PECULIAR DYNAMICS OF **CORRUPTION**

Religion, Gender, EU Membership, and Others

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Religion, Gender, EU Membership, and Others

OMER GOKCEKUS
with Kevin Bengyak

Seton Hall University, USA

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To Rifat Gokcekus (Omer's father),

*If we had a few more gentle souls like him, honest and respectful to the
property, rights, and wishes of others; not just Cyprus, but the world
would be a genuine, virtuous place.*

&

To the memory of Steven W. Bengyak (Kevin's father),

*For providing in the worst of times an example of an unending
commitment to hard work, honesty, and family.*

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About the Authors

Omer Gokcekus is Professor of International Economics and Development at the School of Diplomacy and International Relations, Seton Hall University. He has researched and published regularly on the relationship between interest groups and trade policy, the governance and performance of public sector organizations, the causes and effects of corruption, impediments to trade, economic development,

and wine economics. His research has appeared in academic journals such as *American Journal of Agricultural Economics*, *Economics Letters*, *Economics and Politics*, *Journal of Peace Research*, *Journal of Wine Economics*, and *Public Choice*. Dr. Gokcekus co-authored numerous book chapters, authored a book on the economics of isolation, and co-authored books on public sector governance and performance in Bangladesh and Guyana. He contributed to Transparency International's *Annual Global Corruption Report* in 2001, 2004, and 2006, writing on political patronage, gender, declaration of asset laws and regulations, and corruption in public organizations.

Since 1999, Dr. Gokcekus has worked as a consultant for the World Bank. In this role, he has participated in numerous public sector reform projects across sixteen countries including Argentina, Bolivia, Bangladesh, Bulgaria, Indonesia, and six East Caribbean countries.

Prior to teaching at the School of Diplomacy, Dr. Gokcekus taught at Duke University and North Carolina Central University.

He has also taught at Munster University (Germany) as a DAAD recipient, University of Cyprus, and the University of Economics in Bratislava (Slovakia) as a visiting professor.

Dr. Gokcekus received his Ph.D. in Economics from Duke University.

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Preface

My 1994 Ph.D. thesis was about the effects of trade liberalization on efficiency. I was trying to quantify the magnitude of the efficiency gains in the Turkish rubber industry following trade liberalization in the early 1980s. I remember spending quite some time learning how to conduct econometric analyses using factory level data to measure output versus input efficiency; I was trying to understand the maximum output that a given amount of inputs and technology could produce versus the minimum input needed to manufacture a specific amount of output at the given level of technology.

When I started working as a consultant for the World Bank, this technical knowledge came in handy when preparing reports on public sector performance. Yet, there was a striking difference between the behavior of the managers of private companies — rational and with the intent of maximizing their companies' profits — and the behavior of the public officials emerging in the survey results that I was asked to evaluate. The public official surveys from 16 countries clearly indicated that a significant number of public officials were not trying to advance their organizations' interest and provide the best service to the public. Additionally, their salaries did not match their performance, and they were not hired according to merit. Most importantly, amongst other confusing characteristics, they were exhibiting corrupt behavior. This was puzzling for me as a relatively new economics Ph.D. from a mainstream university such as Duke University.

I developed my research agenda around this puzzle. Following the norm on conducting research in the field of economics, I started to identify small but different aspects of this behavior, setting them up as puzzles, and preparing papers to be published in academic

journals. (Obviously, the motto in academia is “publish or perish,” and in particular in the field of economics, “publish *articles* or perish.”) In the last ten years or so, I have accumulated a number of refereed journal articles on the issue of corruption. However, these articles are often bare-bone versions of the full paper’s story, perhaps due to the limited number of pages available in each issue of an academic journal, the specialized nature of these journals, and the audience’s familiarity with the concepts, topics, and methods used in analyses. The main arguments are skipped, the findings are not explained, and the implications of these findings are not discussed. If you are not a specialized expert, these articles are not optimal for explaining the causes and nature of corruption.

I decided to write a book to explain this research more thoroughly, to make the main arguments clearer, and to explore the findings and the implications of these findings more in-depth. I began working with Kevin Bengyak when he came to Seton Hall for his Master’s Degree in Diplomacy and International Relations. He was focusing on economic development, but had not studied corruption before taking my classes and working with me on a few papers. Seeing the importance of combatting corruption as a way to promote sustainable development, he became invested in corruption research. When I asked him if he would be interested in writing this book, he agreed to work with me.

I would like to thank all of my colleagues at the World Bank and various universities, and the students I worked with on more than thirty articles, reports, and book chapters on governance issues (listed in the bibliography of this book): Michael Adams, Amber Barth, Zuzana Brincikova, Richard Fishler, Ryan Gibbs, Adam Godet, Henry Grabowski Bert Hofman, Kapil Kapur, Jan Knoerich, Pierre Landell-Mills, Nick Manning, Eva Muchova, Amy Muedin Ranjana Mukherjee, Justin Myzie, Raj Nallari, Dennis Nottebaum, Joshua Phillips, Yui Suzuki, Edward Tower, and Donald Winkler.

I am indebted to Edward Tower for not only his constant support but also his irreproachable guidance on every single one of my research endeavors. Most importantly, I am indebted to my daugh-

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Kevin would like to thank Dana Terry for her comments and suggestions and for her patience for the long days and nights spent working, his mother Eileen, and all seven of his siblings for all the advice and support along the way.

Both Kevin and I would like to thank Jonghyun Bae, Huseyin Cakal, James Janos, Jacob Larsen, Charlie Graziano, Sandra Hlivnjak, Joshua Hastey, Ryan Huang, Eko Kurniawan, Drew Lasater, Martin Miller, Alisha Nguyen, Kendal Swanson, Perthalia Rosul, Xu Rui, Mavzuna Turaeva, and particularly to Clare Finnegan, Adam Godet, Samin Gokcekus and Rumeysa Gokcekus for their extensive, detailed, and helpful comments and suggestions at the different stages of writing this book.

Omer Gokcekus