

# CONTEMPORARY RUSSIAN CORRUPTION<sup>1</sup>

All social reality is precarious.  
All societies are constructions  
in the face of chaos.

P. Berger, T. Luckmann

Do ut facias<sup>2</sup>.

## What is a corruption?

There are too many *definitions* of corruption (Friedrich, 1972; Heidenheimer, Johnston, Le Vine, 1989; Meny, 1996; Nye, 1967; Palmier, 1985; Rose-Ackerman, 1978; Wewer, 1994; and others). Perhaps the shortest (and the most precise) of them is: "*the abuse of public power for private profit*" (Joseph Senturia, see: Wewer, 1994: 481). The UNO offers as analogous definition (Resolution 34/169 of the General Assembly UNO, 12.17.1979).

There are too many *forms* (manifestations) of corruption: bribery, favouritism, nepotism, protectionism, lobbying, illegal distribution and redistribution of public resources and funds, theft of treasury, illegal privatization, illegal financing of political structures, extortion, allowance of favourable credit (contracts), buying votes, the famous Russian "*blat*" (different services for relatives, friends, acquaintances /Ledeneva, 1998/), etc.

There are three main *sociological models* of corruption: "nomenclative" (infringement of official norms for the sake of private relations), "market" (business activities for maximization of income) and "public interest" (corrupt practices as threat for public interest).

*Heidenheimer* distinguishes "routine" (presents, bribery) and "aggravating" corruption (extortion and organized crime relation); "white" (when public opinion does not regard corrupt actions as reprehensible), "grey" (when there is no public

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<sup>1</sup> Yakov Gilinskiy (2004). The Contemporary Russian Corruption. In: S. Nevala, K. Aromaa (Eds). *Organized Crime, Trafficking, Drugs*. Helsinki: HEUNI, pp. 60-69.

<sup>2</sup> I give that you make (Latin)

consensus) and "black" (general disapproval of corrupt actions) corruption (Heidenheimer, Johnston, Le Vine, 1989).

Corruption is a complicated *social phenomenon*. It is intertwined with the relations of economic exchange (brokers). It is a type (manifestation) of venality just as marriage swindling or prostitution (the venality of spirit or body...), and it exists in societies of commodity and pecuniary circulation.

Corruption is a *social construction* (Berger, Luckmann, 1967). Society determines ("constructs"): what, where, when, and under which conditions is considered as "corruption", "crime", "prostitution" and so forth. How is corruption constructed? This process includes numerous bribes of different State employees; the consciousness of these facts as social phenomenon, as corruption, as social problem; the criminalization of some forms of corruption (for example, bribery, extortion, theft of treasury, etc.), and so on.

Corruption is a *social institution* (Kuznetsov, 2000; Timofeev, 2000). *It is a part, an element of the system of management and government*; it consists of some elements, ways, methods, means of the process of managing and governing. It is a pity, but it is a fact. Corruption is a social institution because:

- Corruption carries out certain *social functions*: simplifying of administrative relations; acceleration of administrative decisions; consolidation and restructuring relations between social classes, strata; adding to economic development by decreasing government regulation; optimising economy when there is a deficit of resources; etc. (Leff, 1964; Scott, 1972; and others).
- The process of corruption involves action of *certain persons*: bribe-taker, bribers, mediators. They are in "patron – client" relationship with each other. They play certain *social roles*.
- There are certain *rules (norms)*, and partners know them.
- Certain *slang* and *symbols* exist.
- There are certain *fixed prices* ("tariffs"). In Russia, some of these prices have been made public by the press. The newspaper "Signal" (1996, N1) published

tariffs for the illegal services of GAI – State Transport Inspection; the newspaper "Vash Tain'y Sovetnik" ("Your Secret Counselor") tariffs for "free" education in different universities of St. Petersburg (including faculties of law and Police Academy...). Perhaps the most interesting data were published in the book "*Corruption and Combat Corruption*" (2000: 62-63): there are fixed prices for briber when obstructing an investigation (bringing an action) in criminal cases - \$1,000-10,000; for substitution of arrest for obligation to give a written statement agreeing not to leave a place - \$20,000-25,000; for reducing punishment – \$5,000-15,000; for "ignorance" in customs infringement – \$10,000-20,000 or 20-25% of customs duty. Moreover there are data on tariffs for bribing high State officials: the head of Duma's (the Russian parliament) committee - \$30,000, assistant of the deputy - \$4,000–5,000, a presentation of law project - \$250,000 (Sungurov, 2000: 41). These prices are undoubtedly subject to inflation adjustment, and will, therefore, rise.

### **Brief summary of Russian corruption**

It is a pity, but corruption is a Russian tradition (see: Kabanov, 1995; Kirpitchenkov, 1997). "Legal" corruption began in the IX-X centuries, when an institute called "*kormlenie*" ("nourishment", "feeding") was formed. The Russian head of State (prince, tsar) sent his representative to a province without salary, but for "*kormlenie*": the people of the province were to provide for the representative, who had a lot of power. Local people started to bring "presents" for favourable decisions. The institute was officially abolished in 1556, but the habit of bribing survived (and still does...).

Later "*kormlenie*" was transformed to "*lichoinstvo*" (bribe with infringement of law) and "*mzdoimstvo*" (bribe without infringement of law), which in turn were (in ca. XV century) replaced by "*vzjatotchnitchestvo*" (taking a bribe, corruption). The first law to stipulate a punishment for judges who took bribes was "Sudebnik" (Law for Court, "sud" = court) of 1497. In the 16<sup>th</sup> century, "*Vymogatel'stvo*" (extortion)

was acknowledged as a form of corruption. Corruption turned into an epidemic in Russia in the XVIII century. The Tsar (emperor) Peter I ("Peter the Great", 1672-1725) was very concerned of mass corruption, and attempted to restrict it even by the death penalty (Edicts 23 August 1713, 24 December 1714, 5 February 1724), but in vain. Even his best friend, Prince Men'shikov, was corrupt! All future legislation (1845, 1866, 1916) included statutes on the different forms of corruption. But "Corruption is immortal!"... Or as P. Berlin wrote about Russian: "Taking bribes is indissolubly interlaced with the whole system and political life" (Berlin, 1910: 48).

The Soviet State fought corruption, too (also by death penalty since 1922), but nothing worked. It is known that corruption existed even during Stalin's totalitarian regime, although in complete secrecy. In the 60's and 70's, the leaders of the Communist Party and the Soviet State (so-called "nomenclature") and Soviet bureaucrats were absolutely corrupt.

### **How widespread is Russian corruption?**

There is corruption in all countries. It is a world problem. But the dimensions of corruption vary. In Russia, corruption is common in all organs of power and establishments. The Corruption Perception Index 2002 (published by Transparency International) for Russia is 2.7; it is on the 74<sup>th</sup> place among 102 countries (least corruption: Finland, Index - 9.7, most corruption: Bangladesh, Index - 1.2).

The damage caused by corruption is estimated at \$20-25 milliard per year. Every year \$15-25 milliard of Russian capital is exported abroad. Between 1988 - 1999, the corresponding figure was \$300-350 milliard in all (Corruption and Combat Corruption: Role of Civil Society, 2000: 18-21; 72-73).

Every day Russian and foreign Mass Media reveal more facts about Russian corruption and corrupt activities. Every day Russian newspapers and journals publish names of people who have taken bribes, and describe the amounts of money or types of services exchanged, but the authorities do not react. In July 2003 (N49), "*New newspaper*" published the price of education in St. Petersburg's universities: from

\$2500 to \$4000. In December 2002 (N93), it cited a booklet of Duma's deputy Professor G. Kostin, where prices for buying off the highest State officials were stipulated: head of department of the Supreme Court of Justice - \$400,000; deputy of head of Moscow's Arbitration Tribunal - \$1.3 million; deputy of Ministry of Power Engineering - \$10 million. The newspaper hoped to get some reaction of officials (excuse, refutation, inquiry) but got nothing! Most of the highest officials enjoy inviolability *de jure* (deputies, judges and other) or *de facto*.

Konstantinov's "Corrupted Petersburg" contains a great number of facts about corruption (Konstantinov, 1997). The USA Congress report "Russia's Road to Corruption" (September, 2000) is interesting, too.

There are extensive *corruption networks* including ministries, police, FSB (former KGB) (Satarov, 2002; Sungurov, 2000: 72-82). *Corruption in contemporary Russia is an element of the political system, a mechanism of the political regime.* There are two levels of corruption: "lower" ("face-to-face") and "higher" (corruption networks). The study of Fond INDEM (head Dr. G. Satarov, former assistant of ex-president Boris Yeltsin) shows that there are extensive corruption networks in the Ministry of Internal Affairs, the Federal Service of Security, and the State Committee of Customs Service. The Military Government is also very corrupt. Each corruption network contains three structures: commercial or financial, state officials and "group of defence" – police, FSB, prosecutors office (Satarov, 2000: 8).

On the "lower" level, an average bribe (for policeman, doctor, teacher and so on) are ranges from \$20-120 to \$1000-5000 (Arguments and facts, 2002:4) per occasion. The dimensions of bribe on corruption networks are greater. There is also an other system for calculating the bribe, "*otkat*" ("recoil", "delivery", "return"): the official gets 3-10% (Satarov, 2000: 8) or 40-60% of sum of an agreement (New Newspaper, 2003: 12).

Corruption paralyses all positive, creative activities. It is virtually impossible to develop production, market economy or social reforms, when everything depends on corrupt officials. Corruption of police, the prosecutor's office and judges is

particularly dangerous. "Corruption of judges is one of the most powerful corruption markets in Russia... Corruption of judges penetrates the different corruption networks at different levels of power" (Satarov, 2003). Arbitration courts are particularly corrupt.

The Center of Deviantology (Sociology of Deviance and Social Control) of the St. Petersburg Sociological Institute of Russian Academy of Sciences (head Prof. Y. Gilinskiy) studies organized crime and corruption in Russia, especially in St. Petersburg. Our respondents (informants) have commented as follows on the contemporary situation: "The average businessman is extremely involved in crime... One has to bribe for everything... one cannot deal with taxation inspection without a bribe... A bribe is inevitability in the sphere of business...Tax inspection is highly corrupt". One has to bribe when registering a business, when renting premises from state bodies, when acquiring licenses for their utilization, when obtaining low-interest bank credits, when reporting to tax inspectors, when completing customs formalities, etc. The "tariff" for fire inspection is higher than for sanitary inspection, but lower than what is paid to the custom house.... However, business people are not the only ones who suffer from corruption. *Everybody* must offer bribes, in education institutions, in medical institutions, in different administrations, in the police, and so on.

There are various forms of taking bribes. One of our respondents (interviewer Dr. Y. Kostjukovsky) mentioned an interesting method: "I can invite somebody to the casino and he will win. He can win as much as I want. This situation is pure and perfect – no bribes, no corruption. The person is lucky, no problems".

*Official* data on bribes and corruption are presented in table 1. But corruption, including taking bribes, is a very latent phenomenon. Official, registered data portray the result of police action rather than the reality. Firstly, these figures are only "a drop in the ocean". Secondly, the number of registered crimes (bribers) two times higher than the number of revealed persons, and the number of revealed persons two times higher than the number on convicted persons (table 2). Thirdly, these revealed and

convicted persons are "small fishes", including workers, students, the unemployed (table 3). Furthermore, the rates of "corrupt crimes" (bribes, embezzlement, appropriation) in 1999 were the following: Moscow – 11.8, St. Petersburg – 11.2, Komi Republic – 78.7, Kurgansky region – 75.6, Kostromskaja region – 70.9 (Luneev, 2000). This is a sheer impossibility: corruption in Moscow and St. Petersburg is far greater than in other Russian regions.

Corruption is a "normal" way of solving different problems in contemporary Russia. Results from various questionnaire studies provide interesting information. For example, although 56% of our respondents (St. Petersburg, 1993) regarded corruption as a negative phenomenon, 45% of them were ready to take or give bribers (Afanasjev, Gilinskiy, 1995: 94). 37% of respondents (Russian representative interrogation, 1999) had witnessed (participated in) corrupt activities (of business people 65%); 50% had given "presents" to medical institutions (of business people 62%) (Kljamkin, Timofeev, 2000: 11, 14). In a survey examining the regional elites of Russia's North-West, 94.4% of the respondents confirmed that "Corruption and taking bribes are widespread in Russia" (Duka, 2001: 162).

It is known that there is "white", "grey" and "black" corruption (Heidenheimer, Johnston, Le Vine, 1989). Russian corruption is becoming more and more 'white', because the tolerance of corruption is growing. It is a shame that young Russians have learnt in childhood, at school and university (including the faculty of law) that in Russia, anything *can* be bought and sold.

Old Russian tradition (and *ethics!*) of corruption is reflected in local proverbs and sayings: "Let's put a candle in front of God, let's put a sack (with a present in it – Y.G.) in front of a judge", "Hands exist in order to take", "What you do for me, I do for you", and so on (see: Kuznetchov, 2000: 67). Russian ethics tolerate bribery. It is custom, habit – a way to "thank" for "a service".

What are the causes of contemporary corruption in Russia? There are countless factors ("causes"), but I believe the following to be the primary ones:

- Old Russian traditions;

- The corrupt "nomenclature" of the former Soviet system has maintained its position and power, and brought its corrupt habits to the "new" system;
- The privatization by the "nomenclature" created an economic basis for corruption;
- Powerful Russian organized crime uses bribery as its main means of defence;
- Since the highest strata of power are corrupt, it is clearly, that lower and ordinary officials will take bribes, too (or as a Russian proverb puts it: "a fish start to rot from its head").

*I think corruption is the most serious problem in Russia, because all other problems remain unsolved when anything can be bought and sold.*

### **Is it possible to fight corruption in Russia?**

I think it is impossible (as it is impossible in any country). Corruption is an eternal social problem. It is impossible "to gain victory over corruption" in Russia, or the world.

In today's Russia, *legal* reaction to corruption poses a very complicated problem. On one hand, the Criminal Code of the Russian Federation (CC RF) stipulates stern punishments: for taking a bribe a maximum of 12 years of imprisonment (Art. 290, CC RF), for giving or offering a bribe up to 8 years of imprisonment (Art. 291, CC RF), for abuse of power up to 8 years of imprisonment (Art. 285 CC RF) and so forth. On the other hand, a "Law of Corruption" has not yet been passed (although it has been prepared for a number years), and in practice, convictions of high officials are rare.

There are no *real organizational mechanisms* for counteracting corruption, but too many institutions which "combat corruption": the prosecutor's office, FSB (former KGB), the Ministry of Internal Affairs (MVD), different commissions and committees.

In reality, any attempts to reduce the scale of corruption must be made step by step. It is a long and hard process involving social, political, economic and juridical means (not only juridical!). I believe that the primary means are:

- A drastic reduction of the plenary powers of bureaucrats.
- A drastic reduction of the right of bureaucrats to "regulate" economics, education, science, medicine and so on.
- Decreasing the number of bureaucrats (in 1990s, there were 15 million bureaucrats in Russia; in 1991, the "State machinery" employed 715,900 officials and in 1993, already 926,600; in 1996, the personnel of the Ministry of Internal Affairs – MVD – comprised 1.5 million people, or 1,200 per 100,000 population, which is more than in any other country /Corruption and Combat Corruption, 2000: 29; Newman, 1999: 124/).
- Increasing the independence of businesses and citizens.
- Increasing the independence and prestige of courts (judges).
- Developing civil society.
- Increasing the salary of officials.
- Forming corresponding social consciousness (by Mass Media, by actual attempts to fight corruption, etc).
- Forming political will to decrease corruption; etc.

Unfortunately, I think this is impossible in contemporary Russia. Police and prosecutor's office are very corrupt (Corruption and combat corruption, 2000: 86-112) as are all strata of power. "We can talk about a new model of government, where the corruption of the government staff is a way of maintaining power. Corruption... is a part of commanding policy" (Brovkin, 2000: 70). Who will fight corruption? That is a question!

**Table 1****Bribery in Russia  
(1986 – 2002)**

Year	Registered cases	Rate (per 100,000 population of 16-year-olds or older)
1986	6562	5.9
1987	4155	3.8
1988	2462	2.2
1989	2195	2.0
1990	2691	2.4
1991	2534	2.3
1992	3331	2.9
1993	4497	3.9
1994	4921	4.3
1995	4889	4.3
1996	5453	4.8
1997	5608	4.9
1998	5804	5.0
1999	6871	5.9
2000	7047	6.0
2001	7909	6.8
2002	7311	5.1

Source: Crime and Delinquency in the USSR (1991: 83,84); Crime and Delinquency (1995: 116, 121); Crime and Delinquency (2002: 117, 122);

**Table 2****Some data on bribery in Russia (1987 - 2001)**

Year	Registered cases	Revealed persons	Convictions
1987	4155	2836	2008
1988	2462	1994	812
1989	2195	1306	451
1990	2691	1510	649
1991	2534	1266	612
1992	3331	1537	686
1993	4497	2279	843
1994	4921	2727	1114
1995	4889	2342	1071
1996	5453	2692	1243
1997	5608	2320	1381
1998	5804	2803	1314
1999	6823	2921	1515
2000	7047	3481	1529
2001	7909	3696	2084

Source: Crime and Delinquency (1992: 97, 146); Crime and Delinquency (1995: 117, 154); Crime and Delinquency (2002: 118, 171)

Table 3

**Bribery: Data on revealed persons in Russia, %  
(1987 – 2001)**

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Gender:															
- male	58.7	48.7	59.7	69.0	66.3	70.1	75.2	77.3	77.5	77.4	73.7	75.4	70.1	74.2	73.4
- female	41.3	51.3	40.3	31.0	33.7	29.9	24.8	22.7	22.5	22.6	26.3	24.6	29.9	25.8	26.6
Age:															
- 16-17	0.3	0.4	0.1	0.0	0.2	0.2	0.3	0.1	*	*	*	*	*	*	*
- 18-29	17.8	19.3	20.5	25.4	19.6	28.6	27.2	30.7	29.8	28.8	27.1	26.4	8.9	26.9	26.2
- 30 or older	81.9	80.3	79.4	74.6	80.2	71.2	72.2	69.2	70.2	71.2	72.9	73.4	91.0	73.1	72.9
Social status:															
- workers	33.2	38.4	37.7	37.9	34.0	33.8	16.4	18.5	19.3	21.3	13.7	15.0	13.2	14.1	16.8
- employees	58.3	50.8	51.2	50.0	53.9	51.3	43.9	46.4	50.9	48.8	46.3	48.6	50.7	46.8	43.2
- farmers	1.7	1.8	1.8	1.2	0.6	1.1	1.5	1.4	0.2	0.3	0.6	0.5	0.5	0.4	0.6
- students	0.7	1.4	0.6	2.9	0.7	0.2	2.2	0.3	0.5	0.6	1.7	0.8	1.3	2.7	4.0
- without work or study places (unemployed)	1.7	2.0	3.1	3.0	3.9	6.5	6.8	3.6	12.6	13.1	14.2	12.9	9.8	13.9	15.1

\* No data

Source: Crime and Delinquency (1992: 97); Crime and Delinquency (1995: 117); Crime and Delinquency (2002: 118).

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