

Corruption in China

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Introduction

Chinese corruption is a fascinating yet challenging subject to study both for technical and political reasons. Technically, the clandestine nature of corruption makes it difficult to investigate and measure, which is compounded further by the diversity and complexity of Chinese bureaucracy and society. Politically, the sensitive nature of corruption makes it difficult to gather reliable data, which is reinforced further by the enigma and multiplicity of China's anticorruption agencies. These factors affect the choice of research topics, sources, and methodologies for Western as well as Chinese scholars. Fortunately, much progress has been made since the mid-1980s in terms both of primary research sources and research studies both in Chinese and English, and this article is organized along these two broad frameworks. [Primary Sources](#) introduces the multitudes of such sources for the study of Chinese corruption. These sources include official documents, statistics, and databases; journalistic reports; and academic sources. [Studies in English](#) introduces research studies on Chinese corruption in the English language; studies in the Chinese language will not be included here because there are simply too many. The other main sections in this article are on these topics: [Historical Review](#), [Conceptualization and Measurement](#), [Forms and Characteristics](#), [Causes of Corruption](#), [Consequences of Corruption](#), and [Controlling Corruption](#), each of which is divided into various subsections. Research assistance was provided by Lorraine Gim and Tiffany Soomdat.

Primary Sources

Within China, a number of factors—increased transparency, extensive use of information technology, published official statistics, and proliferation of research studies—have greatly improved access to local information and knowledge for scholars. Included in this section are sources for regulatory rules and policies against corruption, official statistics for overall corruption trends, sources for case information, journalistic reports and investigations, and academic sources.

Official Stipulations of Corruption

There are three broad stipulations of corrupt conduct in the Chinese context: those that are subject to the sanction of the Chinese Communist Party (CCP), the state's administrative oversight agency, and the legal system. The CCP's Central Commission for Discipline Inspection (CCDI) investigates corruption committed by party members, including both noncriminal and criminal offenses. The state's oversight agency, the Ministry of Supervision (MOS), does the same with public servants. The stipulations of corruption by these two agencies are thus broader than legal ones, and only the most serious cases are referred to the legal system. All official stipulations of corruption have evolved in the course of post-Mao reforms, in response to changing economic practices since the mid-1980s. In this subsection, one collection provides a complete assemblage of regulations and laws of the CCP and the state on corruption: *Dangfeng lianzheng he fanfu xianxing fagui zhidu quanshu* (translates as "Complete collection of current regulations and laws on clean government and anticorruption"). Another collection provides the CCP rules on disciplinary sanctions: *Zhongguo gongchandang jilü chufen tiaoli* ("The Chinese Communist Party rules on disciplinary sanctions"). A third collection provides disciplinary regulations for state civil servants: *Xingzheng jiguan gongwuyuan chuli tiaoli* ("Disciplinary sanctions for state civil servants"). Other collections interpret the criminal codes that are relevant in determining various types of corruption: *Guanyu banli tanwu huilu xingshi anjian shiyong falü ruogan wenti de jieshi* ("Opinions on the criminal codes relevant in determining and differentiating cases of embezzlement and bribery") and *Guanyu banli duzhi xingshi anjian shiyong falü ruogan wenti de jieshi* ("Opinions on the criminal codes relevant in determining and differentiating cases of malfeasance"). Various judicial guidelines are issued by the Supreme People's Procuratorate (SPP): *Guanyu banli shouhui xingshi anjian shiyong falü ruogan wenti de yijian* ("Opinions on the criteria for criminal bribe taking") and *Guanyu xinghui li'an biao zhun de guiding* ("Opinions on the criteria for criminal bribe giving"). In addition, *Zhonghua renmin gongheguo xingfa*, the Chinese criminal law, has three chapters (3, 8, and 9) on criminal codes for different types of corruption.

Dangfeng lianzheng he fanfu xianxing fagui zhidu quanshu (党风廉政和反腐败现行法规制度全书). 6 vols. Beijing: Zhongguo Fangzheng chubanshe, 2006.

Compiled by the Office of Regulations and Rules at the CCDI and MOS, a complete assemblage of regulatory rules of party and state disciplinary agencies up to mid-2005. Also includes rejoinders from the CCDI and some internal documents.

Guanyu banli duzhi xingshi anjian shiyong falü ruogan wenti de jieshi (关于办理渎职刑事案件适用法律若干问题的解释). Beijing: SPC/SPP, 2012.

This judicial interpretation, jointly issued by the SPC and the SPP on 7 December 2012, specifies the criminal codes that are relevant in determining and differentiating cases of malfeasance.

Guanyu banli shouhui xingshi anjian shiyong falü ruogan wenti de yijian (关于办理受贿刑事案件适用法律若干问题的意见). Beijing: SPC/SPP, 2007.

This judicial interpretation, jointly issued by the SPC and the SPP in July 2007, specifies the conditions that meet the criteria of criminal bribe taking.

Guanyu banli tanwu huilu xingshi anjian shiyong falü ruogan wenti de jieshi (关于办理贪污贿赂刑事案件适用法律若干问题的解释). Beijing: Renmin fayuan bao, 2016.

This judicial interpretation, jointly issued by the Supreme People's Court (SPC) and the SPP in April 2016, specifies the criminal codes that are relevant in determining and differentiating cases of embezzlement and bribery.

Guanyu xinghui li'an biaozhun de guiding (关于行贿罪立案标准的规定). Beijing: SPP, 2000.

This judicial guideline, issued by the SPP in December 2000, specifies the conditions that meet the criteria for criminal prosecution of bribe giving.

Xingzheng jiguan gongwuyuan chuli tiaoli (行政机关公务员处分条例). Beijing: Zhongguo Fangzheng chubanshe, 2007.

The disciplinary regulations for state civil servants were issued by the State Council in April 2007. Section 23 of chapter 3 lists the types of corrupt conduct that are subject to state administrative discipline.

Zhongguo gongchandang jilü chufen tiaoli (中国共产党纪律处分条例). Beijing: Zhongguo Fangzheng chubanshe, 2004.

"The Chinese Communist Party regulation on disciplines and sanctions," newly amended in 2015 and effective from 2016 onward, enumerates dozens of categories of corrupt conduct that are subject to disciplinary sanction by the CCP, in chapter 8.

Zhonghua renmin gongheguo xingfa (中华人民共和国刑法). Beijing: Zhongguo jiancha chubanshe, 1997.

The Chinese criminal law stipulates on embezzlement and bribery in chapter 8 and on malfeasance in chapter 9. Other forms of corruption, such as illegal profiteering, a prominent activity in the 1980s, are listed in chapter 3 under the title "Disturbances to the socialist market economy." The ninth amendments became effective on 1 November 2015.

Official Statistics

Official statistics about national trends of corruption in China may be found in the work reports and yearbooks released by relevant central agencies, which include the CCDI, the State Council, the SPP, and the SPC. This subsection contains *Zhongyang jilü jiacha weiyuanhui: Gongzuo baogao* (translates

as “The CCDI: Work report”), *Zuigao renmin jiancha yuan: Gongzuo baogao* (“The SPP: Work report”), and *Zuigao renmin fayuan gongzuo baogao* (“The SPC work report”), and *Zhongguo jiancha nianjian* (“Chinese Procuratorate yearbook”). The reliability of the official data is often questioned because the published records may be partial, selective, and regionally uneven. However, considered together, these data still provide important sources for analyzing corruption trends in China.

Zhongguo jiancha nianjian (中国检察年鉴). Beijing: SPP.

The SPP’s yearbook provides, among other things, statistical tallies of prosecuted corruption cases from the work reports of local procuratorates. Published annually from 1988 to 2013.

Zhongyang jilü jiancha weiyuanhui: Gongzuo baogao (中央纪律检查委员会工作报告). Beijing: CCDI.

The work report of the CCDI provides national statistical data of corruption cases filed, investigated, disciplined, or sent to the legal system by the CCDI and state oversight agencies, as well as of corruption cases prosecuted by the legal system. These data contain both criminal and noncriminal cases to corruption cases in the governmental and public sectors. Published annually except for every fifth year, when a term of government ends and a work report for the entire term is required.

Zuigao renmin fayuan gongzuo baogao (最高人民法院工作报告). Beijing: SPC.

The work report of the SPC provides national statistical data of corruption cases from governmental, public, and private sectors, on those who were tried and sentenced in the preceding year. The report contain criminal corruption cases from the nonstate sector as well. It also includes a breakdown of major categories of corrupt offenses and their rates of increase over the previous year, and a breakdown of offenders at the county rank and at the bureau rank and above. Published annually except for every fifth year, when a term of government ends and a work report for the entire term is required.

Zuigao renmin jiancha yuan: Gongzuo baogao (最高人民检察院工作报告). Beijing: SPP.

The SPP’s work report provides national statistical data of investigated and prosecuted corruption cases from governmental and public sectors. The data include criminal corruption cases; the number of cases involving over ¥100 million in monetary value and the rate of increase over the previous year; a breakdown of offenders at the county, bureau, and provincial/ministerial ranks; and a breakdown of major categories of corruption. Published annually except for every fifth year, when a term of government ends and a work report for the entire term is required.

Case Collections

Fangzheng chubanshe is China’s premier publisher of books on corruption topics. Under the jurisdiction of the Central Commission for Discipline Inspection (CCDI), this publisher has unique sources, with

access to information that is available only to investigative authorities. The readership of Fangzheng's corruption-related books consists largely of personnel in law enforcement, the legal profession, and the judicial system. The case collections are compiled by in-house editors and provide detailed legal analyses for educational purposes. These details and analyses are instructive about the covert dealings of corrupt conduct. This section introduces case collections published by Fangzheng: *Weifan zhongyang baxiang guiding jingshen anli poxi* (translates as "Analysis of cases involving violation of the party's eight regulations"), *Weifubai jingshilu: Weijiweigui 100 gedianxing anli paoxi* ("Lessons from minor corruption: An analysis of 100 representative cases"), *Dangyuan ganbu weiji weifa dianxing anli jingshilu* ("Lessons from representative cases of official transgressions"), *Jiceng fubai anli paoxi* ("Analysis of grassroots corruption cases"), *Zhongdian lingyu he guanjian huanjie fubai anli paoxi* ("Analysis of corruption cases from key public sectors"), and *Guoyou qiye lingdao renyuan fubai anli paoxi* ("Analysis of corruption cases involving state enterprise officials").

Dangyuan ganbu weiji weifa dianxing anli jingshilu (党员干部违纪违法典型案例警示录). Beijing: Zhongguo Fangzhang chubanshe, 2015.

Covers nine investigated cases that resulted in government employees being disciplined since 2012, including the case of China's "rail czar" Liu Tienan, five provincial- and municipal-level officials, and three state enterprise officials.

Guoyou qiye lingdao renyuan fubai anli paoxi (国有企业领导人员腐败案例剖析). Beijing: Zhongguo Fangzhang chubanshe, 2009.

Covers over twenty cases of corruption by managers or board directors in medium-sized state enterprises and large, publicly listed state corporations. Includes several prominent cases.

Jiceng fubai anli paoxi (基层腐败案例剖析). Beijing: Zhongguo Fangzhang chubanshe, 2011.

Covers over twenty cases of corruption by officials at the grassroots level, including both urban and rural public institutions.

Lingdao ganbu weiji weifa dianxing anli jingshilu (领导干部违纪违法典型案例警示录). Beijing: Zhongguo Fangzhang chubanshe, 2015.

Covers nine cases investigated since 2012 that led to punishment being meted out, including two national-level officials, two provincial-level officials, three municipal-level officials, and two state enterprise officials.

Weifan zhongyang baxiang guiding jingshen anli poxi (违反中央八项规定精神案例剖析). Beijing: Zhongguo Fangzhang chubanshe, 2014.

Covers six topical areas and over seventy cases, mainly involving the squandering of public funds by officials, which is a major target of crackdown since Xi Jinping assumed party leadership in 2012. Each chapter has commentaries and analyses written by CCDI officials.

Weifubai jinghsilu: Weijiweigui 100 gedianxing anli paoxi (微腐败警示录: 违纪违规 100 个典型案例剖析). Beijing: Zhongguo Fangzhang chubanshe, 2015.

Covers over a hundred cases of “minor corruption,” involving official misconduct in the administration of personnel matters, public services, and public finance; business-related entertainment; vehicle usage; travel and conferences; and social interactions in private life.

Zhongdian lingyu he guanjian huanjie fubai anli paoxi (重点领域和关键环节腐败案例剖析). Beijing: Zhongguo Fangzhang chubanshe, 2011.

Covers twenty-three cases involving official corruption in public construction projects, land sale and development, the financial sector, and the judicial system.

Case Databases

Case information is increasingly available electronically from official and academic sources. Included in this section are [Zhongguo caipan wenshu—Zhongguo fayuanwang](#) (translates as “Chinese court judgments—Chinese law website”), [Zhongyang jiwei jianchabu wangzhan](#) (“The CCDI and MOS website”), [Beida fabao—Sifa anli jiansuo xitong](#) (“PKULAW—Court cases search services”), [Zhongguo sifa anli shuju 2.0](#) (“Chinese legal cases database 2.0”), and other databases at academic institutions in China.

[Beida fabao—Sifa anli jiansuo xitong](#) (北大法宝-司法案例检索系统).

This online database, run by Peking University Center for Legal Information, contains over ten million case reports and court judgments, selected on the basis of two criteria: cases from local courts nationwide that are published by the Chinese Supreme People’s Court (SPC) and Supreme People’s Procuratorate (SPP) as instructive cases, and cases from scores of case collections published in China that are of much public interest. The cases included are of various types, not just corruption cases. Full access is granted to subscribers.

[Fangzheng chubanshe](#) (方正出版社). Beijing.

Under the jurisdiction of the Central Commission for Discipline Inspection (CCDI), this is the leading publisher of books on corruption topics in China. The press has unique resources, with access to

information available only to investigative authorities. In-house editors have compiled several collections of corruption cases, with detailed legal analyses (see).

[Quanguo gaoxiao lian Zheng yanjiu jigou](#) (全国高校廉政研究机构).

More than a hundred universities in China have established centers for corruption studies, along with databases and libraries. Tsinghua University's center is the oldest and most influential, while Hunan University's center stands out with a doctoral program on corruption studies and the richest (and annually updated) database of criminal and disciplinary cases related to corruption. Sun Yat-sen University's center produces the best survey data on public perception and opinion about corruption. Libraries at the country's dozens of law schools have collections of corruption cases published by government and commercial presses. The best law library resources are found at the China University of Political Science and Law in Beijing, Southwestern University of Political Science and Law in Chongqing, and East China University of Political Science and Law in Shanghai.

[Zhongguo caipan wenshu—Zhongguo fayuanwang](#) (裁判文书-中国法院网).

This online database, run by the SPC and still under construction, contains a variety of case judgments and judicial opinions uploaded into the website by courts nationwide.

[Zhongguo sifa anli shuju 2.0](#) (中国司法案例数据库 2.0).

Database on CD-ROM, published by Peking University, contains over 200,000 prosecuted and media-reported legal cases, drawn from five legal databases nationwide. Purchase of the original database (2006) may be updated annually with a fee, allowing online access to tens of thousands of new cases collected each year from the latest SPP bulletins and various open publications nationwide.

[Zhongyang jiwei jianchabu wangzhan](#) (中央纪委监察部网站).

The CCDI's official website devotes a section to corruption cases that are being reported, investigated, or disciplined from around the country. Local branches of the CCDI do so as well on their websites; for example, the official websites of the [Chongqing Municipal Commission on Discipline Inspection](#) and the [Guangdong Provincial Commission on Discipline Inspection](#).

Journalistic Reports and Academic Sources

Journalistic reports and investigations provide alternative sources for researchers to understand Chinese corruption in depth. Two semiofficial magazines, [Liangzheng liaowang](#) (translates as "Clean government outlook") and [Qingfeng](#) ("Clean breeze"), are devoted exclusively to the subject of corruption. A more official news magazine, [Zhongguo xinwen zhoukan](#) ("China news weekly"), has in-depth reports on corruption among its major domestic news topics. Two independent magazines, [Cajing zazhi](#) ("Finance

and economics magazine”) and *Caixin zhoukan* (“New finance weekly”), are leading commercial investigative media, including investigative reporting on the topic of corruption. Academic studies of Chinese corruption can be searched on *Zhongguo zhiwang* (“China knowledge network”), China’s largest academic online library.

Caijing zazhi (财经杂志).

Founded in 1998 by Hu Shuli, this weekly magazine focuses on business news and analysis. During Hu’s reign, it became a prominent vehicle for independent reporting and criticism of social ills, but since Hu’s departure in 2009, the magazine has lost its dominance in corruption reporting. Its readership consists mainly of informed readers in the professional and business sectors.

Caixin zhoukan (财新周刊).

Created after the departure of Hu Shuli and the majority of the editors and reporters of *Caijing zazhi* in 2009, the magazine has quickly become the most prominent investigative media in China. Like the original *Caijing* magazine, it investigates and publishes scandals of corruption in the private and public sectors. Informed readers from the professional and business sectors mainly compose its readership.

Liangzheng liaowang (廉政瞭望).

Since the late 1980s the only openly circulated magazine exclusively devoted to the issue of corruption. Founded by the Sichuan Daily news corporation in 1988, it reports on or investigates corruption cases already exposed by official channels. As a semiofficial magazine, it aims to influence government policies rather than merely propagating them. Its targeted readership includes officials and civil servants, especially those in anticorruption agencies.

Qingfeng (清风).

A monthly magazine, founded in 2006 by the Hunan Research Association for Clean Government, a nongovernmental organization with close ties to the local political establishment. Openly circulated since 2010, it is devoted entirely to the subject of corruption, including exclusive exposés, independent investigations, and in-depth reporting. The magazine’s intended readership is administrative and policy circles, which makes it less bold and unorthodox than the commercial investigative media.

Zhongguo xinwen zhoukan (中国新闻周刊).

Published by the China News Service since 2000, this news magazine is more open and liberal than the regular official media and contains in-depth reports on major domestic and international affairs, including corruption in China. Its targeted readership is the mainstream “influential social strata,” including civil servants, managerial personnel, intellectuals, and educated youths.

[*Zhongguo zhiwang*](#) (中国知网).

The China National Knowledge Infrastructure (CNKI), under the lead of Tsinghua University, is the largest and most-used academic online library in China. It has built a comprehensive system of integrated knowledge resources, including academic journals, doctoral dissertations, master's theses, proceedings, newspapers, yearbooks, statistical yearbooks, e-books, patents, standards, and so on. Academic studies on Chinese corruption can be searched and located on CNKI.

Studies in English

Historical Review

While corruption is particularly prevalent in China's post-Mao reform era, it is certainly not a new phenomenon. Patterns of corruption and anticorruption efforts in pre-reform periods help shed light on the commonalities as well as peculiarities of early-21st-century corruption and anticorruption. In imperial China, the most-important trends were the dynastic cycle and the key role that corruption played in the decline and overthrow of a dynasty. In modern China, the moral mandate of the rulers and the power of the corruption charge continue to resonate with the public. The historical awareness of how dynasties and the Kuomintang regime fell due to uncontrolled corruption is an acute reminder to the Chinese leadership that corruption can mean the life and death of the Chinese Communist Party. In this section, Liu [2016](#) provides a historical review of China's anticorruption efforts from ancient times to the pre-reform era in the late 1970s. It is a rare piece of work that fills an important gap in the literature. Quah [2013](#), although mainly a work on the modern period, provides brief but useful reviews of historical roots of China's corruption, from ancient times to the Republican period. Studies of corruption in China's socialist Mao era provide a more recent historical backdrop to modern corruption in the reform era. They reveal the incentives and disincentives in the planned economy, but overall corruption occurred mostly in petty forms during the pre-reform era when compared with the reform era. Liu [1983](#) is a rare study of Chinese corruption in the pre-reform socialist era, and Kwong [1997](#) is a notable study that compares Chinese corruption in the socialist and the early post-socialist eras.

Kwong, Julia. *The Political Economy of Corruption in China*. Studies on Contemporary China. Armonk, NY: Sharpe, 1997.

On the basis of media reports supplemented by interviews, the book compares the patterns and characteristics of corruption under classic socialism (1949–1976) and market socialism (1979–1989). In the first period, egalitarianism and antimaterialist orientation of the regime tempered the drive for materialistic gains and deterred corruption, and the concentration of power at the top restricted opportunities for abuse of power at lower levels. In the second period, preoccupation with material gains led to increased corruption.

Liu, Alan P. L. "The Politics of Corruption in the People's Republic of China." *American Political Science Review* 77.3 (1983): 602–623.

One of the rare studies on Chinese corruption in the pre-reform era, on the basis of 275 media reports collected between 1977 and 1980. The article has much heuristic value with its mix of qualitative analysis and statistical breakdowns about the distribution of corruption types and patterns, urban-rural concentration, regional variation, and the extent of press coverage across regions and periods of time.

Liu, Enze. "A Historical Review of the Control of Corruption on Economic Crime in China." *Journal of Financial Crime* 23.1 (2016): 4–21.

This article provides a historical review of China's anticorruption efforts, from the ancient period of slavery societies to the late 1970s, before China launched its profound economic reform. On the basis of a great deal of historical literature and empirical findings, it also provides comparative analyses on policies and regulations between various periods of historical China and meaningful information that links to China's current war against corruption.

Quah, Jon S. T. *Minimizing Corruption in China: Is This an Impossible Dream?* Maryland Series in Contemporary Asian Studies 4. Baltimore: University of Maryland, 2013.

A monograph-length, comprehensive account of the historical and current policy context of China's modern corruption. The study's focus is on assessing the perceived extent and the major causes of corruption, as well as the anticorruption measures and their impact in modern China. But it also provides a brief but useful historical review—or a literature review—of the formative historical experiences and roots of corruption, including the Ming and Qing dynasties, the Republican period, and the Mao period.

Conceptualization and Measurement

Understanding corruption begins with conceptualization of its nature. Definitions can differ greatly, however, in different institutional, social, and cultural contexts. In China's case, there is a discrepancy between the definitions of the Chinese Communist Party (CCP) and the legal system. The former set is public interest and public office based, while the latter set is legally based. Both sets of definitions have also been contended and have evolved over the course of economic reforms, as new forms of misconduct arise in response to changing opportunities and incentives. Structurally rooted corruption may also be conflated with cultural practices, complicating definition and detection. Measuring corruption is another important part of understanding corruption. Yet, due to its very nature, it is impossible to accurately measure the scale and extent of corruption. But perceptions of corruption may be measured. Informed estimates can provide meaningful information about corruption at the national level; cross-

regional, cross-sectoral, and cross-temporal comparisons within a country; and even cross-country comparisons at the global level. Assessments can differ depending on the type of data collected and the methods of data collection. The types of data used in evaluating corruption are usually perception data and experiential data, while the methods of data collection include public-opinion surveys, interviews, expert assessments, and government sources.

Defining Corruption

It is common for studies of corruption to begin their discussion with a definition of corruption. Hence, there are relatively few studies devoted exclusively to Chinese definitions of corruption. The few studies in this subsection deal with the complexity and politics of conceptualizing corruption in the modern Chinese context. Harding [2014](#) argues that cultural practices that invoke social norms should be excluded from Chinese definitions of corruption. Ko and Weng [2011](#), on the other hand, contends that violation of social norms and dereliction of duty should be included. Sun [2001](#) distinguishes between conservative forces that want broader definitions of corruption and reform-oriented groups that advocate narrower ones, with divergent consequences for permissible bounds of new economic practices.

Harding, Jacob. "Corruption or *Guanxi*? Differentiating between the Legitimate, Unethical, and Corrupt Activities of Chinese Government Officials." *UCLA Pacific Basin Law Journal* 31.2 (2014): 127–146.

Argues that legitimate cultural practices such as *guanxi* should be distinguished and excluded from the definition of corruption. Suggests that the definition of corruption should instead be associated with institutional, structural, and procedural flaws.

Ko, Kilkon, and Cuifen Weng. "Critical Review of Conceptual Definitions of Chinese Corruption: A Formal-Legal Perspective." *Journal of Contemporary China* 20.70 (2011): 359–378.

Reviews definitions of Chinese corruption in the current academic literature; contends that the appropriate definition in the Chinese context should go beyond an emphasis on abuse of public office for private gains and include any official behavior that violates public functions, public interests, and social norms.

Sun, Yan. "The Politics of Conceptualizing Corruption in Reform China." *Crime, Law and Social Change* 35.3 (2001): 245–270.

Surveys Chinese debates over the definitions, sources, and consequences of corruption from the 1980s to the late 1990s. Particular attention is given to the politics of defining corruption among contending ideological and political groups.

Measuring Corruption

The articles in this section employ a variety of data and methods to measure corruption. The international corruption indexes use perception data to construct country indexes, and their validity and reliability are critically reviewed in Ko and Samajdar [2010](#). Shan, et al. [2015](#) and Song and Cheng [2012](#) use perception data to build sectoral and cross-regional indices. Guo [2008](#) employs official data to demonstrate changing forms and trends of corruption, while Wedeman [2008](#) uses it to assess the actual rate of corruption. Wike and Parker [2015](#) employs survey data to gauge Chinese public perceptions of corruption, while Gong, et al. [2015](#) uses survey data to compare public attitudes toward corruption in mainland China and Hong Kong.

Gong, Ting, Shiru Wang, and Jianming Ren. "Corruption in the Eye of the Beholder: Survey Evidence from Mainland China and Hong Kong." *International Public Management Journal* 18.3 (2015): 458–482.

Drawing on data collected from a survey on perceptions of corruption among university students in Hong Kong and mainland China, finds substantial differences in perceptions of corruption across and within the two regions, with significant consequences for anticorruption: different perceptions of corruption lead to different tolerance levels for corruption and influence people's willingness to take part in the fight against corruption.

Guo, Yong. "Corruption in Transitional China: An Empirical Analysis." *China Quarterly* 194 (June 2008): 349–364.

Uses official data to measure the latency period of corruption, the number of newly occurring corruption cases, and the cumulative number of cases; argues that this method better characterizes the patterns and trends of corruption and their relation to economic transition.

Ko, Kikon, and Ananya Samajdar. "Evaluation of International Corruption Indexes: Should We Believe Them or Not?" *Social Science Journal* 47.3 (2010): 508–540.

Analysis of multiple international corruption indexes to assess their reliability and validity. Finds that while reliability of such indexes has improved, bias in selection of measurement data still exists. Implores users to screen multiple sources to determine reliability of data.

Shan, Ming, Albert P. C. Chan, Yun Le, Bo Xia, and Yi Hu. "Measuring Corruption in Public Construction Projects in China." *Journal of Professional Issues in Engineering Education & Practice* 141.4 (2015): 05015001.

Identifies construction in the public sector as the most corrupt. Develops a model based on interviews with fourteen experts and a survey with 188 respondents to measure, construct, and quantify the level of corruption in public construction projects.

Song, Xuguang, and Wenhao Cheng. "Perception of Corruption in 36 Major Chinese Cities: Based on Survey of 1,642 Experts." *Social Indicators Research* 109.2 (2012): 211–221.

Highlights the importance of using perception data at the local level to gauge corruption levels. The first of its kind in China, this study uses a survey of a pool of experts to measure corruption in thirty-six major cities in China and notes the vulnerability of China's anticorruption system.

Wedeman, Andrew. "Win, Lose, or Draw? China's Quarter Century War on Corruption." *Crime, Law and Social Change* 49.1 (2008): 7–26.

Proposes that since 1982, the CCP is losing its war on corruption, as determined by estimates of the relationship between the actual rate of corruption and the revealed rate of corruption through measuring the risk of exposure.

Wike, Richard, and Bridget Parker. *Corruption, Pollution, Inequality Are Top Concerns in China: Many Worry about Threats to Traditions and Culture*. Pew Research Center: Global Attitudes & Trends. Washington, DC: Pew Research Center, 24 September 2015.

Reports top public concerns in China, on the basis of 3,649 face-to-face interviews with randomly selected adults eighteen years of age and older, conducted from 15 April to 27 May 2015; finds that corruption, pollution, and inequality are top concerns for the public.

Global-Perception Indexes

A number of global indexes and indicators employ public-perception surveys to measure levels of corruption and governance. Despite questions about their validity, they remain the only available data for comparing corruption across countries. Country scores for China are available from International Budget Partnership's Open Budget Index (2006–2015, intermittent), Transparency International's Corruption Perception Index (1995–2016) and its Bribe Payers Index (1999–2011, intermittent), the World Bank's Worldwide Governance Indicators (1996–2014) and its World Bank Group Enterprise Survey: China (2012).

Bribe Payers Index. 1999, 2002, 2006, 2008, 2011. Transparency International.

Measures how willingly a nation's business sector appears to engage in corrupt business practices. The index is based on the views of thousands of senior business executives from developed and developing countries.

Corruption Perception Index. 1995–2016. Transparency International.

A composite index, or a combination of polls that annually rank countries and territories "by their perceived levels of corruption, as determined by expert assessments and opinion surveys," according to

the index's publisher Transparency International, an international nongovernmental organization based in Berlin. China has been ranked since the inception of the Corruption Perception Index in 1995.

[Open Budget Index Rankings](#). [International Budget Partnership](#).

A comprehensive analysis and survey that evaluate whether governments give the public access to budget information and opportunities to participate in the budget process at the national level. Based on 109 survey questions, it measures the amount, level of detail, and timeliness of budget information that is publicly available.

[World Bank Group Enterprise Survey: China \(2012\)](#). [World Bank](#).

A firm-level survey of a representative sample of an economy's private sector. The surveys cover a broad range of business environment topics, including access to finance, corruption, infrastructure, crime, competition, and performance measures. The data are based on interviews of business owners and top managers in 2,700 firms from twenty sectors and twenty-five Chinese cities, conducted between late 2011 and early 2013.

[Worldwide Governance Indicators](#). [1996–2014](#). [World Bank](#).

Reports aggregate and individual governance indicators for six dimensions of governance: voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law, and control of corruption. These indicators combine the views of a large number of enterprise, citizen, and expert survey respondents in industrial and developing countries, on the basis of over thirty individual data sources produced by a variety of survey institutes, think tanks, nongovernmental organizations, international organizations, and private-sector firms.

Forms and Characteristics

Beyond broad conceptualization and measurement, corruption can be differentiated in various forms and characteristics for legal and analytical purposes. The distinctions depend on the types of participants involved in a corrupt act, the types of norms and interests violated, the nature of the transaction, the broader context in which the act occurs, and, not the least, the motive, purpose, and outcome of the act. These analytical distinctions are important for developing a better understanding of corruption, as well as being crucial in exploring its causes and consequences and in devising anticorruption strategies. When classified by the type of participants, the forms and characteristics of corruption studied in this section fall into three broad categories: those acts committed by individual officials, those committed by a cluster of officials, and those committed by a collusion of officials and criminal groups. When classified by time period, the corruption studied in this section falls into three phases: the pre-reform, the early reform, and

the market reform eras. For analytical purposes, other ways of classifying corruption patterns have been developed; for example, transactional versus nontransactional corruption (Sun 2004, cited under [Market Reform Period](#)), and predatory versus developmental corruption (Wedeman 2012, cited under [Impact on Development and Growth](#)). Yan Sun's book (Sun 2004) is anchored on a contrast between the patterns and dynamics of corruption in the early and later stages of China's economic reform.

Economic Transition and Individual Forms

Apart from the type of actors, patterns of corruption in the post-Mao era may be classified into three major phases: those associated with the exploitation of the planned economy, those associated with the exploitation of price differentials in the early stage of economic reform, and those associated with the exploitation of decentralization, privatization, and marketization in the subsequent stage of market reforms. In this subsection, Gong 1994 examines corruption forms in the early reform period, while other studies (Deng, et al. 2010; Gong 1997; Ko and Wen 2012; Wedeman 2004) deal with the later reform period.

Deng, Xiaogang, Lening Zhang, and Andrew Leverentz. "Official Corruption during China's Economic Transition: Historical Patterns, Characteristics, and Government Reactions." *Journal of Contemporary Criminal Justice* 26.1 (2010): 72–88.

Identifies four waves of official corruption associated with different stages of the nation's economic reform: the late 1970s to the early 1980s, the mid- to late 1980s, the early to the mid-1990s, and the late 1990s to 2010. Each wave of corruption has different forms and targets.

Gong, Ting. *The Politics of Corruption in Contemporary China: An Analysis of Policy Outcomes*. Westport, CT: Praeger, 1994.

Highlights how economic reforms have resulted in increased subsystem autonomy, which has created the conditions for abuse of power, increased patron-client relations, and official speculation (*guandao*).

Gong, Ting. "Forms and Characteristics of China's Corruption in the 1990s: Change with Continuity." *Communist & Post-Communist Studies* 30.3 (1997): 277–288.

Finds that transition from partial economic reform to deeper market reforms in the 1990s did not reduce corruption but merely altered its characteristics; thus challenges the conventional wisdom that marketization is essential to reducing corruption.

Ko, Kilkon, and Cuifen Wen. "Structural Changes in Chinese Corruption." *China Quarterly* 211 (September 2012): 718–740.

Argues that a number of economic, administrative, and fiscal reforms have altered the structural causes of corruption in China; determines that corruption has shifted from nontransactional forms within the administrative process to transactional forms between the public and private sectors.

Wedeman, Andrew. "The Intensification of Corruption in China." *China Quarterly* 180 (December 2004): 895–921.

Contends that whereas the first stages of reform witnessed a quantitative increase in corruption, during the 1990s corruption underwent a qualitative change as high-level, high-stakes corruption increased more rapidly than other forms of official malfeasance.

Collective and Collusive Forms

In response to changing incentives created by economic reform, corruption has grown in sophistication and complexity since the 1990s. One pattern is collective corruption, which takes place when collaboration among multiple officials or a public agency as a whole becomes a powerful and convenient mechanism to pursue private gains. The danger of such collusion is that as corruption gets well planned and skillfully coordinated in its collective or organizational form, it can become more routine and legitimized as an appropriate form of economic practice, or as a normal business of the public agency that engages in it. In this subsection, Gong [2002](#), Lü [2000](#), Shieh [2005](#), and Pei [2016](#) examine the manifestations, causes, and consequences of this peculiar type of corruption. Apart from these studies, the issue is also covered in Sun [2004](#) (cited under [Market Reform Period](#)) and Pei [2006](#) (cited under [State Institutions](#)).

Gong, Ting. "Dangerous Collusion: Corruption as a Collective Venture in Contemporary China." *Communist & Post-Communist Studies* 35.1 (2002): 85–103.

Argues that collective corruption has become a distinctive form of corrupt venture; points out that its special danger lies in its being more difficult to detect, more overtly practiced, and increasingly viewed as a legitimate method of economic transactions.

Lü, Xiaobo. "Booty Socialism, Bureaupreneurs, and the State in Transition: Organizational Corruption in China." *Comparative Politics* 32.3 (2000): 273–294.

Examines the concept, patterns, causes, and impact of organizational corruption in China at the end of the 20th century; attributes the phenomenon to the changing nature of the state's role in China's transition from socialism, which has not been entirely developmental when public agencies engage in increasingly widespread predatory behavior.

Pei, Minxin. *China's Crony Capitalism: The Dynamics of Regime Decay*. Cambridge, MA: Harvard University Press, 2016.

Drawing on evidence from over two hundred corruption cases involving government and law enforcement officials, private businessmen, and organized crime members, argues that collusion among elites has spawned an illicit market for power inside the party-state, in which bribes and official appointments are routinely traded. Concludes that this system of crony capitalism has created a legacy of criminality and entrenched privilege showing the advanced stage of decay of a Leninist state.

Shieh, Shawn. "The Rise of Collective Corruption in China: The Xiamen Smuggling Case." *Journal of Contemporary China* 14.42 (2005): 67–91.

Uses the concept of collective corruption to examine the Xiamen case, in which a network of state firms, government officials, and private smugglers colluded to engage in illegal smuggling; concludes that corruption has evolved into sophisticated, complex, and destructive forms that resemble the more extreme forms of corruption found in post-communist countries where corrupt networks have been able to infiltrate and take over state institutions.

Organized-Crime-Related Forms

The emergence of organized crime in post-Mao China has closely correlated with massive unemployment, economic inequality, relative deprivation, social marginalization, and official corruption, all byproducts of the economic-reform process. The linkage between organized crime and official corruption lies mainly in the seeking of protection for criminal activities, enabling these to flourish. Studies of this topic are still scanty. Chen [2005](#) attributes organized crime not simply to China's economic liberalization, but also to structural problems rooted in reform policies and the political context. Wang [2013](#) uses a prominent Chongqing case to examine the relationship between organized crime and corruption, and Wedeman [2013](#) examines commercial bribery and the linkages between organized crime and corruption in China.

Chen, An. "Secret Societies and Organized Crime in Contemporary China." *Modern Asian Studies* 39.1 (2005): 77–107.

Contends that organized crime in China is not simply the byproduct of economic liberalization but, rather, is related to the structural problems caused by flawed reform policies and China's particular political context, including corruption. Provides a fairly comprehensive overview of various types of criminal organizations in China.

Wang, Peng. "The Rise of the Red Mafia in China: A Case Study of Organized Crime and Corruption in Chongqing." *Trends in Organized Crime* 16.1 (2013): 49–73.

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On the basis of the Wen Qiang case of Chongqing, explores how gangsters developed relationships with public officials, suggests why organized crime groups chose the Red Mafia as their preferred protection and enforcement mechanism, examines patterns of services provided, and explores the differences between the Red Mafia and other Mafia groups.

Wedeman, Andrew. "The Challenge of Commercial Bribery and Organized Crime in China." In *Special Issue: Controlling Corruption in Greater China: Practices and Trends. Journal of Contemporary China* 22.79 (2013): 18–34.

Examines how China's anticorruption institutions have dealt with "commercial corruption," including both public-to-private corruption and private-to-private corruption; also examines the linkages between organized crime and corruption in China.

Causes of Corruption

Corruption has many causes. Many stem from the exercise of government power, from regulation and authorization to provision of services and goods, from taxation to spending decisions, and from adjudicating justice to policy discretions. Other causes stem from weakness in the political system, from institutional controls to the quality of the civil service, and from transparency of laws and processes to poor leadership. Still other causes stem from incentives peculiar to economic sectors and cultural settings. In China's case, these factors are further compounded by the mix of socialism and capitalism, on the one hand, and the mix of the market economy and the Chinese Communist Party (CCP), on the other. Scholarship on the causes of modern Chinese corruption is thus large and varied, and this section breaks down this scholarship into six categories.

Economic Reform and Corruption

Studies in this subsection examine how economic-reform policies have created opportunities and incentives for officials and the public to engage in corruption. In the early reform era, mainly the 1980s, the dual-track system—a coexistence of central planning and some market mechanisms—gave rise to pervasive exploitation of the price differentials between the two tracks. The ensuing rent-seeking and profiteering activities became a focal point in studies about corruption in this period. In the subsequent reform era, extending from the early 1990s and continuing into the early 21st century, the transition to a full market economy—or, alternatively, a retreat of socialism—gave rise to pervasive exploitation of decentralization, marketization, and privatization. The ensuing corruption centers on cashing public power and public assets in the marketplace.

Early Reform Period

The early reform period refers to the decade from the early 1980s to the early 1990s, when China carried out a partial reform of its socialist economic system. Under this reform, a state enterprise was allowed to sell the above-plan part of its output at market prices. Known as the dual-track system (i.e., composed of a plan track and a market track), this partial reform created loopholes for officials to sell the underpriced, in-plan goods at market prices, thereby reaping personal profits. Gong [1993](#), Li [2001](#), Li [2002](#), and Sands [1990](#) examine the consequences of the dual-track system, known as official profiteering, which was the leading form of corruption in the 1980s.

Gong, Ting. "Corruption and Reform in China: An Analysis of Unintended Consequences." *Crime, Law and Social Change* 19.4 (1993): 311–327.

Examines the relationship between corruption and reform by relating the corruption problem to certain reform policies, finding that corruption results from unintended consequences of some reform policies that inadvertently produce some political and economic conditions conducive to corruption.

Li, Wei. "[Corruption and Resource Allocation: Evidence from China](#)." Working paper, Darden School of Business, University of Virginia, 2001.

On the basis of transaction data from a panel of 769 Chinese state-owned enterprises between 1980 and 1989, examines official diversion of underpriced, in-plan goods to the market; concludes that corruption has the predicted effects on resource allocation.

Li, Wei. "[Measuring Corruption under China's Dual-Track System](#)." Working paper, Darden Graduate School of Business Administration, University of Virginia, 2002.

Present strong statistical evidence of the pervasiveness of official diversion in China's industrial-planning bureaucracy under the dual-track system.

Sands, Barbara N. "Decentralizing an Economy: The Role of Bureaucratic Corruption in China's Economic Reforms." *Public Choice* 65.1 (1990): 85–91.

Reviews how economic reforms from the late 1970s to the mid-1980s, especially the dual-price system, spurred corruption.

Market Reform Period

The market reform period refers to the period after 1992, when China embarked on a dismantling of the socialist planned economy and a transition to the market economy. The retreat of the state has increased mechanisms for corruption while also reducing disincentives against it, thanks to a reduction in central power and an increase in local discretionary power. All the studies in this subsection examine the expanded opportunities for cadre corruption produced by market reforms. Chen and Liu [2015](#), Fan and

Grossman [2001](#), and Gong [2006](#) discuss more generally the incentives for corruption created by the devolutionary and marketizing process. Sun [2004](#) provides a comprehensive analysis of the linkages between market reform and corruption in the partial and radical stages of post-Mao reforms. The other studies tackle more-specific areas of corruption. Chen [2004](#) and Ko and Zhi [2013](#) argue that fiscal decentralization since the 1990s has both introduced and aggravated incentives for corruption at local state levels. Cheng [2004](#) contends that state enterprise reforms—the devolution of power and resources to these managers, a weak oversight system, and low salaries—have led to rampant corruption in China’s state-owned enterprises (SOEs).

Chen, Kang. “Fiscal Centralization and the Form of Corruption in China.” *European Journal of Political Economy* 20.4 (2004): 1001–1009.

Argues that fiscal recentralization in China in the 1990s introduced incentives that changed the form of corruption at the local government level from the helping-hand to the grabbing-hand type; the new rule of revenue sharing between central and local government not only affects the form of corruption but also, as result, economic growth.

Chen, Kang, and Qijun Liu. “Economic Development and Corruption in China in the Shadow of Rent Seeking.” In *Companion to the Political Economy of Rent Seeking*. Edited by Roger D. Congleton and Arye L. Hillman, 395–409. Cheltenham, UK: Edward Elgar, 2015.

Demonstrates the centrality of rent-related incentives to the study of economic transition in reform-era China.

Cheng, Wenhao. “An Empirical Study of Corruption within China’s State-Owned Enterprises.” In *Special Issue: Corruption in China*. *China Review* 4.2 (2004): 55–80.

Explores why general managers of SOEs abuse their power and how they manage to do so; argues that a combination of factors—devolution of power and resources to these managers, a weak oversight system, and low salaries—has led to rampant corruption in China’s SOEs.

Fan, Chengze Simon, and Herschel I. Grossman. “Incentives and Corruption in Chinese Economic Reform.” *Journal of Policy Reform* 4.3 (2001): 195–206.

Contends that corruption, together with the threat of punishment for corruption and the selective enforcement of this threat, serves as a method of compensation that both satisfies the political objectives of the CCP and provides an effective inducement to local officials to promote economic reform.

Gong, Ting. “Corruption and Local Governance: The Double Identity of Chinese Local Governments in Market Reform.” *Pacific Review* 19.1 (2006): 85–102.

Examines China's corruption in the context of its changing central-local relations. Blames the double identity of local government both as a state political agent with discretionary powers and a local economic principal with parochial economic interests; shows how the deep involvement of local officials in economic affairs, coupled with unbridled discretionary power, provides opportunities and incentives for corruption.

Ko, Kilkon, and Hui Zhi. "Fiscal Decentralization: Guilty of Aggravating Corruption in China?" In *Special Issue: Controlling Corruption in Greater China: Practices and Trends. Journal of Contemporary China* 22.79 (2013): 35–55.

Empirically tests whether fiscal decentralization has aggravated corruption in China's local governments in the early 21st century; finds that only when combined with strong law enforcement at the local government level would fiscal decentralization help deter corruption.

Sun, Yan. *Corruption and Market in Contemporary China*. Ithaca, NY: Cornell University Press, 2004.

On the basis of a multitude of cases from corruption case collections, examines linkages between economic reform and corruption, drawing contrasts in the patterns, causes, and consequences of corruption between the two periods of post-Mao reforms, distinguishing between transactional and nontransactional forms of corruption, and characterizing regional variation and dynamics of corruption. Concludes that the retreat of the state has both increased mechanisms for corruption and reduced disincentives against it.

Formal Institutions

In this subsection, the selected studies analyze institutional factors responsible for China's corruption. These include weaknesses in overconcentration of power, lack of judicial independence and accountability, nontransparency of rules and processes, lag of political reform, poor management and monitoring of cadres, and administrative monopoly. In [State Institutions](#), the studies focus on the communist party-state system—in particular, failures in political development or political reform that would ensure bureaucratic integrity and political accountability. In the [Judicial System](#), the studies focus on the this system, particularly its dependence on the party-state, which has resulted in a lack of accountability and integrity in the judicial system. In [Administrative Monopoly](#), the studies blame administrative intervention and monopoly, as well as nontransparency of rules and processes, for official misconduct.

State Institutions

In this subsection, the selected studies look at various aspects of the communist party-state system, pointing to failures in political development or political reform that give rise to corruption. Birney [2014](#)

focuses on the “cadre responsibility system,” and Chu and Tien [2012](#) discusses the problems in the monitoring, countering, motivations, and administrative systems. Lü [2000](#) examines the “organizational involution” of the CCP in the Mao and the post-Mao periods, while Manion [1996](#) points to flaws in the institutional design of China’s system of enterprise licensing. Pei [2006](#) analyzes the phenomenon of a decentralized predatory state at local levels, and Zhu [2008](#) focuses on the case of the Chinese cadre management systems.

Birney, Mayling. “Decentralization and Veiled Corruption under China’s ‘Rule of Mandates.’” In *Special Issue: Decentralization and Governance. World Development* 53 (January 2014): 55–67.

Using survey and case research on the implementation of the village elections law, argues that the “cadre responsibility system” launched by the CCP amounts to decentralized authoritarian rule, or “rule of mandates,” whereby immense discretionary power distorts the implementation of law and makes corruption difficult to detect.

Chu, Paul Chao-Hsiang, and Chao-Jung Tien. “The Causes of Corruption in Mainland China—Analysis of the Endogenous and Exogenous Variables.” *Modern China Studies* 19.2 (2012): 131–178.

Categorizes the “intrinsic and extrinsic” factors that cause corruption in China; among the former are problems in the monitoring and countering mechanisms as well as the positive and negative motivation systems, while “administrative monopolization” is the extrinsic factor that exacerbates corruption.

Lü, Xiaobo. *Cadres and Corruption: The Organizational Involution of the Chinese Communist Party*. Studies of the East Asian Institute. Stanford, CA: Stanford University Press, 2000.

Analyzes corruption by focusing on organizational change within the ruling CCP; argues that corruption among communist cadres is not a phenomenon of the post-Mao reform period, nor is it caused by purely economic incentives in the emerging marketplace. Rather, it is the result of a long process of “organizational involution,” during which the CCP unintentionally created a neotraditional ethos, mode of operation, and set of authority relations among its cadres that have fostered official corruption.

Manion, Melanie. “Corruption by Design: Bribery in Chinese Enterprise Licensing.” *Journal of Law, Economics, & Organization* 12.1 (1996): 167–195.

Applies game theory to an analysis of bribery in the process of application for enterprise licenses in China; identifies formal structures and informal expectations as features of the institutional design that makes bribery an equilibrium solution in the game; suggests that to reduce corruption, very substantial changes in institutional design will be required but will not suffice to alter informal expectations.

Pei, Minxin. *China's Trapped Transition: The Limits of Developmental Autocracy*. Cambridge, MA: Harvard University Press, 2006.

Develops two innovative concepts: "trapped transition" and "decentralized predatory state"; argues that the contradictions inherent in the CCP's reform strategy—market economics but authoritarian politics—created a "trapped transition," responsible for pervasive corruption and a breakdown in political accountability. Characterizes a decentralized predatory state in which local party bosses have effectively privatized the state's authority, leading to widespread collusive corruption and deteriorating governance.

Zhu, Jiangnan. "Why Are Offices for Sale in China? A Case Study of the Office-Selling Chain in Heilongjiang Province." *Asian Survey* 48.4 (2008): 558–579.

Analyzes how and why buying and selling offices has reemerged in China since the 1990s, from the perspective of demand and supply in a case study; identifies the major causes as being the weaknesses of the Chinese cadre management systems—concentration of power over personnel issues and the difficulties of monitoring top administrators.

The Judicial System

The studies in this subsection emphasize the judicial system's dependent relationship with the party-state as well as its distorted decision-making incentives as the leading causes of judicial corruption. Gong [2004](#) tackles the problems of political dependence and lack of accountability, Li [2012](#) looks at the judicial decision-making mechanism as a product of the political-legal institutional design of the party-state, and Liu [2008](#) blames loose legal reasoning as a mechanism of judicial corruption. Wang [2013](#) discusses the adverse impact of poor court funding on judicial autonomy, while Li and Deng [2016](#) focuses on the power and misuse of power by local procuratorates as a source of ineffective anticorruption work.

Gong, Ting. "Dependent Judiciary and Unaccountable Judges: Judicial Corruption in Contemporary China." In *Special Issue: Corruption in China*. *China Review* 4.2 (2004): 33–54.

Distinguishes between two forms of judicial corruption: the political, or surrendering of legal standards to external political or economic pressures, and the personal, or surrendering of these standards to personal interests; blames both on two major characteristics of China's judicial institutions—political dependence and lack of accountability.

Li, Ling. "The 'Production' of Corruption in China's Courts: Judicial Politics and Decision Making in a One-Party State." *Law & Social Inquiry* 37.4 (2012): 848–877.

By examining the structural distribution of corrupt opportunities among various groups of judicial decision makers, argues that the judicial decision-making mechanism, a product of the political-legal institutional design of the party-state, contributes to the proliferation of judicial corruption.

Li, Fenfei, and Jinting Deng. "The Power and the Misuse of Power by China's Local Procuratorates in Anticorruption." *International Journal of Law, Crime and Justice* 45 (June 2016): 1–25.

Deviating from previous literature that blames the Central Commission for Discipline Inspection for the procuratorate's ineffective anticorruption work, argues that local procuratorates have strong institutional motives to manipulate and transact the power in investigating and prosecuting corruption cases with little supervision, which contributes to selective prosecution and light sentences in such cases.

Liu, Nanping. "Trick or Treat: Legal Reasoning in the Shadow of Corruption in the People's Republic of China." *North Carolina Journal of International Law & Commercial Regulation* 34.1 (2008): 179–262.

Uses the author's own experience of litigation in Chinese courts to show how the prevalence of loose legal reasoning in judicial opinions helps judges conceal judicial corruption.

Wang, Yuhua. "Court Funding and Judicial Corruption in China." *China Journal* 69 (January 2013): 43–63.

Examines the relationship between court funding and judicial corruption in China, arguing that inadequate court funding erodes justice through denying access to the "have-nots," giving courts an incentive to delay cases and jeopardizing judicial autonomy.

Administrative Monopoly

These selected studies focus on the administrative system, blaming administrative intervention and monopoly as well as nontransparency of rules and processes for Chinese officials' rent-seeking activities. Rent seeking is a form of corruption by which officials seek "rents," or profiteer, from their administrative power. The various manifestations, causes, and consequences of this problem are treated in Guo and Hu [2004](#), Ngo [2008](#), and Ngo and Wu [2009](#). Zhang [2015](#) discusses administrative monopoly of a different nature—the state's use of law and legal infrastructure to conduct land grabs for development.

Guo, Yong, and Angang Hu. "The Administrative Monopoly in China's Economic Transition." *Communist and Post-Communist Studies* 37.2 (2004): 265–280.

Employing rent-seeking theory, examines administrative monopoly as a unique form of corruption in China; analyzes its essence, causes, forms, and features; the scale of the rent created; and the dissipation of the rent.

Ngo, Tak-Wing. "Rent-Seeking and Economic Governance in the Structural Nexus of Corruption in China." *Crime, Law and Social Change* 49.1 (2008): 27–44.

Tracing the sources of widespread rent-seeking practices and their relations to corruption in China, argues that the creation and allocation of economic rents have become a major policy instrument used by various levels of governments to maneuver industrial plans and development priorities, hence institutionalized as the constitutive parts of economic governance and difficult to eliminate.

Ngo, Tak-Wing, and Yongping Wu, eds. *Rent Seeking in China*. Routledge Contemporary China 37. Abingdon, UK, and New York: Routledge, 2009.

A systematic study of rent production and rent seeking across different regions and economic sectors and of their patterns, sources, and consequences, on the basis of case studies of primary, strategic, heavy and light industries. Identifying rent seeking as a source of corruption, this edited volume illuminates the various administrative mechanisms, rooted in the nature of China's economic governance, policymaking and state-market relationships, that facilitate corrupt activities.

Zhang, Qianfan. "How Land Grabs Are Made 'Constitutional' in China." In *Land Grabs in Asia: What Role for the Law?* Edited by Connie Carter and Andrew Harding, 35–47. Routledge Contemporary Asia 52. London: Routledge, 2015.

Examines the role that China's domestic laws and legal infrastructures play in facilitating and legitimizing land grabs for development.

Informal Behaviors and Institutions

The studies in this subsection look at the role played by China's informal institutions and behaviors in facilitating officials' corrupt conduct (e.g., *guanxi* culture, modes of social interaction, and clientelism). While all these studies acknowledge that cultural practices and norms play a role in corruption, they generally find that these play a facilitating rather than directly causal role in corrupt activities. The strength of the formal institutions, rather, determines the prevalence and function of cultural practices in corrupt exchanges. Dong and Torgler [2012](#), Li [2011](#), Lin and Si [2010](#), Schramm and Taube [2005](#), and Smart and Hsu [2007](#) focus on the impact of social interaction and *guanxi* practices on corruption. Paik and Baum [2014](#) looks at the rise of powerful patronage networks and corruption, whereas Lü [1999](#) finds elements of patrimonialism in the Chinese officialdom that inhibit rational-legal behaviors. In two cross-national studies, Hernandez and McGee [2012](#) and Jiang, et al. [2015](#), the authors locate attitudinal factors that help resist or facilitate corrupt behavior in the Chinese and other country cases. Gong and Zhou [2015](#) contrasts administrative values in the public bureaucracies of mainland China and Hong Kong, as well as their impact.

Dong, Bin, and Benno Torgler. "Corruption and Social Interaction: Evidence from China." *Journal of Policy Modeling* 34.6 (2012): 932–947.

Explores whether social interaction, either local or global, influences the incidence of corruption; using within-country evidence at the province level in China from 1998 to 2007, finds clear evidence that social interaction has a statistically significant positive effect on the corruption rate in China. Concludes with an assessment of the relevance of social interaction in understanding corruption and its important policy implications.

Gong, Ting, and Na Zhou. "Corruption and Marketization: Formal and Informal Rules in Chinese Public Procurement." *Regulation & Governance* 9.1 (2015): 63–76.

Drawing on quantitative data from surveys and qualitative data from interviews, compares administrative values in public services in mainland China and Hong Kong; finds that the key difference lies in the rule of man (China) and the rule of law (Hong Kong).

Hernandez, Teresa, and Robert W. McGee. "The Ethics of Accepting a Bribe: An Empirical Study of Opinion in the USA, Brazil, Germany and China." *International Journal of Business, Accounting and Finance* 6.2 (2012): 178–196.

An empirical study of attitudes toward bribe taking in the largest economies on four continents. On the basis of Human Beliefs and Value Survey data, examines eight demographical variables to determine if they make any difference; findings suggest that with a few exceptions, the variables that were significant in determining which groups were opposed to corruption were rather universal.

Jiang, Ting, Jan Willem Lindermans, and Cristina Bicchieri. "Can Trust Facilitate Bribery? Experimental Evidence from China, Italy, Japan, and the Netherlands." *Social Cognition* 33.5 (2015): 483–504.

Using World Values Survey data and field experiments in two high-corruption countries and two low-corruption countries, conducts a bribery game to determine the impact of trust on bribery; finds evidence that trust enables bribery in the former pair of countries, but no evidence that trust enables bribery in the latter pair of countries. The results reveal a dark side of trust: it supports socially detrimental cooperation when a deal is unenforceable.

Li, Ling. "Performing Bribery in China: Guanxi-Practice, Corruption with a Human Face." *Journal of Contemporary China* 20.68 (2011): 1–20.

Through in-depth case studies from extensive fieldwork, contends that the causality link between *guanxi* practice and corruption is the inverse of the conventional view: rather than compelling participants to corrupt conduct, *guanxi* practice serves as an alternative operating mechanism in the contracting process, by removing legal codes and rules and thus facilitating corruption.

Lin, Jun, and Steven X. Si. "Can *Guanxi* Be a Problem? Contexts, Ties, and Some Unfavorable Consequences of Social Capital in China." *Asia Pacific Journal of Management* 27.3 (2010): 561–581.

Argues that social capital in the Chinese cultural context led to certain unfavorable societal and organizational consequences—namely, market fragmentation, state intervention, and rent-seeking activities.

Lü, Xiaobo. "From Rank-Seeking to Rent-Seeking: Changing Administrative Ethos and Corruption in Reform China." *Crime, Law and Social Change* 32.4 (1999): 347–370.

By examining some prevailing informal behaviors of Chinese public officials, offers an image of late-20th-century Chinese bureaucracy as a neotraditionalist officialdom with a reconfiguration of some patrimonial, revolutionary, and legal-rational institutions, ethos, and modes of operation.

Paik, Wooyeal, and Richard Baum. "Clientelism with Chinese Characteristics: Local Patronage Networks in Post-reform China." *Political Science Quarterly* 129.4 (2014): 675–701.

Examines the rise of powerful patronage networks involving local government officials and newly affluent entrepreneurs, investors, and developers, who work in concert to exploit loopholes in the regulatory mechanisms that govern market-driven economic activity; argues that the perverse incentive structure is unlikely to be effectively remedied unless systemic reforms are enacted that sharply increase local official accountability.

Schramm, Matthias, and Markus Taube. "The Institutional Economics of Legal Institutions: Guanxi and Corruption in the PR of China." In *The New Institutional Economics of Corruption*. Edited by Johann Graf Lambsdorff, Markus Taube, and Matthias Schramm, 88–112. Routledge Frontiers of Political Economy 64. New York: Routledge, 2005.

Views the *guanxi* networks as long-standing instruments to protect transactions in an environment devoid of a reliable formal system of order; by binding investment in social capital, *guanxi* networks serve to transform risky business relationships into self-implementing contracts, including a formidable enforcement mechanism for corrupt transactions.

Smart, Alan, and Carolyn L. Hsu. "Corruption or Social Capital? Tact and the Performance of *Guanxi* in Market Socialist China." In *Corruption and the Secret of Law: A Legal Anthropological Perspective*. Edited by Monique Nuijten and Gerhard Anders, 167–190. Law, Justice, and Power. Burlington, VT: Ashgate, 2007.

Argues that whether particular actions and relationships come to be perceived and labeled as corrupt or not depends on social contexts and contested moral evaluations, not just legal definitions. Tact and performance are important to avoid practices from becoming labeled as corrupt.

Hybrid Causes

Corruption may be caused by different opportunities and incentives at the microlevel, but it may not be easily attributed to singular causes at the aggregate level. Both Dong and Torgler [2013](#) and Zhou and Tao [2009](#), using panel data at the provincial level, look at a combination of causes—formal and informal, political and economic, social and educational, and historical and modern.

Dong, Bin, and Benno Torgler. "Causes of Corruption: Evidence from China." *China Economic Review* 26 (September 2013): 152–169.

Explores the causes of corruption in China through using provincial panel data, finding that provinces with greater social heterogeneity, regulation, and resource abundance are substantially more corrupt. In addition, finds that fiscal decentralization depresses corruption significantly, as does economic development or the transition to a market economy.

Zhou, Li'an, and Jing Tao. "Government Size, Market-Orientation and Regional Corruption: Evidence from the Provincial Level Panel Data." *Frontiers of Economics in China* 4.3 (2009): 425–448.

Using panel data at the provincial level, from the period 1989–2004, finds that government size and expenditure positively affect the incidence rate of corruption, and that the effect becomes larger with the increase in the size of the core departments of the government.

Sectoral Incentives

In this subsection, the selected studies explore the special characteristics that give rise to incentives for different economic and professional sectors to engage in corruption. In the business sector, it is mostly those businesses that rely on important resources controlled by government, motivated by the need to influence government regulation and allocation of scarce resources. Endowment of natural resources can also increase corruption since it provides a lucrative source of rents. In the professional sectors, it is those institutions on which the public relies on for provision of competitive goods, the medical and educational services, that are more conducive to abuse of power.

Business Sector

In the studies on corruption in the business sector, key resources controlled by the government are found to play a major role, from land resources to business contracts. The particularly affected industries include construction, examined in Deng, et al. [2014](#); real estate, analyzed in Zhu [2012](#); and commercial bribery, discussed in Wedeman [2013](#). Zhu and Wu [2014](#) confirms that the most-corrupt industries are those that rely on the government for allocation of scarce and less mobile resources. Zhu [2016](#) adds multinational corporations to the list, arguing that their activities may facilitate rent-seeking behavior by

creating a market structure that contributes to higher rents and worsens corruption in operating countries. In addition, Zhan 2011 looks at local dependence on mineral resources as a source of corruption.

Deng, Xiaomei, Yuhong Wang, Qianqian Zhang, Judy Xiye Huang, and Jingjing Cui. "Analysis of Fraud Risk in Public Construction Projects in China." *Public Money & Management* 34.1 (2014): 51–58.

Examines the root causes of construction fraud in China, through detailed analysis of information collected from seven public construction projects; employs the three dimensions of the "fraud triangle" (pressure, rationalization, and opportunity) to identify factors that influence attitudes and behavior in fraudulent situations.

Wedeman, Andrew. "The Dark Side of Business with Chinese Characteristics." *Social Research* 80.4 (2013): 1213–1236.

An overview of commercial bribery in China, including the role that China's "Anti-unfair Competition Law" of 1993 plays in criminalizing corporate corruption, the role that the Chinese state plays in commercial bribery as the granter of business contracts to Chinese state-owned enterprises (SOEs), and the role of government employees as managers of SOEs.

Zhan, Jing Vivian. "Do Natural Resources Breed Corruption? Evidence from China." In *Paper presented at the 2011 annual meeting of the American Political Science Association, held in Seattle, WA*. 2011.

Explores the relationship between the endowment of mineral resources and the occurrence of corruption of public officials in China; through cross-provincial and longitudinal data analysis, finds that the abundance of and dependence on mineral resources undermine local political institutions by increasing the propensity for corruption.

Zhu, Jiangnan. "The Shadow of the Skyscrapers: Real Estate Corruption in China." *Journal of Contemporary China* 21.74 (2012): 243–260.

Focusing on variations in Chinese real-estate corruption, contends that state reforms to regulate the industry have led to an expansion of the official players at each step of the real-estate development process, which in turn results in corruption in various government agencies that involves multiple layers of officials and large sums of money.

Zhu, Boliang. "MNCs, Rents, and Corruption: Evidence from China." *American Journal of Political Science* (2016).

Examines the consequences of multinational corporation (MNC) activities on corruption by conducting a case study on China. Argues that MNC activities may facilitate rent-seeking behavior by creating a

market structure that contributes to higher rents and therefore worsens corruption in operating countries, and finds that provinces with more MNC activities have a significantly higher level of corruption.

Zhu, Jiangnan, and Yiping Wu. "Who Pays More 'Tributes' to the Government? Sectoral Corruption of China's Private Enterprises." *Crime, Law and Social Change* 61.3 (2014): 309–333.

Proposes a mesolevel approach to study which industry sectors bribe the government and, in turn, are exploited the most by the government in China; using a firm-level survey from 1997 to 2006, finds that the most-corrupt sectors are those that rely on the government for allocation of scarce and less mobile resources.

Educational Sector

Perhaps no area of corruption provokes more passion among the Chinese public than the educational sector, due to a cultural emphasis on education, intense competition from K to 12 and in college admissions, and a public view of education as the only path to a good future. This sector has received increasing attention as an area affected by corruption. Liu and Peng [2015](#) looks at abuses in the college entrance exams, while Wang and Chen [2007](#) focuses on the problem in institutions of higher education. Yuan, et al. [2007](#) examines a panoply of causes for China's academic corruption in general. A cross-national study, Waite and Allen [2003](#), compares the abuse of power in educational administration in K–12 and higher-education institutions, drawing examples from China and two other countries.

Liu, Qijun, and Yaping Peng. "Corruption in College Admissions Examinations in China." *International Journal of Educational Development* 41 (March 2015): 104–111.

Measures and analyzes corruption in the college admission exams, on the basis of a survey of college students across China. A lack of transparency, poor design of the examinations, the subjects' tolerance of corruption, high levels of corruption propensity, and high income expectations in future careers are identified as the main causes of corruption; major consequences include lowered student trust in the accountability of higher-education institutions and increased bribery among new generations of examinees.

Waite, Duncan, and David Allen. "Corruption and Abuse of Power in Educational Administration." *Urban Review* 35.4 (2003): 281–296.

Presents an initial ethnology of corruption and abuse of power in educational administration in K–12 and higher-education institutions, with examples from Mexico, China, and the United States; discussion revolves around the relation between corruption and hierarchical, pyramidal bureaucracies.

Wang, Bin, and Qichun Chen. "The Administrative Mode and Academic Corruption at China's State-Run Universities." *Chinese Education & Society* 40.6 (2007): 37–46.

Argues that academic corruption in Chinese universities is due to long-term dependency on the government and unprofessional intervention by educational administrators.

Yuan, Yongning, Jian Zhang, and Haibo Wang. "On the Causes for and Countermeasures against Academic Corruption." *Chinese Education & Society* 40.6 (2007): 54–66.

Attributes the emergence and proliferation of academic corruption to a panoply of causes, including a long-term lack of training in modern academic standards, absence of an academic spirit, not separating academics and politics in academic administration, politicization and ideologization of academics, and flaws in the academic system. Suggests reforms in the systems of supervision, sanctions, and evaluation for academics to ensure the standard conduct of academic research.

Health-Care Sector

The health-care industry is also a sector that ignites intense public indignation about corruption, given that this industry is another area on which the public relies for competitive services. Studies here touch on two major aspects of the problem. Chen [2007](#) dissects the corrupt motives behind the overuse of expensive diagnostic and therapeutic interventions by Chinese physicians. Tam [2011](#) studies the rise of organizational corruption by public hospitals in China since the 1990s, and its impacts. Rose-Ackerman and Tan [2014](#) examines the nefarious motives behind the procurement of pharmaceuticals and medical equipment.

Chen, Xiao-Yang. "Defensive Medicine or Economically Motivated Corruption? A Confucian Reflection on Physician Care in China Today." *Journal of Medicine and Philosophy* 32.6 (2007): 635–648.

Argues that the overuse of expensive diagnostic and therapeutic interventions by Chinese physicians is due, at least partly, to the corruption of medical decision making motivated to earn supplementary income; suggests that Confucian moral resources can help in formulating a medical-care policy suitable to China's modern market economy.

Rose-Ackerman, Susan, and Yingqi Tan. "Corruption in the Procurement of Pharmaceuticals and Medical Equipment in China: The Incentives Facing Multinationals, Domestic Firms and Hospital Officials." *UCLA Pacific Basin Law Journal* 32.1 (2014): 1–53.

Focusing on the markets for pharmaceuticals and medical equipment, identifies the underlying incentives for corruption by hospitals, physicians, and companies in the Chinese system and explains how corrupt practices are currently organized.

Tam, Waikeng. "Organizational Corruption by Public Hospitals in China." *Crime, Law and Social Change* 56.3 (2011): 265–282.

Attributes the rise of organizational corruption by China's public hospitals to the reduction of state funding since the mid-1980s, to the excessive and chaotic development of the pharmaceutical sector, and to the failure of the state regulatory infrastructure to check the spread of corrupt practices.

Comparative Institutional Dynamics

Comparative perspectives help shed light on causes and dynamics of corruption that single-country studies may not be able to reveal. They also help highlight the commonalities of the Chinese case with others, and how and when, as well as the peculiarities of the Chinese case. Such analytical insights help to better understand the Chinese case and to better devise anticorruption strategies in light of the experiences and lessons from other country cases. Studies in this subsection consider comparative differences in the role of the state, the methods and content of governance, and the syndromes of corruption. Comparing China and India, both Bardhan [2014](#) and Sun and Johnston [2009](#) argue that democracy-authoritarianism comparisons do not explain the differences in the level of corruption in the two cases. Comparing China and the United States, Josephs [2000](#) finds commonalities in historical antecedents as well as late-20th-century experiences in these two countries, while Ramirez [2014](#) suggests that US historical antecedents forebode well for China's future development toward lowering corruption. Comparing China and Russia, Sun [1999](#) attributes differences in the levels of corruption during their retreat from socialism to the types of transition and the nature of the state. Differentiating four syndromes of corruption across countries, Johnston [2008](#) places China in the category of "official moguls," whereby officials abuse state power with fragmented immunity.

Bardhan, Pranab K. "Comparative Corruption in China and India." *Indian Growth and Development Review* 7.1 (2014): 8–11.

Argues that differences in style and content of governance in China and India, rather than the usual facile democracy-authoritarianism comparisons, explain the level of corruption in the two countries.

Johnston, Michael. "Japan, Korea, the Philippines, China: Four Syndromes of Corruption." *Crime, Law and Social Change* 49.3 (2008): 205–223.

Identifies four distinctive syndromes of corruption: "influencing markets" (Japan), "elite cartels" (South Korea), "oligarchs and clans" (the Philippines), and "official moguls" (China). In the Chinese syndrome, officials abuse state power with fragmented immunity.

Josephs, Hilary K. "The Upright and the Low-Down: An Examination of Official Corruption in the United States and the People's Republic of China." *Syracuse Journal of International Law and Commerce* 27.2 (2000): 269–302.

Identifies the common or universal characteristics of law regulating official corruption, features common to political corruption in the two cases, intersection between the criminal law and abuse of public trust, historical antecedents and cultural attitudes toward corruption, and involvement of the Chinese in US political fundraising.

Ramirez, Carlos D. "Is Corruption in China 'Out of Control'? A Comparison with the US in Historical Perspective." *Journal of Comparative Economics* 42.1 (2014): 76–91.

Compares corruption in China between 1999 and 2014 with corruption in the United States between 1870 and 1930, periods that are roughly comparable in terms of real income per capita. Proposes a model to explain the "life-cycle" of corruption in the development process—rising at the early stages of development and declining after modernization has taken place, concluding that corruption in China is not at alarmingly high levels compared to the US historical experience.

Sun, Yan. "Reform, State, and Corruption: Is Corruption Less Destructive in China Than in Russia?" *Comparative Politics* 32.1 (1999): 1–20.

Explains why corruption has been less destructive in China than in Russia during their common course of transition from socialism; attributes the key differences to the type of transition and the nature of the state in the two cases.

Sun, Yan, and Michael Johnston. "Does Democracy Check Corruption? Insights from China and India." *Comparative Politics* 42.1 (2009): 1–19.

By contrasting China and India, argues that development may play a greater role than democracy in checking corruption in developing contexts, and that in the absence of economic development, democracy may have particular vulnerabilities to corruption, since economic development involves not just resources but also institutions protecting opportunities and assets while restraining excesses and abuses.

Consequences of Corruption

There is a general consensus in the literature about the negative consequences of corruption. These include adverse effects on the quality of a country's governance and institutional environment; the regulatory environment and the efficiency of state institutions; long-term economic growth by undermining investment, taxation, public expenditures, and human development; the provision of public services;

justice and accountability; social equality; and political stability. However, the concurrence of high growth and high corruption has raised puzzling questions about the effects of corruption in China's case.

Impact on Development and Growth

Not surprisingly, most studies of corruption's impact on China focus on its effects on economic development and growth. Some studies, such as Li [2010](#), Wang and You [2012](#), and White [2006](#), suggest that corruption has indeed had mixed consequences, "sanding the wheels" in many contexts but "greasing the wheels" in some others. The specific effects depend on the nature of the Chinese state, the type of firms, the type of corruption, and the strength of social capital in each case. Other studies, such as Chen, et al. [2011](#); Dong and Torgler [2010](#); Fan, et al. [2008](#); Huang and Snell [2003](#); and Lin and Zhang [2009](#), argue that corruption has an overall negative impact on business firms. In addition, Wedeman [2012](#) finds that corruption did not so much cause high economic growth in China's case, but followed it. The relationship between corruption and growth, in short, is only conditionally positive and overall negative on the basis of the studies here.

Chen, Charles J. P., Zengquan Li, Xijia Su, and Zheng Sun. "Rent-Seeking Incentives, Corporate Political Connections, and the Control Structure of Private Firms: Chinese Evidence." In *Special Issue: Corporate Finance and Governance in Emerging Markets*. *Journal of Corporate Finance* 17.2 (2011): 229–243.

Argues that the rent-seeking incentives of local government motivate private firms to establish political connections in regions where the local economy is less market oriented or where the government has more discretion in allocating economic resources; such firms are also likely to have concentrated control structure that facilitates rent seeking and other corrupt ties with politicians.

Dong, Bin, and Benno Torgler. "[The Consequences of Corruption: Evidence from China](#)." Working paper, Center for Research in Economics, Management and the Arts, 2010.

Provides evidence that the overall impact of corruption in China might be the balance of two simultaneous effects—positive and negative—within a specific institutional environment. Concludes that Chinese corruption increases income inequality; reduces tax revenue; decreases government spending on education, research and development, and public health; reduces inbound foreign direct investment (FDI) in regions where corruption is strong; aggravates pollution; and modifies the effects of trade openness and FDI on the stringency of environmental policy.

Fan, Joseph P. H., Oliver Meng Rui, and Mengxin Zhao. "Public Governance and Corporate Finance: Evidence from Corruption Cases." *Journal of Comparative Economics* 36.3 (2008): 343–364.

On the basis of examining twenty-three corruption scandals involving high-level government bureaucrats in China and a set of publicly traded companies whose senior managers bribed bureaucrats or were

connected with them, finds that finance leverage enjoyed by these firms declines significantly after being implicated in bribery scandals, but finds no proof that rent-seeking firms such as these are efficient firms.

Huang, Linfen Jennifer, and Robin Stanley Snell. "Turnaround, Corruption and Mediocrity: Leadership and Governance in Three State Owned Enterprises in Mainland China." *Journal of Business Ethics* 43.1–2 (2003): 111–124.

On the basis of case studies of three state-owned enterprises (SOEs), shows that moral leadership of top management is positively related to the institutional superstructure, internal governance and control systems, moral atmosphere of the enterprise, and performance of a state firm, whereas corrupt management has the opposite effect.

Jiang, Ting, and Huihua Nie. "The Stained China Miracle: Corruption, Regulation, and Firm Performance." *Economics Letters* 123.3 (2014): 366–369.

Argues that regional corruptness in China has a positive effect on the profitability of private firms, but not on that of state-owned firms. A natural experiment of exogenous trade policy change suggests that corruption may help private firms circumvent governmental regulation.

Li, Shaomin. "The Role of Guanxi Network in the Corruption-Efficiency Relationship." *Modern China Studies* 17.1 (2010): 117–124.

Differentiates between (1) societies with a thick, extensive informal social network, such as China, where relation-based trust makes the dissemination of corruption goods—government goods that are sold for private gains—more market based and efficient, and (2) societies that lack such strong informal networks and trust, where corruption is more predatory and therefore a dead weight on the economy.

Lin, Shuanglin, and Wei Zhang. "The Effect of Corruption on Capital Accumulation." *Journal of Economics* 97.1 (2009): 67–93.

Examines the effect of corruption in infrastructure development, in capital and labor markets, and on capital accumulation and output, concluding that corruption affects income redistribution, government expenditures on infrastructure, firms' incentive to invest, and workers' incentive to supply labor by decreasing capital accumulation and output.

Wang, Yuanyuan, and Jing You. "Corruption and Firm Growth: Evidence from China." *China Economic Review* 23.2 (2012): 415–433.

Explains the puzzle of high corruption and high growth in China's case by providing firm-level evidence of the relation between corruption and growth; concludes that corruption does not constrain firm growth

when it functions as a substitution for the underdevelopment of financial markets, but that pervasive corruption deters firm growth where there are more-developed financial markets.

Wedeman, Andrew. *Double Paradox: Rapid Growth and Rising Corruption in China*. Ithaca, NY: Cornell University Press, 2012.

Attributes the puzzle of high growth and high corruption to three main reasons: the Chinese economy was able to survive predatory corruption because corruption did not explode until after economic reforms had unleashed dynamic growth, corruption was less a theft of state assets than a capture of the windfall profits created by their transfer, and anticorruption campaigns, though flawed, have sufficiently prevented corruption from spiraling out of control.

White, Andrew. "The Paradox of Corruption as Antithesis to Economic Development: Does Corruption Undermine Economic Development in Indonesia and China and Why Are the Experiences Different in Each Country?" *Asian-Pacific Law & Policy Journal* 8.1 (2006): 1–34.

Finds that corruption is more antithetical to long-term and short-term economic development in Indonesia than in China, and attributes the difference to contextual factors, including the culture, political history, nature of the state, and the corruption occurring, as well as the response by the state to administrative corruption.

Impact on Foreign Investment

The impact of corruption on foreign investment is a major issue in the Chinese case because China has been the leading host of FDI since the mid-1980s. Why a high-corruption country has managed to draw sustained FDI is an interesting issue intellectually and empirically. Moreover, Chinese corruption has unique consequences for American multinational corporations (MNCs), which are bound by the Foreign Corrupt Practice Act (FCPA), the US law that prohibits corruption by American companies doing businesses overseas. Hence, there is an increasing scholarship about the risks for MNCs doing business in China because of compliance requirements of the FCPA. These risks are discussed in Chow [2014](#), Chow [2012a](#), Chow [2012b](#), Koehler [2007](#), Pedersen [2008](#), and Runnels and Burton [2012](#). In this context, Manion [2014](#) seeks to build a model of what is considered as corrupt for foreign businesses in China. The rest of the studies in this section, including Cole, et al. [2009](#); Duanmu [2011](#); and Luo [2011](#), all of which are empirically based, find that corruption does affect the entry strategies and investment commitment of MNCs in China.

Chow, Daniel. "China under the Foreign Corrupt Practices Act." *Wisconsin Law Review* 2012.2 (2012a): 573–607.

Argues that MNCs doing business in China face many pitfalls and traps under the FCPA, due to the unique features of China's economic and political system, the attractiveness of China as a place to do business for MNCs in the global economy, and the aggressive positions of the Department of Justice. In response, MNCs need to implement an effective on-the-ground FCPA compliance program to mitigate the risks.

Chow, Daniel. "The Interplay between China's Anti-bribery Laws and the Foreign Corrupt Practices Act." *Ohio State Law Journal* 73.5 (2012b): 1015–1037.

Examines the risk to MNCs that China's enforcement of its own domestic laws against commercial bribery will trigger an FCPA prosecution by the Department of Justice. Contends that MNCs may not fully appreciate this risk and will continue to regard commercial bribery cases in China as serious business problems, but not as catalysts that can lead to an FCPA prosecution, which can have far more serious consequences for the MNC and its corporate officers.

Chow, Daniel C. K. "Three Major Risks under the Foreign Corrupt Practices Act for U.S. Multinational Companies Doing Business in China." *Fordham International Law Journal* 37.4 (2014): 1183–1191.

Argues that American MNCs operating in China have special incentives to be diligent and compliant with the FCPA due to a number of factors: China's state-dominated economy, a business culture in which favors and gifts are expected (and in which petty corruption is common and tolerated), and potential exposure of clandestine bribery schemes during China's early-21st-century crackdown on commercial bribery.

Cole, Matthew A., Robert J. R. Elliott, and Jing Zhang. "Corruption, Governance and FDI Location in China: A Province-Level Analysis." *Journal of Development Studies* 45.9 (2009): 1494–1512.

Using detailed province-level data for China, examines the determinants of intracountry FDI flows. Confirms that FDI is attracted to provinces with relatively high levels of government efficiency that are actively involved in the fight against corruption.

Duanmu, Jing-Lin. "The Effect of Corruption Distance and Market Orientation on the Ownership Choice of MNEs: Evidence from China." *Journal of International Management* 17.2 (2011): 162–174.

Examines how the presence of corruption affects the entry strategies of MNCs in China; finds that those MNCs from countries less corrupt than China prefer wholly owned subsidiaries over joint ventures, whereas those from equally or more corrupt countries show no preference for one over the other, although market forces play a more important role in the entry decision of both groups of countries.

Koehler, Mike. "The Unique FCPA Compliance Challenges of Doing Business in China." *Wisconsin International Law Journal* 25.3 (2007): 397–438.

Demonstrates the unique challenges of FCPA compliance for MNCs in China, given the prevalence of state-owned or state-controlled enterprises as well as certain cultural norms and expectations of doing business; also contends that the FCPA cannot be circumvented through foreign subsidiaries or other third parties, since the actions of various third parties in China can result in FCPA liability for a parent company under the FCPA's broad Third Party Payment provisions.

Luo, Yadong. "Strategic Responses to Perceived Corruption in an Emerging Market: Lessons from MNEs Investing in China." *Business & Society* 50.2 (2011): 350–387.

Argues that an MNE subunit's investment commitment decreases, and its export market orientation increases, with perceived escalated corruption in the specific business segment, and that changes in perceived corruption over time (longitudinal corruption) exert a greater influence on investment commitment than perceived corruption in an industrial setting.

Manion, Melanie. "What Is Corrupt? A Model of Unacceptable International Business Practices in China." In *Paper presented at the Castle Conference on Corruption: Global Influences, Politics and the Market, held in May 2014 at Yale University, New Haven, CT. 2014.*

Addresses the question of to what degree China's legal and regulatory framework creates a basis for relatively stable expectations by international players accustomed to the predictability that is offered, through considering the relationship between formal rules and actual enforcement in cases where Chinese or foreign authorities investigate an action as "corrupt" in international business in China.

Pedersen, Eric M. "The Foreign Corrupt Practices Act and Its Application to U.S. Business Operations in China." *Journal of International Business & Law* 7.1 (2008): 13–47.

Examines the Chinese economy and the FCPA's then-recent impact on US corporations and investors who conduct or may conduct business operations in China; concludes that the FCPA does put US companies at a disadvantage in China, but adherence to the law remains critical.

Runnels, Michael B., and Adam M. Burton. "The Foreign Corrupt Practices Act and New Governance: Incentivizing Ethical Foreign Direct Investment in China and Other Emerging Economies." *Cardozo Law Review* 34 (2012): 295–327.

Argues that the rigid enforcement scheme of the FCPA in the early 21st century places its twin goals of deterring corruption and fostering economic ties in great tension with one another, and that the challenge of China both as an importer and exporter of FDI should encourage US policymakers to revisit the text

and enforcement scheme of the FCPA so that the law will be more effective in curbing nefarious practices without placing US companies at competitive disadvantages.

Impact on Social Stability and Equality

A small group of studies deal with the impact of corruption on social stability and equality in China. Given public perceptions of widespread corruption and the regime's highly charged campaigns to combat it, it is surprising that there are not more studies on the adverse social effects of corruption in China. In particular, adverse effects such as those on poverty and inequality, provision of public services, small business firms and public revenues, to name a few, affect not only the survival of the bottom stratum of the society but also the quality of life for the middle stratum. The scarcity of studies in these areas points to the gaps to be filled in the literature. Pei [2007](#) argues that corruption poses one of the most lethal threats to China's economic development and political stability, while Chen [2000](#) suggests that corruption caused unrest only when working upon more-fundamental threats to workers' livelihood. Both Østergaard and Petersen [1991](#) and Sun [1991](#) regard corruption as the leading cause of the Tiananmen protests of 1989. On a narrower scale, Lu, et al. [2008](#) finds corruption to be a tradeoff between short-term inequality and long-term efficiency, while Mi and Liu [2014](#) contends that fiscal decentralization worsens inequality when combined with corruption. In short, most studies here concur that corruption has a negative impact on social stability and equality.

Chen, Feng. "Subsistence Crises, Managerial Corruption and Labour Protests in China." *China Journal* 44 (July 2000): 41–63.

Identifies managerial corruption as one of two critical factors that shaped workers' sense of injustice and drove them to protest, the other being a subsistence crisis; argues that this crisis is the underlying force behind the collective actions that China is witnessing, while managerial corruption works only on an existing subsistence crisis. Workers tend to acquiesce in corruption in their factory when they do not suffer from a subsistence crisis.

Lu, Ming, Zhao Chen, and Shuang Zhang. "Paying for the Dream of Public Ownership: Case Studies on Corruption and Privatization in China." *Transition Studies Review* 15.2 (2008): 355–373.

Argues that corruption in the process of privatization of state enterprises is a tradeoff between short-term inequality and long-term efficiency because equality, efficiency, and maintaining current social and political structure cannot be achieved simultaneously during economic restructuring.

Mi, Zengyu, and Qiongzhi Liu. "Income Inequality, Fiscal Redistribution, and Governmental Corruption: Evidence from Chinese Provincial Data." *Journal of Developing Areas* 48.4 (2014): 119–137.

Using the provincial panel data of China from 1997 to 2006, finds that fiscal redistribution as a remedy of the failure of market allocation not only fails to restrain income inequality but also worsens income inequality due to official corruption during the implementation of fiscal-redistribution policies.

Østergaard, Clemens Stubbe, and Christina Petersen. "Official Profiteering and the Tiananmen Square Demonstrations in China." *Corruption and Reform* 6.2 (1991): 87–107.

Argues that official profiteering spurred by economic reform in the preceding decade was the leading cause of the Tiananmen protests of 1989.

Pei, Minxin. *Corruption Threatens China's Future*. Policy Brief 55. Washington, DC: Carnegie Endowment for International Peace, October 2007.

Contends that corruption poses one of the most lethal threats to China's future economic development and political stability, with its panoply of adverse social, economic, and political effects.

Sun, Yan. "The Chinese Protests of 1989: The Issue of Corruption." *Asian Survey* 31.8 (1991): 762–782.

Argues that corruption or official profiteering was the main target of complaint for protesters in the Tiananmen protests of 1989.

Controlling Corruption

The goal of understanding corruption in its various dimensions, ultimately, is to craft effective ways to control it, including the study of anticorruption efforts. The Chinese case raises special challenges because its regime type entails strategies different from those usually emphasized in the general literature on controlling corruption; for example, checks and balances, free media, political competition and participation, independent judiciary, civil society, and the like. The efficacy of China's anticorruption efforts must therefore be evaluated in the context of the Chinese institutions and methods.

Anticorruption Institutions

Studies in this subsection examine mainly China's chief anticorruption institution, the Central Commission for Discipline Inspection (CCDI) and its local branches. The general consensus is that structural, institutional, and cultural factors hinder its efforts at various levels to control party members and officials. Of special note is the relationship between the Chinese Communist Party (CCP) and the CCDI—the latter's lack of autonomy is found to hamper its independence and efficacy. Gong [2008](#) and Guo [2014](#) emphasize the CCDI's role as a dependent and organizational instrument of the CCP, and Li and Deng [2016](#) finds this dependence at local levels as well. Li [2016](#) notes centralization as a key feature of the CCDI's institutionalization process, while Ma [2008](#) highlights the problem of "policing the police," or the

lack of oversight over the CCDI. Gong [2011](#) and Guo [2012](#), on the other hand, discuss progress in CCDI reforms at local levels. Manion [2016](#) ascertains in China's ongoing campaign important steps toward anticorruption institutionalization. In addition, Yeo [2016](#) examines the role of the new central inspection groups in local anticorruption work. Becker [2008](#) discusses a relatively anticorruption agency of the state, the National Corruption Prevention Bureau.

Becker, Jeffrey. "Tackling Corruption at Its Source: The National Corruption Prevention Bureau." *Journal of Chinese Political Science* 13.3 (2008): 287–303.

Examines the organization's potential for improving work in three areas related to information collection and coordination: oversight of the private sector, information quality and dissemination, and routine anticorruption activities. Also discusses the agency's potential problems, including increasing complexity within the anticorruption system, and its limited independence.

Gong, Ting. "The Party Discipline Inspection in China: Its Evolving Trajectory and Embedded Dilemmas." *Crime, Law and Social Change* 49.2 (2008): 139–152.

Argues that the CCDI has evolved in a complex and unique institutional setting and functions as a structurally dependent component of the party apparatus. Politically constructed, the discipline inspection system has served as an organizational instrument for the party's consolidation, adaptation, and legitimization. Thus, activities concerning discipline inspection have reflected, to a large extent, the CCP's institutional engineering aimed at organizational integrity and sustainability.

Gong, Ting. "An 'Institutional Turn' in Integrity Management in China." *International Review of Administrative Sciences* 77.4 (2011): 671–686.

Contends that the growth of various local integrity initiatives signifies an ongoing institutional turn in China toward integrity management, suggesting a paradigm shift in understanding corruption and its changing patterns.

Guo, Yong. "The Evolvement of the Chinese Communist Party Discipline Inspection Commission in the Reform Era." *China Review* 12.1 (2012): 1–23.

On the basis of an empirical study of the career experiences of provincial Discipline Inspection Commission (DIC) secretaries, shows that the DIC has made distinctive progress in China's reform era, but that its future success depends on a redefinition of the DIC's role, especially its relations with the procuratorate and the CCP.

Guo, Xuezhi. "Controlling Corruption in the Party: China's Central Discipline Inspection Commission." *China Quarterly* 219 (September 2014): 597–624.

Analyzes how the CCP exerts control over the disciplinary organizations, arguing that the latter's lack of autonomy hinders their efforts to crack down on corruption, by examining the CCDI's organizational structure, modes of operation, disciplinary criteria, and approaches to combat corruption.

Li, Ling. "The Rise of the Discipline and Inspection Commission, 1927–2012: Anticorruption Investigation and Decision-Making in the Chinese Communist Party." *Modern China* 42.5 (2016): 447–482.

Analyzes the longitudinal changes of the operative structure, rules, and practices of the CCDI to demonstrate how the CCP regulates its own enforcement agency through institutionalizing the disciplinary decision-making process. Identifies three features of the institutionalization process: concentration, centralization of disciplinary power, and further depoliticization of disciplinary activities.

Li, Fenfei, and Jinting Deng. "The Limits of the Arbitrariness in Anticorruption by China's Local Party Discipline Inspection Committees." *Journal of Contemporary China* 25.97 (2016): 75–90.

On the basis of interviews in local branches of the CCDI, uses a microlevel analysis to explore the effectiveness, internal limits, and selectiveness of its work at local levels; concludes that local CCDIs remain heavily affected by the same-level local governments, and that their work is still not institutionalized and relies heavily on higher-level intervention.

Ma, Stephen K. "The Dual Nature of Anti-corruption Agencies in China." *Crime, Law and Social Change* 49.2 (2008): 153–165.

Reviews the problem of "policing the police," arguing that unethical bureaucratic behavior in anticorruption agencies has been among the increasingly vexing pathologies the authorities have to cope with.

Manion, Melanie. "Taking China's Anticorruption Campaign Seriously." *Economic and Political Studies* 4.1 (2016): 3–18.

Contends that the current anticorruption campaign differs notably from previous efforts, due especially to significant changes in the structure of CCP and government incentives to reduce bureaucratic opportunities for corruption and structural obstacles to anticorruption enforcement; concludes that these features constitute important steps toward anticorruption institutionalization and credible commitment to good governance.

Yeo, Yukyung. "Complementing the Local Discipline Inspection Commissions of the CCP: Empowerment of the Central Inspection Groups." *Journal of Contemporary China* 25.97 (2016): 59–74.

Examines how new central inspection groups complement the existing groups institutionally and normatively, and explores the CCP's institutional engineering efforts to maintain legitimacy, organizational integrity, and sustainability.

Anticorruption Institutional Reforms

Studies in this subsection look at a variety of reforms the CCP has undertaken in the early 21st century to improve the anticorruption institutions, and why they have generally failed to deliver. These reforms include those in the Chinese systems of civil service, official consumption, conflict-of-interest regulation, auditing, and justice. But the reform measures do not always produce the desired outcomes and, worse, often induce new problems and new corruption. Burns and Wang [2010](#) and Sun [2008](#) examine why civil service reforms in the first decade of the 21st century, which aimed at reducing corruption, had failed to do so. Gong [2015](#), on the other hand, argues that the failure has allowed more central receptiveness to local initiatives in cadre management and integrity promotion. Guo [2010](#) notes the importance of reforming the official consumption system to anticorruption, while Liu and Lin [2012](#) discusses the importance of government auditing. Hao [1999](#) is optimistic that anticorruption efforts will lead to progress toward rule of law. Guo and Li [2015](#) and Gong and Ren [2013](#), meanwhile, emphasize the challenges that remain in these efforts.

Burns, John P., and Xiaoqi Wang. "Civil Service Reform in China: Impacts on Civil Servants' Behaviour." *China Quarterly* 201 (March 2010): 58–78.

Argues that the civil service reforms were undermined by clashes with other policies being implemented at the time and by a failure to address elements of organization culture that have rewarded various forms of illegal behavior, such as corruption.

Gechlik, Mei Ying. "Judicial Reform in China: Lessons from Shanghai." *Columbia Journal of Asian Law* 19.1 (2005): 97–137.

Highlights that one of the lessons for judicial reform in China that derived from Shanghai's experiences in tackling interference and judicial corruption is the Shanghainese culture of placing more emphasis on rules than on *guanxi*, or connections with government agencies, to reduce interference.

Gong, Ting. "Managing Government Integrity under Hierarchy: Anti-corruption Efforts in Local China." *Journal of Contemporary China* 24.94 (2015): 684–700.

Drawing on fieldwork in Guangdong, addresses why the central leadership has become receptive to local initiatives in cadre management and integrity promotion. Suggests that the strategic adjustment testifies to the institutional failure of the earlier anticorruption regime that manifested in, inter alia, an acute agency loss problem.

Gong, Ting, and Jianming Ren. "Hard Rules and Soft Constraints: Regulating Conflict of Interest in China." In *Special Issue: Controlling Corruption in Greater China: Practices and Trends. Journal of Contemporary China* 22.79 (2013): 1–17.

By examining how conflicts of interests are regulated in China, argues that regulations alone cannot guarantee ethically sound behavior in the absence of a supportive value framework of like-minded civil servants.

Guo, Yong. "Political Culture, Administrative System Reform and Anticorruption in China: Taking the Official Car Management Institution Reform as an Example." *Crime, Law and Social Change* 53.5 (2010): 493–508.

Contends that the official consumption institution reform is essential for improving China's administrative system, taking the reform of the official car management institution as an example and analyzing its importance to anticorruption efforts and the impact of political culture on the reform.

Guo, Yong, and Songfeng Li. "Anti-corruption Measures in China: Suggestions for Reforms." *Asian Education and Development Studies* 4.1 (2015): 7–23.

Assesses several anticorruption measures of the CCP and the serious challenges that remain, including an irrational system of administrative reform and an unbalanced relationship between the CCDI and the judiciary departments that constrain China's anticorruption efforts.

Hao, Yufan. "From Rule of Man to Rule of Law: An Unintended Consequence of Corruption in China in the 1990s." *Journal of Contemporary China* 8.22 (1999): 405–423.

Argues that an unintended consequence of corruption and anticorruption efforts in China is the progress toward rule of law.

Liu, Jin, and Bin Lin. "Government Auditing and Corruption Control: Evidence from China's Provincial Panel Data." *China Journal of Accounting Research* 5.2 (2012): 163–186.

Using provincial panel data, provides evidence that government auditing can contribute to curbing corruption in China, finding that the number of irregularities detected in government auditing is positively related to the corruption level in that province, while postaudit rectification effort is negatively related to the corruption level in that province.

Sun, Yan. "Cadre Recruitment and Corruption: What Goes Wrong?" *Crime, Law and Social Change* 49.1 (2008): 61–79.

Argues that reforms in the system of personnel to curb corruption and improve the quality of the civil service have resulted in different types of corruption, due to officials' exploitation of new opportunities and loopholes.

Anticorruption Campaigns and Other Strategies

Studies in this subsection deal with the CCP's anticorruption strategies beyond the CCDI. These range from the traditional methods of political campaigns and petition gathering to new methods of response strategies, information technologies, and electronic monitoring. The efficacy of the old and new methods is assessed as being selectively useful at controlling corruption, especially in political campaigns. Wedeman [2005](#) and Zhu [2015](#) examine the ineffectiveness of the campaign-style anticorruption strategy and selective discipline. Quah [2015](#) assesses the efficacy of Xi Jinping's anti-corruption campaign. Alternative strategies are discussed in Dimitrov [2015](#) (petitions), Hu [2015](#) (electronic monitoring systems), and Shan, et al. [2015](#) (response strategies). Unconventionally, Quade [2007](#) argues that anticorruption campaigns have functioned as a viable mechanism for reducing overinvestment and decreasing inflation. Fu [2015](#) assesses the rationale behind President Xi Jinping's latest anticorruption campaign.

Dimitrov, Martin K. "Internal Government Assessments of the Quality of Governance in China." *Studies in Comparative International Development* 50.1 (2015): 50–72.

Argues that petitions rather than elections function as the main channel for gathering information on popular perceptions about governance problems in communist autocracies, without compromising stability maintenance.

Fu, Hualing. "Wielding the Sword: President's Xi's New Anti-corruption Campaign." In *Greed, Corruption, and the Modern State: Essays in Political Economy*. Edited by Susan Rose-Ackerman and Paul Lagunes, 134–160. Cheltenham, UK: Edward Elgar, 2015.

Contends that in an authoritarian state with a high level of corruption, an anticorruption campaign is a delicate political battle that addresses two significant concerns. One is to orchestrate the campaign so that it is regime reinforcing instead of regime undermining. The other is for the regime to muster credibility by demonstrating its willingness and capacity to punish corrupt officials at the highest levels.

Hu, Xinli. "Effectiveness of Information Technology in Reducing Corruption in China: A Validation of the DeLone and McLean Information Systems Success Model." *Electronic Library* 33.1 (2015): 52–64.

Argues that the application of electronic monitoring systems has a positive effect on reducing corruption in China. Such systems thus have the potential to reduce corruption, but institutions and people are still more important.

Quade, Elizabeth A. "The Logic of Anticorruption Enforcement Campaigns in Contemporary China." *Journal of Contemporary China* 16.50 (2007): 65–77.

Establishes a causal link between anticorruption campaigns and economic-austerity rounds, arguing unconventionally that these campaigns have been used primarily to combat economic overheating and not corruption itself. That is, during the era of reform, anticorruption enforcement campaigns have functioned as a viable mechanism for reducing overinvestment and, in so doing, decreasing inflation.

Quah, John S. T. *Hunting the Corrupt "Tigers" and "Flies" in China: An Evaluation of Xi Jinping's Anti-corruption Campaign (November 2012 to March 2015)*. Maryland Series in Contemporary Asian Studies 2015.1. Baltimore: University of Maryland, 2015.

Evaluates CCP leader Xi Jinping's anticorruption campaign by identifying its strengths and weaknesses; makes policy recommendations for enhancing the effectiveness of China's anticorruption strategy.

Shan, Ming, Albert P. C. Chan, Yun Le, and Yi Hu. "Investigating the Effectiveness of Response Strategies for Vulnerabilities to Corruption in the Chinese Public Construction Sector." *Science and Engineering Ethics* 21.3 (2015): 683–705.

Investigates the effectiveness of response strategies for corruption vulnerabilities, through a survey in the Chinese public construction sector. Analysis results showed that the four response strategies of leadership, rules and regulations, training, and sanctions achieved only an acceptable level in preventing corruption vulnerabilities in the Chinese public construction sector.

Wedeman, Andrew. "Anticorruption Campaigns and the Intensification of Corruption in China." *Journal of Contemporary China* 14.42 (2005): 93–116.

Analyzes the efficacy of China's campaign-style anticorruption strategy, suggesting that while this strategy may succeed in keeping corruption "under control," it is likely to do so by deterring low-level corruption but not high-level, high-stakes corruption. Concludes that campaign-style enforcement may have contributed to the "intensification" of corruption by encouraging the inflation of bribes.

Zhu, Lin. "Punishing Corrupt Officials in China." *China Quarterly* 223 (September 2015): 595–617.

Explains the reasons behind China's mixed record of corruption and anticorruption, arguing that the CCP's mode of selective discipline compromises the credibility of the state in terms of anticorruption efficacy, but it also creates uncertainty for corrupt agents because corrupt officials are not guaranteed exemption.

Anticorruption and Regime Legitimacy

Anticorruption initiatives potentially strengthen state legitimacy, but the impact can be mitigated by other factors. Exposure of excessive corruption may undermine legitimacy, but being seen as on the side of anticorruption regains legitimacy and popular support. Studies in this subsection, all based on surveys or interviews, show that anticorruption efforts generate more benefits than costs in terms of regime legitimacy and stability. Li [2001](#) and Cheung and Leung [2007](#) find that anticorruption efforts induce popular support or life satisfaction among the public. However, Hsu [2001](#) attributes the improved legitimacy to the regime's manipulation of the corruption narrative, while Li, et al. [2016](#) finds that public attitudes about the state's anticorruption efficacy are affected by a mix of economic and political factors, specifically public views of income inequality and instruction of political power.

Cheung, Chau-kiu, and Kwan-kwok Leung. "Enhancing Life Satisfaction by Government Accountability in China." *Social Indicators Research* 82.3 (2007): 411–432.

On the basis of a survey of 732 inhabitants in Beijing, finds that government accountability—including reducing corruption and inequality and increasing tolerance and democracy—showed significant effects on life satisfaction in all economic, cultural, and political aspects, especially for the less educated and powerless.

Hsu, Carolyn L. "Political Narratives and the Production of Legitimacy: The Case of Corruption in Post-Mao China." *Qualitative Sociology* 24.1 (2001): 25–54.

On the basis of interviews and archival data, examines narratives on the topic of corruption produced in the post-Mao era by the ruling regime and political dissidents in their struggle to influence the populace's views on political legitimacy.

Li, Lianjiang. "Support for Anti-corruption Campaigns in Rural China." *Journal of Contemporary China* 10.29 (2001): 573–586.

On the basis of survey data from six Chinese provinces, determines that Mao-style anticorruption campaigns have gained support from peasants and that these supporters are stronger the more frustrated they are with local government performance.

Li, Hui, Ting Gong, and Hanyu Xiao. "The Perception of Anti-corruption Efficacy in China: An Empirical Analysis." *Social Indicators Research* 125.3 (2016): 885–903.

Drawing on a survey of 1,604 randomly selected residents in Shanghai in 2008 to examine the perceptions and attitudes of Chinese citizens toward the government's anticorruption effort, discovers that these views are influenced by a combination of economic and political factors.

Anticorruption Comparative Perspectives

Comparative perspectives on anticorruption efforts in China and other countries or regions help shed light on the weaknesses and strength of the Chinese strategies. Studies in this subsection show that China's anticorruption institutions and strategies pale in comparison with Hong Kong and Singapore, as noted in the analyses in Manion [2004](#) and Holmes [2015](#), but perform better than those cases without China's political will or state capacity to fight corruption, as revealed in the analyses in Garmaev, et al. [2015](#) and Hassid and Brass [2015](#). In addition, between Hong Kong and Macao, the two special administrative regions (SARs) of China, the former is highly successful in its rule-based anticorruption strategy, as discussed in Scott [2013](#), while the latter has failed, as examined in Yu [2013](#).

Garmaev, Yury P., Diana A. Stepanenko, and Fengling Cong. "Prevention of Corruption Crimes in China and Russia: Problems and Ways of Solution." *Asian Social Science* 11.18 (2015): 261–266.

Examines means of legal education and forms of implementation that are aimed at prevention of corruption-related crimes, taking into account the law enforcement practice of Russia and China.

Hassid, Jonathan, and Jennifer N. Brass. "Scandals, Media and Good Governance in China and Kenya." *Journal of Asian and African Studies* 50.3 (2015): 325–342.

Argues that contrary to expectations, authoritarian China is more responsive to public pressure to clean up scandals than democratic Kenya. Finds that while democracy and free media are important for government responsiveness to scandal, political will, state capacity to respond, and high public expectations for state action are also necessary.

Holmes, Leslie. "Combating Corruption in China: The Role of the State and Other Agencies in Comparative Perspective." *Economic and Political Studies* 3.1 (2015): 42–70.

Compare China's current anticorruption approach with those both of post-communist and other Sinic states/regions; highlights lessons for China from Singapore and the Hong Kong SAR, specifically the establishment of an independent anticorruption agency.

Lai, Alan. "Building Public Confidence in Anti-corruption Efforts: The Approach of the Hong Kong Special Administrative Region of China." *Forum on Crime and Society* 2.1 (2002): 135–146.

Attributes the success of Hong Kong's Independent Commission against Corruption (ICAC) in eliminating corruption to its securing of public and government support, as well as to its legal powers and resources.

Manion, Melanie. *Corruption by Design: Building Clean Government in Mainland China and Hong Kong*. Cambridge, MA: Harvard University Press, 2004.

Contrasts anticorruption institutions and strategies of mainland China and Hong Kong to explore how governments can transform a culture of widespread corruption to one of clean government. Argues that

differences in institutional design choices about anticorruption agencies, appropriate incentive structures, and underlying constitutional designs contribute to the disparate outcomes in Hong Kong and mainland China.

Scott, Ian. "Institutional Design and Corruption Prevention in Hong Kong." In *Special Issue: Controlling Corruption in Greater China: Practices and Trends. Journal of Contemporary China* 22.79 (2013): 77–92. On the basis of a survey and interviews of ethics officers in the Hong Kong government, evaluates Hong Kong's addition of value-based elements to its highly successful rule-based anticorruption strategy.

Yu, Eilo Wing-Yat. "Anti-corruption Approaches in Macao: Lawmaking and Legal Enforcement." In *Special Issue: Controlling Corruption in Greater China: Practices and Trends. Journal of Contemporary China* 22.79 (2013): 93–108.

Explores why the institutional framework for dealing with corrupt practices has singularly failed in Macao, attributing the failure to the content of the rules and the way in which they are implemented.