

Contents

<i>Acknowledgements</i>	ix
Foreword <i>Francis Fukuyama</i>	xi
Introduction <i>Peter Eigen</i>	1
Transparency International's Minimum Standards for Public Contracting	4

Part one: Corruption in construction

1 The costs of corruption	9
Blowing the whistle on corruption: one man's fatal struggle <i>Raj Kamal Jha</i>	9
The economic costs of corruption in infrastructure <i>Paul Collier and Anke Hoeffler</i>	12
The environment at risk from monuments of corruption <i>Peter Bosshard</i>	19
Earthquake destruction: corruption on the fault line <i>James Lewis</i>	23
The Italian mafia's legacy of high-rise death traps <i>David Alexander</i>	26
Turkish homeowners demand an end to earthquake devastation <i>William A. Mitchell and Justin Page</i>	27
2 Corruption in practice	31
Case study: Lesotho puts international business in the dock <i>Fiona Darroch</i>	31
Exposing the foundations of corruption in construction <i>Neill Stansbury</i>	36
A business perspective: promoting integrity in consulting engineering <i>Jorge Diaz Padilla</i>	40
Integrity Pact sheds light on Mexican electricity tender <i>Transparencia Mexicana</i>	43

WEF task force adopts the Business Principles for Countering Bribery <i>Transparency International</i>	49	
Case study: Oversized incinerator burns up Cologne's cash <i>Hans Leyendecker</i>	51	
3 International finance and corruption	55	
Financing corruption? The role of multilateral development banks and export credit agencies <i>Susan Hawley</i>	55	
Blacklisting corrupt companies <i>Juanita Olaya</i>	59	
4 Recommendations	65	
<i>Transparency International</i>		
Part two: Special feature – Corruption in post-conflict reconstruction		
5 Overcoming corruption in the wake of conflict	73	
<i>Philippe Le Billon</i>		
Reconstruction and the construction sector	74	
Aid and corruption	80	
Case study: Corrupting the new Iraq <i>Reinoud Leenders and Justin Alexander</i>	82	
Part three: Country reports		
6 Key developments in corruption across countries	93	
<i>Cobus de Swardt</i>		
7 Country reports		
Argentina	<i>Laura Alonso, Pilar Arcidiácono, María Julia Pérez Tort and Pablo Secchi</i>	96
Azerbaijan	<i>Rena Safaralieva</i>	100
Bangladesh	<i>Md. Abdul Alim</i>	103
Bolivia	<i>Jorge González Roda</i>	106
Brazil	<i>Ana Luiza Fleck Saibro</i>	109
Britain	<i>Michael James Macauley</i>	112
Burkina Faso	<i>Luc Damiba</i>	116
Cambodia	<i>Christine J. Nissen</i>	119
Cameroon	<i>Talla Jean-Bosco</i>	122
Canada	<i>Maureen Mancuso</i>	125
China	<i>Guo Yong and Liao Ran</i>	129
Colombia	<i>Rosa Inés Ospina</i>	133
Congo (DRC)	<i>Anne-Marie Mukwayanzo Mpundu and Gaston Tona Lutete</i>	136

Costa Rica	<i>Roxana Salazar and Mario Carazo</i>	139
Croatia	<i>Ana First</i>	141
Czech Republic	<i>David Ondráčka and Michal Štíčka</i>	144
Georgia	<i>Johanna Dadiani</i>	147
Germany	<i>Carsten Kremer</i>	150
Greece	<i>Markella Samara</i>	154
India	<i>P. S. Bawa</i>	156
Indonesia	<i>Emmy Hafild</i>	159
Ireland	<i>Gary Murphy</i>	162
Japan	<i>TI Japan</i>	165
Kenya	<i>Parselelo Kantai</i>	169
Latvia	<i>Inese Voika</i>	172
Nicaragua	<i>Roberto Courtney</i>	176
Norway	<i>Jan Borgen, Henrik Makoto Inadomi and Gro Skaaren-Fystro</i>	179
Palestinian Authority	<i>Jamil Hilal</i>	183
Panama	<i>Angélica Maytín Justiniani</i>	186
Peru	<i>Samuel Rotta Castilla</i>	189
Poland	<i>Julia Pitera</i>	193
Romania	<i>Adrian Savin</i>	196
Russia	<i>Marina Savintseva and Petra Stykow</i>	199
Serbia	<i>Nemanja Nenadic</i>	202
Slovakia	<i>Emília Sičáková-Beblavá and Daniela Zemanovičová</i>	206
Sri Lanka	<i>Anushika Amarasinghe</i>	209
Turkey	<i>Ercis Kurtulus</i>	211
Vanuatu	<i>Anita Jowitt</i>	214
Vietnam	<i>Danny Richards</i>	218
Zimbabwe	<i>Idaishe Chengu and Webster Madera</i>	221

Part four: Research on corruption

8	Introduction	229
	<i>Robin Hodess</i>	
9	Corruption Perceptions Index 2004	233
	<i>Johann Graf Lambsdorff</i>	
10	Global Corruption Barometer 2004	239
	<i>Marie Wolkers</i>	
11	National Integrity Systems in the Pacific island states	242
	<i>Peter Larmour</i>	
12	Kenya Bribery Index 2004	245
	<i>Mwalimu Mati and Osendo Con Omoro</i>	
13	Measuring corruption in public service delivery: the experience of Mexico	248
	<i>Transparencia Mexicana</i>	

14	The Public Integrity Index: assessing anti-corruption architecture	252
	<i>Marianne Camerer and Jonathan Werve</i>	
15	A survey of governance in 30 underperforming states	255
	<i>Sarah Repucci</i>	
16	Global Index of Bribery for News Coverage	258
	<i>Dean Kruckeberg, Katerina Tsetsura and Frank Ovaitt</i>	
17	Trust and corruption	262
	<i>Eric M. Uslaner</i>	
18	Experimental economics and corruption: a survey of budding research	265
	<i>Jens Chr. Andvig</i>	
19	International determinants of national corruption levels	268
	<i>Wayne Sandholtz and Mark Gray</i>	
20	Corruption in transition economies	271
	<i>Cheryl Gray and James Anderson</i>	
21	Transparency and accountability in the public sector in the Arab region	275
	<i>UN Department of Economic and Social Affairs</i>	
22	Latin American Index of Budget Transparency	278
	<i>Helena Hofbauer</i>	
23	The Latin American Public Opinion Project: corruption victimisation, 2004	282
	<i>Mitchell A. Seligson</i>	
24	Corruption and crime	285
	<i>Omar Azfar</i>	
25	Measuring corruption: validating subjective surveys of perceptions	289
	<i>Rodrigo R. Soares</i>	
26	How far can we trust expert opinions on corruption? An experiment based on surveys in francophone Africa	292
	<i>Mireille Razafindrakoto and François Roubaud</i>	
27	Gender and corruption: in search of better evidence	296
	<i>Hung-En Sung</i>	
28	Corruption, pollution and economic development	299
	<i>Heinz Welsch</i>	
29	Firm responses to corruption in foreign markets	302
	<i>Klaus Uhlenbruck, Peter Rodriguez, Jonathan Doh and Lorraine Eden</i>	
30	The effect of corruption on trade and FDI	305
	<i>Mohsin Habib and Leon Zurawicki</i>	
31	Firms, bureaucrats and organised crime: an empirical examination of illicit interactions	308
	<i>Larry Chavis</i>	
	<i>Index</i>	311