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The Benefits of Anti-Corruption Programming: Implications for Low to Lower Middle Income Countries

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Abstract

The consequences of corruption are typically examined in terms of the economic costs that they impose on a society. This study suggests that as good an argument can be made for the inverse relationship: significant benefits can be accrued by countries that effectively implement anti-corruption programming. Together, a powerful cost-benefit analysis can serve to motivate practical anti-corruption policy planning and action. An advantage of the "benefits" approach is greater data reliability. The study finds that strong implementation of anti-corruption initiatives is more important to achieving social, political, economic and human development benefits for society than merely establishing a good legal-institutional framework to fight corruption. Raising public expectations without strong delivery of visible anti-corruption programming is especially detrimental. Most interestingly, the study finds that a country's level of development and wealth has little to do with its level of anti-corruption programming. Thus, it is not a good excuse for Vietnam or other developing countries to point to their level of development or wealth as a reason for why they are not doing as much as they can to implement anti-corruption reforms effectively. A country's wealth is not a predictor of progress or success in this area.

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Introduction

Corrupt behavior is sometimes perceived as beneficial.[2] The general public and business community might use corruption as a way to get things accomplished -- by "greasing the skids" -- in systems that are overregulated or heavily bureaucratized (Wei and Kaufmann 1999). In fragile states and societies rebuilding in post-conflict settings, corrupt practices might serve as a vehicle to ensure that essential services are delivered (Spector 2011). But, in general, the international policy and research communities have convincingly argued that corruption is a negative phenomenon that hampers economic growth and development, jeopardizes poverty reduction and welfare, increases the cost of doing business, leads to waste and the inefficient use of public resources, increases social costs, weakens democracy and the rule of law, corrodes public trust, delegitimizes the state, and contributes to internal conflict, among others (Marquette et al 2011; OECD 2014). These costs of corruption are expected across all sectors and functions in the public sector (Spector 2005).

This line of reasoning and research, as exemplified in the other studies presented in this issue, highlights the negative consequences of corruption to make the case that governments must initiate anti-corruption programs to avert the anticipated risks. Fear of costs is used as motivation. But are policymakers more strongly convinced to fight corruption by a message that says, "If you act, your country will avert major costs" or "If you act, your country will reap significant social and economic benefits"? By focusing on the predicted negative consequences of corruption, leaders send a signal to the public that corruption is a serious problem for the country and they may be complicit in promoting it. Alternatively, by focusing on the positive benefits that can accrue from a new direction in policy, leaders can emphasize their good governance and reform solutions and how everyone will reap rewards, probably a more popular theme. The prediction of costs usually tells us what to avoid, but the incentive of benefits can lead us to be proactive. Based on these assumptions, a benefits perspective on fighting corruption may be more directive for policymakers and can lead them to implement programs that yield improved governance and integrity.

As will be discussed, very little research has been conducted to assess the validity of this argument: that there are serious benefits to be accrued from effective anti-corruption programming and that this relationship might offer an even more powerful motivational message for policy change than the threat of costs. This study offers an empirical analysis that seeks to demonstrate the value of presenting the "benefits" argument, rather than focusing solely on the costs. As a case within this analysis, we focus on differences between low/lower middle income countries, such as Vietnam, and upper middle/high income countries. In the conclusion, we discuss the implications of our findings for countries like Vietnam that are actively formulating and implementing their anti-corruption strategies.

Measuring Costs versus Benefits

Mauro (1995) authored one of the earliest research studies that found corruption to have a negative effect on economic growth. He observed a statistically significant negative association between

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corruption and investment, as well as growth. Many other studies followed, yielding similar conclusions about corruption costs (see other articles in this issue for reviews of this research). Most of this literature focuses on costs from an economic perspective, usually looking at trends in investment and GDP. But there are many costs that corruption can produce other than monetized economic ones, for example, social and human development costs, expressed through lowered life expectancy or literacy rates; political costs manifested in disrupted elections, erosion of the rule of law or reduced public trust in government; and environmental costs as revealed through ravaged ecological systems, among others. Even from an economic perspective, corruption can impose costs that are not monetized, such as reducing the integrity of the banking system, equity markets and regulatory oversight bodies. Scant research has focused on these other negative, but non-monetized, consequences of corruption.

An important research consideration is concerned with how corruption is measured. Most corruption cost research applies readily available time series survey indices to measure corruption countrywide, for example, the Transparency International Corruption Perceptions Index or the World Bank Control of Corruption index. Both of these indices have met with extensive methodological criticism, because they measure corruption based on perceptual factors and they typically aggregate different survey questions each year for each country, making valid comparisons over time and across countries questionable (Johnston 2010). However, these indices do offer a way of approximating overall corruption levels, albeit imperfectly.

When conducting research from the perspective of anti-corruption benefits, the dependent variables can tap similar indicators as used in corruption cost research, but we would anticipate the opposite result. In addition, we would expect other indicators of economic, political, environmental, social and human development, as measured for instance by the UNDP Human Development Index, perceptions of life satisfaction, levels of confidence in the rule of law or per capita income growth, to improve over time in response to effective anti-corruption programming, while showing negative trends if corruption was increasing.[3]

There are few extant studies that measure and analyze anti-corruption programming. A recent paper by Johnsøn (2014) directly addresses the methodological problems of evaluating the impact of anti-corruption activities – reviewing measurement, attribution and timing issues, among others – and proposes a cost-benefit analysis framework for evaluation purposes. He found few examples of cost-benefit studies in the literature and, of those, most focused on the cost-side of the equation.

In a study that assessed the impacts of implementing anti-corruption programs in countries emerging from internal conflicts, Spector (2011) found several concrete benefits that accrued to countries from adopting these policies. Five years after their peace agreement, political stability rankings were higher (by 4%), corruption control over the mid-term was more likely (by 6%), and more foreign development

[3] An interesting research finding that has been replicated across many studies is that public perceptions of corruption tend to worsen, at least in the short term, when anti-corruption programming of all sorts (either government- or civil society-initiated) is promoted and implemented (Passas and Johnston 2011). An explanation for this finding is that bringing the corruption issue forward on the public agenda, even when initiating anti-corruption activities, confirms the critical implications of corruption for society and generates a negative mindset.

assistance was provided (by 17%) for post-conflict countries that had anti-corruption provisions negotiated into their peace agreements than for countries that did not have such provisions. It appears that the promise to fight corruption followed by the implementation of such programs can have positive effects in the most fragile states emerging from war, especially in situations where corruption was one of the principal factors that initiated the conflict. Sustainable corruption control and better governance appears to be feasible with lasting systemic effects when anti-corruption programs are implemented rapidly in the post-conflict/post-agreement period.

Yet another study compares costs and benefits of anti-corruption programming. Olken (2007) assessed the anti-corruption consequences of increasing government-led audits in over 600 village road construction projects in Indonesia. Benefits were assessed in terms of the reduced theft of road construction funds which directly produce an increase in the lifespan of the roads and an increase in worker wages, and costs were measured in terms of the monetary cost of the audits. By increasing the number of government audits performed from a 4% sampling to 100% of the projects, the theft of materials and wages was reduced substantially, with an accompanying improvement in road lifespan and worker wages. When costs and benefits were compared, it revealed that there was a net social benefit in conducting the audits of approximately $250 per village.

Perhaps one reason why there are so few studies of the benefits of anti-corruption programs is that, just as we do not have good indicators of corruption, we do not have solid indicators of anti-corruption efforts either. Proposing a different approach to this measurement problem, Johnston (2008; 2010) and Passas and Johnston (2011) offer a first step in a new direction. They suggest that we may be measuring the wrong phenomenon; instead of studying the impacts of corruption, we should be focusing on its flip side, that is, on the extent of government performance. Rather than seeking to understand what has gone wrong, they recommend that it may be more useful to focus on positive values of integrity and effective governance. We should be studying what it takes to make government more just and accountable, and how that can serve to improve the quality of life of its citizens. In essence, they suggest that the outcomes of good governance be monitored and used as a basic measure of anti-corruption. To do this, for example, we could measure the quality and quantity of public services delivered against performance benchmarks. Such indicators can be interpreted as monitoring the extent to which government is performing with adequate controls in place to produce the services it has promised citizens or if corruption is impeding its performance. This approach to measurement is appropriate for what the OECD (2009) recommends should be country objectives of building a sound “integrity management system.”

Global Integrity (2011) provides another way of measuring anti-corruption programs. While still judgmental, their measurement approach is based on a solid and objective set of facts. Rather than measuring corruption *per se*, they measure the extent to which governments and civil societies are addressing corruption at a legal-institutional level and at a practical implementation level. The indicators assess what has been accomplished to fight corruption *in the law* and how those laws are implemented *in practice*, which allows measuring the discrepancy between the two. Using expert country panels and over 300 detailed questions about the extent of anti-corruption programming, Global Integrity has provided measurement for about 100 countries since 2006 that focuses specifically on the performance

of governments in conducting effective anti-corruption programs. This data is used in our study described below.

Hypotheses

This study postulates that there are measurable benefits to be derived from fighting corruption. These benefits can take the form of social, economic, political and human betterment, such as improved human development, improved perceptions of life satisfaction, improved income per capita and higher public confidence in the rule of law. When combined with increased government expenditures on social services and improved public service delivery, rolling out more extensive anti-corruption programs can have a positive effect on a country's socio-economic well-being.[4] Essentially, our overall proposition can be summarized as:

Socio-economic benefits	**=**	**Effective anti-corruption programming**	**+**	**Increased government expenditures on social services**	**+**	**Short-term improvements in public service delivery**

The extent of benefits depends upon how effectively anti-corruption reform programs are implemented. Passing stricter anti-corruption laws and establishing institutions of accountability will likely yield some socio-economic improvements for a country, but turning those words into deeds, that is, proactively implementing those mechanisms to yield anti-corruption results is likely to produce even stronger and more sustainable socio-economic improvements. This proposition represents one path to such socio-economic benefits; others channels might also exist.

Without an adequate legal and institutional framework to fight corruption, there is little basis for progress. Starting in the mid-1990s, international donors offered technical assistance to many countries in support of developing strong legal and institutional structures. Laws and ethical codes were patterned on western and regional parameters based on international and regional anti-corruption conventions. The World Bank made loans contingent on a country's adoption of some form of anti-corruption entity that would be responsible for law enforcement and development of a national anti-corruption strategy (World Bank 2009). As a result of this intensive focus, most countries nowadays have a relatively solid legal-institutional framework to address corruption. The Global Integrity Report (2011) indicates that the 92 countries they have monitored between 2006 and 2013 have an average score of 81.0 out of 100 on establishing a strong legal-institutional anti-corruption base. But these 92 countries demonstrate only a score of 52 out of 100 when it comes to turning words into deed. What this says is that most countries have the necessary anti-corruption laws they need on the books by now, but the demand for effective enforcement, and the means and commitment to demonstrate that such enforcement is taking place, are often lacking. There is insufficient progress in activating good laws and institutions effectively to reduce corruption. However, if the legal foundations are present *and* they are put into practice, they would yield improved socio-economic benefits for the country.

[4] Many other factors certainly mediate positive results, such as improved private sector performance.

H1: Strengthening the legal-institutional framework to fight corruption tends to improve socio-economic results.

H2: Active implementation of anti-corruption reforms – beyond merely enacting laws and establishing institutions – produces even greater incremental strengthening of socio-economic results.

Raising the public's expectations to fight corruption through enhanced laws, institutions, strategies and public awareness programs, but failing to follow-through can have detrimental effects. Surveys on corruption have often found that public perceptions of widespread corruption usually increase after awareness campaigns are conducted that are meant to raise the public's consciousness of the problem (Spector, Winbourne and Dininio 2015). Citizens are sensitive to government promises to improve governance that are not kept, because they tend to reduce public services and the socio-economic benefits that citizens want.

H3: Failure to follow-through to effectively implement legal-institutional anti-corruption reforms in practice raises expectations only to dash them, and produces reduced socio-economic results.

It takes significant resources, technical capacity and political will to fight corruption effectively. Even with the necessary anti-corruption laws and institutions in place, countries must be sufficiently motivated and need to persist in their efforts to address corruption despite slow short-term results. Less developed countries may find it difficult to stay focused on anti-corruption policies because of other more pressing issues on their agendas. While they can be incentivized by external parties, such as international donors and international or regional anti-corruption regimes, less developed countries may not have the resources to maintain their reform programs. While more developed countries may have the capacity and resources to pursue effective anti-corruption policies, they may lack the political will as well. However, these more developed states may feel more pressure to persist in implementing these programs to maintain their stature and investment-friendly environments.

H4: Low and lower middle income economies are more likely than upper middle and high income economies to face difficulties implementing effective anti-corruption reform programs. This could be because of other more important issues on their policy agendas, limited resources and limited political will.

H5: Upper middle and high income economies are more likely than low and lower middle income economies to demonstrate the positive impact of effective anti-corruption reform programs on producing beneficial socio-economic results.

Countries in the low and lower middle income category, such as Vietnam, might benefit by emulating the anti-corruption reform actions implemented in other countries.

Data

The database for this study was derived from four sources. The primary independent variables – the anti-corruption indicators – were drawn from the Global Integrity Reports between 2006 and 2013,[5] selecting the most recent survey for each country. We included the overall anti-corruption index, the legal framework index, the actual implementation index and the implementation gap (the arithmetic difference between the legal framework and implementation scores). This yielded a database covering 92 countries.

We drew other independent variables from the UNDP Human Development Statistical Tables[6] and the World Bank Databank.[7] These fall into two categories: government expenditures for public services and the near-term results of such services (see Table 1).

Table 1. Independent variables

Government expenditures for public services	Outcomes of such public services
• Health expenditure as % of GDP (2011) – UNDP • Public spending on education (% of GDP, 2010) – WB	• Life expectancy at birth (2013) – UNDP • Mean years of schooling (2012) – UNDP • Literacy rates for adults (% aged 15 and above) (2005-12) – UNDP • % of urban population with improved water access (2011) – WB

The dependent variables – the benefits – were selected to measure overall improvements and impacts on the human condition and included:

- Human Development Index (HDI)(2013) – UNDP[8]
- Overall life satisfaction index (2007-12) - UNDP[9]
- GDP per capita (in current US$ - 2011) – WB
- Perceived confidence in the rule of law (RoL)(2013) - WB[10].

Lastly, a control variable was added to the database – the World Bank list of economies (for 2011) – split between low/lower middle income countries and upper middle/high income countries.[11] This variable enables us to assess if there are differences in impact between countries at different levels of development.

Table 2 shows mean values for these variables, overall and split into income categories. There are expected differences between the lower and upper income countries on all variables, except for education expenditures, where there is no difference. Although Vietnam's gross national income per capita places it within the lower middle income category, it fares very well on many of these factors coming close to the

[5] See www.globalintegrity.org
[6] http://hdr.undp.org/en/data
[7] http://data.worldbank.org/indicator#topic-13
[8] 0=lowest, 1=highest
[9] 0=least, 10=most
[10] -2.5=lowest, +2.5=highest
[11] Accessed in December 2014: http://www.healthsystemsglobal.org/Portals/0/files/World_bank_list_july2012.pdf

mean values of the upper middle/high income countries. This is true on life satisfaction, literacy rate and water access variables. In some cases, Vietnam exceeds the mean values of these higher income countries – for education expenditures and life expectancy. However, Vietnam falls far short, in some cases below the lower income country means, on other variables, most notably, the anti-corruption programming indexes.

Table 2. Means across country categories

Variables	Overall means	Low/lower middle income countries means	Upper middle/high income countries means	Vietnam
Dependent Variables:				
• HDI	.67	.56	.78	.64
• Life satisfaction	5.25	4.63	5.86	5.5
• GDP per capita	8,805	1,731	16,362	1,543
• Confidence in rule of law	-.30	-.73	.17	-.49
Independent Variables:				
• Overall anti-corruption	66.5	61.6	71.8	43.8
• Anti-corruption legal framework	80.6	77.3	84.2	52.2
• Anti-corruption implementation	52.0	45.3	59.3	30.8
• Anti-corruption implementation gap	28.6	32.0	24.9	21.4
• Health expenditure	7.2	6.8	7.5	6.8
• Education expenditure	4.8	4.8	4.8	6.3
• Life expectancy	69.7	65.0	74.9	75.9
• Mean years of schooling*	7.9	6.0	9.8	5.5
• Literacy rates*	82.2	73.0	94.4	93.4
• % population with water access*	94.0	90.9	97.5	97.8

Note: * These three variables were found to be highly intercorrelated with each other and the life expectancy indicator. As a result, they were dropped from subsequent regression analyses to avoid multicollinearity problems.

Results

The Importance of Getting Beyond Words to Deeds

Correlations across all of these variables, over the entire sample and split into lower and higher income country samples, are presented in the Annex. Across the entire sample, the anti-corruption legal framework index correlates significantly and positively with each of the four dependent variables: HDI (.337), GDP/capita (.282), life satisfaction (.295), and rule of law (.327). We also find that life expectancy also improves with strengthening of the legal framework (.302). This confirms H1. When we look at the relationships between the anti-corruption implementation index and these same dependent variables, we find much stronger correlations across the board: HDI (.518), GDP/capita (.577), life satisfaction (.408),

and rule of law (.688). In addition, life expectancy (.440) and health expenditures (.295) are significantly correlated with increased anti-corruption implementation. This confirms H2.

Interestingly, for the lower income countries, none of the anti-corruption programming indicators have significant correlations with the dependent variables, except for confidence in the rule of law. The overall anti-corruption and implementation anti-corruption indicators are significantly and positively correlated with the rule of law indicator (.479 and .508, respectively). But we find that the other non-anti-corruption reform independent variables – health expenditures and life expectancy – show strong correlations with HDI, GDP per capita and rule of law within this lower income subsample.

The results are starkly different for the higher income countries. There are significant correlations between most of the anti-corruption indicators and HDI, GDP per capita, and rule of law. Again, health expenditures and life expectancy are also highly correlated with the dependent variables.

> *Hypotheses 1 and 2 are confirmed by the data analysis: Although strengthening the legal-institutional framework to fight corruption can yield important socio-economic results (H1), active implementation of anti-corruption reforms produces even stronger socio-economic results than just pursuing legal-institutional reforms (H2).*

The Dangers of Setting High Expectations

Reviewing the correlations for the overall sample, the anti-corruption implementation gap indicator is significantly and negatively related to HDI (-.355), GDP/capita (-.480), life satisfaction (-.273), and rule of law (-.593). Education spending (-.364) and life expectancy (-.292) also decline as this gap increases. Within the low income subsample, the gap indicator is negatively related only to confidence in the rule of law (-.310). But in the high income subsample, the gap indicator is negatively related to all the dependent variables: HDI (-.580), GDP/capita (-.561), life satisfaction (-.285), and rule of law (-.694).

Linear regressions testing the impact of implementation gaps on socio-economic results confirm these results. The implementation gap index is influential (negatively) in predicting HDI, GDP per capita and rule of law confidence, along with life expectancy and health expenditures (see Table 4).

> *Hypothesis 3 is confirmed: Gaps in implementing promised anti-corruption reforms reduce socio-economic results.*

Difficulties Faced by Lower Income Countries

The split between the lower income and higher income countries on their anti-corruption scores is particularly revealing (see Table 3). While lower income countries, like the higher income countries, fare favorably on having developed adequate legal-institutional frameworks for fighting corruption, the lower income category demonstrates very weak follow-through on implementing those laws and regulations in practice. Their implementation scores are low, resulting in large implementation gaps and weak overall scores. While many higher income countries still have major problems in anti-corruption program implementation, they are far fewer than their lower income counterparts.

Hypothesis 4 is confirmed: The lower income countries tend toward weaker implementation of anti-corruption reform programs.

Table 3. Anti-corruption scores (by country income)

	Overall score		Legal framework score		Implementation score		Implementation gap score	
	Weak	Strong	Weak	Strong	Weak	Strong	Small gap	Large gap
Low/low middle income	35	9	13	35	45	1	13	33
Upper middle/high income	16	23	5	38	29	12	24	18

Country Income Levels and Anti-Corruption Programming Results

Linear regressions were computed to assess the relative influence of the various independent variables on the dependent factors (see Table 4). Interestingly, when we analyze the overall sample, the anti-corruption implementation index is strongly influential in predicting HDI, GDP per capita and rule of law confidence, along with life expectancy and health expenditures.

However, when splitting the sample by low and high income countries, the impact of anti-corruption programming on the dependent variables recedes; the other factors, primarily life expectancy, and health and education expenditures show themselves to be more powerful predictors than the anti-corruption programming (see Table 5). The anti-corruption implementation index is the only one to predict confidence in the rule of law, for lower income countries, and the anti-corruption implementation gap indicator predicts the rule of law (negatively) for higher income countries. Other than these two findings, a country's income level appears not to be a good predictor of anti-corruption effectiveness.

Table 4. Regression results (overall sample)

		Independent variables					
Dependent variables	**Constant**	**AC implementation**	**AC implementation Gap**	**Life expectancy**	**Health expenditure**	**R^2**	**N**
HDI	-.432	.215		.799		.837	62
GDP/capita	-72647.6	.262		.515	.370	.665	62
RoL	-4.611	.428		.408	.228	.620	62
HDI	-.299		-.153	.839		.821	62
GDP/capita	-49638.5		-.277	.534	.378	.672	62
RoL	-2.678		-.398	.457	.253	.604	62

Table 5. Regression results (by country income type)

Independent variables						
Country type	**Dependent variables**	**Constant**	**AC implementation**	**AC implementation Gap**	**R^2**	**N**
Lower income	RoL	-2.427	.461		.272	31
Higher income	RoL	-2.402		-.386	.603	31

Hypothesis 5 is not confirmed: Country income levels are not related to the relative success of anti-corruption programming reforms.

Discussion, with implications for countries like Vietnam

While not diminishing extant research on the economic and other costs of corruption, this study examines the other side of the coin to identify the benefits of being proactive in fighting corruption. By focusing on several indicators that measure the extent to which countries pursue anti-corruption reform programs and how effective they are, we hope to understand the political economy impacts of these initiatives.

Overall, the findings indicate that deeds are more important than words. The public wants to see their government's commitment to anti-corruption goals through strong implementation of reform programs and, moreover, they want to see that implementation produces impact in the form of an improved socio-economic landscape. While establishing a solid legal and regulatory framework against corruption is certainly an early and necessary step in the right direction, more is required to satisfy citizens and achieve visible and beneficial outcomes across the board in terms of improved political, economic, social and human development results.

Moreover, when there is a clear deficiency in practical achievement of anti-corruption goals, all of these socio-economic benefits are severely diminished. Setting high expectations via legal-institutional frameworks can backfire if the capacity or political will are insufficient to realize these prospects. Poorly implemented or otherwise non-credible anti-corruption efforts can be more harmful than having none at all.

Implementing anti-corruption programs are not, by themselves, sufficient for achieving improved socio-economic benefits. These initiatives are boosted by other government activities, such as increased government expenditures for public services, and near-term and visible outcomes of such services. So, significant correlations between growing health and education expenditures, and improved life expectancy rates, with the long-term socio-economic dependent variables, suggest a co-dependency between effective anti-corruption policies and effective social policies promoted by government.

On their own and with the help of international donors, many lower and higher income countries have produced adequate to strong legal-institutional frameworks to fight corruption. But implementation is flagging among all states, especially and severely among lower income states. Whether this is a function of low capacity, low political will or insufficient priority, more needs to be done, especially among lower income countries, to push for enhanced action. The US Government's Millennium Challenge Corporation

Threshold Country Programs (MCC TCP) are examples of donor-sponsored initiatives that help developing countries build their anti-corruption implementation credentials by offering an important incentive (Spector, Winbourne and Dininio 2015). To qualify for large government-to-government grants, usually for infrastructure programs, countries with inadequate anti-corruption implementation histories are given additional technical assistance for up to three years so that they can demonstrate their commitment to fighting corruption in a meaningful way. Most of these MCC TCP programs are very targeted at anti-corruption implementation and have produced clear and measurable anti-corruption achievements.

Perhaps the most interesting finding of this analysis is the limited impact of the control variable – country income – on anti-corruption programming and socio-economic benefits. For lower income countries, strong implementation of anti-corruption programs produces greater public confidence in the rule of law, while the failure to meet anti-corruption expectations in higher income countries results in a decline in confidence in the rule of law. Other than these two findings, the analysis failed to identify any strong impacts of anti-corruption programming influenced by high or low income country income factors.

Our results are consistent with recent research (Bai et al 2014) that finds that economic growth reduces the incidence of bribery. Analyzing survey data from Vietnamese firms between 2006 and 2010 (using the Vietnam Provincial Competitiveness Index), this study concludes that as low income countries grow and prosper economically, corruption can subside on its own. Thus, if the effective use of anti-corruption strategies produces socio-economic benefit and growth, this outcome becomes a critical channel for reducing corruption long term. This is a powerful message for policymakers, especially for those in lower income countries.

As previously discussed, implementation of anti-corruption initiatives along with other social improvement policies have a very strong influence on long-term socio-economic rewards, but when you introduce a country's development level as a discriminator, that influence vanishes. Apparently, it is not how rich a country is that influences the outcomes of its anti-corruption programming. A country does not have to be highly developed or have high GDP per capita to reap the benefits of effectively implemented anti-corruption policies. The ability to achieve long-term benefits appears to be contingent on other factors – most likely, the acknowledgment of integrity in government and good governance as high priority policies, the political will to follow-through to implement these policies, and the capacity to act.

What are the implications of these findings for countries at similar levels of development as Vietnam, that is, the low to lower middle income countries? Vietnam has implemented many progressive social policies and followed through with significant expenditure levels in those areas. Life expectancy and the percent of the population with access to water are both very high, and literacy rates and the levels of government education and health expenditures, in some cases, exceed even those in upper middle to high income countries. These are very positive first steps toward achieving long-term socio-economic benefits for the country.

However, Vietnam, like many of its fellow countries in this category, lags well behind in its anti-corruption programming, especially in the practical implementation of laws and policies (Tromme 2015). Our findings

suggest that this fact reduces Vietnam's opportunities to achieve bigger and longer term rewards for society in terms of improved social, economic, political and human development outcomes.

Crucially, our results indicate that it is not a good excuse for Vietnam or other developing countries to point to their level of development or wealth as a reason for why it is not doing as well in implementing anti-corruption reforms. A country's wealth is not a predictor of progress or success in this area. Rather, achieving positive societal outcomes is a matter of policy choice, political will and capacity to strengthen a country's anti-corruption implementation activities, and this is all within the power of a country's leadership to mobilize, regardless of wealth status. Even politicians recognize that implementation of anti-corruption legislation is often faulty (Tromme 2015). As this study shows, the many socio-economic benefits that can reward society should serve as powerful motivators to strengthen a country's anti-corruption profile and motivate its trajectory.

As described earlier, positive indicators of governance performance can be used to monitor anti-corruption projects to measure their impact on socio-economic benefits (Johnston 2008, 2010). The demonstrated cost effectiveness of such anti-corruption programs should be appealing to donors, policymakers and citizens.

Conclusion

Similar to the way Bryson describes how scientists analyze the nature of invisible atoms (Bryson 2004: 142), we might also assess the nature of corruption. Both atoms and corruption are rather secretive; we cannot see corruption as we cannot see atoms in plain sight, but we try to measure it in terms of how it behaves when we do something to it. When countries effectively implement anti-corruption programs, they are demonstrating that they understand how corruption operates within their institutions, procedures and culture, and they initiate activities they believe can both reduce corruption and produce the benefits of good governance.

While it is probably human nature to gravitate toward ridding ourselves of the negative consequences of pervasive problems, such as corruption, our study suggests that it can also be fruitful to address the positive benefits that can accrue by proactively and effectively implementing anti-corruption initiatives. This type of cost-benefit analysis should serve as a strong motivator for country policymakers to take action.

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Annex 1. Correlations (overall sample)

Correlations

		Human Development Index (HDI) 2013	Overall life satisfaction index (0=least, 10=most) 2007-12	GDP per capita (current US$) 2011	ROL Confidence 2013	Overall AC	Legal Framework	Actual AC Implementation	Implementation Gap	Health expenditure as % GDP 2011	Public spending on education, total (% of GDP) 2010	Life expectancy at birth 2013
Human Development Index (HDI) 2013	Pearson Correlation	1	.677**	.716**	.671**	.499**	.337**	.518**	-.355**	.055	.055	.881**
	Sig. (2-tailed)		.000	.000	.000	.000	.001	.000	.001	.610	.668	.000
	N	91	87	91	91	91	90	90	90	89	64	91
Overall life satisfaction index (0=least, 10=most) 2007-12	Pearson Correlation	.677**	1	.651**	.465**	.396**	.295**	.408**	-.273*	.148	.251	.581**
	Sig. (2-tailed)	.000		.000	.000	.000	.006	.000	.011	.177	.051	.000
	N	87	87	87	87	87	86	86	86	85	61	87
GDP per capita (current US$) 2011	Pearson Correlation	.716**	.651**	1	.780**	.511**	.282**	.577**	-.480**	.374**	.087	.602**
	Sig. (2-tailed)	.000	.000		.000	.000	.007	.000	.000	.000	.493	.000
	N	91	87	91	91	91	90	90	90	89	64	91
ROL Confidence 2013	Pearson Correlation	.671**	.465**	.780**	1	.617**	.327**	.688**	-.593**	.307**	.137	.609**
	Sig. (2-tailed)	.000	.000	.000		.000	.002	.000	.000	.003	.279	.000
	N	91	87	91	92	92	91	91	91	89	64	92
Overall AC	Pearson Correlation	.499**	.396**	.511**	.617**	1	.836**	.956**	-.465**	.270*	.138	.432**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.010	.277	.000
	N	91	87	91	92	92	91	91	91	89	64	92
Legal Framework	Pearson Correlation	.337**	.295**	.282**	.327**	.836**	1	.651**	.091	.185	-.087	.302**
	Sig. (2-tailed)	.001	.006	.007	.002	.000		.000	.392	.085	.500	.004
	N	90	86	90	91	91	91	91	91	88	63	91
Actual AC Implementation	Pearson Correlation	.518**	.408**	.577**	.688**	.956**	.651**	1	-.697**	.295**	.215	.440**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.005	.091	.000
	N	90	86	90	91	91	91	91	91	88	63	91
Implementation Gap	Pearson Correlation	-.355**	-.273*	-.480**	-.593**	-.465**	.091	-.697**	1	-.207	-.364**	-.292**
	Sig. (2-tailed)	.001	.011	.000	.000	.000	.392	.000		.053	.003	.005
	N	90	86	90	91	91	91	91	91	88	63	91
Health expenditure as % GDP 2011	Pearson Correlation	.055	.148	.374**	.307**	.270*	.185	.295**	-.207	1	.138	.043
	Sig. (2-tailed)	.610	.177	.000	.003	.010	.085	.005	.053		.282	.686
	N	89	85	89	89	89	88	88	88	89	63	89
Public spending on education, total (% of GDP) 2010	Pearson Correlation	.055	.251	.087	.137	.138	-.087	.215	-.364**	.138	1	.042
	Sig. (2-tailed)	.668	.051	.493	.279	.277	.500	.091	.003	.282		.743
	N	64	61	64	64	64	63	63	63	63	64	64
Life expectancy at birth 2013	Pearson Correlation	.881**	.581**	.602**	.609**	.432**	.302**	.440**	-.292**	.043	.042	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.004	.000	.005	.686	.743	
	N	91	87	91	92	92	91	91	91	89	64	92

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Annex 2. Correlations (by country income type)

Correlations

WB Economies List 2011			Human Development Index (HDI) 2013	Overall life satisfaction index (0=least, 10=most) 2007-12	GDP per capita (current US$) 2011	ROL Confidence 2013	Overall AC	Legal Framework	Actual AC Implementation	Implementation Gap	Health expenditure as % GDP 2011	Public spending on education, total (% of GDP) 2010	Life expectancy at birth 2013
Low/Lower Middle Income	Human Development Index (HDI) 2013	Pearson Correlation	1	.415**	.759**	.283	.091	.095	.058	.035	-.379*	.099	.853**
		Sig. (2-tailed)		.006	.000	.054	.543	.524	.698	.818	.010	.592	.000
		N	47	43	47	47	47	47	47	47	45	32	47
	Overall life satisfaction index (0=least, 10=most) 2007-12	Pearson Correlation	.415**	1	.426**	-.150	.092	.199	.009	.197	-.096	.191	.290
		Sig. (2-tailed)	.006		.004	.338	.559	.201	.953	.206	.549	.322	.060
		N	43	43	43	43	43	43	43	43	41	29	43
	GDP per capita (current US$) 2011	Pearson Correlation	.759**	.426**	1	.138	-.004	.022	-.020	.043	-.227	-.056	.598**
		Sig. (2-tailed)	.000	.004		.355	.978	.883	.896	.774	.133	.762	.000
		N	47	43	47	47	47	47	47	47	45	32	47
	ROL Confidence 2013	Pearson Correlation	.283	-.150	.138	1	.479**	.253	.508**	-.310*	-.111	.038	.356*
		Sig. (2-tailed)	.054	.338	.355		.001	.082	.000	.032	.467	.835	.013
		N	47	43	47	48	48	48	48	48	45	32	48
	Overall AC	Pearson Correlation	.091	.092	-.004	.479**	1	.839**	.931**	-.162	.076	.083	.110
		Sig. (2-tailed)	.543	.559	.978	.001		.000	.000	.270	.619	.651	.457
		N	47	43	47	48	48	48	48	48	45	32	48
	Legal Framework	Pearson Correlation	.095	.199	.022	.253	.839**	1	.598**	.393**	.061	-.195	.113
		Sig. (2-tailed)	.524	.201	.883	.082	.000		.000	.006	.690	.284	.443
		N	47	43	47	48	48	48	48	48	45	32	48
	Actual AC Implementation	Pearson Correlation	.058	.009	-.020	.508**	.931**	.598**	1	-.502**	.100	.202	.063
		Sig. (2-tailed)	.698	.953	.896	.000	.000	.000		.000	.512	.267	.669
		N	47	43	47	48	48	48	48	48	45	32	48
	Implementation Gap	Pearson Correlation	.035	.197	.043	-.310*	-.162	.393**	-.502**	1	-.045	-.414*	.050
		Sig. (2-tailed)	.818	.206	.774	.032	.270	.006	.000		.767	.019	.737
		N	47	43	47	48	48	48	48	48	45	32	48
	Health expenditure as % GDP 2011	Pearson Correlation	-.379*	-.096	-.227	-.111	.076	.061	.100	-.045	1	.073	-.347*
		Sig. (2-tailed)	.010	.549	.133	.467	.619	.690	.512	.767		.698	.019
		N	45	41	45	45	45	45	45	45	45	31	45
	Public spending on education, total (% of GDP) 2010	Pearson Correlation	.099	.191	-.056	.038	.083	-.195	.202	-.414*	.073	1	.134
		Sig. (2-tailed)	.592	.322	.762	.835	.651	.284	.267	.019	.698		.464
		N	32	29	32	32	32	32	32	32	31	32	32
	Life expectancy at birth 2013	Pearson Correlation	.853**	.290	.598**	.356*	.110	.113	.063	.050	-.347*	.134	1
		Sig. (2-tailed)	.000	.060	.000	.013	.457	.443	.669	.737	.019	.464	
		N	47	43	47	48	48	48	48	48	45	32	48
Upper Middle/High Income	Human Development Index (HDI) 2013	Pearson Correlation	1	.434**	.799**	.733**	.592**	.347*	.657**	-.580**	.569**	.110	.799**
		Sig. (2-tailed)		.003	.000	.000	.000	.023	.000	.000	.000	.550	.000
		N	44	44	44	44	44	43	43	43	44	32	44
	Overall life satisfaction index (0=least, 10=most) 2007-12	Pearson Correlation	.434**	1	.545**	.326*	.261	.129	.297	-.285	.334*	.315	.416**
		Sig. (2-tailed)	.003		.000	.031	.087	.408	.053	.064	.027	.079	.005
		N	44	44	44	44	44	43	43	43	44	32	44
	GDP per capita (current US$) 2011	Pearson Correlation	.799**	.545**	1	.762**	.485**	.222	.566**	-.561**	.657**	.251	.568**
		Sig. (2-tailed)	.000	.000		.000	.001	.152	.000	.000	.000	.165	.000
		N	44	44	44	44	44	43	43	43	44	32	44
	ROL Confidence 2013	Pearson Correlation	.733**	.326*	.762**	1	.544**	.188	.649**	-.694**	.605**	.372*	.538**
		Sig. (2-tailed)	.000	.031	.000		.000	.228	.000	.000	.000	.036	.000
		N	44	44	44	44	44	43	43	43	44	32	44
	Overall AC	Pearson Correlation	.592**	.261	.485**	.544**	1	.814**	.964**	-.611**	.459**	.308	.417**
		Sig. (2-tailed)	.000	.087	.001	.000		.000	.000	.000	.002	.086	.005
		N	44	44	44	44	44	43	43	43	44	32	44
	Legal Framework	Pearson Correlation	.347*	.129	.222	.188	.814**	1	.639**	-.043	.321*	.207	.228
		Sig. (2-tailed)	.023	.408	.152	.228	.000		.000	.784	.036	.263	.142
		N	43	43	43	43	43	43	43	43	43	31	43
	Actual AC Implementation	Pearson Correlation	.657**	.297	.566**	.649**	.964**	.639**	1	-.796**	.471**	.477**	.450**
		Sig. (2-tailed)	.000	.053	.000	.000	.000	.000		.000	.001	.007	.002
		N	43	43	43	43	43	43	43	43	43	31	43
	Implementation Gap	Pearson Correlation	-.580**	-.285	-.561**	-.694**	-.611**	-.043	-.796**	1	-.359*	-.499**	-.405**
		Sig. (2-tailed)	.000	.064	.000	.000	.000	.784	.000		.018	.004	.007
		N	43	43	43	43	43	43	43	43	43	31	43
	Health expenditure as % GDP 2011	Pearson Correlation	.569**	.334*	.657**	.605**	.459**	.321*	.471**	-.359*	1	.295	.483**
		Sig. (2-tailed)	.000	.027	.000	.000	.002	.036	.001	.018		.101	.001
		N	44	44	44	44	44	43	43	43	44	32	44
	Public spending on education, total (% of GDP) 2010	Pearson Correlation	.110	.315	.251	.372*	.308	.207	.477**	-.499**	.295	1	-.075
		Sig. (2-tailed)	.550	.079	.165	.036	.086	.263	.007	.004	.101		.684
		N	32	32	32	32	32	31	31	31	32	32	32
	Life expectancy at birth 2013	Pearson Correlation	.799**	.416**	.568**	.538**	.417**	.228	.450**	-.405**	.483**	-.075	1
		Sig. (2-tailed)	.000	.005	.000	.000	.005	.142	.002	.007	.001	.684	
		N	44	44	44	44	44	43	43	43	44	32	44

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).