

CORRUPTION AROUND THE WORLD // 2018

PUBLISHED
18 December 2018

CATEGORY
Other

OTHER · DECEMBER 2018

Corruption Around the World // 2018

For as long as there have been institutions and governance of any significant scale, corruption has existed. Nevertheless, while the existence of corruption is universal, the scale of corruption varies amongst societies and, notably, the perception of levels of corruption vary amongst different countries – i.e., some countries are perceived to have very little or virtually no corruption; whereas, in some other countries, corruption is assumed to be endemic. The non-governmental organization (NGO) Transparency International, yearly, publishes the Corruption Perceptions Index (CPI) an index of countries that are rated by how corrupt they are perceived to be. Investopedia describes the CPI as a scoring mechanism – a score of 0 indicating extremely high levels of corruption and a score of 100 indicating low levels.

Over the years, the index has used different data sources to determine the corruption index score for countries; however, in recent years, some of the sources used have included the African Development Bank, World Economic Forum surveys, Global Insight ratings, and risk scores from the Economist Intelligence Unit. To ensure that only verifiable, high-quality data is used, the sources must delineate their sample sizes, data collection methods, and approaches to measurement. From the amalgam of quality data sources, Transparency International is able to determine a corruption index score for a given country (most recently around 180 countries were indexed).

In the 2017 Index, the average score is 43 and more than 67% of countries scored below 50 indicating higher levels of corruption. The countries with lowest levels of corruption were New Zealand, Denmark, Finland, and Norway; whereas the most corrupt were Somalia, South Sudan, Syria, and Afghanistan. Immediately, one can see that the biggest difference between the two sets of countries is that the least corrupt are well-known to have low levels of crime and strong civil institutions; the most corrupt are high conflict areas (Somalia, Syria, Afghanistan are plagued with terrorism, in the midst of sectarian conflict/civil war, or both) and are plagued with weak or non-existent civil institutions.

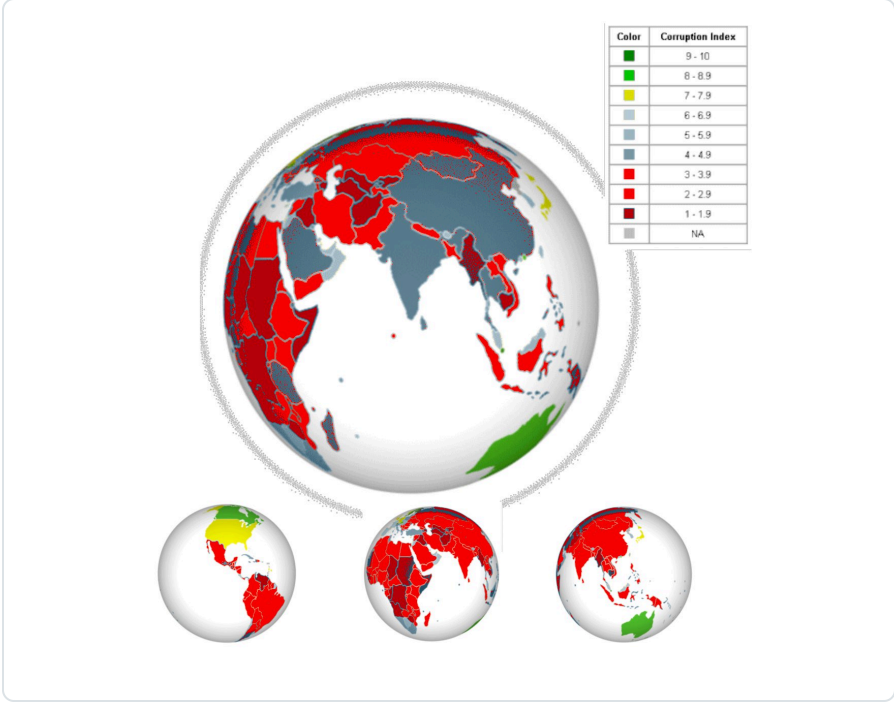
First Launched In 1995, The Corruption Perceptions Index Has Been Widely Credited With Putting The Issue Of Corruption On The International Policy Agenda. The Corruption Perceptions Index (CPI) Scores Countries On How Corrupt Their Governments Are Believed To Be. It Is Published By Transparency International, An Organization That Seeks To Stop Bribery And Other Forms Of Public Corruption.

© 2018 ThreatRate Risk Management. All Rights Reserved

Somalia, for example, is a bastion for piracy and despite the existence of an official central government, the country – to the extent it is governed – is ruled by clans and warlords. Afghanistan is likewise governed by clans and warlords with a central government that has little power outside of Kabul; moreover, the country has achieved significant notoriety for its role in the global heroin trade, the persistence of the Taliban (a terrorist group) despite being ejected from power in the 2001-2002 conflict with the United States and its NATO allies, and endemic graft. South Sudan, a new country formed out of a multi-decade conflict with its progenitor Sudan lack culture of governing institutions due to its youth as a nation and on account of the long conflict with Sudan; moreover, the country is still struggling to create a sense of nationhood amongst the various distinct ethnic groups that encompass the country.

Countries that make up the bottom tier – i.e., the most corrupt – tend to either be authoritarian states or – primarily – countries that lack institutions for effective governance. Many but not all of the countries are also the home of powerful terrorist groups (e.g., Somalia – Al-Shabab, Syria – various factions, Libya – various factions, Yemen – Al-Qaeda, Iraq – various). Others, however, are not the home of terrorist groups but of significant criminal activities (North Korea – smuggling and cyber-crime). For those interested, Transparency International recommends policies and laws to strengthen oversight of institutions that, if implemented and enforced, would likely improve the situation in such countries.

WORLD CORRUPTION VISUALIZED // 2015



Source: https://bit.ly/2DRvFQq

Corruption Perceptions Index 2017: Global Scores

25 MOST CORRUPTED COUNTRIES // 2017

COUNTRY	CPI SCORE 2017	RANK	NUMBER OF SOURCES
Somalia	2	1	5
South Sudan	12	2	5

© 2018 ThreatRate Risk Management. All Rights Reserved

25 MOST CORRUPTED COUNTRIES // 2017 (CONTINUED)

COUNTRY	CPI SCORE 2017	RANK	NUMBER OF SOURCES
Syria	14	3	5
Afghanistan	15	4	5
Sudan	16	5	7
Yemen	16	6	7
Korea, North	17	7	4
Equatorial Guinea	17	8	3
Guinea Bissau	17	9	5
Libya	17	10	5
Iraq	18	11	5
Venezuela	18	12	8
Angola	19	13	5
Turkmenistan	19	14	5
Chad	20	15	6
Eritrea	20	16	5
Cambodia	21	17	8
Congo	21	18	6
Democratic Republic of the Congo	21	19	8
Tajikistan	21	20	5
Burundi	22	21	6
Haiti	22	22	6
Uzbekistan	22	23	7
Zimbabwe	22	24	9
Central African Republic	23	25	5

© 2018 ThreatRate Risk Management. All Rights Reserved

25 LEAST CORRUPTED COUNTRIES // 2017

COUNTRY	CPI SCORE 2017	RANK	NUMBER OF SOURCES
New Zealand	89	1	8
Denmark	88	2	8
Finland	85	3	8
Norway	85	3	8
Switzerland	85	3	7
Singapore	84	6	9
Sweden	84	6	8
Canada	82	8	8
Luxembourg	82	8	6
Netherlands	82	8	8
United Kingdom	82	8	8
Germany	81	12	8
Australia	77	13	9
Hong Kong	77	13	7
Iceland	77	13	7
Austria	75	16	8
Belgium	75	16	8
United States of America	75	16	9
Ireland	74	19	7
Japan	73	20	9
Estonia	71	21	10
United Arab Emirates	71	21	7
France	70	23	8
Uruguay	70	23	7
Barbados	68	25	3

Source: https://www.transparency.org/news/feature/corruption_perceptions_index_2017

© 2018 ThreatRate Risk Management. All Rights Reserved

Soundbite analytics

- The United States ranked number 16th with a score of 75. Its neighbors Canada ranked number 8 (score 82) and Mexico ranked 135 (score 29).
- The best performing region is West Europe with an average score of 66.
- The worst scoring regions were Sub-Saharan Africa, Eastern Europe, and Central Asia with average scores below 35.
- The United Kingdom has significantly improved its ranking increasing its score from 74 in 2012 to 82 in 2017.

SOURCES

1 https://www.transparency.org/

2 https://www.investopedia.com/terms/c/corruption-perception-index.asp

3 https://www.transparency.org/news/feature/corruption_perceptions_index_2017

4 https://www.cheatsheet.com/culture/ranking-worlds-corrupt-countries.html/?a=viewall

5 https://www.transparency.org/news/feature/corruption_perceptions_index_2017

6 https://commons.wikimedia.org/wiki/File:Animated_world_map_showing_index_of_perception_of_corruption.gif

© 2018 ThreatRate Risk Management. All Rights Reserved



Risk intelligence that keeps you safe

ABOUT THREATRATE

ThreatRate helps you benchmark your risk management strategy against rapidly evolving global and local trends, with real-time, actionable analytics and insights.

For more information contact us at

info@threatrate.com

MEMBERS HAVE ACCESS TO

100+
risk-focused reports published annually

API
customised access option

Dashboards
customised dashboards and infographics

Experts
ThreatRate analysts with cross-industry depth

© 2018 ThreatRate Risk Management. All Rights Reserved

ThreatRate RISK MANAGEMENT