CORRUPTION: WHERE AND WHY (AND HOW TO BEAT IT)?

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Abstract

Corruptive environment is a phenomenon we are facing every single day through different point of views. It can have positive or negative impact from both macro and micro perspective. The study is focusing on two key questions: WHERE corruption is occurring (geographical, phenomenal levels etc.) and WHY is it occurring by identifying factors causing it (country specific factors). While the question "where" is relatively easy to answer, the question "why" requires a significantly more complex response. Country analysis was made according to their rankings through Corruption Perceptions Index, published annually by Transparency International. I have researched the main factors that affect the level of corruption in each group of countries, or rather tried to find similarities and differences between individual groups of countries with regard to what affects the level of corruption in these groups. A basic model of three factors (risk, benefit, and awareness) was created based on several known, scientifically confirmed factors that either generate or reduce corruption and affect the level of corruption in each country respectively. Depending on the level of corruption analyzed, countries can be placed into five classes by their common characteristics. During the discussion, the results of the study were then compared with the results of the already-known research, and the matches and differences defined. The findings were also commented upon with the aim to answer the question of how to fight corruption.

1. Introduction

Corruption is a phenomenon that has existed in society since time immemorial. However, lately, it is being more and more mentioned and stressed, with research on corruption itself and its negative impacts becoming more frequent only after 1995 (when both countries, as well as international institutions, became increasingly aware of the negative effects of corruption; until then, corruption was treated with a somewhat neutral attitude). Due to the proven negative

effects (especially according to research) of corruption, countries are striving to prevent or at least limit its spread.

Corruption is mainly a consequence of circumstances that do not allow equal access to goods, services and rights. Among these circumstances are poor and overly written laws (the rule is that the most corrupt countries have the most laws, which are also the most extensive), lack of political will, inefficiency of state institutions, poor quality of management, great discretionary power of civil servants, values of society and tolerance to corruption. They are created due to the greed of individuals, lack of integrity, ignorance, lack of responsibility, excessive complaisance (www.acfe.si). Most experts and researchers who used to be or are still engaged in corruption more or less agree that it is endangering both social stability and security as well as values, and is impeding the economic and social as well as political development of countries, while at the same time threatening man as an individual.

The word corruption is derived from the Latin word "corruptus", which means corrupt and, in legal terms, an abuse of a trusted position in one of the branches of power (executive, legislative, judicial) or in political or other organizations, with the intent to obtain, for oneself or others, material gain that is not legally justified.

The impact of corruption on the functioning of society is negative in the long run, which is why the domestic and international community is paying more and more attention to it. Due to the negative effects of corruption, all countries are trying to intervene in this area in order to prevent or at least limit its spread. Corruption occurs always and everywhere, where the profit and benefits of individuals, groups, or businesses are involved and is represented in all spheres of social and political life. It appears in the form of bribery, acquaintances, associations, nepotism and privileges, and definitely cannot be easily detected. It reduces economic growth, increases poverty, lowers the quality of services, draws public resources and consequently undermines the credibility of politics, influences decision-making processes, and destabilizes democratic systems (Dobovšek, 2005, p. 24).

If corruption is to be understood, it is necessary to know the reasons why it occurs. There is never only one cause; there are numerous causes and they act together in combinations that allow corruption. The causes arise from political, social, economic conditions of each country, as well as from historical development, customs and culture (Horvat, 2008, p. 6).

Why is it important to distinguish between corruption and other criminal acts, for example, theft or fraud, explains Senior (2006, p. 30, 31). There are two sides to theft: the one which steals and the one which has something stolen (the one which steals might rob an individual, community or state), whereas corruption comprises of three sides: the one which offers the bribe, the one which takes the bribe (both sides benefit in doing so), and the third which is harmed (the state, taxpayers, the company, etc.) or is in a worse position because of it. Or, as he simplified, if someone takes 10 pounds from someone's wallet, the one who steals the money is better off, while the other is worse off (only that person is affected). And, if a contractor bribes an official to win a tender, those companies that have failed to win are worse off, and if this contractor then bribes the official to accept a higher price for the service, indirect influence (indirect damage) on the taxpayers also occurs. Fraud is only a more sophisticated form of theft, with the same result, which is an injured party, however, the victim can hope for compensation if the thief or fraudster is brought to justice. Nevertheless, if it is known that the thief or the fraudster will not be judged for bribery of the court or police, it can be assumed that corruption is more harmful to the society than theft or fraud. In addition, corruption is concealed, it affects a third party, and those who suffer due to it will never be able to identify the causes for their suffering and they will never receive any repayment for it.

2. Corruption: where?

Corruption occurs everywhere where money is involved. There is, in general, more corruption where management of foreign money, that is, taxpayers' money is involved. Roughly speaking, if the question "corruption: where?" is asked, three different areas of corruption occurrence can be defined as:

- A geographically defined notion;
- The levels on which it occurs (especially as corruption in the public administration);
- An environment in which it occurs.

If we say "where" and by that mean a geographical concept, we can roughly say that corruption is largely geographically dependent. The highest level of corruption is in Asia (mostly in Central Asia) and Africa (North and Central Africa), as well as in South America (according to the Transparency International map) (Figure 1).

Figure 1 – Map of corruption (darker color, more corruption)

Source: https://www.transparency.org/cpi2017

However, if by "where" we mean where corruption does occur in the state administration (if corruption is primarily considered as a phenomenon in the public administration), three levels of corruption can be identified (Dobovšek, 2008):

- *Micro-level* presents small gifts to public officials for achieving the desired service, which is the officials' duty anyway. Corruption at this level is tied to those officials who deal with documentation and license issuing. People are very tolerant of this, it has become a part of

everyday life, and the amount of unlawfully acquired funds does not exceed the average monthly salary of an official;

- *Middle level* includes public officials at a higher level. It is most widespread at the local level, where the local politics, with its help, achieves solutions that fall within the competence of the middle level of public officials. The public does not tolerate such corruption; it can amount to a few monthly salaries of an individual official;

- *Macro-level* corruption is linked to government procurement through the conclusion of major contracts, the performance of major work in the country (e.g. construction) and other major investments. It is the most dangerous part of the corruption that takes place in the highest social and political circles and is enabled through the abuse of functions and positions, political power, and the abuse of social status. Such forms of corruption usually remain hidden, and if they are detected, the main players remain undetected. Typically, those are representatives of elites who through corruption transfer large amounts of money.

However, corruption can also be distinguished according to the environment in which it occurs. According to this criterion, we distinguish four forms of corruption:

- *Corruption between public officials and private individuals*, which is a form of corruption where a private person wants to obtain a "kind of" favor and is usually a minor form of corruption, which is, however, a good basis for social degradation;
- *Corruption between public officials and politicians*, where it comes to returning services on a personal level;
- *Corruption in the private environment*, which is the most common form of corruption in the economy and is reflected in the abuse of economic contracts (e.g. giving priority at public tenders);
- *Corruption between individuals and politicians*.

3. Corruption: why?

3.1 Corruption – risk, benefit and awareness

In his work Liberalism: The Classical Tradition, Ludwik von Mises (1927) explained some of the laws necessary for participation in the market economy, which are:

1. Private property, i.e. private ownership of production assets. Individuals have the right to own and use not only goods that are ready for consumption, but also factors of production from which goods can be produced and services for sale and use offered;

2. Freedom, namely the freedom of every individual, without distinction, which is to be guided by his own goals and plans, based on which he is voluntarily included in the social system of division of labor through a contract and a mutual agreement;

3. Peace, namely, the abolition and the elimination of violence in human relations, for an individual can only feel safe to direct his mind and efforts toward creative improvements in the human situation when in the environment of peaceful integration;

4. Equality, namely equal personal and political freedom before the law, with which each individual has the freedom to choose to join the system of division of labor according to his own consideration regarding what is the most profitable, without legal obstacle or restriction;

5. Inequality of wealth and income, that is, the financial situation of each individual depends on his success in serving others in the system of division of labor, whereby the relative income and financial situation of the individual inevitably reflect different achievements in this endeavor;

6. A government with constraints, which means that political authority with its powers and responsibilities is limited to those tasks that are necessary to ensure peace in which the freedom and property of an individual are protected against oppression and violence.

Of course, these laws can also be identified as the idealization of the liberal state and are of more economic or philosophical nature, but the fact is that if one of these laws is not fulfilled, corruption falls on fertile soil. Therefore, are the countries where production assets were or still are in their possession usually at the top of the list of the most corrupt countries. Moreover, if an individual has no freedom, if others decide about him and his goals, then is the individual often forced into corruption actions in order to achieve his goals. Also, at the top of the list, there are usually countries that are at war.

Equality before the law, both personal and political, is also important, for if there is none, then there is no rule of law, and this in itself allows for the development of corruption. The rules of the game have to be the same for everybody. The inequality of wealth and income are not an important factor at all at first glance, however, when placed opposite the socialist equilibrium, it can immediately be seen that without the fulfilment of this law we fall into corruption. And a government without restrictions, where there are too many laws, regulations and other legal acts, where the government takes the discretionary power or even adapts the entire legal system, is the generator of corruption at all levels of decision-making or management in the country.

Failure to comply or non-compliance with one of these laws leads to corruption. However, corruption itself is a phenomenon too complex to be explained only by this.

In order to better define or find out corruption: why?, I tried to simplify the problem and I combined several influential factors in one of my previous researches (together with Mahić, 2017). Thus, in this article, I considered corruption as an illegal or criminal offense (legislation, political and economic environment, etc., which refers to the previously described Mises law) together with the conditions for its creation in one part and as a set of ethics, morals, religions, customs and traditions in the second part.

In his study, the Nobel Prize winner Becker (1974), with the help of economic analysis, presented what influences unlawful or criminal behavior. Simply put, in his opinion, man is a rationally thinking being and the decision of whether or not a person will commit an unlawful act is influenced by three factors:

1. The benefit which is acquired through an unlawful act;
2. The likelihood of being caught;
3. The expected penalty if caught.

By comparing the first factor to the other two, the person then rationally decides whether or not the unlawful act is worthwhile, which is explained by the model of choice, i.e. when the perpetrator or the potential perpetrator prefers the risk, or when the risk is on the verge and the perpetrator considers whether the real income from the crime is greater or lesser than the one that would be received in less legally risky activities, and then rationally decides. And precisely this condition of "optimality" is, according to Becker, the main decision-making principle, and not, for example, the effectiveness of the police or the court. In short, it is about weighing the potential positive and negative effects (costs and benefits) and not about thinking whether it is right. Although this is a simple model, it can easily be applied to an individual unlawful (and also to an immoral) act, therefore also corruption.

The Theory of Rational Choice, which arises from the Theory of Intimidation, also considers similar weighing of expected results (benefit/risk, penalty), however, it also takes into

account the findings of the Economic theory [1] and transfers them to the behavioral field. The Theory of Rational choice emphasizes the expected benefit (rewards and penalties) of legal behavior against the unlawful. If Becker's model of choice is summed up, corruption (simplified) is also dependent on the ratio between the benefit that a person who commits a corruption act expects, the level of penalty[2] and the possibility of being caught. So, the higher the benefit, the smaller the chance of being caught, and even if one is caught, the penalty is low - the higher is the degree of corruption and vice versa; smaller benefits, greater possibility of being caught and high penalties discourage people from corruption (man rationally estimates if it is worth the risk).

The degree of corruption is thus (according to Šumah and Mahić, 2017):

$$DC = f\ (BE,\ LP,\ CC) \qquad\qquad (1)$$

> *DC: the degree of corruption*
> *BE: benefit*
> *LP: the level of penalty*
> *CC: the chance of being caught*

The level of penalties and the possibility of being caught can also be called risk:

$$RI = f\ (LP,\ CC) \qquad\qquad (2)$$

> *RI: risk or hazard, which depends on the possibility of being caught and the level of penalties, if one is caught.*

Whereby:
$RI = 0$, if $LP = 0$ in $RI = 0$, if $CC = 0$

Thus, the degree of corruption (SK) is simplified:

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[1] Economic Theory: Increasing revenue or increasing economic opportunities reduce crime as well as deviant behavior in line with the theory of rational choice. Economic recessions and a decline in economic growth lead to an increase in crime, as opportunities for progress and achievement of the standard are reduced (Aljaž, 2009).

[2] The possibility of being caught are elements of intimidation. But what is a fair penalty, or the level? Cesare Beccaria (2002), as one of the pioneers of modern criminal law, said that as long as the penalty is quick and follows the offence immediately, it is more fair and useful, since the goal of state repression is to prevent the delinquent from committing new damage to their fellow citizens, and to prevent other services of similar acts. Too many rigid penalties are of no importance because they make people insensitive and therefore have an opposite effect than desired. The penalties must be proportional to the social harm caused by the offense and calculated to achieve their real purpose. Penalties for them may only be enforced by law. Laws must be clear and understandable, and courts must not interpret them in their own right. The criminal procedure must be public, the defendant must be provided with defense, torture must be abandoned. The death penalty is not necessary, except in exceptional circumstances. In the 1990s, Tom R. Tyler (Meško, Flander and Eman, 2016: 13) published a work entitled "Why people obey the law?" His study showed that people are more respectful of the laws if they believe in the legitimacy of the authorities and law enforcers than in the intimidating role of criminal sanctions. His work has prompted a number of empirical tests of the legitimacy of authorities, notably the police and criminal justice. And it is precisely the fact that people respect the laws more if they believe in the legitimacy of authorities and law enforcers that is crucial in the fight against corruption.

$$DC = f\,(BE,\,RI) \tag{3}$$

The fluctuation of the degree of corruption, dependent on benefits and risks is also graphically depicted in Figure 2, which illustrates how the level of corruption in society decreases with increasing risk and decreasing benefits, which means that the level of corruption increases with decrease in risk and increase in expected benefits.

Figure 2 – With increasing risk and decreased benefits, the degree (level) of corruption in society is reduced
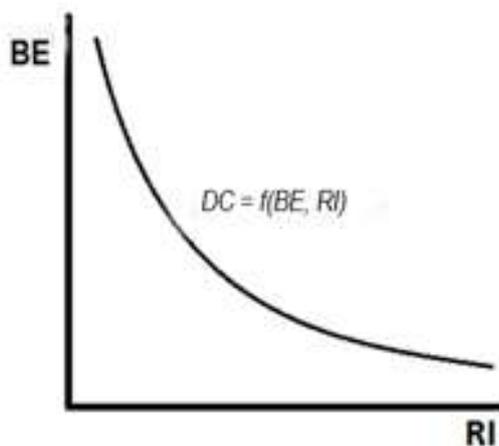
Source: Šumah and Mahić (2017)

Similarly, the degree of corruption is influenced by the level of awareness in the society regarding what is right and what is wrong (ethics, morals, religion, as well as habits and customs). Different countries have different attitudes toward corruption. In Europe alone two extremes can be found, from the completely corruption intolerant north to the warm south, where corruption is an almost normal, socially acceptable phenomenon. Or the difference between countries with a democratic past, which have traditionally persecuted corruption and former socialist countries, where corruption in the state apparatus used to be a part of folklore tradition.

The influence of cultural values and the negative effects of corruption on the micro-level was well presented by Lee and Guven (2013):

- The indicators of perceiving corruption correlate with actual bribery experiences;
- For those who love risk, there is a greater likelihood of offering or demanding a bribe;
- A culture dominated by men (patriarchy) and acceptance of bribery are in a positive correlation;
- The personal attitude to bribery is influenced by past experiences of bribery;
- Those who demand bribes are more likely to offer bribes themselves.

A major influence is also the dominant religion in the country. It is generally known that there is least corruption in countries that are predominantly Protestant. The influence of majority Protestantism has been tested several times and has proven to be an important factor in the low level of corruption in a country. However, the relationship between Protestantism and good governance is probably more rooted in history than in today's practice. Today, there are many nominally Protestant countries that are de facto secular, while many non-Protestant countries are also fighting against corruption very effectively. Thus, the influence of

Protestantism appears to emerge from its egalitarian ethos, which could indirectly work to support the general direction towards ethical universalism, literacy and promotion of individualism. Its role is therefore important at certain stages of development, which explains why the first countries that were well-managed were predominantly Protestant. This does not mean that other religious traditions are incompatible with good governance, only that they failed to construct this particular complex of factors at the right moment in history (Mungiu - Pippidi, 2013).

And the more the society as a whole is aware of the problem of corruption, the more the tolerance of corruption leans towards zero, the less present it is. This could also be defined as the prevailing ethics and morality[3] or by how they are present in society[4]. For this reason, a parallel can be drawn between the degree of corruption, the benefit and the risk, and the degree of corruption, the benefit and the awareness (Figure 3).

$$DC = f (BE, A) \hspace{4cm} (4)$$

> BE: benefit
> A: awareness (degree or level of ethics, morality)

Figure 3 – The lower the benefit of corruption and the higher the awareness of its harmfulness, the lower the degree of corruption and vice versa.
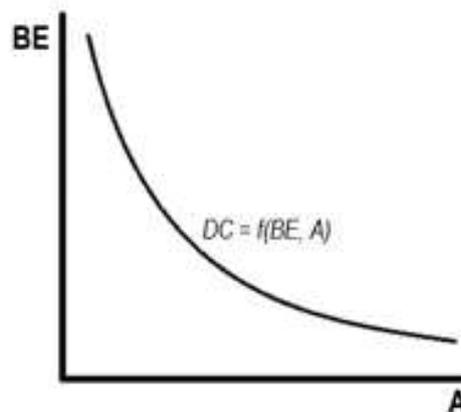
Source: Šumah and Mahić (2017)

3.2 Analysis and identification of factors that could answer the question corruption: why?

For the purpose of the study, and in order to facilitate and more precisely analyze the factors that influence the level of corruption, the factors considered are combined (i.e. the interdependence between benefit and awareness, and the interdependence between benefit and risk or hazard)[5].

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[4] Perhaps it would be better to use the term culture instead of society, in the sense that Huntington (1993) uses it in his book The Conflict of Civilizations.

[5] Rus came to similar conclusions (2005). According to him, the degree of corruption depends primarily on the following factors: (1) the personal and collective integrity (2), the possibility of disclosing corruptive agreements, (3) the severity of sanctions, and (4) the magnitude of the potential benefits participants have. For the purposes of the study, and for easier and more transparent analysis, points (2) and (3) were combined under the common denominator risk or hazard.

If all the factors are combined then:

$$DC = f\ (BE,\ A,\ RI) \tag{5}$$

Whereby:
max DC = (BE = max, A = 0, RI = 0)
min DC = (BE = 0, A = max, RI = max)

For a clearer picture and easier analysis, a chart was created in which individual countries are ranked according to their ranking on the Index of Corruption Perception[6] for 2016 (Transparency International[7], 2017) in five classes. Twenty-five countries ranked in the first four classes, while others ranked in the fifth (countries from 100th to 176th place). The countries were analyzed based on what prevails in them - (non-) tolerance of corruption (ethics and morality, or whether it is guided by awareness) or the effect of risk. However, the picture is fairly clear only in the first and partially second class.

In class I, two distinct groups of countries formed according to the nature of the research; in the first were the countries with a long democratic tradition, high ethics[8] and morality regarding the attitude to corruption (the Scandinavian countries, Germany, the United Kingdom, the United States, Canada, etc.). The second group comprises of the countries that have started (very successfully) dealing with corruption in the last twenty years, mainly through strong anti-corruption legislation, successful advertising and education campaigns (the most prominent example is Singapore, where the adoption of the anti-corruption law and the harsh approach immediately dealt with corruption[9], with the UAE, Qatar, Chile, Hong Kong, Estonia following). Somewhere in the middle are the countries where there is no sharp dividing line (France, Japan). They thus more or less belong to the category of countries, which are positioned the highest in terms of GDP per capita (of course, there are also exceptions). In these countries, corruption is primarily a means of gaining influence or power (both in the economy and in politics). Typical of these countries is also that they are economically independent, and

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[6] The CPI, or the Corruption Perception Index is also subject to a critical view that puts its credibility into question. Thus, Hough (2017) lists the most common criticisms of the CPI: 1) It is very difficult to simplify such a complex phenomenon as corruption with one number; 2) The CPI focuses solely on corruption in the public sector (when in fact the private sector actors often play an important role in corruption); 3) The CPI measures the perception of corruption and not the degree of corruption in general. Therefore, as an example, he points out that it would be sensible to measure the experience with corruption instead of measuring its perception (which is already being done in some surveys, for example, the BEEPS index, where corruption surveys are conducted on over 15,000 managers in 30 countries).

[7] Corruption perception index (CPI), which is the most widely used and widely quoted reference in various corruption surveys, is measured on a regular basis every year, and measures corruption in the public sector among officials, employees and politicians, i.e. it measures the administrative and political corruption. This index is based on surveys and research carried out by independent institutions among the so-called experienced experts, i.e. business people, analysts and local experts, rather than on empirical data. They assess the abuse of power, the bribing of the administration, the double-crossing of public procurement procedures, the misappropriation of public funds, the effectiveness of anti-corruption measures in the public sector. The higher the index, the less corrupt is the state, i.e. at index = 10 - a complete absence of corruption; index = 0 - a completely corrupt state. This involves indirect measuring of corruption and this index measures only the perception of corruption in the public sector, which can be considered a disadvantage.

[8] What they have in common is to a large extent their Protestant ethics.

[9] Many high-ranking state officials were taken from their jobs straight to prison in the first week of the adoption of the anti-corruption law.

in the vast majority of them also the rule of law and high gender equality apply (naturally there are always exceptions).

Even more colorful is the II class (countries ranked between the 26th and 50th places). It comprises of countries in transition (Slovenia, Czech Republic, Lithuania, Slovakia, etc.), countries with relatively advanced democracy (Spain, Malta, etc.), young democracies (Rwanda, Namibia, etc.) and countries where monarchy still rules, and democracy is merely a pattern (Saudi Arabia, Bhutan, Bahrain, etc.). What is common to these countries is that corruption does not constitute a means of survival but merely a means of raising an existing standard (a better car, vacation, better housing, etc.). These countries are located in the middle and to the right of the center of the graph (see Fig. 4). If the transition countries are in the middle (already partly developed awareness of the harmfulness of corruption and medium-high risk), there are, on the other hand, on the extreme right mostly non-European countries where the risk, i.e. high penalties if one is caught, and the possibility of capture, is relatively high (Qatar, Israel, Taiwan, Bahrain, etc.[10]). In these countries, systemic corruption is already occurring, which then escalates in the following classes. Among these countries is also Slovenia and KPK (2010: 8 - 9) found that in Slovenia, 12 of the 13 indicators, which are listed as a sign of the presence of systemic corruption are perceived. In contrast to the countries with the same low or lower level of administrative corruption, the biggest problem in Slovenia is the systemic corruption for which there are strong indicators; a number of reasons, which are largely conditioned by the process of transition and extremely weak control institutions, and (in recent years) a low level of trust in the institutions of the rule of law. Likewise, countries differ greatly from one another in terms of the prevailing religion, attitudes, and gender equality. What they do have in common is that they are subject to the rule of law to a fairly high degree[11]. However, it could be said that these countries nevertheless lack the political will to fight corruption or the ruling elites (whether they are established political parties or monarchs), and such a state even suits them.

This group is followed by a third group, where Europe, with the exception of Italy (where corruption is a national sport), is represented by transition countries (Bulgaria, Romania, Slovakia, etc.). The rest are, more than not, countries with a relatively low level of democracy, however, corruption remains not so much a means of survival as an improvement in the standard. In the third class, countries are difficult to define, since the boundary between awareness and risk is already very narrow. Apart from the exceptions, the patriarchal society[12]

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[10] The example of Georgia speaks for itself, where in a relatively short period of time, corruption has been very successfully tackled with. Engval (2012) notes in his extensive anti-corruption study in Georgia that the first precondition for a successful fight against corruption is strong political leadership and, of course, political will. The so-called Rose Revolution removed Shevannadze, whose clique almost completely privatized the country and enthroned new leadership, which became the authority by promising a fight against corruption. Corruption in Georgia was widespread in all segments of the society, from top to bottom, and this new leadership had broad support from Georgia's citizens for extensive and thorough reforms, and for rapid and radical changes. Considering similar examples of countries that have managed to curb corruption, he also stresses that in order to successfully fight corruption, it is necessary to "overthrow" the old system and replace it with new norms and rules of behavior, with a thorough reform of the state apparatus and the reform of political, economic and social institutions.

[11], however, at this point, we must separate the law, as interpreted by the Western civilization and the law that is, for example, dictated by religious books, such as the Koran. In both cases, this is a law that is respected in a particular territory; however, these two forms cannot be equated. Saudi Arabia can be cited as an example, where from a Western point of view barbaric punishments, such as beheadings, cutting hands off, and stoning are carried out. Yet they are carried out according to the laws that apply there and in this way (inhuman punishments for us) maintain or preserve their way of "rule" of law.

[12] Despite the fact that Italy is one of the most developed countries (especially the North of Italy, which is industrially highly developed), a strong patriarchate is present in its southern part. And as is characteristic of patriarchy, the basic cell is extended family, which must take care of its members. Thus, jobs, privileges, various

already dominates in most of these countries (again with exceptions), GDP is lower than in the first two groups, and the dominant religions in this group are Orthodoxy and Islam.

Figure 3: Ranking of countries according to the level of corruption and according to what influences the level in these countries the most (awareness or risk)
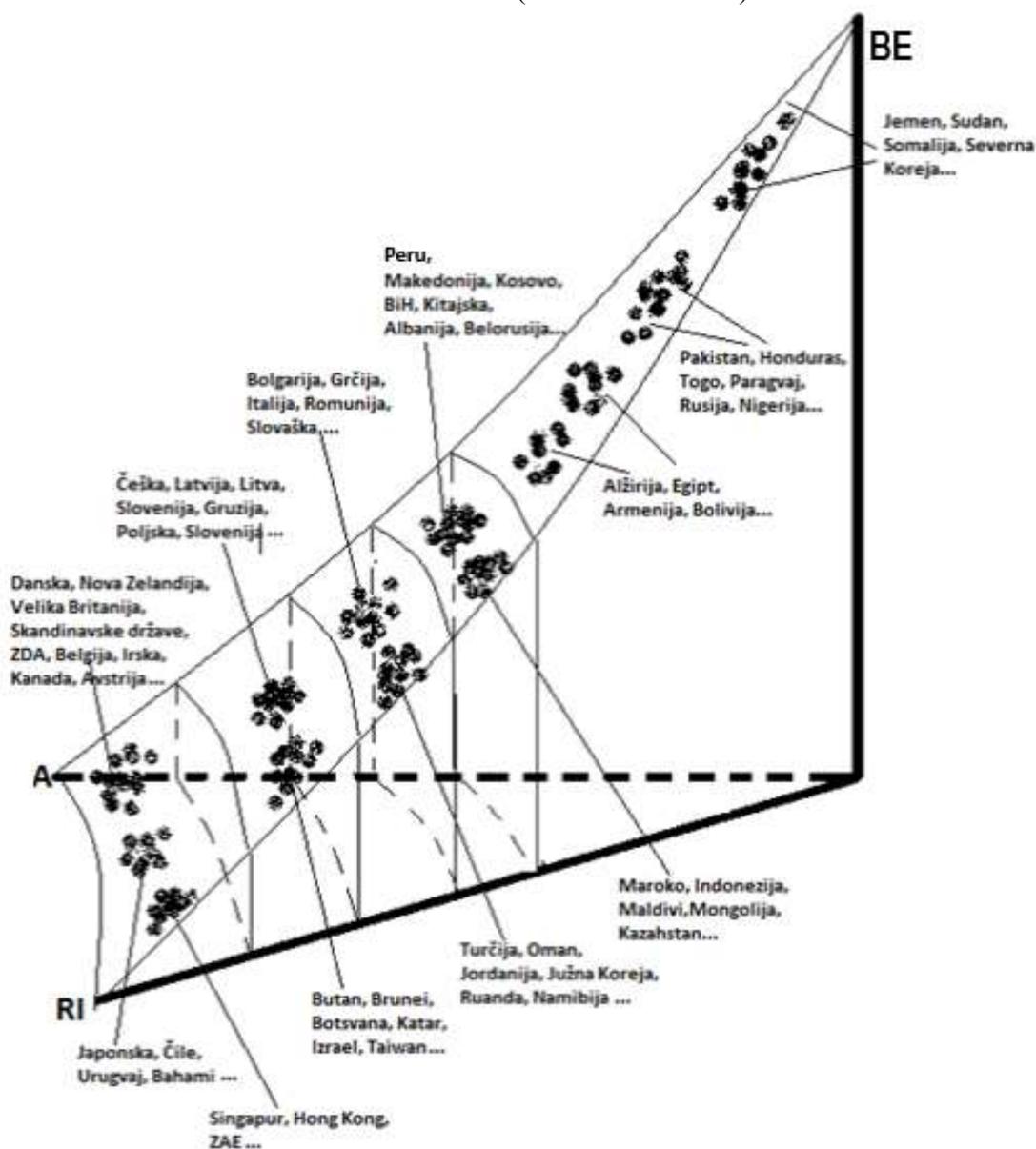
Source: Šumah and Mahić (2017)

For the third group, it could also be said that in some countries there is the occurrence of anomie[13] (which is distinct in the fourth and fifth groups of countries), that is, a state in which

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works, services, etc. are obtained on the basis of associations (also family) and acquaintances. The same applies to Greece.

[13] Durkheim's theory of anomie (Marks, 1974): Anomie is a temporary situation or state that occurs between people when the society is evolving from a primitive to a modern entity. It is a result of broad scientific, technological

norms lose their significance and are ineffective for the broader mass of people. These are mostly countries where economic freedom alongside the freedom of the press is very limited, and where frequent violations of human rights occur.

In the fourth and fifth groups, there is no longer a dividing line between risk and awareness. In these countries, the risk is low, while corruption is becoming more and more (the lower on the scale a country is) a way of life and an increasingly viable means of survival. Especially the countries in the fifth group, with the highest degree of corruption, are strictly patriarchal, predominantly Islamic and with low or very low GDP. In these countries, there are ongoing inter-ethnic conflicts, civil wars, or they are otherwise involved in some armed conflict.

So, why corruption? Of course, corruption differs from country to country; however, it is possible to identify some of the key common driving forces that generate it:

- The more is the economic activity in a country regulated and limited, the higher the authorizations and the power of officials in deciding, the greater the possibility of corruption, as individuals are willing to pay or offer payment in order to avoid restrictions. An especially great chance for corruption exists there where under the regulation, officials are given the opportunity to decide on the basis of discretionary power, that is to say, the more laws there are, the more are public officials, due to their position, enabled an artificially created monopoly power, and if their salaries are low at the same time, they quickly try to improve their material position;
- Similarly, a well-regulated financial sector, a bit of grey economy and a black market also lead to less corruption, and countries with a well-regulated system have less corruption than those where the opposite applies. There is less corruption also in countries with higher economic and political freedom;
- Corruption is generated also by the lack of transparency and control by supervisory institutions and, therefore, where there is an insufficient legal basis or sufficient political will to control, which allows a non-transparent functioning of both politics and economy, corruption flourishes;
- The ineffective sanctioning of corruption, which increases the possibility of continuing the corruptive actions of those involved, also has a great influence, and there is a strong likelihood that, due to the inefficiency of sanctioning, others will get involved in corruption;
- Some forms of corruption relate to an informal form of social security, where the family or the narrower community takes care of their members. Such forms of informal social security prevail in less developed countries with an absence of formal social security regulation and in the countries of southern Europe where the influence of the broader family (patriarchy) is still very strong; Italy, Greece, Albania, Bosnia, etc. These countries exhibit extremely widespread nepotism, cronyism and clientelism as the family, as well as the broader community, are considered types of social security, with the family or the community taking care of their members; however, the members must, naturally, be loyal and somehow repay the benefits that they receive;
- The influence of the dominant religion in a country is also important. While the Southern, predominantly Catholic part of Europe, with its highly hierarchical organization, cultivates the cult of the family (as well as the cult of the broader community of solidarity) and several liabilities, the Northern, mainly Protestant part

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and social changes. In such transition periods, most of society will be affected, and not only rare individuals. The anomie refers to the broken relationships between the individual and society.

emphasizes individualism and individual responsibility (which results in fewer abovementioned forms of corruption). Corruption prospers also in the countries where Islam and Orthodoxy are the main religions;
- The level of GDP also has a significant impact on the level of corruption. With rare exceptions, corruption flourishes primarily in low-GDP countries. Therefore, there is a saying that "poverty is a curse" which largely applies to all developing countries, being the countries most affected by poverty. And poverty destroys all ethical and moral values;
- Even low average education in a country is one of the signs that point to a high level of corruption;
- However, in determining the conditions for corruption and factors that are important for (non-) corruption, most of the known researches are forgetting peace in a country, which is a prerequisite for the start of the fight against corruption. Therefore, the state of war or some other state of siege in a country leads to a high level of corruption.

Based on several studies studied, Shan and Schacter (2004, p. 2) found similar; i.e. the main generators of corruption are the following:
- The contentiousness of legitimacy of the state as a guardian of the public interest. In very corrupt countries, there is very little public acceptance of the idea that the role of the state is to rise above private interests in order to protect the wider public interest. Corrupt officers focus primarily on how to serve specific clients who are related to them on an ethnic, geographic, or other bases. The line between what is public and what is private is unclear, and frequent and almost routine is also the abuse of public functions for private interests;
- The rule of law is weak. Laws apply to some and not to others, and law enforcement is often used to exercise private interests, rather than protecting the public interest. The symbol of the breakdown of the rule of law is corrupt police, which acts as a crusher of law, and not as its executor; the pulling over of motorists for fictitious traffic offences is only an excuse for bribe collection. And the judiciary, which is the foundation of the rule of law when it is fair, is also corrupt in corrupt countries;
- The inefficiency of the responsible institutions. In countries with low corruption, the institutions responsible for the control of corruption are powerful as well. These institutions are established by the state itself (judiciary, auditors, commissions, etc.) or they are created outside the official state structures (media, civil initiatives, etc.). In corrupt countries, however, these institutions are very weak and have major shortcomings;
- The commitments of national leaders (the governments, the president, the leaders of the parties, etc.) to fight corruption are weak or non-existent. In societies where corruption in the public sector is endemic, there is a suspicion of the correlation or involvement of the highest governmental representatives in corruption. Consequently, they will not be motivated to fight it.

Similarly, the findings of this study coincide with Svenson's (2005) findings; that it is nevertheless possible to recognize some of the key, common driving forces that generate corruption. He defined what is common to all countries, which are among the most corrupt:
- All are developing countries or countries in transition,;
- With a few exceptions, these are low-income countries (including public administration employees);

- Most countries have closed economies;
- The influence of religion is visible (Protestant countries have far the lowest level of corruption);
- Low media freedom;
- Relatively low level of education.

4. Conclusion. Corruption: how to beat it?

Indeed, corruption is a multi-dimensional process. On one hand, there is the provider of benefits, on the other the receiver, and both are aware of the action that remains hidden. And the third link in the chain is everyone else, the victims. Although not every act of corruption is a criminal offence, it is unethical and detrimental to the economic and political development of society. Normally, people with political and economic power and power of decision-making (Integrity, 2013) are involved. The philosopher Karl Popper also wrote in his book "The Open Society and its enemies" that the biggest problem is not who should command, but how to control the one who commands, therefore how the political and social institutions should be organized in order to prevent weak and incompetent rulers from doing too much harm. However, since there does not exist a general and unmistakable way to prevent the tyranny or corruption of important people, the price of freedom is eternal alertness (Brioschi, 2003, p. 125).

One of the possible solutions for reducing corruption is offered by Ariely (2012, p. 181) based on the "Broken window theory" described in 1982 by George Kelling and James Wilson in an article for The Atlantic magazine. The article dealt with the establishment of order in dangerous urban neighborhoods. The solution was not seen in the increased presence of police officers on the streets but elsewhere. The authors noticed that smashed windows in unregulated neighborhoods (which remain unrepaired for a long time) in themselves "invite" additional damage to the same building and others in the immediate surroundings. Vandalism thus expands and intensifies. If there are no broken windows, there will be no incentive for the next vandals.

This theory is difficult to confirm or deny, but according to Ariely, its logic is convincing and he suggests that petty crimes should not be overlooked, excused or ignored (in this case, the occurrence of tiny corruption), as this would only increase the problems. This, in his opinion, applies especially to politicians, directors, public officials, and celebrities. He otherwise wonders if it were unfair if these people were subject to stricter standards than ordinary people, however, it should be noted that people who are more under the scrutiny of others have a greater influence on the behavior of viewers (and followers) and the consequences for the society are therefore greater if they are the ones who transgress. Therefore, all phenomena of corruption, even the smallest ones, should provoke an immediate reaction without any grace, for the only way to fight corruption is to practice zero tolerance towards it. Directors, public officials, politicians and the like should be under even tougher scrutiny, both in terms of their actions and their financial situation. The Institute of the reversal of the burden of proof should thus be used more frequently (for the control of the property). If we want to deal with or limit corruption, one of the easiest and most effective ways is to take the unlawfully acquired property away from people, in which case it is not necessary to prove the blame of those who are suspected of corruption; it is them who must prove where their property is from, and if they do not convincingly do that, they are stripped of their possessions.

Through this perspective we can talk about so called concern for fairness. This concept is important because it stimulates people to deviate from self-interest and profit maximization if it leads to unfairness and punish others at the cost themselves (Tarasov, 2015),

But the answer to how to deal with corruption successfully is not unambiguous, as some countries have achieved great successes in a relatively short period of time (Singapore, Estonia and Georgia), while others have been struggling with it for a long time (the best-known example is Italy). In any case, the first condition is to ensure freedom (personal freedom, economic freedom, freedom of speech, freedom of the press, etc.) and democracy, and then education and awareness of people. However, this is not about introducing Western-type democracy, as our culture knows it since it has often proven that that can cause more harm than good, especially with the help of the army. To begin with, the good practices of countries that are similar to each other (religion, habits, tradition, ethics, and morality) and often have a common history should be used.

However, people often do not recognize corruption, because it is already part of everyday life, a kind of folklore for them (typical of countries in transition), and those who are rich because of it do not receive condemnation, but admiration: "He did well for himself!'' There is too little done with respect to prevention and education, for only if one gets people to become aware that we are all paying or are being deprived due to corruption (worse roads, more expensive healthcare, etc.), a critical mass with zero tolerance for corruption can be created, and only thus can success in the fight against corruption be guaranteed.

In general terms, the important measures to prevent or reduce corruption (complete eradication is not possible) are:

- In the fight against corruption, two coordinated directions of action are needed; the first is to provide a critical mass through education and awareness of citizens, which will have zero-tolerance levels of corruption, and the second is to ensure the political will for change;

- Using the Reversed burden of proof institute. The Institute of reversed burden of proof is one of the means in the fight against all types of organized crime. This form of crime brings huge gains to criminal organizations and individuals. With such assets acquired, they increase economic power, which they also use to promote their own interests in the economy and politics. Thus, law enforcement agencies are placed in a subordinate position and are therefore always looking for new ways of curbing this kind of crime at home and internationally. A series of international acts entail the deprivation of the proceeds of criminal activities into the forefront at the principle level, as well as at the level of concrete requests for the enactment of established procedures. Thus, the aim of the Institute of reversed burden of proof is that the suspect loses his property if he cannot prove that he has acquired it in a legal way and has also settled obligations (especially tax) to the state;

- The first step towards preventing corruption in public administration and public enterprises is to educate the management and employees, which acts are prohibited or immoral. Due to the specific nature of corruption, many do not even know or are unaware that their action is actually corrupt, and therefore education on the harmful consequences of corruption and on disciplinary and criminal consequences should be one of the primary tasks;

- As a wider action in the fight against corruption, education about what corruption is and what its consequences are should be introduced already in secondary schools, in order to raise as many people as possible with zero tolerance level of corruption. We can ask ourselves how to include the correct concept of citizenship into society we live in. If it has to do with politics, understood as a decision-making and illuminated process, with the authentic and effective participation of as many subjects as possible and in any age group, with the responsibility perceived by the subject as taking charge of the world

where the social environment is built, then a set of participatory formal and informal processes, inside and outside the school, are necessary to prevent that the political culture becomes a prerogative of a few subjects living far away from the living world, from everyday experiences that the city, the community offers and demands to signify (Puka & Beshiri, 2013);
- More women in the police and public administration, as women are proven to be less corrupt than men;
- Stricter laws and higher penalties for corruptive acts and lower standards required to prove corruptive acts.

However, most of the known researches, in determining the conditions for corruption and factors that are important for (non-) corruption, are forgetting peace in a country, which is a prerequisite for the start of the fight against corruption.

Even though we know a lot about corruption, and we have detected its negative impact in various fields, there is still lack of information on how countries are taking action to fight successfully against corruption. We could say the results of the fight are known but the battle itself is not exposed in many research papers. The challenge is therefore to make research on how to successfully fight corruption and which methods work. This can be further on a great example for other countries to follow and implement in their strategies of limiting corruption. The fact is that corruption will never be completely eradicated.

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