Course Description and Objectives

Corruption exists in all societies. In the US, it remains a problem. On January 18, 2013, former mayor of New Orleans Ray Nagin was indicted by federal grand jury on 21 counts of bribery. This is the first mayor of New Orleans’ 295 years of history to be indicted on corruption charges. Why did it happen? Is because of greed? Is it because of lack of institutional constraints in that city?

As one of the oldest and most perplexing phenomena in human society, political corruption exists in almost every country in the contemporary world. Social scientists and policy makers have long been baffled by the relationship between corruption and political and economic development and the question of how to successfully contain corruption. Conventional wisdom is that corruption harms rule of law, demoralizes the society, and inhibits economic growth. But it is more often assumed than tested and proven. Much has been written about political corruption. Yet many questions still remain. In this class, we will address five sets of broad questions that are most common in the discourse on corruption and governance:

1. **Definition of Corruption**: Is the concept of corruption universal? Is it possible to find a commonly accepted and applicable definition of corruption? Should there be a universal standard of “good governance”?
2. **Causes of Corruption**: What are the possible causes of political corruption in general? What are the causes of corruption in different of types of regimes? Is there a general theory of corruption?
3. **Patterns of Corruption**: What are the various patterns of political corruption in countries of different political and economic development? How does it occur? In what form?
4. **Consequences of Corruption**: How does corruption affect social and economic development? Why has corruption inhibited economic growth and democratization in some countries but not others? Can corruption be “efficient” and “positive”?
5. **Control of Corruption**: Can corruption be controlled? If so, how? What are the most effective ways to reduce, contain, and eliminate corruption?

This class will introduce students to several key social science debates on the causes and effects of political corruption. Through discussions about whether corruption hurts economic development and political stability, this class will provide a better understanding of the impact of
corruption on bureaucracy, the economy, and society at large. At the end of the class, we will make an assessment for mapping out strategies and codes of conduct to control corruption.

Another important goal of this undergraduate seminar is to develop skills to research and write analytical research papers. Throughout the readings and discussions, we will pay attention to this.

Requirements and Grades

Even though the main approach of this colloquium is political science, we will also discuss theories of corruption in such disciplines as sociology and economics. Class discussion is the main form of learning. Students will be expected to participate in class discussions and fulfill weekly reading assignments. In order to stimulate debates, discussions may be led by students representing different views. Students are also encouraged to read some additional print and internet material as part of their research projects.

Prerequisites: Open to undergraduate students with junior standing. Preference to Barnard majors for fulfilling major requirements. A prior introductory course in comparative politics (POS V1501) or instructor’s permission.

Grades are based on:
1. A shortly weekly reaction essay on the readings, to be posted on the class bulletin board. Students are also expected to make comments or raise questions on postings by others. Please note that the reaction essay should be posted online before the day of class. 30% of course grade;
2. A research paper of any topic related to the course (20-25 pages), 50% of course grade, due on December 15, 2014.
3. Class participation including leading at least one discussion. 20% of grade.

Seniors: In addition to the above requirements, all seniors who have designated this colloquium to fulfill their Senior Capstone requirement will also participate in a peer partner arrangement. Seniors will hold meetings, in consultation with the instructor, to discuss and provide constructive criticism on assignments, e.g. research proposals, research methods, rough drafts with their peer partner(s). A portion of seniors’ class participation grade will reflect the quality of their work as peer mentors.

Seniors will also be required to present their final research paper in class at the end of the semester along with a poster summarizing their research questions, arguments, and findings. A portion of seniors’ final research paper grade will reflect the quality of their presentations. The poster will also be displayed at the senior end-of-year party in May 2015. The poster will not be graded, but is required to receive a "Pass" for the senior requirement and will factor into Departmental considerations for Senior Project Distinction.

Required readings:
Please note weekly readings and reaction postings (on coursework@columbia.edu) are to be done prior to the class meeting of each week.


Required readings online:
Transparency International, Global Corruption Report,
UNDP, Corruption and Integrity Improvement in Developing Countries,

Recommended readings (will be on reserve in the Lehman Library):

All required and recommended books are on reserve at the Lehman and Butler Libraries. Some of the articles that are not available online are also on reserve at the Lehman Library.

Useful Web Links:
http://www1.gwdg.de/~uwvw/links.htm
http://www1.gwdg.de/~uwvw/welcome.htm
http://www.icac.org.hk/
http://www.transparency.de/
https://wwwcc.columbia.edu/sec/dlc/ciao/wps_a-i.html (This is a hub for links to working papers at major international affairs centers)
http://www.wto.org/wto/govt/working.htm
http://muse.jhu.edu/journals/world_politics/
International Organizations
Development Links
World Political Information
Russia Today (http://www.russiatoday.com/)
I. Conception, Perception, and Definition

Week One (9/4): *What is Corruption? Why Study It?*
1. Introduction to the class
2. Definitions of corruption
   a. Public-interest-centered definitions.
   b. Market-centered definitions.
   c. Public-office-centered definitions.
3. Why do want to study corruption?

Readings:
No reading and posting are required for this week. But students are encouraged to start early on the reading of the coming week’s assignment.

Week Two (9/11): *Corruption Perceptions across Time and Countries*
How is corruption perceived in different societies and at different times? Is there a universal standard for defining what is corrupt?
Case: gift-giving vs. bribery

Readings:
Heidenheimer, *Political Corruption*, pp.3-136, 139-191; 885-905.
Chan Sup Chang and others, “Offering Gifts or Offering bribes? Code of Ethics in South Korea” *Journal of Third World Studies*, Spring 2001 (You can find this article online via ProQuest)

II. Explaining Corruption

Week Three (9/18): *Institutions and Corruption*
Mainly historical-sociological approach to explaining causes of corruption.

Readings:

Week Four (9/25): *Market and Corruption*
Economic approach to explaining corruption, which is based on the rational choice assumptions.
(1) Micro-economic approach: game theoretical model on “transaction costs” and the principle-agent model.
(2) Macro-economic approach: the rent-seeking theory and the “second economy” theory.

Readings:
Klitgaard, pp.52-97.
Rose-Ackerman, pp. 1-25. 

On the Concept of “rent-seeking”: [http://www.thelockeinstitute.org/journals/luminary_v1_n2_p2.html](http://www.thelockeinstitute.org/journals/luminary_v1_n2_p2.html)  
[http://www.edcnews.se/Research/RentSeeking.html](http://www.edcnews.se/Research/RentSeeking.html) 


Week Five (10/2): *Culture and Corruption*  
(1) The socio-structural approach.  
(2) The psychological and attitudinal approach. 

Readings:  
Heidenheimer, pp.539-558.  
P. Steidmeier and others, “Gift giving, Bribery and Corruption: Ethical Management of Business Relationships in China,” *Journal of Business Ethics*, v.20, n.2 (1999) [This article can be found online via ProQuest]  
Rose-Ackerman, pp.91-110.  

III. Patterns of Corruption 

Week Six (10/9): *Corruption in Developing Countries*  
(1) Personal rule and kleptocracy  
(2) Crony-capitalism  
(3) Rent-seeking and booty capitalism 

Readings:  
**Week Seven (10/16): Corruption in Transition Economies**

1. Informal relations and modes of operation.
2. Privatization of the state.
3. Rent-seeking in the emerging markets.
4. Organized crime and corruption.

Readings:


**Week Eight (10/23): Corruption in Democratic Systems**

1. Political scandals and electoral politics
2. Public contracts and rent-seeking
3. Influence peddling

Readings:

- Heidenheimer, pp. 623-794.
- Rose-Ackerman, pp. 127-142.
- Johnston, pp89-119.

**Week Nine (10/30): Case Studies (I): Gender and Corruption**

Readings:

- Anne Marie Goetz “Political Cleaners: How Women are the New Anti-Corruption Force. Does the Evidence Wash?” (online)
**Topics and outlines for research paper are due today.**

**IV. Consequences of Corruption**

**Week Ten (11/6): Political Consequences of Corruption**

The debate on corruption effects: (1) Corruption is demoralizing and unfair. It creates public distrust in government and leads to instability. It is a cancer of a polity. (2) Corruption buys off officials who would otherwise have resisted reform, thus reducing the possibility of stagnation. It provides access to government and policy-making process for people who would otherwise have had no such access.

Readings:
- Rose-Ackerman, pp.113-174.
- Theobald, pp. 107-130.

**Week Eleven (11/13): Economic Consequences of Corruption**

The debate on the economic effects of corruption: (1) Corruption is a form of rent-seeking, which is unproductive and socially wasteful. It distorts the market and discourage investors because of added transaction costs. (2) Corruption is an equalizer. Under certain conditions it does not hamper overall economic growth. It may actually enliven economic activities in an otherwise stagnate and highly regulated economy.

The economic crisis in Asia in 1997 also prompted some to argue that “crony-capitalism” was to blame for causing the crisis. We will assess such arguments.

*At this session, we will also discuss students’ research paper designs and drafts.*

Readings:
- Heidenheimer, pp. 303-371.
- Rose-Ackerman, pp. 7-26.
- J. Lambsdorff, chapter 3.

**Week Twelve (11/20): Case Studies (II): Asian Exception?**

Readings:
- Klitgaard, pp. 52-97.
David Kang, pages to be announced.

V. Corruption Control

Week Thirteen (12/4): Corruption Watch: How to Control It?
(1) Anti-corruption institutions, strategies, and other efforts.
(2) Transparency International
(3) Case Study: The ICEC (Hong Kong) story

Readings:
Rose-Ackerman, pp. 143-74.
Transparency International, Global Corruption Report, Corruption Perception Index;
at http://www.transparency.de/

Week Fourteen (5/1): Business Ethics and Good Governance
(1) International anti-corruption efforts
(3) 1998 OECD Anti-Bribery Convention.

Readings:
Heidenheimer, pp. 909-959.
Rose-Ackerman, pp. 175-222.
http://www.oecd.org/puma/sigmaweb/ethics/KLITGARD.HTM
http://www.oecd.org/puma/governance/ethics/symposium/rose.htm
http://www.oecd.org/puma/governance/ethics/symposium/corruption.htm
http://www.oecd.org/daf/cmis/bribery/secgene.htm
gopher://gopher.un.org/00/ga/recs/52/RES52-87.ENG

Research Papers are due on December 15, 2014.