

## THE STRUCTURE OF CORRUPTION: A SYSTEMIC ANALYSIS USING EURASIAN CASES

SARAH CHAYES

Corruption is gaining recognition among civil society and government decisionmakers alike as a central factor in many of the world's worst problems. It is acknowledged as a cause not only of persistent poverty and underdevelopment but also, increasingly, of many of the security challenges undermining global stability. Yet the understanding of the way it functions lags behind this realization—as does, therefore, the likelihood of devising good remedies.

A prerequisite to building an effective anticorruption approach is an intimate—and unflinching—examination of the specifics of corrupt operations in the individual country of interest and its physical and electronic neighborhoods. The picture that emerges from such an analysis can help in tailoring effective anticorruption efforts, and should inform any interaction with such a country, to avoid reinforcing such networks and their practices.

### Key Themes

- Corruption is not just the behavior of some venal officials in a particular agency; it often represents the operating system of sophisticated—and successful—networks.
- Examination of three dissimilar Eurasian countries—Azerbaijan, Kyrgyzstan, and Moldova—reveals some of the ways these networks may structure themselves.
- Distinctions between public and private sectors, licit and illicit actors hardly apply. Kleptocratic networks integrate across sectors, with some individuals playing multiple roles. The network leader may be outside government.
- Ruling kleptocratic networks harness levers of government power to the purpose of maximizing gains or ensuring discipline. Other elements of state function are disabled, meaning capacity deficits may be deliberate.
- These networks' practices are facilitated by developed-country business registration service providers, or real estate agents that sell to suspect buyers. But Western enabling goes further. Military and development assistance, the character of diplomatic relations, even foreign direct investment can contribute to an incentive structure that rewards corruption.
- Investigative journalists and civil society organizations are well positioned to develop the information an analysis of such systems requires, but they may need help framing their efforts—which alone should not be expected to bring about change.
- A clear infographic presentation of the structure of such networks may be helpful in driving home these realities.

### ABOUT THE AUTHOR

*Sarah Chayes, formerly special adviser to the chairman of the Joint Chiefs of Staff, is an expert in South Asia policy, kleptocracy and anticorruption, and civil-military relations.*

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### CONTACT

Tara Medeiros  
Deputy Director of Communications  
+1 202 939 2372  
tmediros@ceip.org

Clara Hogan  
Media Manager  
+1 202 939 2241  
chogan@ceip.org

## Some Framework Questions for a Structural Analysis of Kleptocratic Systems

- What elements of governmental function have been deliberately shaped or disabled to serve the enrichment objectives of the kleptocratic network?
- Are the networks vertically integrated; if so, how?
- What elements of the private, ostensibly nonprofit, or criminal sectors are integrated into these networks?
- What institutions or factors outside the country enable the networks' activities?
- What revenue streams are captured and where and how is the money secured or spent?

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