1. Introduction

In the latest Global Integrity Report, which scores countries based on their anti-corruption effort, an Asian country stands out remarkably. It boasts an exemplary score of 86.9 on illegal framework, higher than Germany’s 81.0. It has nearly perfect anti-corruption law, which criminalizes bribery, extortion, and misuse of public assets. Even better yet, the country has established a host of supporting institutions, including a national ombudsman protected by law against political interference (The Central Vigilance Commission Act of 2003 cvc.nic.in/cvcact.pdf)—something that is left for citizens to desire even in United States. On top of that is an independent agency with the legal mandate to address corruption, whose leader, the “vigilance commissioner,” can only be removed by the head of a democratically elected government based on an inquiry by the Supreme Court.

The country in question is India, a place that has been deeply mired for years in corruption. Yet another country with a puzzling mismatch between law and practice is Indonesia, whose legal framework earns a near perfect score of 94.6, leaving both the United States (90.4) and Germany (81.0) lagging behind. This pattern even extends well beyond Asia to all corners of the developing world, including Uganda (97.8) and Kenya (83.2). These developing countries all possess, on paper at least, world-class legal and bureaucratic systems. The intensive effort by the development community to spread knowledge and tout models has certainly paid off in this regard.

But we—as committed organizations and passionate professionals—care not about laws on paper but lives on Earth. Does the experience of corruption improve accordingly? Unfortunately, the rate of improvement of governance on the ground has been glacially low. Even if we use an optimistic estimate of countries’ improvement rate, it will take developing countries hundreds, even thousands of years, in order to catch up with the standard of today Singapore.[[1]](#footnote-1) (CITE Pritchett). Our relentless effort to promote best practice in institutional form has led to improvement, but only in the sense that a new anti-corruption law passed with little effect is an improvement, and only in the sense that development finally achieved after hundreds of years is a success.

Of course, that is not to say that all forms of technical assistance and knowledge solution are not valuable. If there is a new drug or construction technology, it should not be held back outside the countries’ reach. However, in governance and anti-corruption issues, the centerpiece is people, whose political interests and interactions in each country are complicated and unique. In this setting, transplanting best governance practice is not straightforward as treating viruses or pouring concrete.

That is the short answer to why implementation fails. This paper will provide the longer answer, explaining how reform initiatives, from both supply and demand side, erroneously assume that the state and the citizens are monolithic entities with a single-minded interest in better governance. On the contrary, governance and corruption are, at their core, a collective action problem, caused by the fact that the benefit of bribery and patronage (for *both* the official and the citizen) is immediate and concentrated, whereas the cost of poor governance is dispersed and opaque. Improving governance and fighting corruption, therefore, are fundamentally about building the political will that unites the people and reform-minded officials.

Keeping in mind its key message about political will as the prerequisite of reform, this paper is structured accordingly. The first section analyzes the theoretical framework of current governance initiative, showing that it think of governance as a principal-agent, instead of a collective action, problem. This thinking leads to the mistaken belief that the greatest obstacle to reform is a lack of resource and design expertise, both of which institutions such as the ADB are eager to provide. The second section discusses several case studies to emphasize that reform has always been a deeply political, not bureaucratic, matter, and that its success and failure has always depended on overcoming the collective action problem. The third section proposes the wide adoption of “Indicators and Benchmarks” as a clever strategy for the ADB to nurture the political will for reform in a sanitized, politically-neutral manner. By comparing local performances in public sectors with an immediate impact on people’s welfare, this strategy rewards reform-minded officials and invigorates the public interest in the cause of good governance.

After all, only the people themselves that can, and should, do the strenuous work of shaping their countries’ trajectory. We must cheer them on, but the journey towards betterment is theirs to travel.

1. We can calculate the fastest improvement rate by assuming that countries have the lowest possible starting point, set to that of Somalia today [↑](#footnote-ref-1)