UNDERSTANDING CORRUPTION AND CORRUPTIBILITY THROUGH EXPERIMENTS

Libor DUŠEK, Andreas ORTMANN, Lubomír LÍZAL

CERGE-EI (Center for Economic Research and Graduate Education, Charles University and Economics Institute, Academy of Sciences of the Czech Republic)

Politických vězňů 7, CZ – 111 21 Prague 1

(e-mail: libor.dusek; lubomir.lizal; andreas.ortmann@cerge-ei.cz)

Corruption and corruptibility – due to their illegal and therefore secretive nature – are difficult to be assessed either with traditional tools, such as hard data on criminal convictions or soft data elicited through opinion polls, questionnaires, or case studies. While there seems to be agreement nowadays that corruption does have a negative impact on (foreign) private investment and growth, government revenue and infrastructure, and social equality, and while there seems to be evidence that low economic development, federal structure and short histories of experience with democracy and free trade all favour corruption on the macrolevel, it is poorly understood what exactly, on the micro-level, the determinants of corruptibility are and what institutional arrangements could be used to fight (the causes of) corruption. In this article we review a third, complementary mode of investigation of corruption and corruptibility: experiments. We assess their strengths and weaknesses, and identify areas where they could be particularly useful in guiding policy choices – namely in designing incentive-compatible and effective anti-corruption measures in public procurement.