WHY PAY BRIBES? COLLECTIVE ACTION AND ANTICORRUPTION EFFORTS

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ABSTRACT

This paper suggests that the effectiveness of current anticorruption policy suffers from a focus on the scale of the corruption problem instead of type of corruption that is to be fought. I make a distinction between need and greed corruption. Contrary to the most commonly used distinctions this distinction focuses on the basic motivation for paying a bribe, and whether the bribe is used to gain services that citizens are legally entitled to or not. Greed corruption is used to gain advantages that citizens are not legally entitled to, build on collusion rather than extortion and can thereby remain invisible and unobtrusive. In greed corruption societies the costs of corruption are divided between a large number of actors and the negative effects of corruption on economic and democratic performance are delayed and diffuse. I subsequently use this distinction to develop three propositions about the relationship between corruption and institutional trust, and the effects of anticorruption policy. Using both cross country data and a case study of a low corruption context, I suggests a) That greed corruption can coexist with high institutional trust, and that it thereby may not follow the expected, and often confirmed, negative relationship between corruption and institutional trust b) That greed corruption may not produce civic engagement against corruption and c) That increased transparency may not produce the expected benefits in low need corruption contexts, since it can disproportionally alter expectations about the entrenchment of corruption in a society. In other words, the paper suggest that the balance between need and greed corruption in a society determines the effectiveness of traditional policy measures derived from the logic of principal agent theory, such as societal accountability and transparency, and that the relevance of collective action theory to understand the effects of anticorruption efforts can be extended to contexts where the overall level of corruption is low.

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Introduction

Despite grand commitment statements and extensive international and national anticorruption programs, there are few successful anticorruption programs. The major challenge for the anticorruption industry is to understand the limited success and find more effective ways to deal with corruption. The problem of corruption has been popularized through the use of international rankings, where countries are ranked according to their level of corruption. These rankings also play a dominant role in comparative research and in many ways guide our knowledge of the effects of corruption and its global evolution. However, the current emphasis on the scale of the corruption problem clearly limits our understanding of the societal effects of corruption as well as the effects of anticorruption measures.

This paper suggests that failing anticorruption programs can partly be traced to an excessive focus on the scale of the corruption problem at the expense of a better understanding of its different forms. I make a distinction between need and greed corruption. Contrary to the most commonly used distinction, this distinction does not focus on how wide-spread or costly corruption is, but on the basic motivations for engaging in corruption in the first place. Simply put, the basic motivation for paying a bribe can be either need or greed. Need corruption occurs when services that citizens are legally entitled to, such as receiving a birth certificate or health care, are conditioned upon paying a bribe. Greed corruption occurs when the bribe is given to gain personal advantages not entitled to. The relationship between the actors involved in these two types of corruption is different. Need corruption builds on coercion and extortion, greed corruption on collusion for mutual benefits. Greed corruption is thereby usually less obtrusive than need corruption, since it is more hidden and the cost of corruption is divided between a large number of actors and taxpayers.

I show how the balance between these different forms of corruption can determine important relationships between the government and the governed, including the influence of corruption on institutional trust, the strength of domestic oppositions against corruption and the effects of increased openness and transparency.

Moreover, the need and greed distinction challenges the basic assumption of the central traditional theoretical understanding of the problem of corruption, the principal agent framework. According to this framework, corruption should be understood as a problem that can be contained if only principals, such as government bodies, citizens or civil society, are given an opportunity to monitor agents, usually government bodies (Becker and Sigler 1974, Rose-Ackerman 1978). Following the logic of the principal-agent framework, the anticorruption regime has adopted

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a large set of policies, or anti-corruption "toolkits" that improves the opportunities for these principals to monitor agents: increased transparency, a free press, democratization, checks and balances, decentralization and privatization. However, if corruption is unobtrusive, its effects indirect and its costs divided between a large number of actors or taxpayers, the very condition upon which these measures build may not be met. If corruption is unobtrusive, a very limited number of actors may engage in activities against corruption and anticorruption measures will suffer from a lack of "principals". The paper also shows how the need and greed distinction helps us better understand how collective action theory, presented as an alternative and underused theoretical perspective in anticorruption work (Persson, Rothstein & Teorell 2011, Gatti 2002; Bauhr 2011; Bauhr & Nasiritousi 2011; Bauhr & Grimes 2011), can be used to understand the effects of anticorruption measures, and how its relevance can be extended to contexts where the overall level of corruption is low.

The Engine of Corruption

The need and greed distinction builds on the notion that the motives for being corrupt vary between different settings. Simply put, the basic motives for paying a bribe or engaging in corruption can be either need or greed. As outlined in the introduction, citizens pay bribes either to receive services that they are legally entitled to and that are conditioned upon paying a bribe ("need")[1], or to receive advantages that they are not legally entitled to ("greed"). The relationship between actors involved in these two forms of corruption differs. Need corruption builds on cohersion and extortion, greed corruption on collusion. The difference between collusive and extortive corruption has been rather extensively described and studied (Klitgaard 1988, Flatters and MacLeod 1995, Hindricks et al. 1999, Brunetti and Weder 2003), particularly in the literature on tax evasion. The need and greed distinction is closely related to this distinction, since differences in basic motivations for paying a bribe generally imply different relationships between the actors involved. However, insufficient attention is paid to the implications of the different basic motivations for paying a bribe in these two forms of corruption. Thus, while most other typologies of corruption typically focus on scale (petty or grand/ administrative or state capture), type of action (bribe/kickbacks/bid rigging/fraud), and type of actor (political or business), the need and greed distinction instead focuses

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[1] Cf Karlins (2005)

attention on the nature of the basic motives for engaging in corruption and the relation between those participating in corruption.

At the root of the most commonly used distinctions between forms of corruption lies the scale or the profitability of different types of corruption. The distinction between petty and grand corruption, for instance, also involves the scale and level of the problem. Uslaner (2008) uses this distinction in his study of inequality and argues that petty corruption will have a lesser effect on inequality compared to grand corruption, since petty corruption is a form of low-level corruption that involves small sums of money. Grand corruption, on the other hand, takes place at the higher levels and involves bigger sums and therefore contributes more to inequality. Another common distinction is Heidenheimer's (2002) typology based on the moral acceptability of corruption, where petty corruption is more likely to be "white" (Heidenheimer 2002, Uslaner 2008) as it is more acceptable among the public. However, the problem with defining the role of corruption in terms of its moral acceptability is that it does not escape a focus on the scale of the problem. Petty corruption can *become* white because everybody does it or because everybody knows that you need to do it, in order to receive services entitled to. But petty corruption is not white in contexts where it is very uncommon. A civil servant offering a relative a job despite the person lacking the required qualifications could be considered as white corruption in many parts of the world where it is the expected practice. In many low corruption contexts, however, this practice is considered as morally wrong. The moral acceptability distinction is thus linked to the scale of the problem and therefore fails to give an account of the nature of the problem.

One additional problem with focusing on scale, profitability or the amount of money being traded is that both the costs and the profits of corruption cannot adequately be seen as the absolute sum of money being traded. Instead, it may be more adequately described as relative to the income of both the corrupt person and the one paying a bribe. Consequently, the personal costs of corruption for someone involved in need corruption, such as paying a bribe to receive the health care entitled to, can be very high in relation to that person's income, even if the sum may appear as minimal in relationship to the sum traded in greed corruption. Conversely, extra income, however large, may have a minimal effect on the everyday life of a person who is already well-off, even if the extra income acquired by corruption appears high in absolute terms. Therefore, the profitability or scale of corruption is inadequate for understanding the nature of these corrupt acts, as well as their obtrusiveness, since large scale corruption is not necessarily obtrusive. As opposed to grand corruption, greed corruption can be both small and large scale (measured in both the ab-

solute or relative sum of money being traded) and more or less common (defined as widespread among different persons).

A few examples may illustrate the distinction between need and greed corruption. A typical instance of need corruption would be when an individual is forced to pay an extra sum of money to a civil servant in order to get services, such as his or her passport issued or health care, despite already having paid all official fees. Examples of greed corruption would be an entrepreneur who offers a gift or service to a public servant in connection with a procurement process or a lobby group inviting an important politician to a luxury resort. While need corruption is most often illegal, greed corruption can be both legal and illegal. The difference between the two forms of corruption lies in whether citizens are legally entitled to the benefits for which bribes are paid or not. It should be noted here, however, that the need and greed distinction should be seen as a continuum, where some acts are more easily placed at either end of the continuum.

Understanding Greed Corruption

That countries have various levels of corruption has been popularized through a range of indices that rank countries according to their control of corruption. Countries like Sweden, Denmark and New Zealand consistently rank high in the tables, while countries like Afghanistan and Somalia find themselves named as the most corrupt countries in the world. While the rankings have focused attention on the differences in level of corruption across countries, few studies take into account how the types of corruption vary between different contexts and implications of this variation.[2]

The need and greed distinction builds on the notion that the motives for being corrupt vary between different settings. However, the international anticorruption regime and the measures that is has produced rely extensively on assessments of the overall level of corruption, or on single dimensions of corruption, often the frequency of paying bribes to government official - a measure that tends to capture need rather than greed corruption. Thus, whereas several indices assess the overall level of corruption in society (e.g. the Corruption Perceptions Index and the World Bank's Control of Corruption measure), specific measures of need and greed corruption in cross country surveys are difficult to find. Despite the different criticisms levelled against quantifying corruption into a single number (Johnston 2001, de Haan and Everest-Phillips 2007, Warren

[2] Cf Johnston (2005)

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and Laufer 2009, Andersson and Heywood 2009), corruption rankings remain important for both academic and policy purposes. In order to develop a better understanding of the need and greed distinction, I use a study of Sweden, a country which consistently ranks as one of the least corrupt countries in the world in international comparisons (Transparency International 2010).

The problems caused by corruption in Sweden may seem insignificant in comparison to the problems caused by kleptocratic governments. However, while need corruption is virtually non-existent in Sweden, greed corruption still exists. The advantage of studying low need corruption contexts is that the very existence of greed corruption clearly shows that need and greed corruption are two separate types of corruption. A better understanding of corruption in low need corruption contexts can thus provide additional insights into the forms and effects of greed corruption as well as the effects of efforts to contain it.

Below, I use a panel of Swedish citizens to explore our distinction between need and greed corruption. According to a representative public opinion survey from 2009, only 1.2% of the respondents answered that they had been asked to pay a bribe to a government official during the last 12 months. The corresponding figure for bribes to the private sector was 1.3% (Oscarsson 2010). The very low level of corruption in Sweden is echoed by our web survey participants.[3] Respondents state that they have had no personal experience of corruption or quote international studies that show that Sweden has relatively low levels of corruption.

"After all, I think Sweden is among the countries with the lowest levels of corruption. I don't feel that it is a big, or even medium-sized, problem in Sweden."

Nevertheless, respondents believe that while Sweden is relatively spared from corruption in its traditional sense, trading favours is a form of hidden corruption that is relatively common, although difficult to capture in the statistics on corruption. The idea that corruption in Sweden is very different from corruption in countries with systemic corruption is expressed repeatedly by our web survey participants

"It is my opinion that corruption, even if it exists, cannot be compared with countries that are steeped in corruption, like countries in Africa, the Middle East and South America. The image we have of corruption is drawn from those countries and cannot be compared with the irregularities that occur in Sweden."

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[3] For details about this study see the comments under table 1.

"I think that the corruption that exists in Sweden is pretty harmless and in many cases people do not consider themselves to be corrupt since they do not accept lasting things such as money or things with a high value."

Several participants point to the low visibility of corruption in Sweden and link the lack of visibility to the type of corruption involved.

"Not very visible – but that does not mean it does not exist."

"I think that the corruption that exists in Sweden is more about providing others with advantages rather than pure money. In that way it can be easier to hide the bribe."

"In the East, open corruption 'give me something and I will do it'. In Sweden some sort of hidden corruption. For example get advantages through bonuses, cartel creations, monopolies, point systems, gift systems, discounts and so on."

Our interviewees thus often note that although the traditional forms of corruption may be low in Sweden, there are other types of practices that can be viewed as corruption. These are types of corruption include both illegal and legal acts and closely resemble our definition of greed corruption. The legal practices that they refer to have traditionally received less attention, but have recently been discussed in the literature as "influence" or "legal corruption". Hellmann et al. (2000:6) define influence as occurring "when firms are able to affect the formation of laws in order to derive rents without recourse to illicit private payments to public officials". Similarly, legal corruption "involves the manipulation of formal legal processes to produce laws (and thus legally sanctioned rules) that benefit private interests at huge expense to the general public" (Campos and Pradhan 2007:9). Kaufmann writes that: "corruption ought to also encompass some acts that may be legal in a strict narrow sense, but where the rules of the game and the state laws, policies, regulations and institutions may have been shaped in part by undue influence of certain vested interests for their own private benefit (and not for the benefit of the public at large). It may not be strictly illegal, but unethical and extra-legal."[4]

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[4] http://thekaufmannpost.net/capture-and-the-financial-crisis-an-elephant-forcing-a-rethink-of-corruption/ .November 3, 2008.

Examples of the occurrence of this form of corruption in Sweden are, according to our survey answers, politicians that favor certain large companies and lobby groups that dictate policies, and the appointment of high-level positions based on political color rather than merit. All of these represent some form of breach of the norm of impartiality (Rothstein and Teorell 2008). Thus there is a perception that the definition of corruption should include such practices that are not strictly illegal, but which could lead to undue influence by working around the rules. Interestingly, this is also seen to occur on the "input" side of politics.

Some politicians may favor a few large companies:
"Politicians allow themselves to be flattered in different ways by lobby groups"

Several point to the practice of bending the rules for individuals with high positions in society:
"Appointments to higher posts, bonuses and 'fringe benefits' in the moral grey zone for those who move in the right circles. Far away from the average Swede's reality."

"There is a more favorable reading of the rules and guidelines when it comes to 'VIPs' than applied for 'normal' Swedes" and "There exists a lack of respect for the intentions and the strict meaning of the law."

Some express that certain practices that can amount to corruption are "inbuilt in the system" and mention the close relationship between certain interest groups and labour organizations and political parties.

"Sweden has a fairly low level of corruption. But there are instances of corruption in Sweden that do not violate the law. When certain organizations finance political parties and expect to gain influence over politics then this is corruption (…)."

The 2011 web-survey in fact shows that the occurrence of greed corruption is considered to be more frequent than the occurrence of need corruption among survey participants.

TABLE 1. PERCEPTIONS OF THE PREVALENCE OF NEED AND GREED CORRUPTION

Question	Mean	Min	Max	Number of respondents
Need Corruption:				
An individual is forced to pay an extra sum of money to the civil servant in order to get his passport issued, despite all official fees having already been paid.	1.62	1	7	490
An individual is expected to pay an extra sum of money to the doctor in order to receive good care, despite all official fees having already been paid.	1.97	1	7	503
A public official demands a fee to perform a duty that is actually part of his/her work.	2.51	1	7	501
Greed Corruption:				
An entrepreneur offers a gift or service to a public servant in connection with a procurement process.	4.85	1	7	511
A politician lets his decision making be influenced by lobby groups that offer him free trips.	4.90	1	7	521
An organization gains influence over the policy process thanks to its funding of a particular political party.	4.92	1	7	507
A public official grants building permits easier to high-level individuals and companies than to ordinary citizens.	5.36	1	7	513

Comment: The table shows the average answer of a web-based survey in 2011, conducted in collaboration with the Laboratory of Opinion and Democracy Research (LORe), University of Gothenburg. The panel participants do not constitute a representative sample of swedes and should not be used to draw inferences to the entire Swedish population. The table shows participants answer to the question " In your opinion, to approximately what extent do following actions occur in Sweden today?"1 (Never occurs)-7(Occurs very often). [5]

The table shows our panel participants' perceptions of how common different forms of corruption are. The analysis shows that although the majority of Swedes perceives the overall level of corruption as very low, our panel participants perceive greed corruption to be substantially more common than need corruption. Similar questions were asked in our representative survey in 2010, but on the acceptability of different forms of corruption (Bauhr and Oscarsson 2011).[6] In this study we found a significant difference between the acceptability of need and greed in the Swedish sample. Thus

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[5] The analysis in this section builds on two web surveys consisting of self-selected samples of respondents in Sweden. The surveys were conducted by the LORe (Laboratory of Opinion and Democracy Research) in collaboration with the Multidisciplinary Centre for Opinion and Democracy Research at the Department of Political Science, University of Gothenburg. The first survey was conducted in 2009 with 1,453 respondents, and the second in January 2011 with 554 respondents. The panel data does not constitute a representative sample, and should not be used to draw inferences for the entire Swedish population. However, we have some indications that the answers may be relatively robust. For example, on the acceptability question of an entrepreneur offering a gift or service to a public servant in connection with a procurement process, the mean for the panel data is 1.53 and for a representative sample, conducted by the SOM Institute, it is 1.55 (Bauhr and Oscarsson 2011). Similarly, for the acceptability of a public servant demanding a fee to perform a duty that is part of his/her work, the mean for the panel data is 1.17 while it is 1.22 for the representative sample. The question asked in both the web survey and the representative survey conducted by the SOM institute was "In your opinion, to what extent can the following actions be acceptable?" with answers ranging from 1 (never acceptable to 7 (always acceptable).

[6] This survey was conducted by the SOM-institute, Göteborg univeristy

greed corruption represents a serious challenge to current anticorruption policies, the implications of which will be explored in the next section.

Need, Greed and Institutional Trust

The detrimental effect of corruption on institutional trust is well-grounded in empirical research. Although the relationship between corruption and trust may be most adequately described as reciprocal (Rothstein and Stolle 2008, Morris and Kleser 2010:11, Hetherington 1998, della Porta and Vanucci 199,), the negative effect of corruption on institutional trust is strongly supported in recent studies (Bowser 2001, della Porta 2000, Selingson 2002, Anderson and Tverdova 2003, Chang and Chu 2006). However, most of these studies focus predominately on the scale of corruption and do not distinguish between different types of corruption. Studies typically use measures of the overall level of corruption in a country, such as the World Bank's Control of Corruption Index and Transparency International's Corruption Perceptions Index, or individual level measures such as the frequency of bribes from the World Value Survey. In other words, corruption is seen as primarily varying in scale between countries, and not in type.

To the extent that institutional trust is indeed an evaluation of the performance of the government (Mishler and Rose 2001), the differences in obtrusiveness between different forms of corruption can be expected to influence their effects on institutional trust. Since greed corruption is typically less obtrusive than need corruption it may also have more limited detrimental effects on institutional trust than need corruption. Greed corruption may even, under some circumstances, coexist with high institutional trust, including trust in the institutions upholding the control mechanisms in society, such as the judicial system. More specifically, while need corruption reduces institutional trust, greed corruption may not necessarily follow the expected pattern. [7]

This relationship is illustrated in Figures 1 and 2 below. One reason for the importance of corruption rankings is the inadequate access to good cross country data measuring other dimensions of corruption, and in particular the need and greed dimension. Therefore, one of the key problems with using the need and greed distinction in empirical research is the very limited availability of good cross country measures. The analysis below is based on World Value Survey
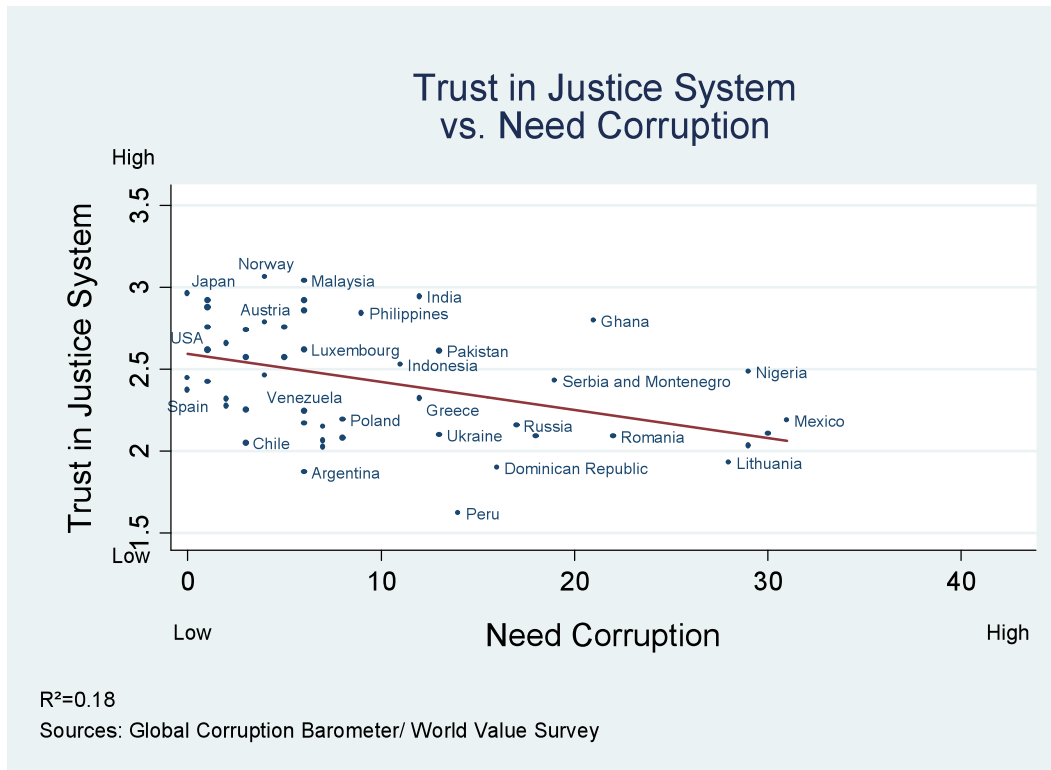
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[7] This proposition may therefore be somewhat at odds with Uslaner (2008) who suggests that grand corruption has a stronger effect on generalized trust than petty corruption in Africa and Moldavia. The explanation offered for this is that grand corruption contributes more to inequality than petty corruption.

data (for need corruption and institutional trust) and data from the World Business Environment survey (for greed corruption). The graphs show the effects of need and greed corruption respectively on institutional trust.[8]

Figure 1 reconfirms the established finding in the literature and show a negative relationship between corruption and institutional trust (Andersson and Tverdova 2003). The more need corruption in a country, the lower the trust in the justice system. Figure 2 is more puzzling however. The unobtrusiveness of greed corruption leads me to expect that greed corruption would coexist with high institutional trust. Figure 2 shows that greed corruption may even be positively associated with high trust in institutions. Although plausible explanations for this inverse relationship may be difficult to find, the figure clearly shows that the relationship between greed corruption and institutional trust may be fundamentally different than the often confirmed negative relationship between corruption and institutional trust.
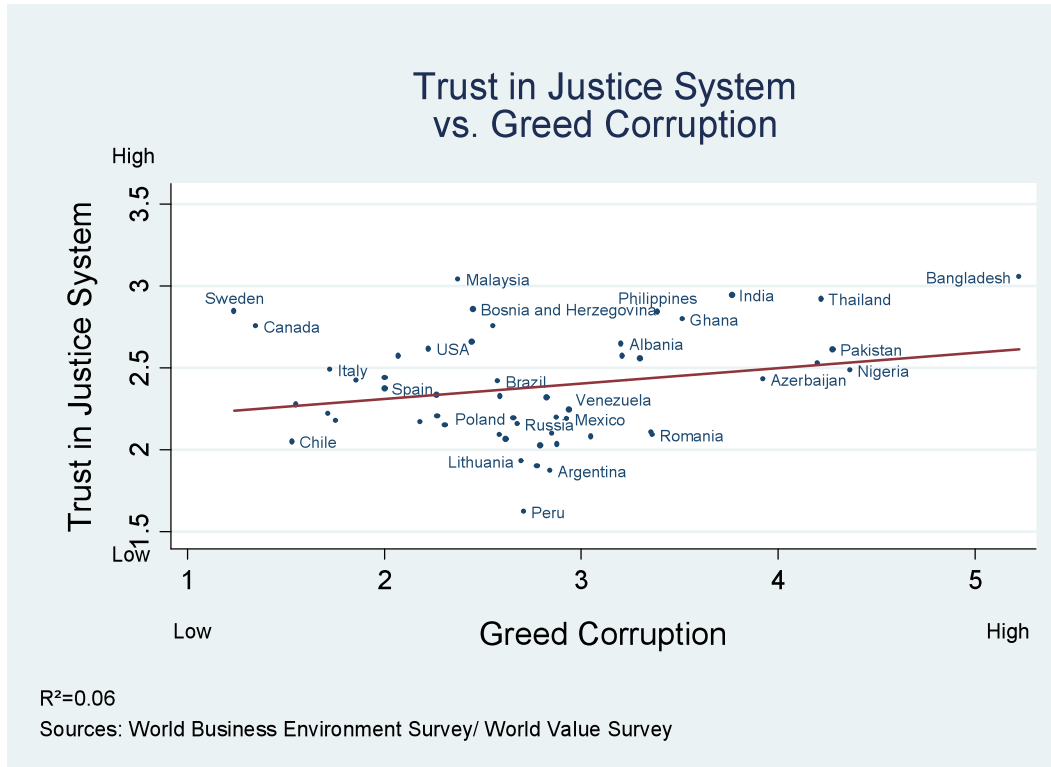
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[8] A complete variable description is included in Appendix 1. The justice system is used as a proxy for institutional trust as it is a fairly neutral institution (Campbell 2004; Rothstein and Stolle 2008). Although the justice system may not be involved in the type of corruption exposed, it is often seen as responsible for dealing with corruption

Comment: Need corruption is measured as the percentage of a country's population who answered "Yes" to the question: "In the past 12 months, have you or anyone living in your household paid a bribe in any form?" (Original source: Transparency International Global Corruption Barometer 2005). Trust in the justice system is measured as country averages of the answers to the question:" I am going to name a number of organizations. For each one, could you tell me how much confidence you have in them: is it a great deal of confidence, quite a lot of confidence, not very much confidence or none at all?" (World Value Survey 2005-2008). All data accessed through Teorell, Jan, Marcus Samanni, Sören Holmberg and Bo Rothstein. 2011. The Quality of Government Dataset, version 6Apr11. University of Gothenburg: The Quality of Government Institute, http://www.qog.pol.gu.se.

Comment: variables are coded so that higher values mean higher need, higher greed and higher trust. Greed corruption is measured by the average response to the question "It is common for firms in my line of business to have to pay some irregular 'additional payments' to get things done". Coded here as 1=never and 6=always (Original source: World Business Environment Survey 2000). Trust in the justice system is measured as country averages of the answers to the question:" I am going to name a number of organizations. For each one, could you tell me how much confidence you have in them: is it a great deal of confidence, quite a lot of confidence, not very much confidence or none at all?" (World Value Survey 2005-2008). All data accessed through Teorell, Jan, Marcus Samanni, Sören Holmberg and Bo Rothstein. 2011. The Quality of Government Dataset, version 6Apr11. University of Gothenburg: The Quality of Government Institute, http://www.qog.pol.gu.se.

These relationships hold when controlling for variables often associated with institutional trust, such as GDP/ capita, inequality and democracy.[9] Thus, the graphs indicate that need and greed corruption can have different effects on institutional trust. Greed corruption does not seem to follow the expected pattern and relationship between corruption and institutional trust. Although the results make theoretical sense, a caveat applies. The measures used for need and greed corruption are proxies and neither of them provides an exclusive measurement of the concepts under scrutiny here. Although neither of these surveys produce measures that exclusively measure need or

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[9] Results available upon request.

greed corruption, business payments to get things done, of the kind referred to in the WBE, can be expected to capture greed rather than need corruption. It can, however, also capture a fair amount of need corruption, as it is conceivable that part of these payments are used to obtain licences etc. that business may be legally entitled to. Furthermore, if large parts of the population have paid a bribe, corruption can be expected to be linked to every day services, and thereby more likely to capture need corruption. However, although the exact nature of the relationship between greed corruption and institutional trust warrants further studies, the relationship between corruption and trust can clearly be affected by what type of corruption empirical indicators measure.

Need, Greed and Collective Action against Corruption

The distinction between need and greed corruption also challenges one of the basic assumptions of current anticorruption efforts, namely that corruption will lead to some level of mobilization and collective action against it. Most current anticorruption efforts are based on the logic of principal agent theory (Persson, Rothstein & Teorell 2011). Although this theory comes in a number of forms, the pioneering works of Becker and Stigler (1974) and Rose-Ackerman (1978) present corruption as a problem that can be controlled if "principals" (citizens or government bodies) are given the opportunity to monitor "agents" (usually government agencies). In this view, corruption is seen to arise when the benefits of the corrupt act outweighs the costs of possible detection and punishment.[10] In practice, this advice has resulted in public sector reform, privatisations and a push for democratization, transparency and a strengthening of civil society (World Bank 2000).

However, a growing body of studies suggests that the reason why anticorruption efforts often fail to produce the expected benefits is the absence or lack of actors willing to enforce current anticorruption legislation (Robinson 1998; Johnson 2005). Thus, even if anticorruption legislation and formal structures are in place, this does not automatically mean that laws will be enforced. Using the terminology of principal agent theory most current anticorruption measures assume the existence of "principals", i.e. actors, such as civil society, government agencies or citizens willing to enforce anticorruption legislation. However, there are several reasons why this assumption may not be met, including the ineffectiveness of formal complaints mechanism and the high personal costs of engaging in anticorruption work.

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[10] According to this view, corruption can be understood according to Klitgaard's formula "discretion plus monopoly minus accountability equals corruption" (Klitgaard 1988).

Less attention is given to the implications of unobtrusive corruption for civic engagement. Greed corruption can remain invisible for many years and its costs are diffuse and divided between large numbers of actors. Furthermore, democratic institutions erode very slowly. Thus, although actors in most part of the world share a strong moral condemnation of corruption, effects of corruption that are not directly felt may not produce a strong engagement among government agencies nor the broad public. Greed corruption does not necessarily engage and mobilize "principals". The lack of civic engagement against greed corruption can be even further cemented if greed corruption coexists with high institutional trust, and in particular a trust in the ability of the political system to contain corruption. If greed corruption coexists with high institutional trust, citizens may have a (potentially unwarranted) high trust in the ability of the political system to contain corruption, and assume that the government is able to deal with the corruption. Our interviewees clearly expressed a trust in institutions' ability to deal with corruption.

In the words of one of our Swedish interviewees: "*Thankfully, quite rare in Sweden, traditionally - after Sweden became a real democracy - bribes and the like have not had a place in society.*" Similarly, interviewees expressed trust in the control mechanisms of the bureaucracy :"(…) *I believe that our bureaucracy has many barriers and control mechanisms that impede corruption.*" Trust in the ability of the system to contain corruption is not unwarranted in Sweden, and such trust can also be conducive to civic engagement if people see the need of influencing the system. However, greed corruption may only on rare occasions motivate civic engagement.

The need and greed distinction thereby helps us understand the difficulties involved in containing corruption. More specifically, it helps us understand why low need corruption societies may not produce effective civic engagement against greed corruption. If corruption is not clearly felt in everyday life and its effects are divided and diffuse, it may motivate less engagement among broad sections of the population. This is important, since it provides an explanation as to why certain forms of legal corruption can be allowed to remain unchecked for many years in countries that are seen as having a generally high control of corruption, despite its detrimental effect on the economy. Analysts claim that such dramatic international developments as the recent financial crises have their roots in legal corruption (Kaufmann 2009), and understanding the processes leading up to long term indifference in relation to the developments leading up to the crisis is therefore important.

The key problem for anticorruption work is therefore how to make actors engage against corruption in the first place. Recent studies highlight the social dilemma character of the problem of corruption (Persson, Rothstein & Teorell 2011, Gatti 2002; Bauhr & Nasiritousi 2011;

Bauhr 2011; Bauhr & Grimes 2011). Social dilemmas occur when individuals face choices where the maximization of short term self-interest is detrimental to the common good, and hence leaves all participants worse off than they would otherwise be (Ostrom 1998, Olson 1965). A key idea in the large body of literature that attempt to find ways to overcome social dilemmas and promote collective action in such varying fields as environmental protection international security and corruption is that norms of reciprocity, reputation and trust are important for avoiding suboptimal outcomes (Ostrom 1998). In other words, what may ultimately keep actors from maximizing their own short term self-interest and act for the common good is if they expect others to also act for the common good. If corruption is seen as a social dilemma, actors' willingness to pay bribes and engage in corruption should critically depend on expectations about others' behaviour, or the entrenchment of corruption in their society (Persson, Rothstein & Teorell 2011).

Following this logic, an understanding of the effects of anticorruption measures would necessarily have to include an analysis of how they alter expectations about others' behaviour. However, our understanding of when and how established anticorruption measures alter expectations about the behaviour of fellow citizens is very limited. An increased transparency and exposure of corruption is one example of a policy measure with the potential to alter expectations about the propensity of people to pay bribes (Bauhr & Nasiritousi 2011). Transparency and increased exposure of corruption is often praised as one of the key anti-corruption measures, since it allows abuses to be detected and punished. However, if an increased exposure of corruption makes the scale of the corruption problem more visible, it may alter expectations about others' behaviour by making citizens perceive that their fellow citizens are more corrupt than they assumed (Bauhr 2011; Bauhr & Grimes 2011). In the worst case scenario, transparency may thereby even increase corruption since it may reduce the social and moral threshold for paying a bribe.

The balance between need and greed corruption potentially conditions the effect of transparency on corruption. In high need corruption contexts, corruption is often experienced and felt in everyday life and the potential for transparency and exposure *per se* to alter expectations about others behaviour should thereby be rather limited. In contrast to high need corruption contexts, however, most people living in low need corruption contexts have no personal experience of corruption whatsoever. This makes the average citizen heavily dependent upon third hand information about corruption. An increased transparency and exposure of corruption in these contexts clearly runs the risk of altering expectations about others' behaviour, which may undermine the low corruption equilibrium. Since corruption allegations are not anchored in broad based experiences, it

may potentially disproportionally influence perceptions about the entrenchment of corruption in these contexts (Bauhr 2011).

Several participants in our web study express this concern about increased exposure of corruption and warn that an excessive exposure of corruption stories in the media may create the false impression that corruption is a major problem, which may in turn provoke more corruption. Interviewees expressed that they perceived that corruption is more common than before, after mass media interest in corruption had increased: "*It "feels" as if it [corruption] occurs frequently or it is the media that focuses more on it today than before.*". The dilemma is nicely captured by another of our interviewees: "*It is good that the problem is addressed. On the other hand, exaggerations in the press can make it appear as more common than it really is which can bring about more corruption.*"

The effect of increased transparency on corruption is complex and clearly requires more elaborate scrutiny. However, a better understanding of the social dilemma character of corruption and how anti-corruption measures alter expectations about others' behaviour is important. In the logic of collective action theory, actors' willingness to engage in and against corruption should critically depend on how many others in that society are perceived to be corrupt (Ostrom 1998, Persson, Rothstein & Teorell. 2011; Andvig and Moene 1990, Gatti et al. 2003). The need and greed distinction can elucidate the conditions under which anti-corruption measures alter expectations about others' behaviour, and thereby help us understand the potentially unwarranted effects of anticorruption measures, and how to improve them.

Implications of the Need and Greed Distinction

This paper suggests that moving beyond a focus on the scale of corruption, and in particular making a distinction between need and greed corruption, has several implications for our understanding of the effects of corruption and the effectiveness of measures against it. In order to illustrate the implications of the need and greed distinction, I use it to make three interrelated propositions. First, the relative unobtrusiveness of greed corruption can make corruption coexist with institutional trust in low need corruption contexts. Studies on corruption and institutional trust typically find that trust is inversely related to corruption, i.e. that more corruption reduces trust in institutions (Bowser 2001, della Porta 2000, Selingson 2002, Anderson and Tverdova 2003, Chang and Chu

2006).[11] The need and greed distinction is used here to question whether corruption is always detrimental to institutional trust. Second, greed corruption does not necessarily motivate engagement against corruption. Greed corruption can produce moral indignation, but it may not motivate collective action. The influence of greed corruption on everyday life can remain almost invisible for extended time periods, since costs are divided and democratic institutions erode very slowly. Third, an increased transparency and exposure of corruption can have unwarranted effects on the level of corruption in low need corruption contexts. In low need corruption contexts, most people lack every day experiences of corruption. Perceptions of corruption are thereby potentially disproportionally influenced by third hand or mass media accounts of corruption in these contexts, which may fuel expectations about other people being corrupt, and thereby legitimize corruption.

The more general conclusion that can be draw from the analysis is that anticorruption efforts would benefit from a better analysis of why and when the fundamental condition upon which most policy measures build, namely the very existences of "principals" willing to enforce anticorruption legislation, is at all present. The basic motivation for paying a bribe, and the visibility and obtrusiveness of corruption is potentially important for the strength and engagement of "principals". It thereby shows the difficulties involved in containing greed corruption in low need corruption contexts. Low need corruption societies suffer from a lack of principals and policy measures aimed at increasing the visibility of corruption can potentially backfire, since expectations about the entrenchments of corruption may be disproportionally influenced by third hand accounts. In other words, anticorruption efforts would benefit from taking into account how policy measures influence a society's expectation about the entrenchment of corruption, and how this may vary between different types of corruption and societies.

In sum, since the nature of the corruption problem varies considerably within and between countries, it is reasonable to expect that the policy implications derived from one set of theories cannot sufficiently target all types of corruption or that there is a one size fit all solution to the complex problem of corruption. This paper shows how a better understanding of the balance between different forms of corruption can be used to understand such important relationships as the effects of corruption on institutional trust, the level of civic engagement against corruption and the effects of increased transparency and exposure of corruption. In particular it shows the benefits of moving beyond traditional principal agent conceptions of the problem of

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[11] The relationship is most likely reciprocal, where low trust in institutions may also produce more corruption (Rothstein and Stolle 2008; Hetherington 1998, della Porta and Vanucci 1999,)

anticorruption and better exploring alternative understandings of the problem, most notably the social dilemma character of the problem of corruption.

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