Measuring Corruption in Sustainable Development Target 16.5 with V-Dem Data

A 20 dollar bill stamped with a message from Stamp Stampede campaign to "Get Money Out of Politics". Photo by user cmfg804 on pixabay.

KEY FINDINGS

- Indicators for measuring SDG target 16.5 capture only limited aspects of corruption.
- As an independent research institute, V-Dem provides additional information on democracy-related Sustainable Development Goal 16 and its sub-targets to supplement the proposed official indicators.
- V-Dem data, with worldwide coverage and reliable measures based on the assessments of multiple independent experts, can reliably capture different aspects of corruption and bribery.

The UN Sustainable Development Agenda, adopted in 2015, defines seventeen Sustainable Development Goals (SDGs).[1] SDG 16 addresses democratic governance and aims to "promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels."[2] The effectiveness of the SDGs and their targets is highly dependent on their implementation and monitoring. To evaluate progress the UN Statistical Commission has agreed on an indicator framework.

The Varieties of Democracy Institute (V-Dem) has been involved in the process of identifying suitable indicators and contributes with complementary data for the measurement of SDG 16. Consistent, impartial and transparent data from independent research institutes, such as V-Dem, increases the reliability of the measurement of the targets and enhances the legitimacy of the SDG monitoring process.

In this brief we highlight how V-Dem data can be used to monitor Target 16.5, which aims to "substantially reduce corruption and bribery in all its forms," by discussing the main challenges posed by the current official indicators measuring Target 16.5, and present V-Dem's complementary indicators.

Current Indicators to Measure Target 16.5: Substantially Reduce Corruption and Bribery in all Its Forms[3]

Target 16.5 aims to substantially reduce corruption and bribery in all its forms.

TARGET 16.5: SUBSTANTIALLY REDUCE CORRUPTION AND BRIBERY IN ALL ITS FORMS

The proposed official indicators are:

- "Indicator 16.5.1 Proportion of persons who had at least one contact with a public official and who paid a bribe to a public official, or were asked for a bribe by those public officials, during the previous 12 months;
- Indicator 16.5.2 Proportion of businesses that had at least one contact with a public official and that paid a bribe to a public official, or were asked for a bribe by those public officials during the previous 12 months."

Source: UNSC (2017)

[1] UNDP (2014) [2] UNDP (2016) [3] UNSC (2017)

FIGURE 1. V-DEM POLITICAL CORRUPTION INDEX AND ITS SUB-COMPONENTS

The suggested indicators measure the proportion of persons (indicator 16.5.1), or businesses (indicator 16.5.2), who had at least one contact with a public official and who paid a bribe to a public official, or were asked for a bribe by those public officials, during the previous 12 months.[4] The data for the indicators comes from different surveys asking directly about individual's experience of corruption in everyday life.[5] The contact between public officials and persons or businesses is an important entry point for corruption. Thus, the indicators reflect an individual's or business's experience of corruption and bribery in everyday life when accessing basic public services.[6] However, the suggested indicators do not distinguish between different public institutions and include all persons who perform a public function. The measure includes officials working for a public agency, public enterprise or other organization that provides for a public service.[7] Thus, additional measures may be fruitful in order to capture different forms of corruption and bribery between different kinds of public organizations.

The V-Dem Political Corruption Index measures how pervasive political corruption is in more general terms, while the Index's sub-indicators (see Figure 1) allow for a more differentiated analysis. These different indicators on corruption — distinguishing between political, executive, public sector, judicial, and legislative corruption — may therefore capture the complexity of corruption and contribute to a more fine-grained evaluation of Target 16.5.
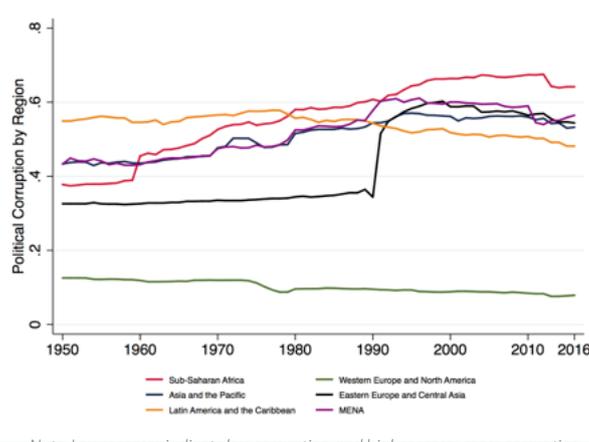
V-Dem Indicators for Target 16.5

To measure corruption and bribery, we suggest the following V-Dem indices and indicators:

- **Political Corruption Index** – measures how pervasive political corruption is. The sub-components of the index (see below) tap into several distinguished types of corruption; both 'petty' and 'grand'; both bribery and theft, both corruption aimed at influencing law making and corruption affecting implementation. It also includes public sector, executive, legislative and judicial corruption.

- **Executive Corruption Index** – reflects how routinely members of the executive grant favors in exchange for bribes, kickbacks, or other material inducement and how often they steal, embezzle, or misappropriate public funds or other state resources for personal or family use.

- **Public Sector Corruption Index** – captures to what extent public sector employees grant favors in exchange for bribes, kickbacks, or other material inducements, and how often they steal, embezzle, or misappropriate public funds or other state resources for personal or family use.

- **Judicial Corruption Decision** – aims to specify how often individuals or businesses make undocumented extra payments or bribes to the judiciary in order to speed up or delay the process or to obtain a favorable judicial decision.

- **Legislature Corrupt Activities** – indicates if members of the legislature abuse their activity for financial gains. This includes for example accepting bribes, helping to obtain government contracts for firms owned by legislators, doing favors for firms in exchange for the opportunity of employment after leaving the legislature, or stealing money from the state or from campaign donations for personal use.

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[4] UNSC (2017) [5] UNDP (2016) [6] UNDP (2016) [7] UNODC (2004)

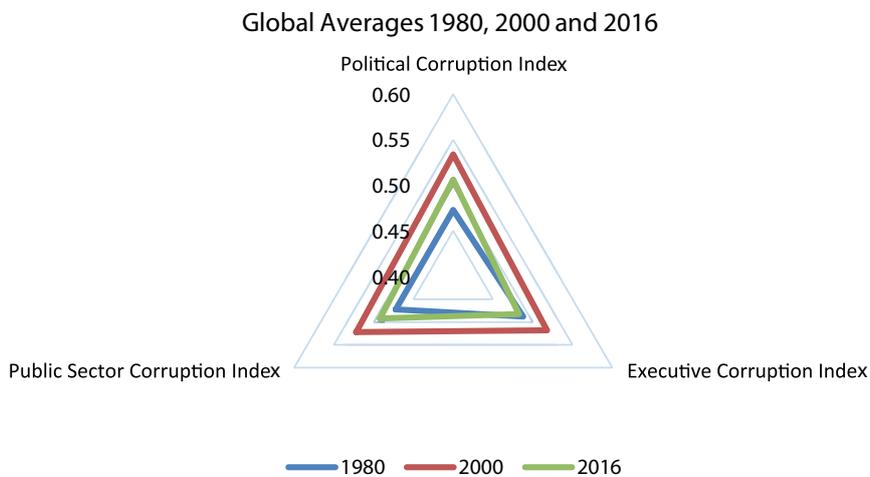**FIGURE 2. POLITICAL CORRUPTION INDEX BY REGION**

Note: Lower scores indicate less corruption and higher scores more corruption.

The V-Dem data allows us to examine all these indices and indicators on corruption by world regions, covering the period 1900 to 2016. Figure 2 illustrates the development of regional averages of the V-Dem Political Corruption Index over time. Western Europe and North America current-ly - and historically – is the region with the lowest levels of political cor-ruption, while Sub-Saharan Africa registers the highest levels of political corruption. However, in the most recent years corruption in Sub-Saharan Africa has decreased. In terms of political corruption, Latin America and the Caribbean has seen a decreasing trend since the 1980s, while cor-ruption levels increased substantially in Eastern Europe and Central Asia at the end of the 1980s with the fall of Soviet Union.

Figure 3 below depicts the Political Corruption Index with two of its sub-indices, Public Sector and Executive Corruption, on a global level at dif-ferent points in time. On a global level, the Political Corruption Index increased from 1980 (blue) to 2000 (red), but has since decreased again (green). Furthermore, by disaggregating the index like this, we can also see that the corruption level has developed slightly differently in the public sector compared to the executive sector. In 1980 executive cor-ruption was more widespread than public sector corruption (blue), but today the corruption level is about the same in both sectors (green).

FIGURE 3: GLOBAL AVERAGES OF V-DEM INDICES FOR POLITICAL, PUBLIC SECTOR, AND EXECUTIVE CORRUPTION.

Note: Lower scores indicate less corruption and higher scores more corruption, the scale running from 0 to 1.

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ABOUT V-DEM INSTITUTE

V-Dem is a new approach to conceptualizing and measuring democracy. The project's multidimensional, nuanced and disaggregated approach acknowledges the complexity of the concept of democracy. With four Principal Investigators, two Project Coordinators, fifteen Project Managers, more than thirty Regional Managers, almost 200 Country Coordinators, several Assistant Researchers, and approximately 2,600 Country Experts, the V-Dem project is one of the largest-ever social science data collection projects with a database of over 15 million data points.

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