

The etiquette of bribery

How to grease a palm

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Corruption has its own elaborate etiquette



GIVE people power and discretion, and whether they are grand viziers or border guards, some will use their position to enrich themselves. The problem can be big enough to hold back a country's development. One study has shown that bribes account for 8% of the total cost of running a business in Uganda. Another found that corruption boosted the price of hospital supplies in Buenos Aires by 15%. Paul Wolfowitz, the head of the World Bank, is devoting special efforts during his presidency there to a drive against corruption.

For most people in the world, though, the worry is not that corruption may slow down their country's GDP growth. It is that their daily lives are pervaded by endless hassles, big and small. And for all the evidence that some cultures suffer endemic corruption while others are relatively clean, attitudes towards corruption, and even the language describing bribery, is remarkably similar around the world.

In a testament to most people's basic decency, bribe-takers and bribe-payers have developed an elaborate theatre of dissimulation. This is not just to avoid detection. Even in countries where corruption is so common as to be unremarkable and unprosecutable—and even when the transaction happens far from snooping eyes—a bribe is almost always dressed up as some other kind of exchange. Though most of the world is plagued by corruption, even serial offenders try to conceal it.

One manifestation of this is linguistic. Surprisingly few people say: "You are going to have to pay me if you want to get that done." Instead, they use a wide variety of euphemisms. One type is quasi-official terminology. The first bribe paid by your correspondent, in Ukraine in 1998, went to two policemen so they would let him board a train leaving the country. On the train into Ukraine, the customs officer had absconded with a form that is needed again later to leave the country. The policemen at the station kindly explained that there was a *shtraf*, a "fine" that could be paid instead of producing the document. The policemen let him off with the minimum *shtraf* of 50 hryvnia (\$25).

Another term widely used at border crossings is "expediting fee". For a euphemism it is surprisingly accurate: paying it will keep your bags, and perhaps your contraband, from being dumped onto a floor and sifted through at a leisurely pace. (A related term, used in India, is "speed money": paying it can get essential business permits issued considerably faster.)

Paul Lewis, an analyst with the Economist Intelligence Unit (a sister company to *The Economist*), describes the quasi-business terminology typically used for bribery in the post-communist privatisations of eastern Europe. A mostly useless but well-connected insider at the company is hired as a "consultant". The consultant is paid a large official "fee", nominally for his industry expertise, on the understanding that he will cut in the minister and other decision-makers.

A second type of euphemism dresses up a dodgy payment as a friendly favour done by the bribe-payer. There is plenty of creative scope. Nigerian policemen are known to ask for "a little something for the weekend". A North African term is "*un petit cadeau*", a little gift. Mexican traffic police will suggest that you buy them a *refresco*, a soft drink, as will Angolan and Mozambican petty officials, who call it a *gazoso* in Portuguese. A businessman in Iraq told Reuters that although corruption there is quite overt, officials still insist on being given a "good coffee".

Double meaning can help soothe the awkwardness of bribe-paying. *Baksheesh*, originally a Persian word now found in many countries of the Middle East, can mean "tip", "alms" and "bribe". Swahili-speakers can take advantage of another ambiguous term. In Kenya a machine-gun-wielding guard suggested to a terrified Canadian aid worker: "Perhaps you would like to discuss this over tea?" The young Canadian was relieved: the difficulty could be resolved with some *chai*, which means both "tea" and "bribe".

Brown envelopes

Along with the obscurantist language, bribe-taking culture around the world often involves the avoidance of physically handing the money from one person to another. One obvious reason is to avoid detection, which is why bribes are known as "envelopes" in countries from China to Greece. But avoidance of a direct hand-over is common even where there is no chance of detection. There will always be some officials who will take money right from a bribe-payer's hands, but most seem to prefer to find some way to hide the money from view. A bribe to a border guard may be folded into a passport. A sweetener to a traffic cop is often placed in the ticket-book that is handed to the driver. Parag Khanna, who is writing a book about countries on the edge of the rich world that are trying to get rich themselves, describes a bribe-taker he spotted in Georgia who he was sure was a rookie. Why? The scrawny young soldier, forgoing any subtleties, merely rubbed his fingers together in an age-old gesture.

Journalists are an obvious target for bribe-seekers. They often find themselves trying to get past bored, poorly paid guards and officials to see someone or something more important. Moreover, they are often foreigners—and around the world white faces, foreign passports, foreign car number plates and a few other distinguishing features are like blood in the water for those seeking a pay-off.

A journalist for a Western newspaper in Moscow was running late for an important meeting at the Kremlin for which he had waited a long while. On his way he was stopped by the traffic police for some real or invented infraction. In a hurry, the reporter negotiated a modest bribe—but found he had nothing smaller than a 1,000 rouble (\$30) note in his wallet. Inspired by desperation, he agreed to pay 1,000 roubles in exchange for a ride to the Kremlin in the police car, with sirens blaring, to make sure he would be on time. The policeman tried to hold out for 1,500 roubles, but the steely nerved journalist got his ride for his offer price.

Inappropriate gifts

Journalists can be on the receiving end of bribes, too, to ensure favourable coverage. A former Africa correspondent for *The Economist* says that in Nigeria, one of the world's most corrupt countries, journalists are given hundreds of dollars in brown envelopes "for expenses" simply to attend press conferences. An ocean away, Armstrong Williams, an American columnist and television host, was paid \$240,000 by the Department of Education to comment "regularly" on "No Child Left Behind", an education-reform bill. He claimed that he was not a "journalist" but a "commentator", but conceded that the deal had been ill-judged. Similarly, Maggie Gallagher, another conservative columnist, was paid to promote the Bush administration's "healthy marriage" programme. When challenged, she asked, "Did I violate journalistic ethics by not disclosing [the contract]? I don't know. You tell me."

The Economist lays down clear rules for its journalists. An envelope stuffed with cash, much less a \$240,000 contract, would be inappropriate. Any gift, says the policy, must be consumable in a single day. So a bottle of

wine is acceptable, a case of wine is not.

Rich Westerners may not think of their societies as plagued by corruption. But the definition of bribery clearly differs from person to person. A New Yorker might pity the third-world businessman who must pay bribes just to keep his shop open. But the same New Yorker would not think twice about slipping the maître d' \$50 to sneak into a nice restaurant without a reservation. Poor people the world over are most infuriated by the casual corruption of the elites rather than by the underpaid, "tip"-seeking soldier or functionary.

Indeed, in the world's richest economy, what many see as simple bribery is an integral part of lawmaking. In Washington, DC, it is accepted that a lobbyist's generous campaign contribution to a crucial congressman may help to steer some spending to the lobbyist's client.

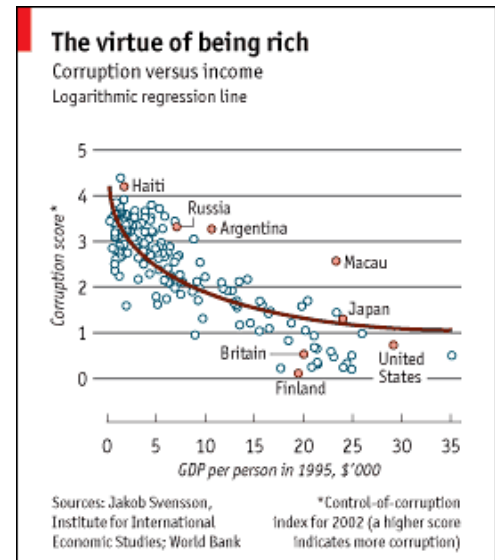
But proving corruption requires proving the intent to exchange one favour for another. Brent Wilkes, named as a co-conspirator in the bribery case of a Californian congressman, told the *New York Times* about a lesson he was taught early in his lobbying career: a cheque must never be handed over at the same time as a lobbying pitch is made. Much better to wait and do it in a hallway later. Proving intent in a courtroom is famously hard to do, so few such exchanges result in convictions. But many ordinary Americans are aware of what is going on. No surprise, then, that Congress is, by some measures, the least popular branch of government.

Yet corrupt practices in America and western Europe are nothing like as pervasive as in other parts of the world. There is no single cultural factor that inclines a society towards corruption, but economic factors play a big part. Most clearly, poverty and bribery go together.

But which causes which? Mr Wolfowitz's crusade at the World Bank is based on the idea that corrupt countries fail to develop. But several countries in Asia have grown rapidly at a time when cronyism was common, including Indonesia and South Korea in their time. Today's most conspicuous example is China with its explosive growth. Polls consistently show that corruption is the top complaint of ordinary Chinese. From time to time the Chinese government executes particularly egregious offenders, to no apparent avail. And yet foreign investors cannot pile into the country fast enough. Although most economists agree that corruption slows development, a corrupt country is nevertheless capable of rapid growth. Countries may be corrupt because they are poor, and not the other way round.

Jakob Svensson, an economist at Stockholm University, has cut through cultural stereotypes to search for hard data on corrupt economies. He has found that socialist and recently socialist economies show higher levels of corruption than others. Among the factors he has tested for correlation with corruption is the overall education level of the adult population. A second is openness to imports (measured by imports as a proportion of GDP), which is linked with opportunities for smuggling. A third is freedom of the press (as ranked by Freedom House, a civil-liberties watchdog), on the hypothesis that independent journalists will expose, and thereby curtail, corruption. The fourth is the number of days needed to start a business, a proxy for the number of permits required, and therefore red tape. Mr Svensson found clear correlations between all these variables and the overall level of corruption.

Among the many factors that determine the level of corruption in a country, one stands out. Whether it takes the shape of an American congressman dispensing a \$2 trillion budget or a horde of petty officials administering a Bible-sized rulebook, where there is a lot of government, there is a lot of bribery. Corruption thus offers yet another confirmation of the dictum attributed to Thomas Jefferson that "the government is best which governs least."



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