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Corruption as a cultural phenomenon ; An 18-year old boy, whose mother worked as a maid,...

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An 18-year old boy, whose mother worked as a maid, died in somewhat mysterious circumstances. Different hospital staff demanded bribes totalling Rs 500 to issue the death certificate _ after he had visited the place seven times, and fainted once because he was too poor to eat.

No one knows why some of us are such unmitigated swine that we demand money from the poorest of the poor for even such things like dry firewood for cremation. Without the bribe you are given wet wood, which weighs more and burns badly. That means you need even more of it. The bribes are sometimes at a flat rate and sometimes so many rupees per kilo.

Two economists, Raymond Fisman from Columbia University and Edward Miguel from Berkeley decided to find out more about corruption*. What they say may not become the Unified Theory of Corruption but it nonetheless throws a great deal of light on how and why people behave so badly. They ask, is it poor enforcement of the law or is it a cultural thing?

The problem has always been to separate the two, but Fisman and Miguel have found an ingenious way of doing it. They studied the parking habits of the thousands of diplomats in New York because they have diplomatic immunity. It seems between November 1997 and the end of 2002 in New York City , diplomats had "accumulated over 150,000 unpaid parking tickets, resulting in outstanding fines of more than \$18 million."

"Diplomatic immunity means there was essentially zero legal enforcement of diplomatic parking violations, allowing us to examine the role of cultural norms alone." What they found is shocking but intuitively probably true.

They found that "diplomats from high corruption countries have significantly more parking violations, and these differences persist over time". In other words, some nationalities are rascals by origin. They found that the more corrupt a country was, the more likely its diplomats were to violate parking laws, taking refuge behind their immunity.

They also found that diplomats who had a poor view of the US committed "significantly more parking violations, providing non-laboratory evidence on sentiment in economic decision-making." The worst parking were Kuwait, Egypt, Chad, Sudan, Bulgaria, Mozambique, Albania, Angola, Senegal, and (ha! who else?) Pakistan.

So the main inference: "Taken together, factors other than legal enforcement appear to be important determinants of corruption" and "norms related to corruption are apparently deeply engrained." This is bad news for India where many people believe that we can get rid of corruption simply by being stricter in the application of laws.

This finding, however, is very different from what two other economists**, Rafael Di Tella and Ernesto Schargrotsky, found in Buenos Aires in respect of prices by hospitals for inputs. They say that the prices paid decrease by 15 per cent during the first nine months of what we in India would call an anti-corruption drive. Then they again increase but not to the levels prevailing before the crackdown.

Nit-pickers will disagree with much of what these studies have found. But the basic point, I think, is a valid one: corruption is very much a cultural phenomenon. The fact that it exists in all countries is no defence. It does nothing to detract from this basic cultural feature because it is the degree of corruption that is important, not just its presence in all countries.

After all, how can you explain the two examples I gave at the outset in terms other than cultural?.

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