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General

What is the CPI?

The Transparency International Corruption Perceptions Index ranks countries in terms of the degree to which corruption is perceived to exist among public officials and politicians. It is a composite index, a poll of polls, drawing on corruption-related data from expert and business surveys carried out by a variety of independent and reputable institutions. The CPI reflects views from around the world, including those of experts who are living in the countries evaluated. Transparency International commissions the CPI from Johann Graf Lambsdorff, Chair Economic Theory, University of Passau and Senior Research Advisor to TI.

For the purpose of the CPI, how is corruption defined?

The CPI focuses on corruption in the public sector and defines corruption as the abuse of public office for private gain. The surveys used in compiling the CPI ask questions relating to the misuse of public power for private benefit. These include for example: bribery of public officials, kickbacks in public

procurement, embezzlement of public funds or questions that probe the strength and effectiveness of anti-corruption efforts, thereby encompassing both the administrative and political aspects of corruption.

Why is the CPI based only on perceptions?

It is difficult to assess the overall levels of corruption in different countries based on hard empirical data, e.g. by comparing the amount of bribes or the number of prosecutions or court cases. In the latter case, for example, such comparative data does not reflect actual levels of corruption; rather it highlights the quality of prosecutors, courts and/or the media in exposing corruption across countries. One strong method of compiling cross-country data is therefore to draw on the experience and perceptions of those who are most directly confronted with the realities of corruption in a country.

Method

How many countries are included in the CPI?

The CPI 2008 ranks 180 countries, the same number of countries as in 2007.

How are countries chosen for inclusion in the CPI?

A minimum of three reliable sources of corruption-related data is required for a country or territory to be included in the CPI. Inclusion in the index is not an indication of the existence of corruption but rather depends solely on the availability of data.

Which countries/territories were added to or removed from the CPI 2008?

A slight change in country coverage resulted from individual sources adjusting their coverage. This allowed the inclusion of Puerto Rico. Unfortunately, for Grenada only two sources were available, disallowing its inclusion this year.

Which countries might be included in future CPIs?

Transparency International is continuously and actively seeking to increase the number of countries and territories included in the CPI. Although a minimum of three sets of reliable data are required for the CPI, the following countries/territories are being considered for inclusion.

Countries or territories with two sets of data are: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Bermuda, Brunei, Cayman Islands, Fiji, Grenada, Liechtenstein, Micronesia (Federated States of), Netherlands Antilles, North Korea, Palestine, St. Kitts & Nevis and Tuvalu. For all of the above countries / territories, at least one more set of data is necessary for inclusion in the CPI.

What are the sources of data for the CPI?

The CPI 2008 draws on 13 different polls and surveys from 11 independent institutions. TI strives to ensure that the sources used are of the highest quality and that the survey work is performed with complete integrity. To qualify, the data must be well documented and sufficient to permit a judgment on its reliability. All sources must provide a ranking of nations and must measure the overall extent of corruption. This condition excludes surveys which mix corruption with other issues, such as political instability, decentralization or nationalism for instance.

Data for the CPI has been provided to TI free of charge. Some sources do not allow disclosure of the data that they contribute; other sources are publicly available. For a full list of survey sources, details on questions asked and number of respondents for the CPI 2008 please see the CPI methodology at <http://www.transparency.org/cpi> or <http://www.ICGG.org>

Whose opinion is polled for the surveys used in the CPI?

The expertise reflected in the CPI scores draws on an understanding of corrupt practices held by those based in both the industrialised and developing world and includes surveys of business people and country analysts. Sources providing data for the CPI survey non-resident and resident experts.

It is important to note that residents' viewpoints correlate well with those of non-resident experts.

Does the CPI reproduce what it is propagating?

The CPI has gained wide prominence in the international media since its first publication in 1995. This has raised concern that respondents' judgements may be overshadowed by the data reported by TI, which would introduce a problem of circularity. This hypothesis was tested in 2006 using a survey question posed to business leaders around the world. Based on more than 9000 responses, knowledge of the CPI does not induce business experts to 'go with the herd'. Knowledge of the CPI may motivate respondents to determine their own views. This is a strong indication that there is no circularity in the present approach.

How does TI ensure quality control of the CPI?

The CPI methodology is reviewed by an Index Advisory Committee consisting of leading international experts in the fields of corruption, econometrics and statistics. Members of the committee make suggestions for improving the CPI, but the management of TI takes the final decisions on the methodology in light of the academic advice provided by Prof. Dr. Johann Graf Lambsdorff from Passau University.

Interpreting the CPI

Which matters more, a country's rank or its score?

A country's score is a much more important indication of the perceived level of corruption in a country. A country's rank can change simply because new countries enter the index or others drop out.

Is the country with the lowest score the world's most corrupt country?

No. The country with the lowest score is the one where corruption is perceived to be greatest among those included in the list. There are more than 200 sovereign nations in the world, and the latest CPI 2008 ranks 180 of them. The CPI provides no information about countries that are not included.

Example: What is implied by Somalia's ranking in the CPI 2008?

Corruption in Somalia has been perceived to be the highest in the CPI 2008. This does not, however, indicate that Somalia is the 'world's most corrupt country' or that Somalians are the 'most corrupt people'. While corruption is indeed one of the most formidable challenges to good governance, development and poverty reduction in Somalia, the vast majority of the people are victims of corruption. Corruption by powerful individuals, and failure of leaders and institutions to control or prevent corruption, does not imply that a country or its people are most corrupt.

Can country scores in the CPI 2008 be compared to those in past CPIs?

The index primarily provides a snapshot of the views of business people and country analysts for the current or recent years, with less of a focus on year-to-year trends. If comparisons with previous years are made, they should only be based on a country's score, not its rank, as outlined above.

Year-to-year changes in a country's score can either result from a changed perception of a country's performance or from a change in the CPI's sample and methodology. The only reliable way to compare a country's score over time is to go back to individual survey sources, each of which can reflect a change in assessment.

Why isn't there a greater change in a particular country's score, given the strength or lack of anti-corruption reform, or recent exposure of corruption scandals?

It is difficult to improve a CPI score over a short time period. The CPI 2008 is based on data primarily from the past two years, relating to perceptions that may have been formed even further in the past. This means that substantial changes in perceptions of corruption are only likely to emerge in the index over longer periods of time.

Change in scores between 2007 and 2008

Which countries' scores deteriorated most between 2007 and 2008?

Making comparisons from one year to another is problematic, for the reasons highlighted above. To the extent that changes can be traced back to individual sources, trends can be cautiously identified.

Noteworthy examples of deteriorations from CPI 2007 to CPI 2008 are Bulgaria, Burundi, Finland, France, Italy, Macao, Maldives, Norway, Portugal, Somalia, Timor-Leste and United Kingdom. In these cases, actual changes in perceptions occurred during the last two years.

Which countries' scores improved most?

With the same caveats applied, and based on data from sources that have been consistently used for the index, improvements can be observed from 2007 to 2008 for Albania, Bahrain, Benin, Cyprus, Dominica, Georgia, Indonesia, Jordan, Mauritius, Nigeria, Oman, Poland, Qatar, Saint Lucia, Saint Vincent and the Grenadines, South Korea, Tonga and Turkey.

Using the CPI

Is the CPI a reliable measure of a country's perceived level of corruption?

The CPI is a solid measurement tool of perceptions of corruption. As such, the CPI has been tested and used widely by both scholars and analysts. The reliability of the CPI differs, however, across countries. Countries with a high number of sources and small differences in the evaluations provided by the sources (indicated by a narrow confidence range) convey greater reliability in terms of their score and ranking; the converse is also the case.

Is the CPI a reliable measure for decisions on aid allocation?

Some governments have sought to use corruption scores to determine which countries receive aid, and which do not. TI does not encourage that the CPI be used in this way. Countries that are perceived as very corrupt can not be written off. It is particularly they who need help to emerge from the corruption-poverty spiral. If a country is believed to be corrupt, this should serve as a signal to donors that investment is needed in systemic approaches to fight corruption. Additionally, if donors intend to support major development projects in countries perceived to be corrupt, they should pay particular attention to 'red flags' and make sure appropriate control processes are established.

Transparency International's CPI and the fight against corruption

How is the CPI funded?

Transparency International is funded by various governmental agencies, international foundations and corporations, whose financial support makes the CPI possible. Additional support for TI's measurement tools comes from Ernst & Young. TI does not endorse a company's policies by accepting its financial support, and does not involve any of its supporters in the management of its projects. For more on Transparency International's sources of funding, please see http://www.transparency.org/support_us.

What is the difference between the CPI and TI's Global Corruption Barometer?

The CPI assesses expert perceptions of levels of public sector corruption across countries, while the Global Corruption Barometer (see http://www.transparency.org/policy_research/surveys_indices/gcb) is concerned with attitudes toward and experiences of corruption among the general public.

What is the difference between the CPI and TI's Bribe Payers Index (BPI)?

While the CPI indicates perceived levels of corruption in countries, the BPI focuses on the propensity of firms from leading export countries to bribe abroad – providing an indication of the 'supply side' of corruption. The most recent Bribe Payers Index was published in October 2006 and can be found under: http://www.transparency.org/policy_research/surveys_indices/bpi. The next BPI will be published in late 2008.