

THE SYSTEM MADE ME DO IT - CORRUPTION IN POST-COMMUNIST SOCIETIES, Rasma Karklins, 2005, M. E. Sharpe, New York, 219 pp.

Review*

In her book *Atlas Shrugged* Ayn Rand wrote: “Look around you; what you have done to society you had done it first within your soul; one is the image of the other. The dismal wreckage which is now your world is the physical form of the treason you committed to your values, to your friends, to your defenders, to your future, to your country, to yourself.” A citizen of any of the post-communist countries would probably reply by saying: “I’m not to blame, the system made me do it.” It seems that Rand understood the direction in which causality moves wrongly. Right?

We can observe the widespread corruption in post-communist societies as part of that dismal wreckage that Rasma Karklins decided to focus on in her book *The System Made Me Do It*. This brilliant title derives from the frequent excuse given for participation in corruption. People think they are going to be losers and idiots if they do not behave like everyone else, and corruption would appear to be the rule of the game. And then if they do rebel against the system they are afraid of being unable to make it through the difficulties they will come upon. From this derives a logical way of thinking - if you can’t beat them, join them. Take all the perks you can, the most important thing is making it today, not thinking about what consequences acts of corruption are going to have in the future.

The author states that the ultimate objective of her book is to show that corruption can be kept within limits, but this requires it to be defined, its roots to be identified, the forms of it described and the importance of anti-corruption policy to be explained. The book is divided into ten chapters. After an introductory chapter, the author defines various kinds of corruption. She emphasises the difference between administrative corruption (giving bribes to policemen for example) and grand or political corruption. Chapter 3 states the way citizens in the post-communist region perceive corruption and describes the result of research based on the perception of corruption. The fourth carries on logically from the previous chapter, for it focuses on the opinions of citizens of the region about corruption - does it pay to be honest when all the rest are corrupt? In the fifth cha-

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pter the accent is placed on the heritage of communism, and on how it affects the structure of the new states and the processes that go on in them, for old habits die hard. The values of good citizenship are described in the sixth chapter, and in the seventh she produces a synthesis of existing knowledge on the control of corruption. Chapter 8 tells of various kinds of accountability, Chapter 9 about anti-corruption strategies, while the final chapter contains conclusions.

The structure of the book is very good, but the author was unfortunately not able to direct her thoughts so as to follow the topic of each chapter, many of them repeating at several spots in the book. If the reader is well acquainted with the topic of corruption, either theoretically or merely by being the citizen of a transition country, the book can seem rather hard-going, for many of the claims are commonplaces (for example, independent judiciary, media and the involvement of the citizens are important in the suppression of corruption; it is necessary to create the appropriate institutional structure; the likelihood of being penalised for corruption should be greater; the suppression of corruption requires a highly accountable political leadership - and so on). Little from the book will seem new for a researcher whose area of interest is corruption or for political figures aiming to win at the coming elections making use of the trump card of the fight against corruption. For someone, however, who wants a review of the corruption literature and to know where the main problems are, the book is useful.

It would be much more interesting if the author had started where she finishes - in chapter nine. Only in this chapter is there a strong connection between title and content. If Karklins, a political scientist, had used more sources from game theory, psychology, anthropology or sociology, the book would have the feel expected from the title. Without this, it can give the impression of being a very typical anti-corruption piece.

Notwithstanding this, the authoress puts forward a good many interesting viewpoints and conclusions. The most important relate to the powerful heritage from communism, which is frequently neglected. Karklins points out that handing out public jobs to one's adherents, clientelism, back-scratching, mutual protection and evasion of responsibility were common in that period. These habits are part of the informal institutions in the post-communist countries that contribute to the continuity of unlawful actions. It is well known that informal institutions can have considerable impacts on formal rules by undermining their credibility.

A very important hangover from communism is that these countries were ruled by members of the communist elite who had a great deal of authority and were also above the law. Party leaders were able to telephone prosecutors and judges and let them know what kind of outcome the Party expected in a given case. Even today there are suggestions that the ruling elite affects judicial outcomes, but it is very hard to find proof of this. It is amazing how successful former communist leaders, today not only politicians but managers in public corporations, university professors and so on, have been in turning public institutions into their own fiefs. What is even worse (Karklins does not stress it enough) is that they create a culture of fear and foster paranoia among the younger generations. People start to expect the worst even if there are no direct menaces. The authoress forgot to mention one typical sentence of telephone conversations: "But let's not talk about that over the phone", which reflects the fear that the conversations are bugged.

According to Karklins, one of the reasons for the difficulty of penalising corruption is the mutual covering of backs, and of mutual blackmail - the corrupt and the powerful threaten each other with the revelation of compromising material, and there is almost no one that is clean. Apart from extortion, menaces, physical violence and even murder are on the cards. Anyone who breaks ranks has to fear strong retaliation because “birds of a feather don’t attack each other”. Then there is a powerful impetus to keeping uncorrupted individuals out of politics, which means that the nets of corruption are maintained. In order to protect territory, authority is prevented from being assigned to new and well educated personnel. This kind of practice is manifested in, for example, tertiary level establishments refusing to acknowledge foreign degrees, although they have been granted by world-famed universities. This kind of system rewards the unscrupulous and demoralises the decent. The brain drain becomes a matter of course, because people who reject the system tend to emigrate to countries that will reward them according to their knowledge and productivity. Karklins adds: “Even if people with integrity do not leave the country, they are likely to leave public service if the institution they have been working in has crossed the threshold into systemic corruption. This again strengthens the influence of corrupt agents remaining in the institution and others flocking to it”.

What is important for successful suppression of corruption? Karklins analyses in detail possible answers to the question, only some of which will be described here. For a start, people have to believe it is possible to make changes. It would seem that the wrong strategy is to start by having a go at the everyday strategies of survival practised by citizens like the “little marks of attention” handed to physicians. People are much more angered by political corruption than by the corruption among the officials who communicate with the man in the street. It would seem that the most important thing is to prove the guilt of highly ranked officials and of course to penalise them. If all those who are guilty of political corruption are called to account, then this will increase the credibility of all the anti-corruption programmes and boost public support. By corollary, if the “fat cats” are indicted, but cannot be convicted and sentenced, this will rebound against attempts to suppress corruption, because it will show the powerful are untouchable. The public will react with rage, distrust and cynicism.

Karklins offers a simple formula for the control of corruption: it is necessary to monopolise decision-making and to limit discretionary powers and boost accountability. However, she does point out that a vicious circle might be created that will be hard to break if corruption passes a certain threshold. Then perhaps even honest citizens will have to become corrupt in order to subsist. Citizen perceptions about the incidence of corruption in a society will affect their decision on whether to join in the fight against it. If everyone acts in a certain way, the greater is the likelihood that all the others will accept the same model of behaviour. If most people within a certain establishment take part in corruption, the pressure on the others to behave the same way rises. The author states that the system is premised upon expectations about the behaviour of other members of the society: “All of the actors weigh how to act based on a cost benefit analysis, which includes calculations of economic payoffs as well as moral rewards, career prospects, and the probability of punishment”. What particularly needs stressing is that honest people, defined as those who care about the public interest, expect that others will share with them

their concern about corruption and join in the fight against it. If this belief proves mistaken, then a citizen who works for the public good will be demoralised. Still worse is the outcome if the other honest officials and citizens start thinking how stupid they were not to join in corrupt activities themselves.

The public must be convinced that behaving in line with formal rules pays off, individually and collectively. People have to be motivated to undertake the necessary steps, but they cannot be expected to bear exceptionally large costs. The authoress states that positive motivation includes consideration of material and intangible benefits such as position, reputation, moral satisfaction and the respect of friends and co-workers. Citizens have to be aware that corruption means direct costs for them, for funds are siphoned off from payments they make for public goods such as security, social benefits, maintenance of the infrastructure, decent wages for teachers and so on.

Rasma Karklins refers to the post-communist-country paradox of most people despising corruption at the same time as they take part in it. The reason is that corruption can take on various forms, some of which are tolerated more than others. In general there are two views of corruption. One is idealistic, according to which corruption is negative; the other is practical and sees corruption as useful and worth getting into. Anticorruption strategies have to limit tolerance to petty and to grand corruption.

Let us get back to the beginning of this review. Does corruption derive from moral or institutional failure? It is easier to believe in the first, because it is people that create the institutions. An institution did not drop out of the sky. As the authoress of the book points out, citizens can choose whether they want to be participants and victims of corruption or part of the counterforce. Mahatma Ghandi said that a person had to become the change she wished to see in the world. Alas, many people do not want any changes; the existing informal institutions suit them down to the ground. And those who want positive changes do not perhaps have the courage. Those who would have the courage and do want changes perhaps think that their action would produce no results, and so do nothing. At the end, a large number of people simply do not give a hang about anything. In such a world the idealist citizens will easily become demotivated, embittered, depressed or finally grow up. But don't!

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