of line.”²⁸² Corruption charges have been used as a weapon to discredit political rivals and settle political scores in many Asian countries, including Cambodia, China, Indonesia, Malaysia, Myanmar, Pakistan, Thailand and Vietnam.²⁸³ Hence, it is not surprising that corruption is widespread in these Asian countries judging from their CPI scores in 2016.

As mentioned in Section IV.A, anti-corruption campaigns are used in China against political enemies to undermine their power base in the CCP as shown in the persecution of CHEN Xitong, CHEN Liangyu, BO Xilai and ZHOU Yongkang for corruption from 1995 to 2014. Prime Minister HUN Sen has used the campaign against illegal logging in Cambodia to remove those military officers who threatened his power.²⁸⁴ In Myanmar, the government has abused the anti-corruption laws to remove its political opponents, including the arrest in 2004 of former Prime Minister General KHIN Nyunt, his colleagues and family members on corruption charges.²⁸⁵ In Pakistan, “successive governments issued injunctions to control corruption” but “more often than not, it was the political goal of eliminating opposition which prompted legislation and subsequent court trials for corruption.”²⁸⁶

The reliance on ACAs as attack dogs against political opponents undermines the public trust in their governments and their legitimacy because it confirms that these governments are not committed to minimizing corruption in their countries but use corruption as a weapon to eliminate their political foes. As “corruption influences the level of trust,” it flourishes in those countries with “low levels of trust” and their citizens are likely to distrust their governments if the ACAs and other anti-corruption policies are ineffective.²⁸⁷ This means that citizens living in those Asian countries with rampant corruption would have low trust in their politicians. Hence, it is not surprising that South Korea and Philippines, which are ranked 96th and 99th, respectively, among 138

282. Meagher and Volland, “Anti-Corruption Agencies,” p. 6.

283. Djalal, “Southeast Asia,” pp. 32-33; and *Asian Intelligence*, No. 896, March 19, 2014, p. 2.

284. Djalal, “Southeast Asia,” p. 32.

285. Quah, “Minimizing Corruption in Myanmar,” 185.

286. Mohammad Waseem, “Corruption, Violence and Criminalization of Politics in Pakistan,” in K.M. de Silva, G.H. Peiris and S.W.R. de A. Samarasinghe (Eds.), *Corruption in South Asia – India, Pakistan and Sri Lanka* (Kandy: International Center for Ethnic Studies, 2002), p. 158.

287. Susan Rose-Ackerman and Bonnie J. Palifka, *Corruption and Government: Causes, Consequences, and Reform*, 2nd edition (New York: Cambridge University Press, 2016), pp. 248, 256-257, 259.

countries for the public trust in politicians in 2016, have lower levels of trust in their politicians than Singapore (ranked 1st) and Hong Kong SAR (ranked 21st).²⁸⁸

G. Combating Corruption by Sector

The sectoral approach is recommended for combating corruption in Asian countries because the best way to control its spread is by analysing “its impact sector-by-sector.”²⁸⁹ As the incidence or vulnerability to corruption varies by sectors in many countries, it makes sense to allocate the limited anti-corruption resources to those sectors that are more vulnerable to corruption. As Table 29 confirms that the police are the most corrupt institution in Bangladesh, Indonesia, Malaysia, Pakistan, Papua New Guinea, Philippines, Sri Lanka, Thailand and Vietnam, anti-corruption efforts in these nine countries should focus on minimizing police corruption. Political parties in India, Japan, South Korea, Maldives, Nepal and Thailand also require reform because they are perceived to be the most corrupt institution in these six countries. As the parliaments in Indonesia, Japan and Maldives are perceived to be the most corrupt institution, they must also be reformed. Finally, reforms must be initiated in the civil services in Mongolia and Pakistan, and the judiciary in Afghanistan and Cambodia, to minimize corruption in these four countries.

Two World Bank economists have recommended the use of “a road-map approach” to track corruption vulnerabilities at the sector level because it “orients policymakers toward results that a sector or core process is supposed to achieve.” Furthermore, this approach provides “a more structured and detailed picture of a problem area and the potential points of vulnerabilities specific to that area” and identifies “key vulnerabilities” and “remedial measures that could have the greatest impact on combating corruption in a problem area.” Finally, the road-map approach enables program implementers to track the incidence of corruption throughout the program cycle so that they can initiate early action where corruption has occurred.²⁹⁰ Thus, the road-map approach is

288. Klaus Schwab (Ed.), *The Global Competitiveness Report 2016-2017* (Geneva: World Economic Forum, 2016), pp. 197, 225, 297, 319.

289. Bertram I. Spector, “Fighting Corruption,” in Bertram I. Spector (Ed.), *Fighting Corruption in Developing Countries: Strategies and Analysis* (Bloomfield, CT: Kumerian Press, 2005), p. 6.

290. J. Edgardo Campos and Vinay Bhargava, “Introduction: Tackling a Social Pandemic,” in J. Edgardo Campos and Sanjay Pradhan (Eds.), *The Many Faces of Corruption: Tracking Vulnerabilities at the Sector Level* (Washington, DC: World Bank, 2007), p. 8.

practical because it focuses on “area-specific problems and solutions and away from big picture discussions of corruption.”²⁹¹

Table 29: Perceptions of Corruption in 17 Asian Countries by Institution^a in 2013

Country	Police	Political Parties	Parliament	Civil Servants	Judiciary
Afghanistan	2.9	3.0	3.1	3.3	3.7
Bangladesh	3.9	3.4	3.2	2.9	3.5
Cambodia	3.1	2.8	2.4	2.9	3.7
India	4.1	4.4	3.8	3.8	3.3
Indonesia	4.5	4.3	4.5	4.0	4.4
Japan	3.8	4.2	4.2	3.9	3.0
South Korea	3.2	3.9	3.8	3.3	3.2
Malaysia	4.0	3.8	3.3	3.3	3.0
Maldives	3.2	4.2	4.2	3.3	4.0
Mongolia	3.9	3.7	3.7	4.2	4.0
Nepal	4.3	4.6	4.2	4.4	4.1
Pakistan	4.3	4.2	3.8	4.3	3.3
Papua New Guinea	4.4	4.0	3.8	4.0	3.2
Philippines	4.0	3.7	3.5	3.8	3.5
Sri Lanka	3.8	3.4	3.1	3.0	2.5
Thailand	4.0	4.0	3.4	3.7	2.5
Vietnam	4.0	2.8	2.7	3.6	3.5

^aThe other seven institutions - private sector, medical and health, education system, media, military, nongovernmental organizations, and religious bodies – are excluded because of their lower perceived incidence of corruption. The score ranges from 1 (not at all corrupt) to 5 (extremely corrupt).

Source: Transparency International, *Global Corruption Barometer 2013* (Berlin: Transparency International, 2013), pp. 35-38.

Policymakers concerned with tackling rampant corruption in Asian countries should adopt the sectoral approach for two reasons. First, it enables those governments committed to curbing corruption to concentrate their limited resources in the most vulnerable sectors. Second, this pragmatic strategy not only enhances the likelihood of success but should also have positive spill-over effects on combating corruption in other sectors because it demonstrates that rampant corruption can be defeated.

291. *Ibid.*, p. 10.

H. Nurture “Pockets of Effectiveness”

In his research on Nigeria, Roll has identified “pockets of effectiveness” or those “public organizations which deliver public services relatively effectively in contexts of largely ineffective government” and widespread corruption.²⁹² A public organization in Nigeria is a “pocket of effectiveness” only if it is effective in providing public services for the public good for at least three years. Among the seven Nigerian public organizations identified as “pockets of effectiveness,” the two outstanding examples are the National Agency for Food and Drug Administration and Control, and the National Agency for the Prohibition of Traffic in Persons and Other Related Matters. These two organizations are effective because of their reliance on recruiting staff on the basis of merit, integrity and commitment; the incentives for training and performance; strict disciplinary control to prevent corruption; and inclusive leadership and management skills.²⁹³

The identification of “pockets of effectiveness” by scholars in countries with rampant corruption gives hope to policymakers and reformers in Asian countries that systemic corruption can be defeated by first identifying and supporting those exceptional public organizations which are effective in combating corruption. Karklins contends that “islands of integrity” can “jump-start public confidence in reform” and “trigger the subsequent improvement of other institutions.” These “small, initial successes” can “signal that corruption can be stopped” and have “a snowball effect” by encouraging actors in other sectors to follow suit.²⁹⁴

The Philippine Economic Zone Authority (PEZA) is “a pocket of effectiveness” in the Philippines because it has succeeded in increasing foreign investment and providing more than six million jobs and remained corruption-free in the midst of widespread corruption in the country. Its first director-general, Lilo de Lima, reduced PEZA’s bloated workforce of 1,016 personnel to 450 workers during her first year and dismissed those employees who were found guilty of corruption offenses. She was given the Ramon Magsaysay Award in 2017 for transforming the PEZA into “a showcase of successful regulatory reform, a model institution of honest

292. Michael Roll, *The State that Works: “Pockets of Effectiveness” as a Perspective on Stateness in Developing Countries* (Mainz: Department of Anthropology and African Studies, Johannes Gutenberg University, Working Paper No. 128, 2011), p. 1. See also, Michael Roll (Ed.), *The Politics of Public Sector Performance: Pockets of Effectiveness in Developing Countries* (London: Routledge, 2014).

293. Roll, *The State that Works*, pp. 4-6, 11-13.

294. Rasma Karklins, *The System Made Me Do It: Corruption in Post-Communist Societies* (Armonk, NY: M.E. Sharp, 2005), p. 159.

and committed public service, and a key contributor to the nation's economic growth."²⁹⁵

A nationwide campaign known as "Integrity Idol" was conducted by citizens in 2014 to identify the most honest civil servant in Nepal. On January 11, 2015, Panchthar District Education Officer, Gyan Mani Nepal, was selected as the "Integrity Idol" from more than 300 civil servants nominated by citizens across Nepal for the award.²⁹⁶ Governments in Asian countries with widespread corruption should take a leaf from Nepal's "Integrity Idol" campaign to conduct nationwide campaigns to ask their citizens to nominate the most honest or least corrupt public agency. Such campaigns will not only help the governments to identify "anti-corruption champions" or "pockets of effectiveness" in combating corruption like PEZA in the Philippines, but also enable them to give national recognition to these exceptional honest public agencies in their countries.

I. Combating Corruption is a Continuous Work in Progress

Combating corruption in Asian countries is a continuous work in progress because, apart from the resources and expertise required by the Type A ACAs, the implementation of the anti-corruption laws would be strongly resisted by those intelligent and powerful corrupt individuals and organizations with vested interests to circumvent these laws to avoid arrest and conviction for their offenses. The challenge of combating political corruption, organized crime and vote-buying in Taiwan is described as "beheading the Hydra," the Greek mythical creature with several heads that grew again when cut off.²⁹⁷

To combat corruption successfully, governments in the Asian countries must persevere and implement sustained anti-corruption campaigns because corruption is like "a snake which will frequently respond with poison, and will only die with repeated attack" and "only if severed at the head."²⁹⁸ They must also undertake the difficult tasks of identifying accurately the causes of corruption and implement appropriate

295. Roy Stephen C. Canivel, "How ex-Peza chief kept agency corruption-free," *Philippine Daily Inquirer*, August 28, 2017.

296. "Panchthar DEO awarded with 'Integrity Idol'," *Kathmandu Post*, January 12, 2015, and Pete Pattison, "Nepal's Integrity Idol seeks civil servants with the X factor," *The Guardian*, December 11, 2014.

297. Christian Gobel, "Beheading the Hydra: Combating Political Corruption and Organized Crime," *China Perspectives*, 56 (November-December 2004): 1-17.

298. Laurence Cockcroft, *Global Corruption: Money, Power and Ethics in the Modern World* (London: I.B. Tauris, 2012), pp. 231-232.

reforms to address these causes over a sustained period of time. The previous sections have shown that the governments in China, India, Philippines and South Korea have not only neglected these important tasks but have also relied on ineffective and poorly-resourced Type B ACAs to enforce their anti-corruption laws selectively and not impartially. Consequently, it is not surprising that these four countries have failed to minimize corruption.

Even though Singapore and Hong Kong SAR have succeeded in curbing corruption, this does not mean that their governments and ACAs can rest on their laurels because of the growing importance of private sector corruption and other threats. The investigation and conviction of four senior civil servants for corruption offenses during 2010-2013 indicates that even though corruption is not a serious problem in Singapore, the CPIB must remain vigilant to deal not only with public sector corruption but with the increasing number of private sector corruption cases in recent years. The shocking revelation in July 2013 that the CPIB's assistant director, Edwin Yeo, misappropriated US\$1.41 million during 2008-2012 has tarnished the CPIB's reputation even though he was found guilty and jailed for ten years. The ICAC has also not hesitated to investigate political leaders and senior civil servants in Hong Kong if they are accused of corruption offenses. As mentioned above, the investigation of former Chief Executive Donald Tsang in February and April 2012 resulted in his conviction and sentencing to 20 months' imprisonment in February 2017 for misconduct in public office.

VI. CONCLUSION

Those who are corrupt are not simply "bad" [but] evil to the core.

Laura S. Underkuffler²⁹⁹

As the lack of political will and capacity is the most important reason for the failure of many Asian countries to curb corruption effectively during the past six decades, their governments need substantial doses of political will and capacity to implement impartially comprehensive reforms to address the causes of corruption and to sustain their implementation over a long period of time. However, this is a tall order because of the scarcity and fragility of political will in these countries.

299. Laura S. Underkuffler, *Captured by Evil: The Idea of Corruption in Law* (New Haven, CT: Yale University Press, 2013), p. 90.

Whether the policymakers in those Asian countries with rampant corruption can draw lessons from the success stories of Singapore and Hong Kong SAR, and the failures of China, India, Philippines and South Korea, depends on their political will and capacity to establish Type A ACAs and provide them with the necessary legal powers, budget, personnel and operational autonomy to enforce the anti-corruption laws impartially. This means that the Type A ACAs should operate as independent watchdogs that investigate all corruption complaints impartially, regardless of the status, position, or political affiliation of those persons being investigated. These Type A ACAs should not be used as attack dogs against their governments' political opponents, or as paper tigers without the required resources and powers to investigate corruption cases.

As combating corruption in Asian countries is a continuous work in progress, policymakers concerned with improving the effectiveness of ACAs in their countries must be realistic because the prospects for success also depend on their ability to overcome the constraints of their unfavorable policy contexts, especially in those large Asian countries with huge populations and poor governance. As sound political leadership is the critical ingredient for effective corruption control, the \$64,000 question is: Whether the citizens in Asian countries with widespread corruption have the wisdom to elect honest and competent leaders to political office to implement the necessary reforms to address the causes of corruption? If they fail to do so, corruption would remain a way of life because corrupt individuals and organizations in their countries would continue to misbehave with impunity and encourage others to follow suit. The price for inaction against these corrupt and evil individuals is too high for the citizens in those Asian countries affected to pay.

LIST OF ABBREVIATIONS

AAC	Agency Against Corruption	KPK	<i>Komisi</i>
ACA	Anti-Corruption Agency		<i>Pemberantasan Korupsi</i>
ACB	Anti-Corruption Branch	MOJ	Ministry of Justice
	Anti-Corruption Bureau	MOS	Ministry of Supervision
ACC	Anti-Corruption Commission	NAB	National Accountability
ACO	Anti-Corruption Office		Bureau
ACRC	Anti-Corruption Civil	NCPB	National Corruption
	Rights Commission		Prevention Bureau
ADB	Asian Development Bank	NPA	National Police Agency
CAC	Commission Against	OECD	Organization for Economic
	Corruption		Cooperation and
CBI	Central Bureau of		Development
	Investigation	OMB	Office of the Ombudsman
CCDI	Central Commission for	PAGC	Presidential Anti-Graft
	Discipline Inspection		Commission
CCP	Chinese Communist Party	PAP	People's Action Party
CIABOC	Commission to Investigate	PDR	People's Democratic
	Allegations of Bribery or		Republic
	Corruption	PCGG	Presidential Commission on
CID	Criminal Investigaton		Good Government
	Department	PERC	Political and Economic Risk
COA	Commission of Audit		Consultancy
CPI	Corruption Perceptions Index	PEZA	Philippine Economic Zone
CPIB	Corrupt Practices		Authority
	Investigation Bureau	PLA	People's Liberation Army
CSC	Civil Service Commission	POBO	Prevention of Bribery
CVC	Central Vigilance		Ordinance
	Commission	POCA	Prevention of Corruption Act
CVO	Central Vigilance Officer	POCO	Prevention of Corruption
DIC	Discipline Inspection		Ordinance
	Commission	PPO	Public Prosecutor's Office
DSPE	Delhi Special Police	RHKPF	Royal Hong Kong
	Establishment		Police Force
FSI	Fragile States Index	SAR	Special Administrative
GDP	Gross Domestic Product		Region
GOI	Government of India	SPF	Singapore Police Force
IACC	Inter-Agency Anti-Graft	SPP	Supreme People's
	Coordinating Council		Procuratorate
ICAC	Independent Commission	SVC	State Vigilance Commission
	Against Corruption	UNCAC	United Nations Convention
ITFS	Investigation Task		Against Corruption
	Force Sweep	UNDP	United Nations Development
KICAC	Korea Independent		Programme
	Commission Against	UNODC	United Nations Office on
	Corruption		Drugs and Crime
		USAID	United States Agency for
			International Development

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Since then, I have extended my research and publications on corruption to these Asian countries: Afghanistan, Bhutan, Brunei Darussalam, Cambodia, China, Hong Kong SAR, India, Indonesia, Japan, Macau SAR, Malaysia, Mongolia, Myanmar, Pakistan, Papua New Guinea, Philippines, South Korea, Taiwan, Thailand and Vietnam. I would like to take this opportunity to thank these good friends and scholars for their continued support and constructive feedback on my work: Thomas J. Bellows, Gerald E. Caiden, the late Jose Edgardo Campos, Jin-Wook Choi, Likhit Dhiravegin, Robert Gregory, the late Arnold J. Heidenheimer, Leslie Holmes, Michael Johnston, David Seth Jones, Lawrence R. Jones, Jon S. Jun, Peter Larmour, Sonny Lo Shiu Hing, Minoru O'uchi, Ian Scott, Soh Kee Hian, Pauline Tamesis, Krishna K. Tummala, the late Donald P. Warwick, Clay Wescott and Chilik Yu.

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