1. Problem

ROMANIA: laggard in the post-communism transition process; “poorhouse” of Europe; most corrupt EU member state in 2007 (Transparency International). Perceptions of corruption (2007): 38% believe all public institutions’ employees are corrupt, and 69% believe that failure to give a bribe would result in their problems not being solved. 2008 Commission reports highlight an increase in “every day corruption” compared to previous years.

2. Purpose

To analyze perceptions of corruption in the Romanian civil service and the factors that facilitate these perceptions. Analysis will be based on elected officials’ external assessment of and linkages between forces of corruption and civil servants’ internal assessment.

3A. Dysfunctional Social Capital & Corruption

Andvig & Moene, 1990
Warren, 2001

3B. Literature Review of Factors of Perceived Corruption

INTERNAL: civil service pay & performance bonus system; meritocratic recruitment & hiring; institutional incentives; civil servants’ lack of morality.

EXTERNAL: political pressure & the rule of law; civil service reforms & perceived govt. willingness to fight corruption; spread of corruption in the country; citizens’ behavior.

4. Hypotheses

Elected Officials
The more they perceive inadequate pay as a cause of corruption, the higher their perceptions of corruption.
The more they perceive political pressure as a cause of corruption, the higher their perceptions of corruption.
The more they perceive the legal framework as a cause of corruption, the higher their perceptions of corruption.
The more they perceive civil servants’ lack of morality as a cause of corruption, the higher their perceptions of corruption.
The more they perceive citizens’ behavior as a cause of corruption, the higher their perceptions of corruption.
The more they perceive pressures from the economic environment as a cause of corruption, the higher their perceptions of corruption.
The more they perceive that civil service is undergoing comprehensive reform that is headed in the right direction, the lower their perceptions of corruption.
The more they perceive the satisfaction with management of civil service, the lower their perceptions of corruption.
The more they perceive that the decentralization is transparent, the lower their perceptions of corruption.
Elected officials who have institutional programs in place for monitoring reform will perceive less corruption.

Civil Servants
The more they perceive poor pay as a cause of corruption, the higher their perceptions of corruption.
The higher their satisfaction with official income and the performance-bonus system, the lower their perceptions of corruption.
The more they perceive the system of recruitment and hiring to be meritocratic, the lower their perceptions of corruption.
The higher their satisfaction with institutional incentives, the lower their perceptions of corruption.
The more they believe that corruption is widespread in the country, the higher their perceptions of corruption in the civil service.
The higher their satisfaction with the government anticorruption fight and with outcomes of the civil service reforms, the lower their perceptions of corruption.
The more they perceive lack of clear mission as a cause of corruption, the higher their perceptions of corruption.
The more they perceive lack of leadership support as a cause of corruption, the higher their perceptions of corruption.
The more they perceive leadership support as a cause of corruption, the higher their perceptions of corruption.
The more they perceive that the decentralization is transparent, the lower their perceptions of corruption.

5. Methods

Data: two diagnostic surveys of perceptions of corruption; samples of 253 elected officials & 993 civil servants

Elected Officials
Logistic regression → the only significant correlates of perceived corruption are:
- perceived civil servants’ lack of morality
- perceived political pressure
- perceptions about citizens’ behavior
- satisfaction with current centralized form of management of the civil service

Civil Servants
Logistic regression → the only significant correlates of perceived corruption are:
- perceived spread of corruption in the country (strongest correlate)
- perceptions of the importance of gratitude expressed as gifts or money in the hiring process
- perceptions of the frequency of political interference with hiring decisions in their institution
- satisfaction with criteria used to award financial bonuses for work performance
- perceived echoes of initiative
- satisfaction with government reform and the legislation to decrease corruption and increase transparency in the civil service
- age has a negative effect on perceptions of corruption

6. Findings

Corruption is perceived to be widespread by 66% elected officials & 33.8% civil servants.

7. Policy Implications

1) Citizen education: People’s perceptions of corruption are influenced by what is considered widespread and approved behavior in the society.

2) System reforms:
   - Anticorruption agencies still have to prove their political independence and effectiveness. Implementation of new legal framework has been hampered by prosecutors & judges lack of political independence.
   - Revising the systems for employee empowerment and rewards, especially the criteria used to award financial bonuses for work performance.
   - Lack of leadership support and of clear mission as obstacles to administrative ethics.
   - Decentralizing civil service management may be the solution to these problems (Elected Officials).

3) Civil servants:
   - Remuneration of civil servants should not be seen as the focus of civil service reforms (Civil Servants).
   - Effective implementation of merit-based employment practices would raise the quality and integrity of civil servants.
   - Revising systems for employee empowerment and rewards, especially the criteria used to award financial bonuses for work performance.
   - Government’s enhancement of anticorruption efforts & aggressively publicize; increased knowledge of these efforts may lead to a greater reservoir of positive social capital.