



Distinguishing criteria between petty and high-ranking corruption: Preliminary results

**Dr. Éva Inzelt PhD.,
Assistant Professor,
Eotvos Lorand University, Faculty of Law**

'''Corruption risk, risk of corruption? Distinguishing criteria between petty and high-ranking corruption' (101014783 — CRITCOR) project was funded by the European Union's HERCULE III programme.'''

About the CRITCOR project

- The ‘**Corruption risk, risk of corruption? Distinguishing criteria between petty and high-ranking corruption**’ (101014783 — **CRITCOR**) project was funded by the European Union’s HERCULE III programm.” The CRITCOR will be implemented **between 1 January 2021 and 31 March 2022**.
- It is good to know where is the border between the legally defined and pursued corruption activities and the socially accepted ones. The question of the project is how the **indicators** of corruption in society and of corruption crimes that can be assessed in terms of criminal law relate to each other.

Staff

- Project Manager: **Prof. Dr Tünde A. Barabás**, National Institute of Criminology
- Project Coordinator: **Dr. Éva Inzelt PhD.**, Eotvos Lorand University
- **Project Team Members:**
 - **Dr. Krisztina Farkas PhD.**, , Senior Researcher at National Institute of Criminology, Prosecutor
 - **József Kó**, Senior Researcher at National Institute of Criminology
 - **Dr. Eszter Sárik PhD**, Senior Researcher at National Institute of Criminology
 - **Dr. Szandra Windt PhD.**, Senior Researcher at National Institute of Criminology

Participate partners

- **Sunčana Roksandič Vidlička, PhD**, Assistant Professor, University of Zagreb, Faculty of Law
- **Vladimír Naxera, PhD**, Department of Politics and International Relations; University of West Bohemia
- **Michael Kilchling, Dr jur.**, Max Planck Institute for the Study of Crime, Security and Law
- **Balázs Garamvölgyi, dr**, Deputy Head of Department of the Corruption and Organized Crime Department at the Office of the Prosecution Service
- **Annalisa Mangiaracina**, Professor, University of Palermo, Department of Law
- **Lucia Parlato**, Professor, University of Palermo, Department of Law
- **Wim Huisman**, Professor of Criminology, Vrije University of Amsterdam, Head of the Department of Criminal Law and Criminology
- **Karin van Wingerde**, Professor, Erasmus University Rotterdam, Erasmus School of Law Criminology, Professor of Corporate Crime and Governance
- **Paweł Rutkowski**, the Director of the Cabinet of the Head of the CBA
- **Rita Faria PhD**, Assistant Professor of Criminology at the School of Criminology – Faculty of Law of the University of Porto
- **Andra-Roxana Trandafir, PhD**, Vice Dean, University of Bucharest, Faculty of Law
- **Nikola Vujičić**, Research Associate, Institute of Criminological and Sociological Research, Belgrade
- **Michael Levi, PhD, DSc, FaCSS, FLSW**, Professor of Criminology, Cardiff University
- **Nicholas Lord**, Professor of Criminology, Research Director, Criminology, School of Social Sciences, University of Manchester

Associate partners

- Office of the Prosecutor General, Hungary

<http://ugyeszseg.hu/>

- The National Police Headquarters, Hungary

<http://www.police.hu/>

- Metropolitan Court, Hungary

<https://fovarositorvenyszek.birosag.hu/>

Four pillars of the project

- [Workshop 1 – Kick off Meeting – 22-23 March 2021 \(online\)](#)

Distinguishing criteria between petty and high-ranking corruption: **Expert evaluation**

- analyzed the definition, forms, measuring, actors and language of corruption

- [Workshop 2 – 21-22 June 2021 \(online\)](#)

Distinguishing criteria between petty and high-ranking corruption: **Preliminary results**

- **Training – 22-23 Nov 2021 Budapest**

Experience Sharing Training, based on case studies of different Member States

- uses world cafe method for legal practitioners. They discuss four case studies on corruption from different countries, in order to find out the important aspects for criminal justice professionals.

- **Final conference – 21-22 March 2022 Budapest**

Distinguishing criteria between petty and high-ranking corruption: **Final results**

Corruption as a serious problem of the world

- destroys the democratic progress,
- enhances the inequalities in the society,
- it leads to an alienation of the citizens from the politics,
- distorts the market which results in the decrease of the investments and the production rate of the economy.

JOUTSEN, M.: Comparative Crime and Criminal Justice, University of Helsinki, Handout, 2010.

Petty vs. Large-scale Corruption

- **'Petty corruption'** refers to the everyday corruption that occurs between low-level public officials/employee and members of the public. In many countries, it is the main source of income for underpaid public officials.
- The **'large-scale corruption'** refers to corruption that involves higher levels of public officials, and usually also larger sums of money. It can be carried out to extract money (for personal profit) and also to hold on to power.

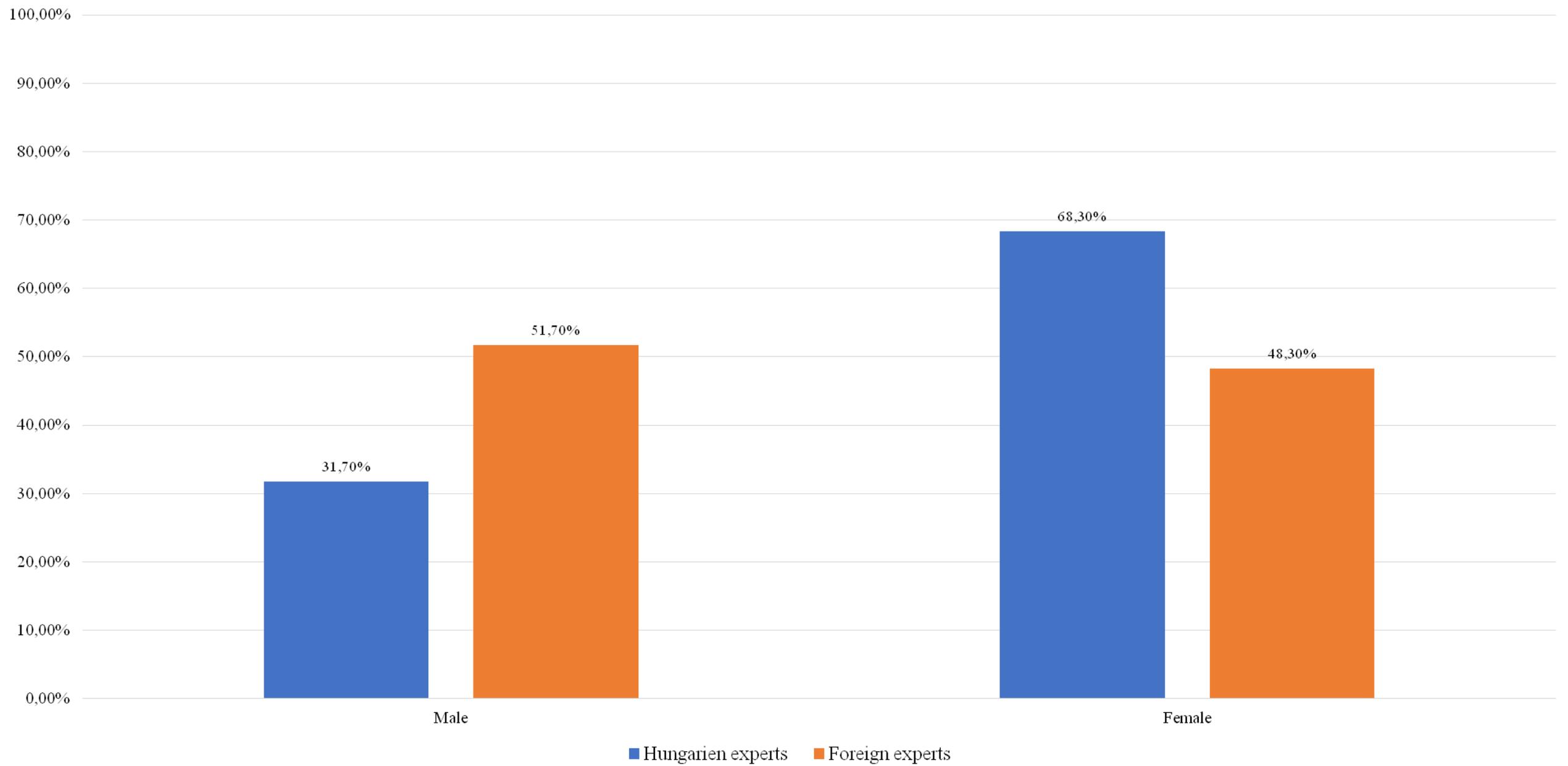
Henk van de Bunt and Hans Nelen: „Corruption in various shapes and sizes – some criminological reflections“, in. International Law and Fight against Corruption, 2012. p. 13.

Methodology and the Questionnaire

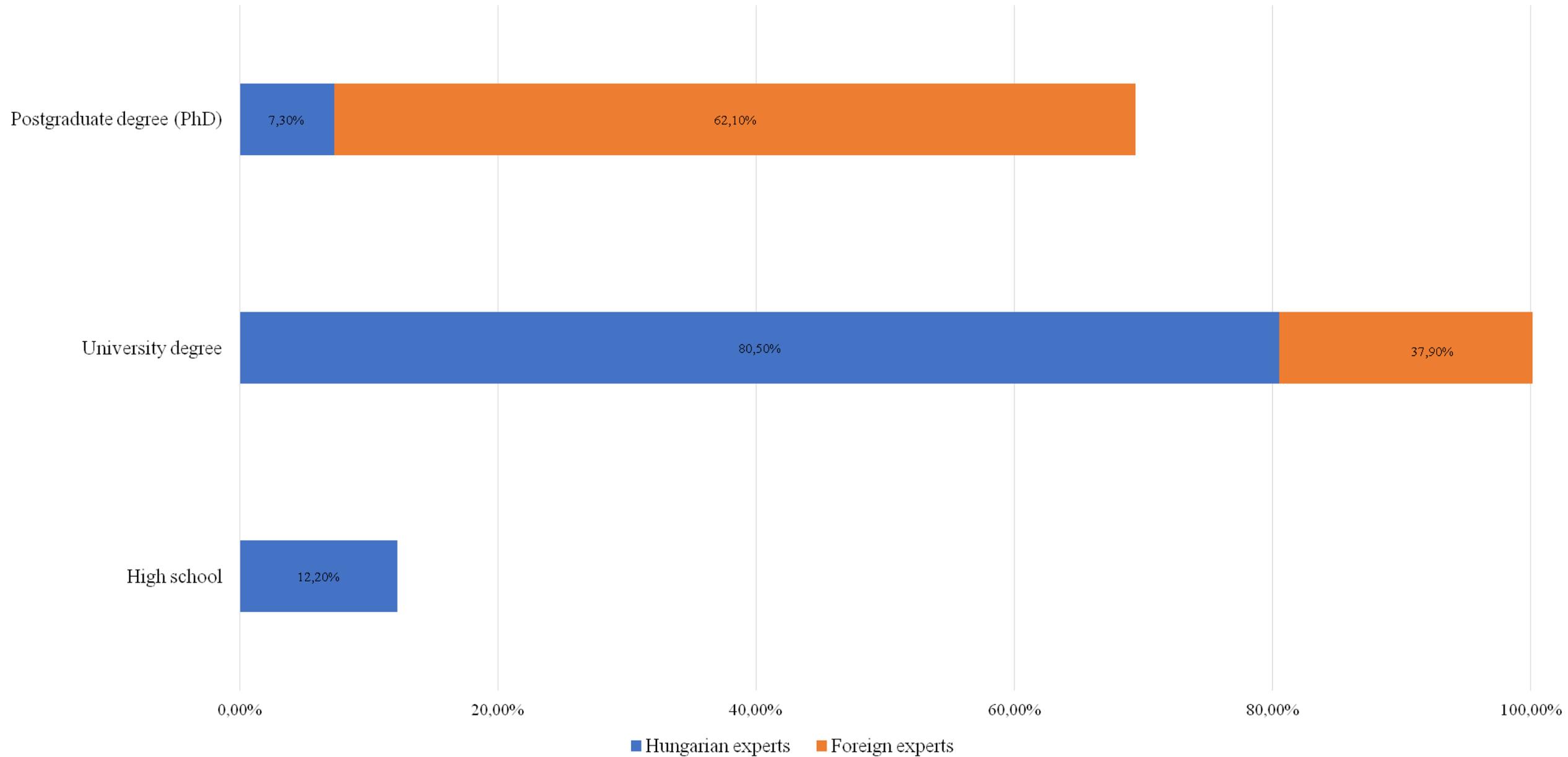
- CRITCOR questionnaire development
- Pilot stage
- Expert and public survey
- Dissemination
- Structure: 1. Respondent's data 2. Corruption in general 3. Case classification 4. Phenomena are related to corruption
- Expert: 41 Hungarian and 30 English answers

Respondent's Data

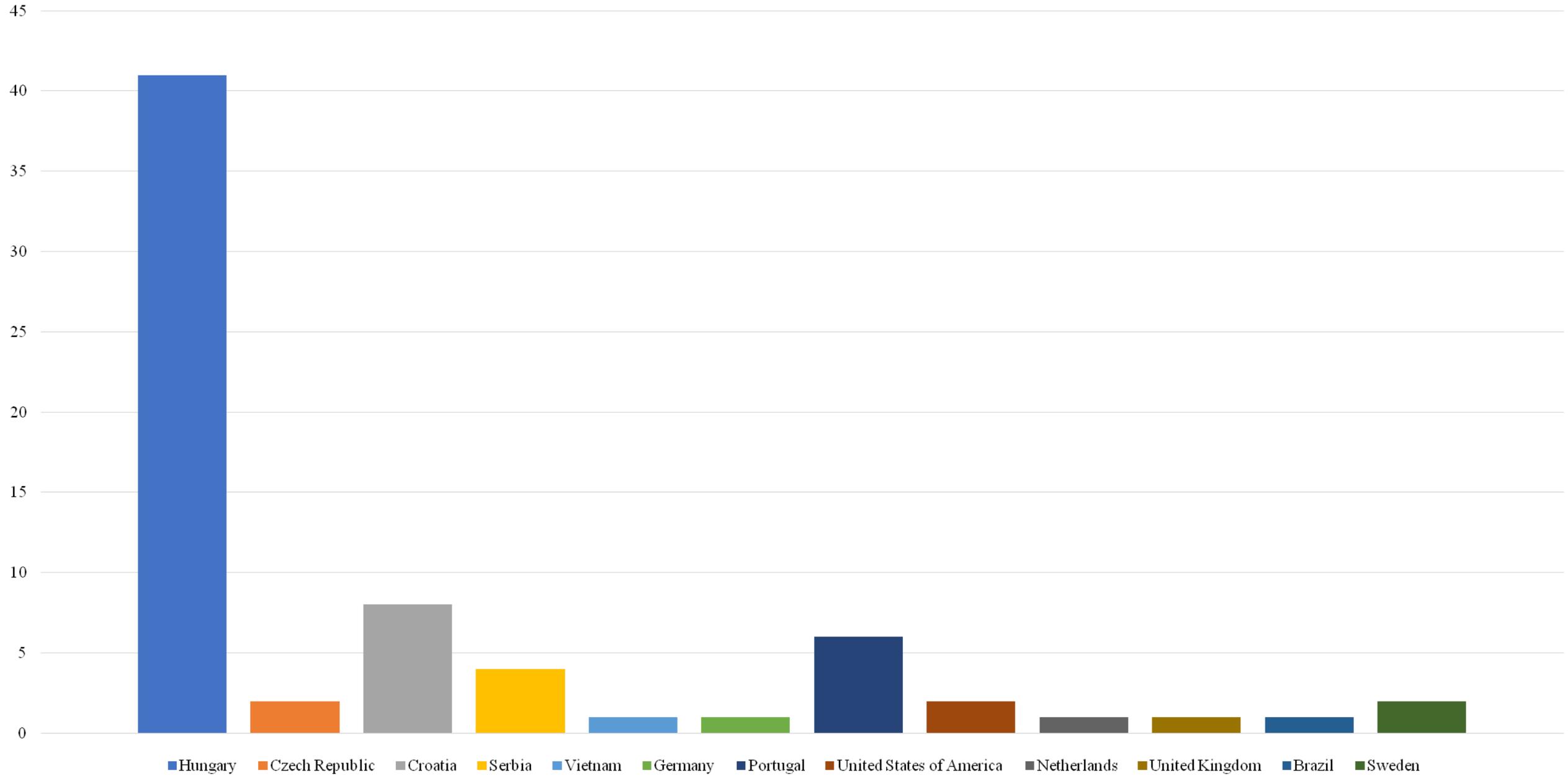
Gender



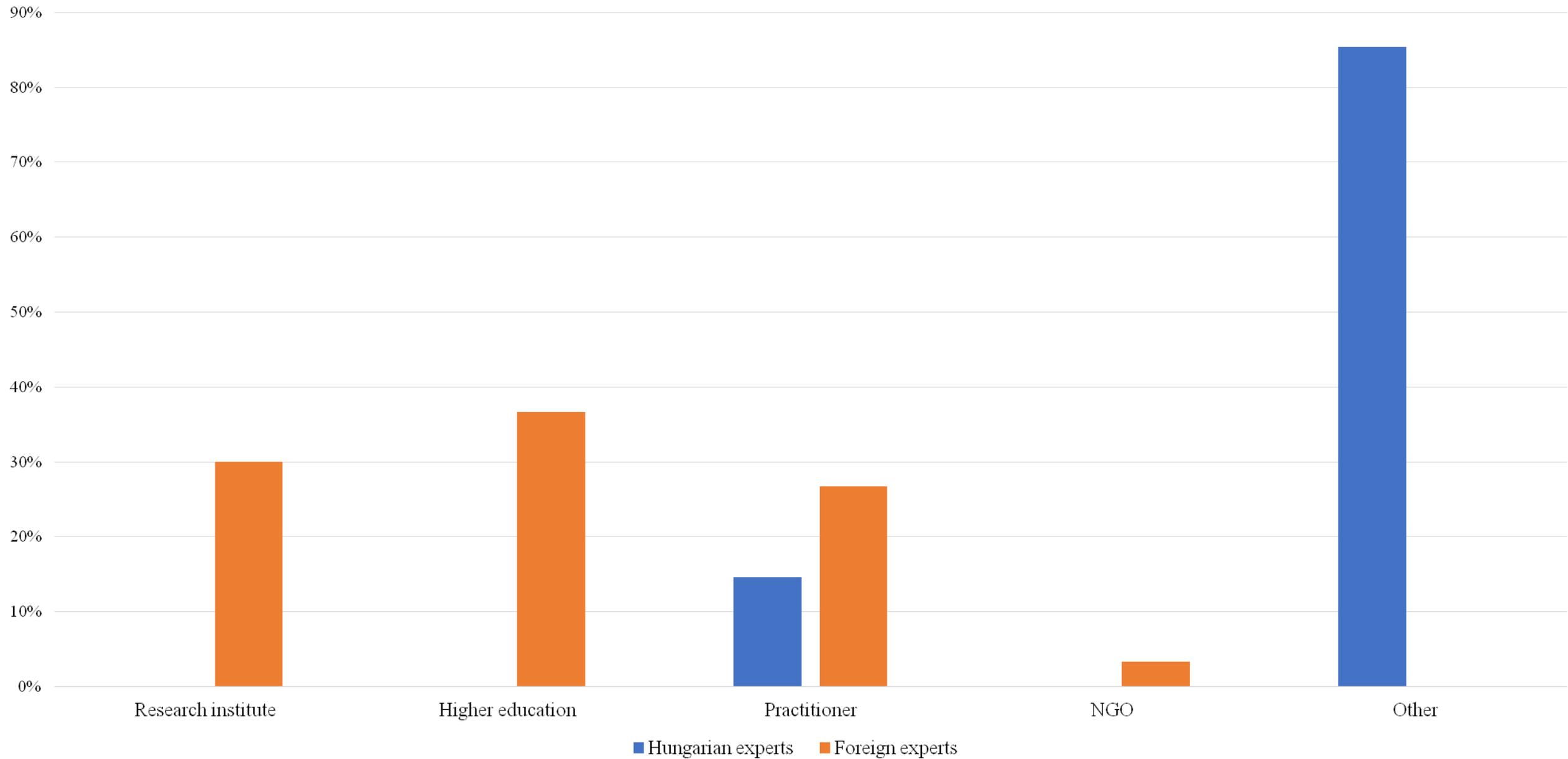
Highest education



Country



What is the type of your current workplace?

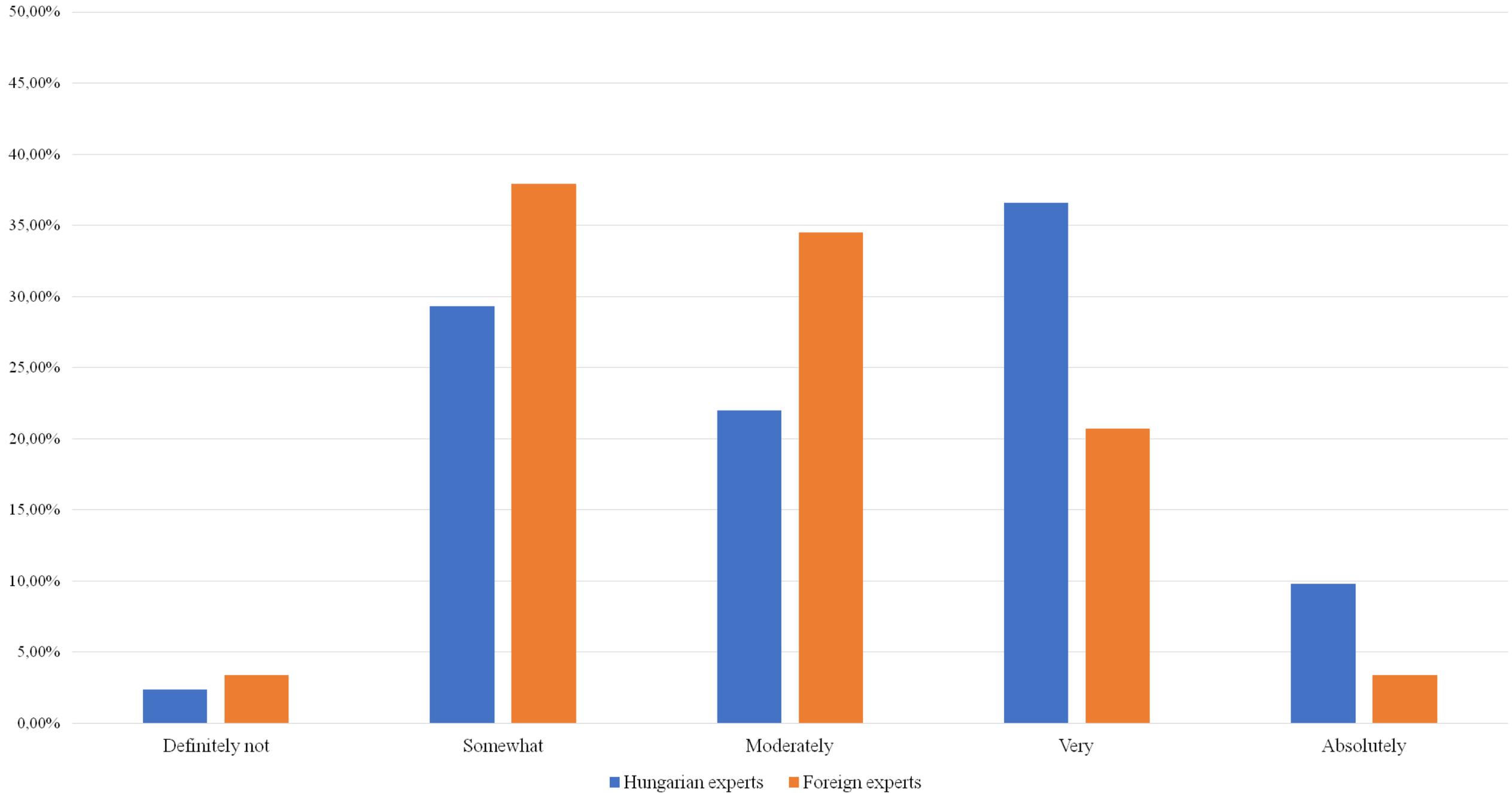


Corruption in general

How would you define corruption?

- „The use of public office for private gain”
- „Corruption is a form of dishonesty or criminal offense undertaken by a person or organization entrusted with a position of authority, to acquire illicit benefit or abuse power for one's private gain.”
- „Money or gifts for benefits”
- „Using the public's money for personal interest by way of bribing politicians and/or key actors in the processes such as public procurement”
- „A threat to the integrity of the state”

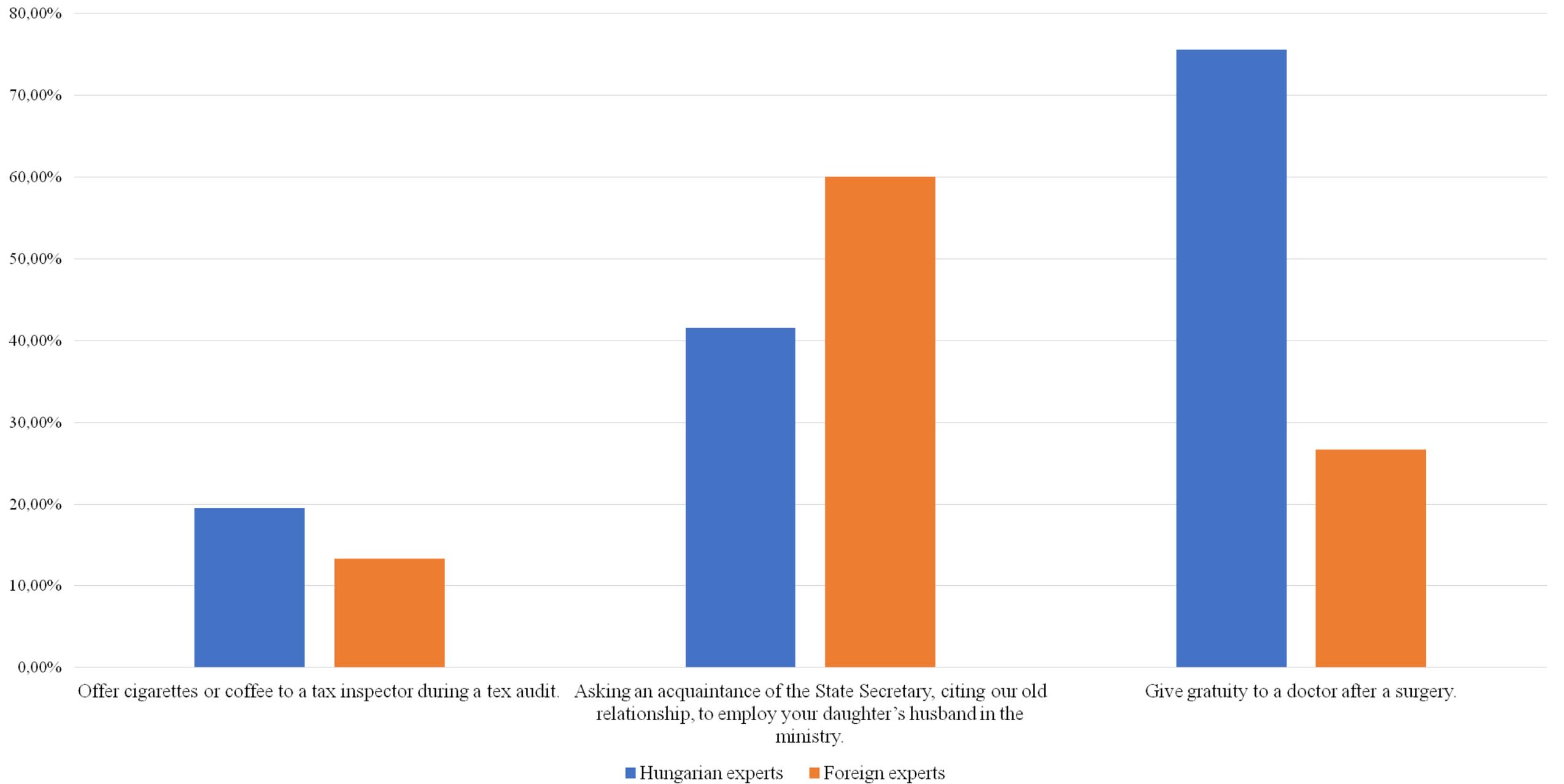
Are corruption data of different countries comparable, according to your opinion?



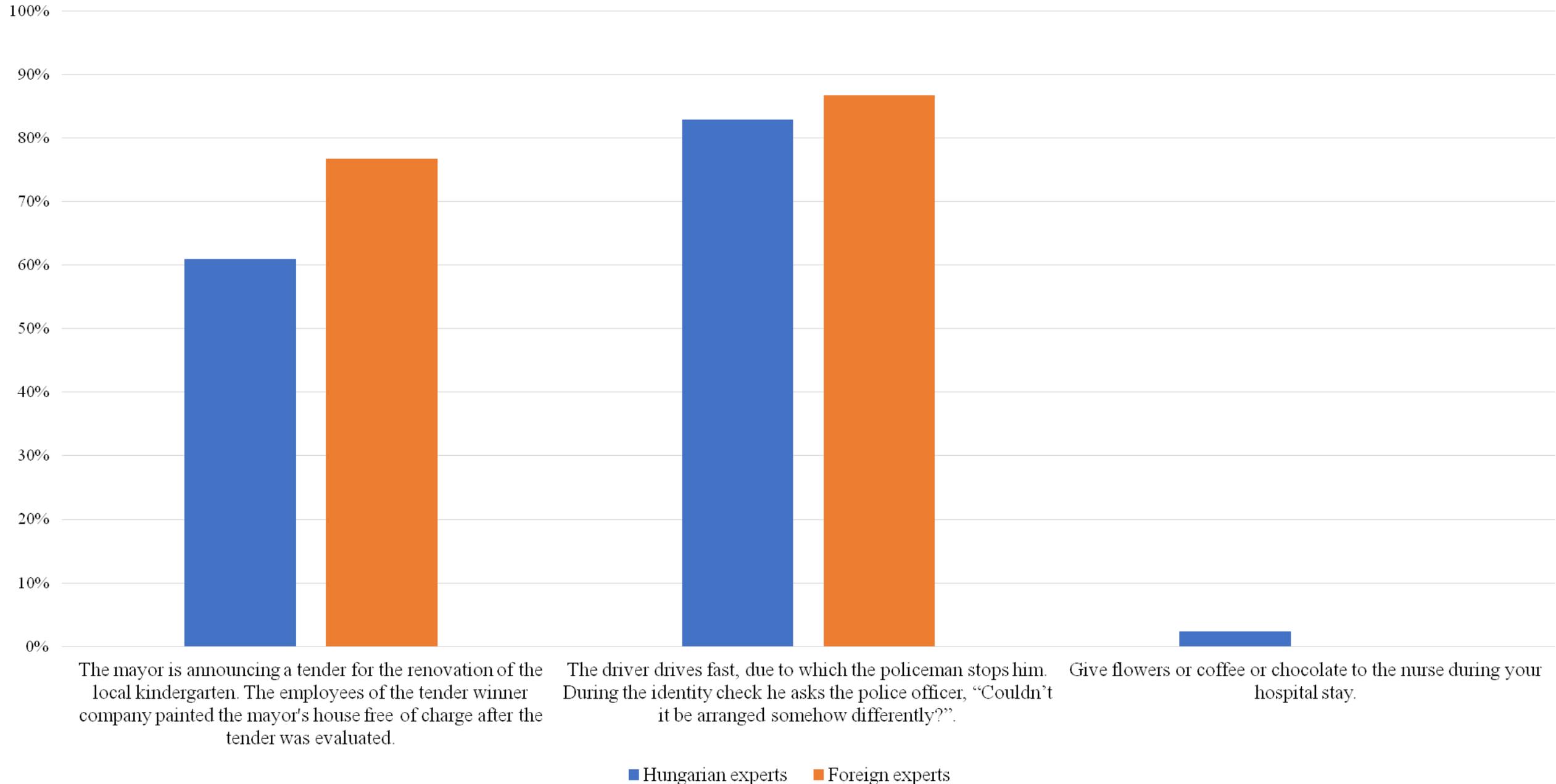
List some indicators that you use to measure corruption

- „Official crime statistics; ICVS; CPI”
- „Perception, experience, no of indictments, convictions, investigative journalism and it's outcome”
- „Number of corruption investigations”
- „Survey, Interview, Focus groups, Analysis of case law, Analysis of statistical data on registered corruption offenses.”
- „public procurement records, tax deficits, proof of selective land reappropriation, indicators of insider trading or use of classified financial information”

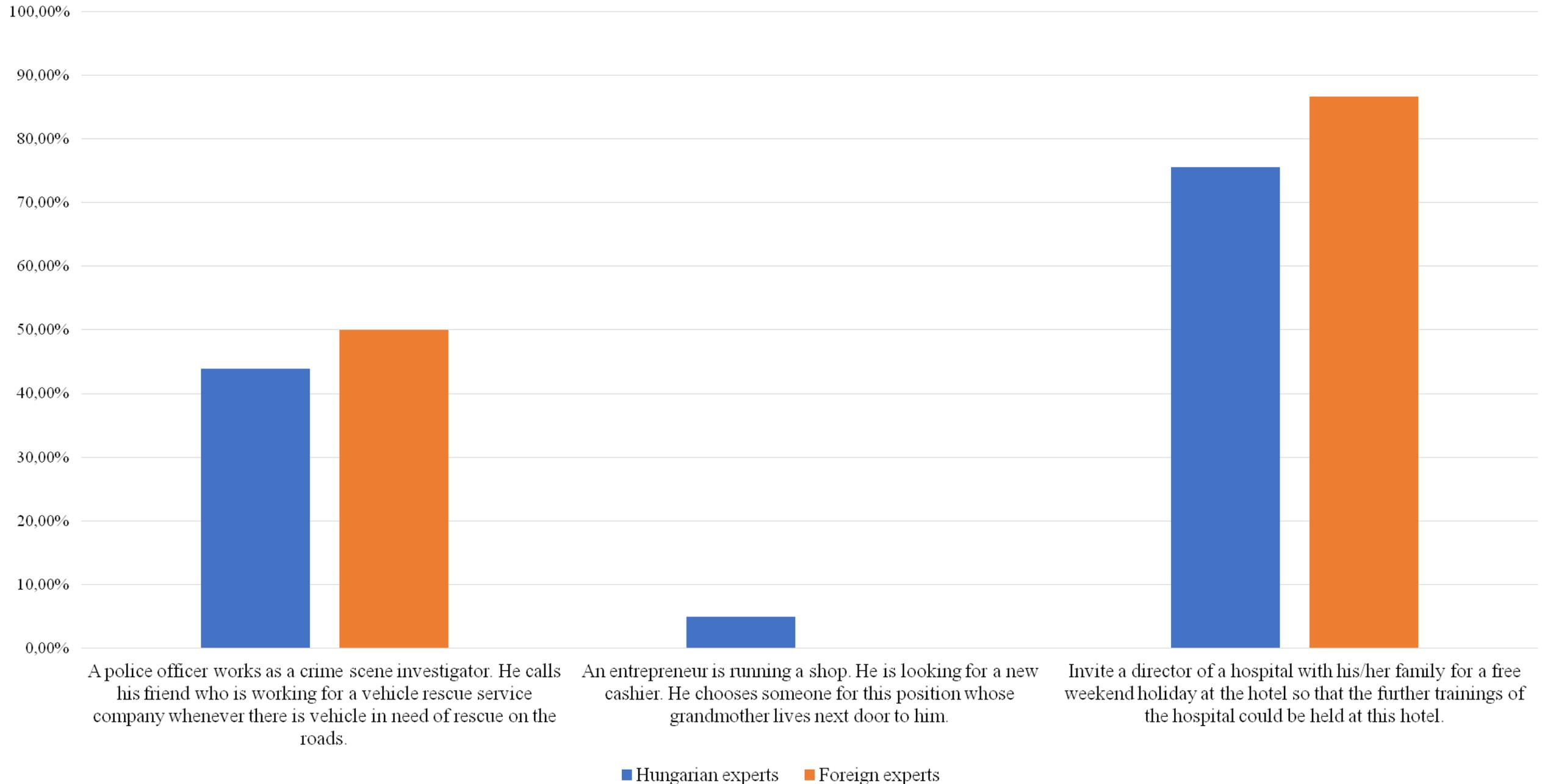
Please indicate which of the following cases are considered as criminal corruption according to the criminal law in your country.



Please indicate which of the following cases are considered as criminal corruption according to the criminal law in your country.



Please indicate which of the following cases are considered as a criminal corruption according to the criminal law in your country.

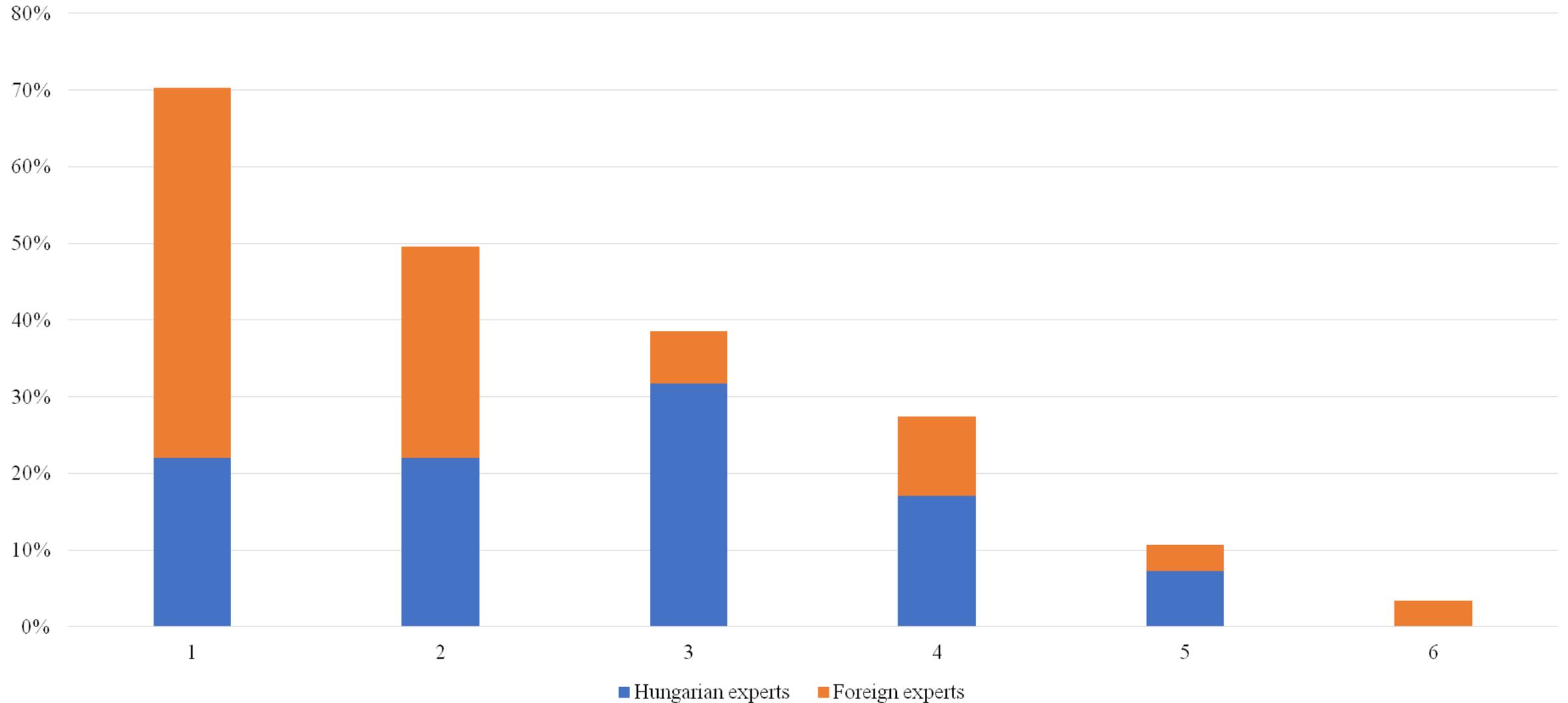


How would you classify the following cases?

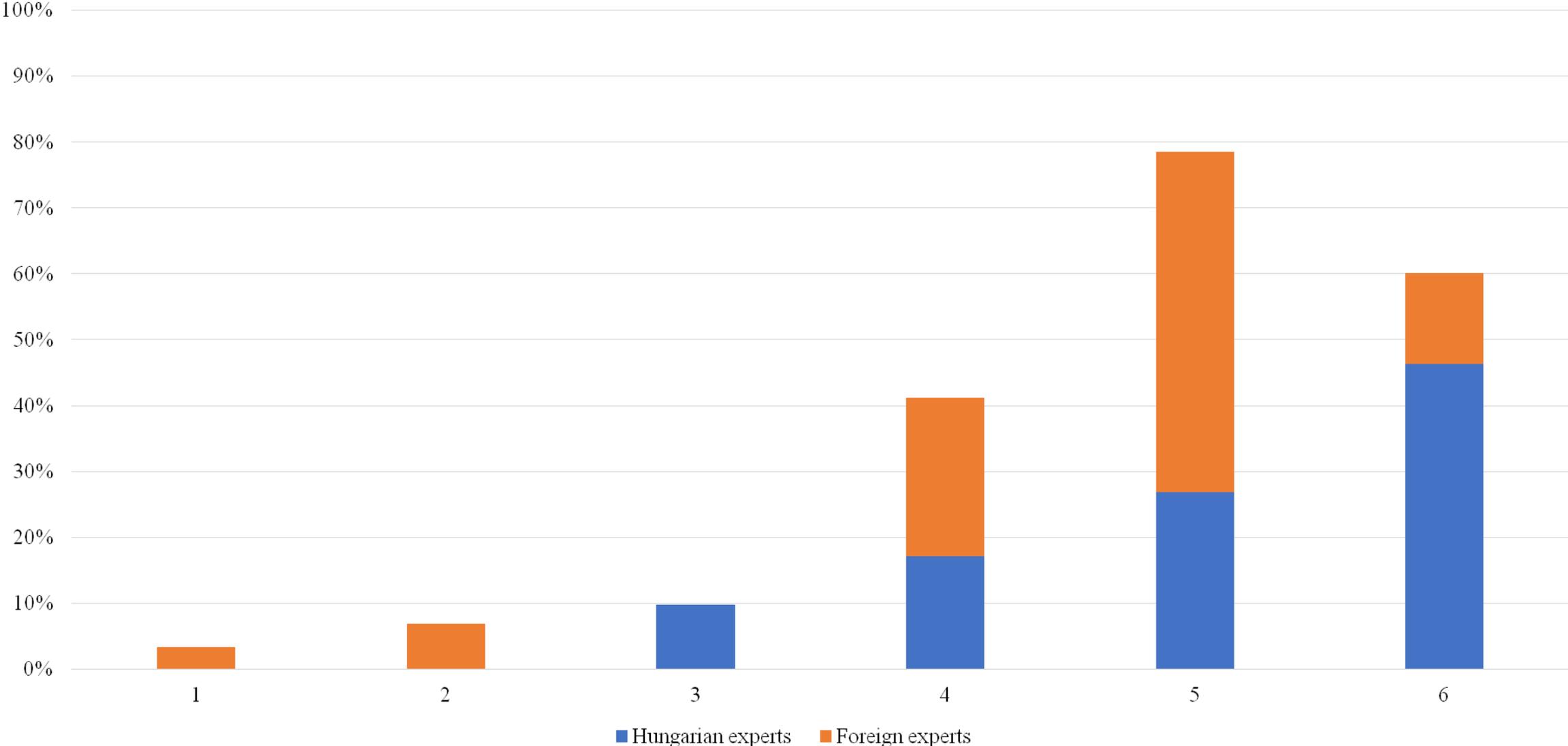
From one to six

Petty corruption – high-ranking corruption

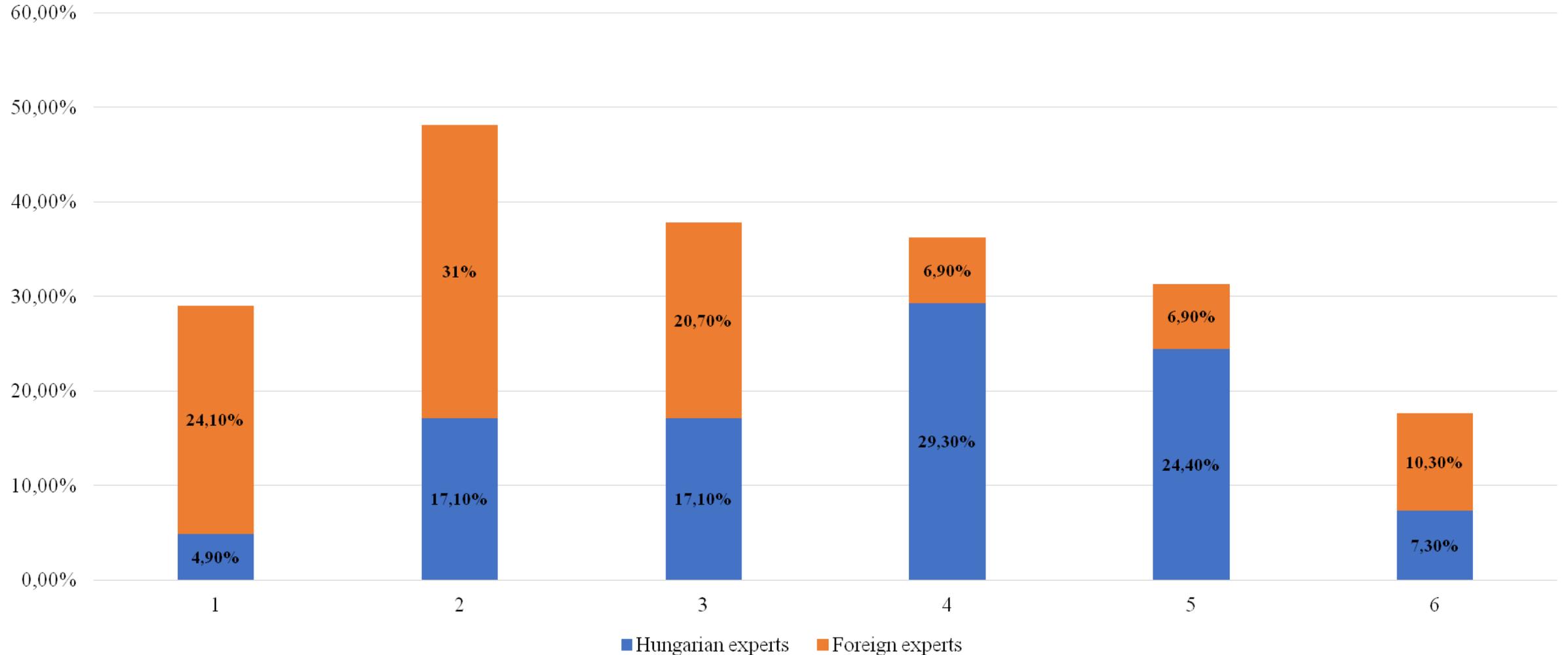
The parking guard wants to punish you for illegal parking. In order to avoid the EUR 60 penalty, you offer EUR 30 to the parking attendant.



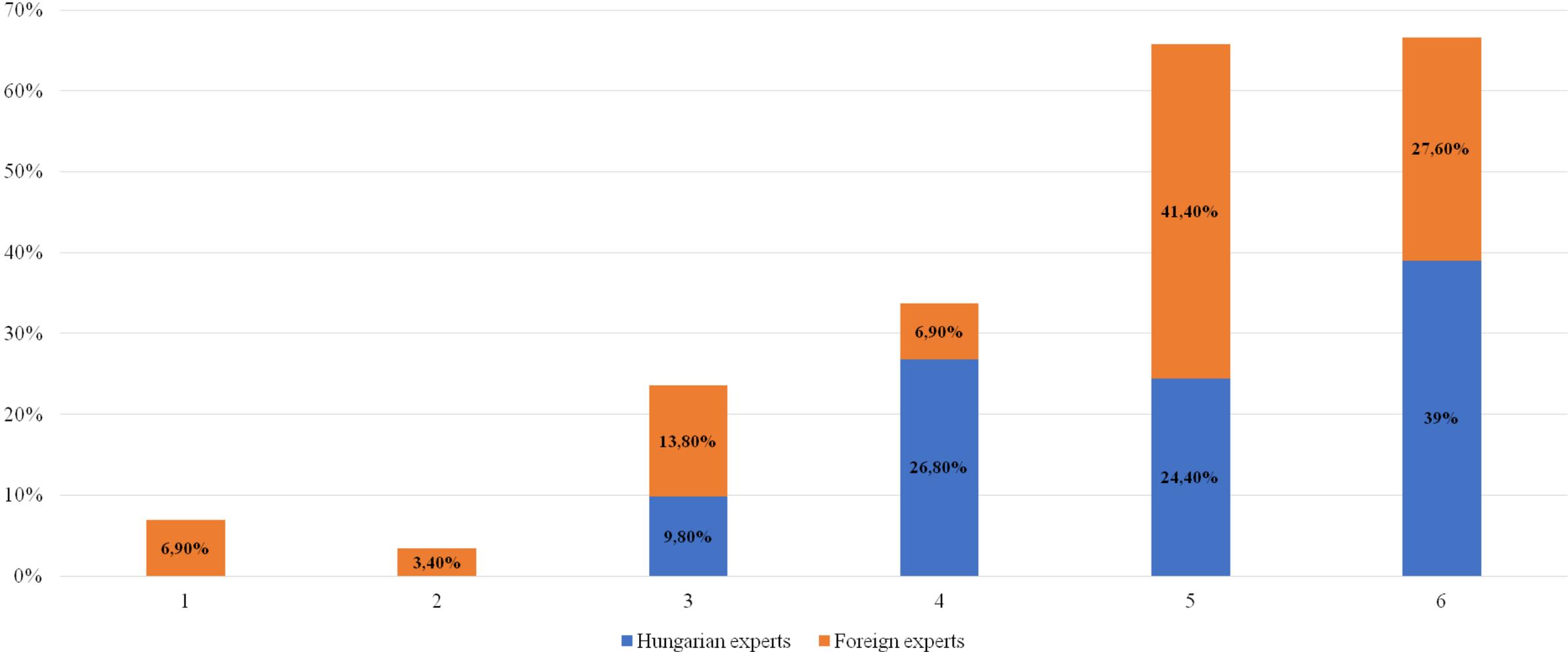
In order to win a public procurement procedure, the bidder offers a two-person trip for the transactors to Hong Kong.



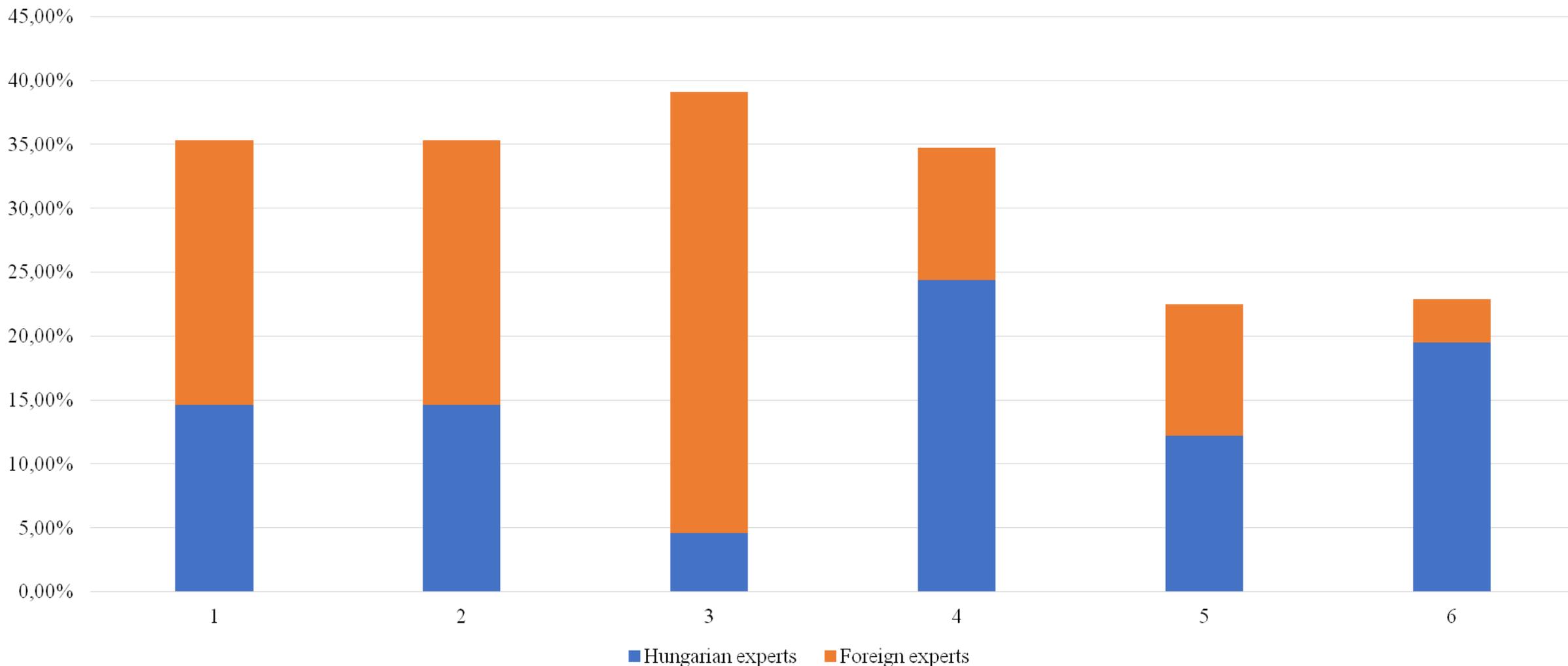
The driver ignores the required direction of driving and drives through the double closing line. This has been seen by the patrolling police. The vehicle is stopped and brought under roadside control. The driver places EUR 30 folded into the registration certificate. The policeman wants to return the banknote immediately, but the driver made it clear by gestures that it was not left in it accidentally.



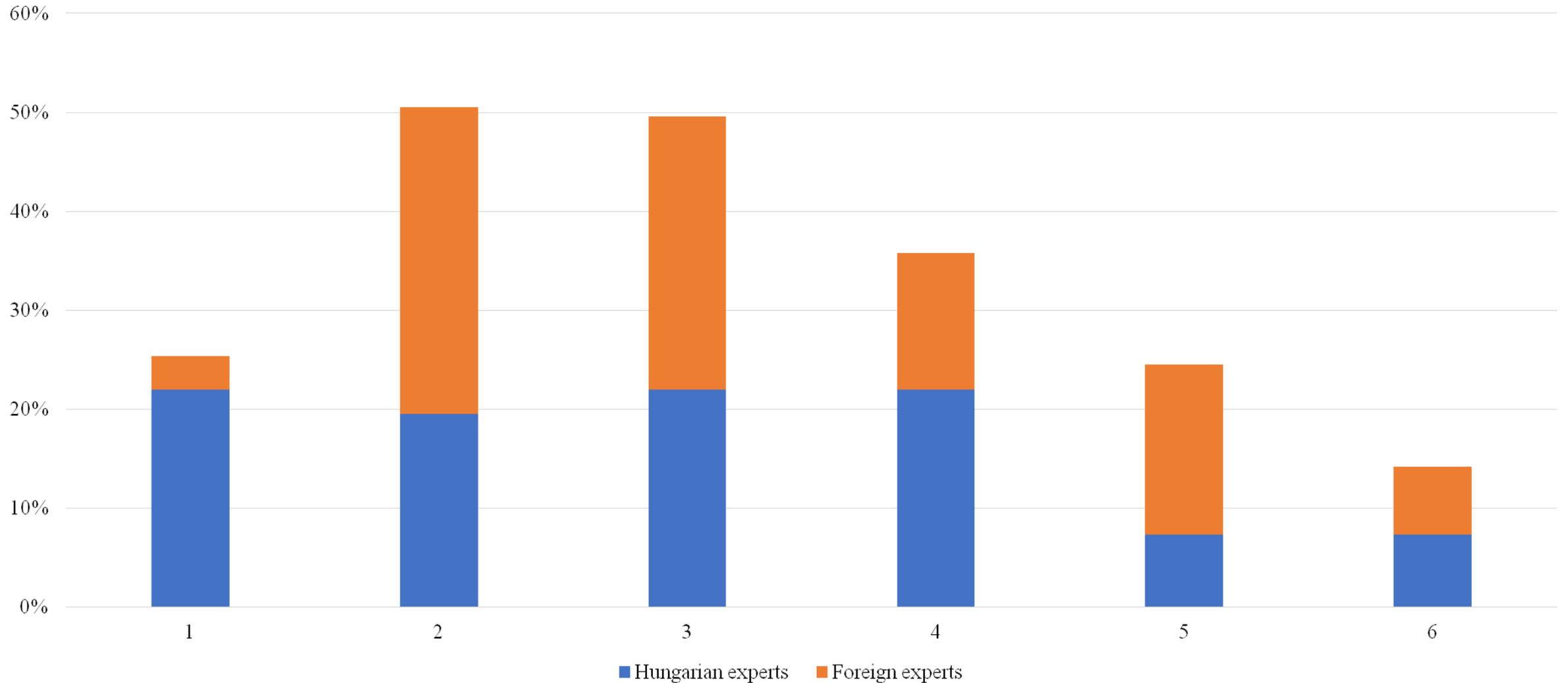
The accused person goes up to the prosecutor in the corridor of the court before the trial. He is aware of the fact that he is speaking with the prosecutor who is in charge of his case. So he attempts to hand EUR 650 to the prosecutor, to press him proposing a more lenient punishment to the court at the trial, compared to the punishment proposed in the indictment. The prosecutor rejects the offer.



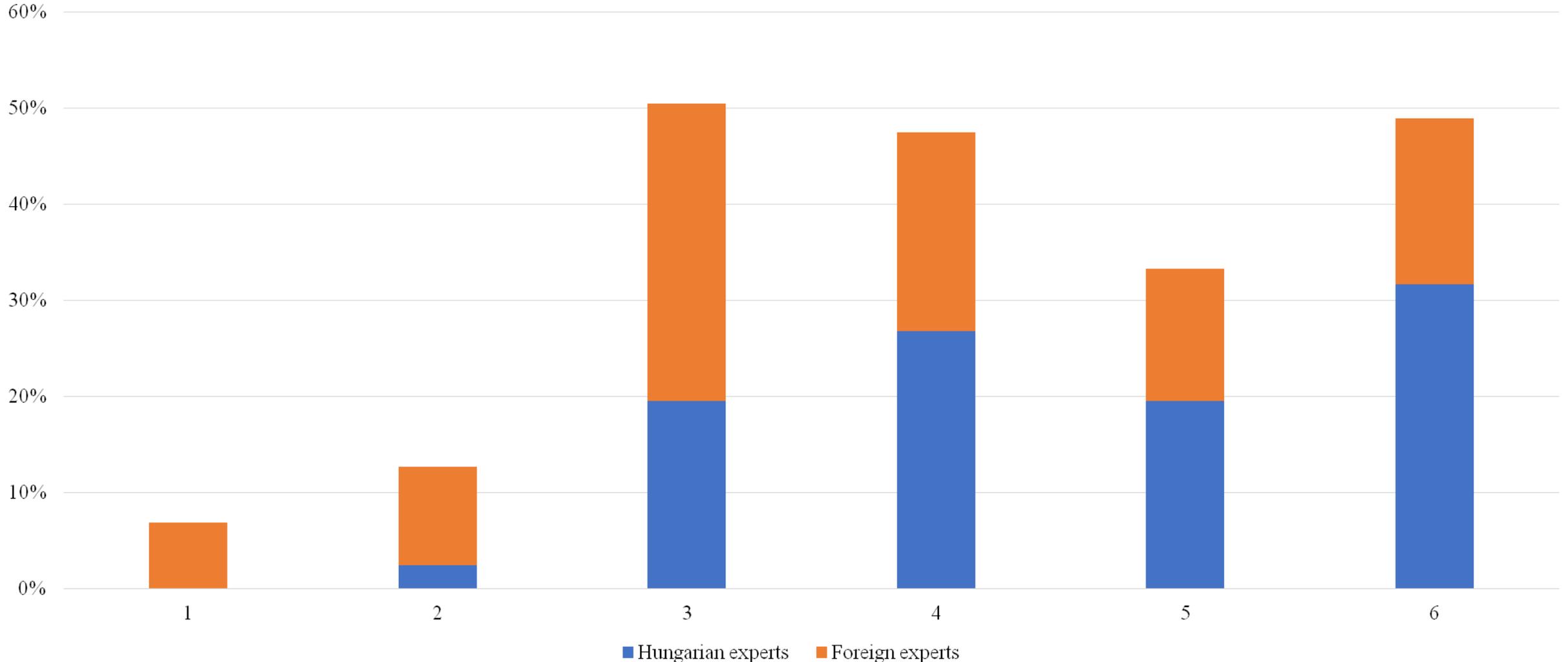
A mother is raising her children alone due to which she cannot take care of her ill mother personally but she cannot place her in a nursing home either, because of the long waiting list. One of the employees of the social institution informs the woman that by transferring EUR 300 to the account of the Foundation of the nursing home, the waiting time can be significantly shortened. The woman transfers the indicated amount of money, and her mother is received by the state nursing institution within 2 weeks.



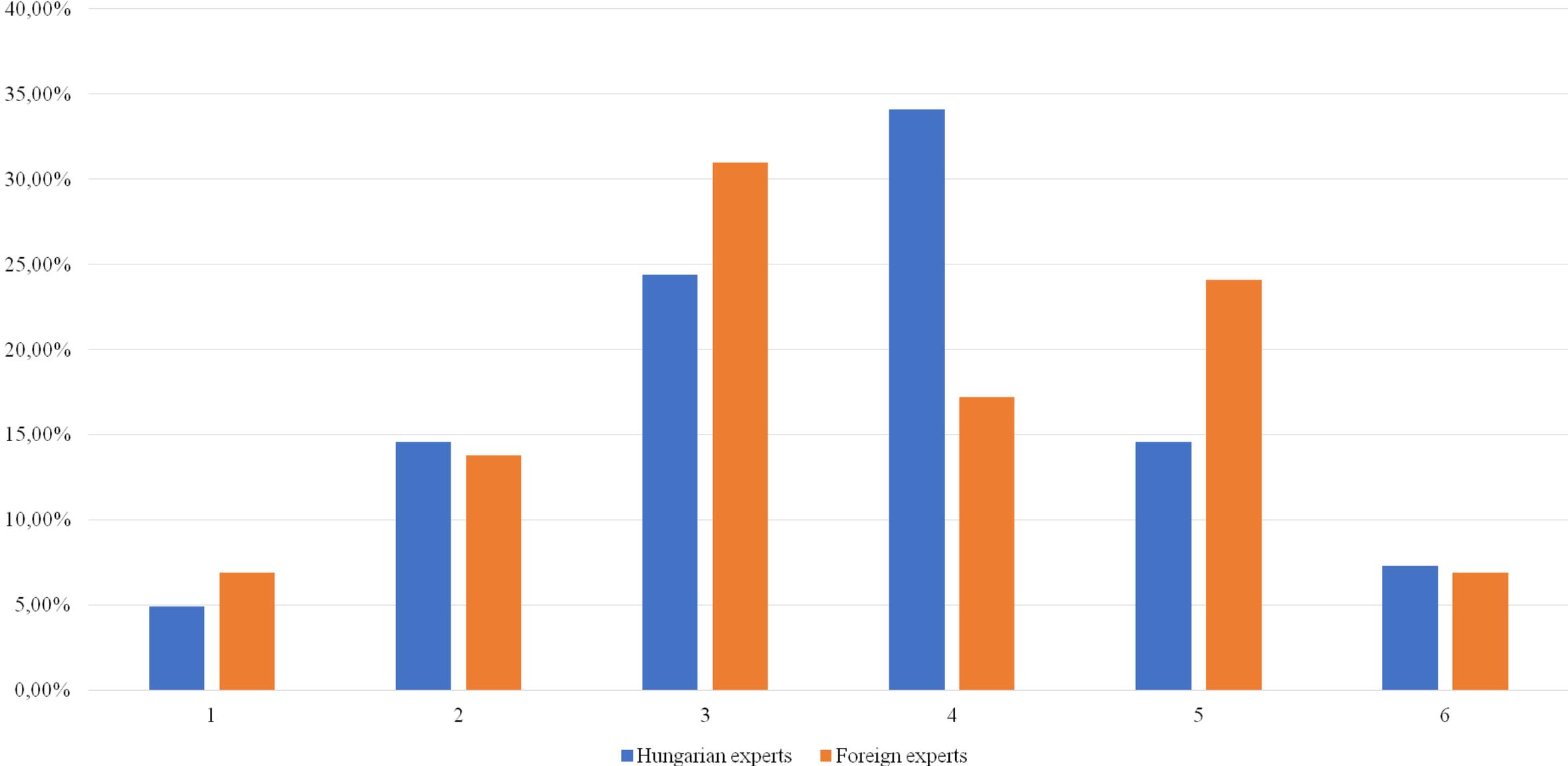
A parent wants his/her child to go to a reputable high school. In order to do this, she contacts the school principal to inquire about the progress of the applying process. The principal informs the parent that, in addition to good performance in written and oral examination, he or she can promote the situation if the she/he provides a grant to the school foundation.



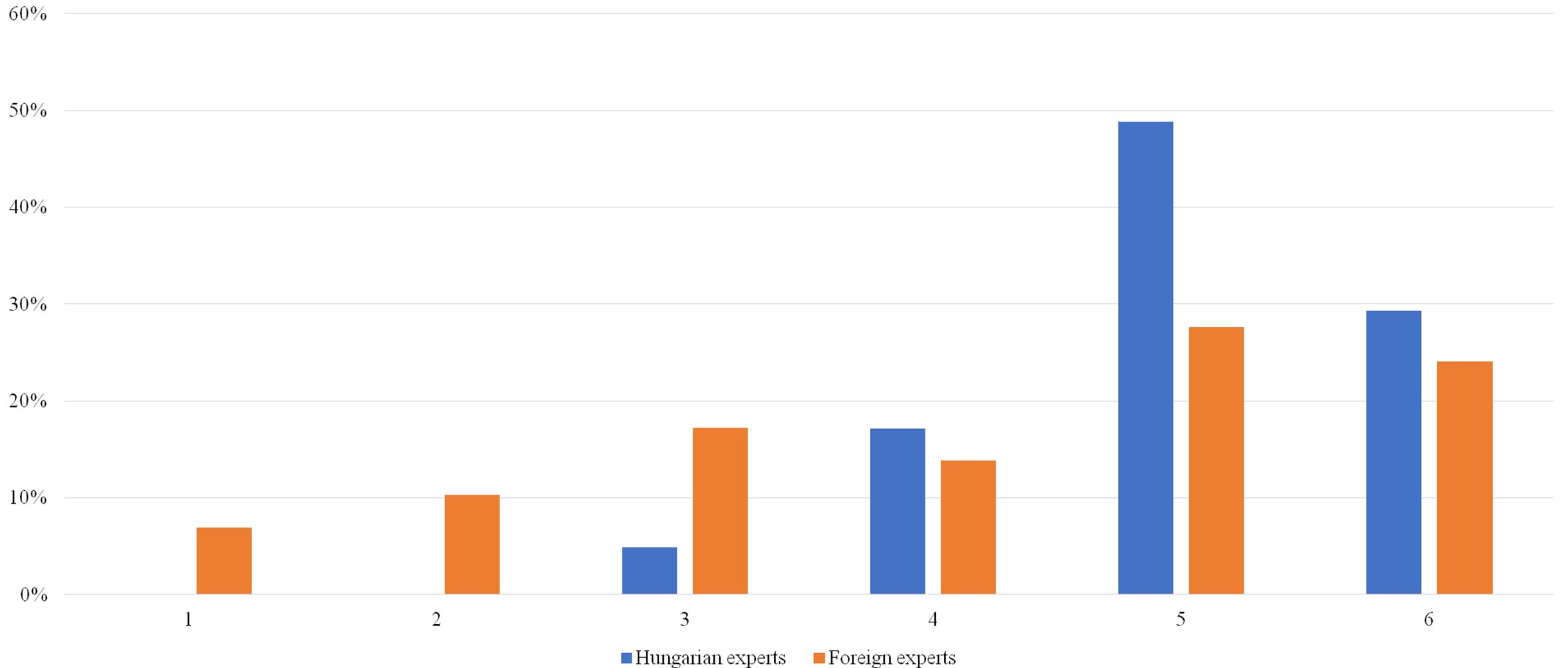
The labor protection inspector carries out an inspection on the construction site of a residential park. During the inspection he finds that the workers do not use a compulsory insurance rope. The labor protection inspector tells the foreman that they should pay hundreds of euros for this. Then the foreman calls the executive director of the construction company and hands the phone over to the inspector. After the telephone conversation between the executive director of the company and the inspector, they agreed that the inspector would falsely issue the case, as if only two workers had not worn a helmet. It would result in a fine of EUR 60. The executive director of the company according to their agreement transferred EUR 100 to the inspector's private bank account.



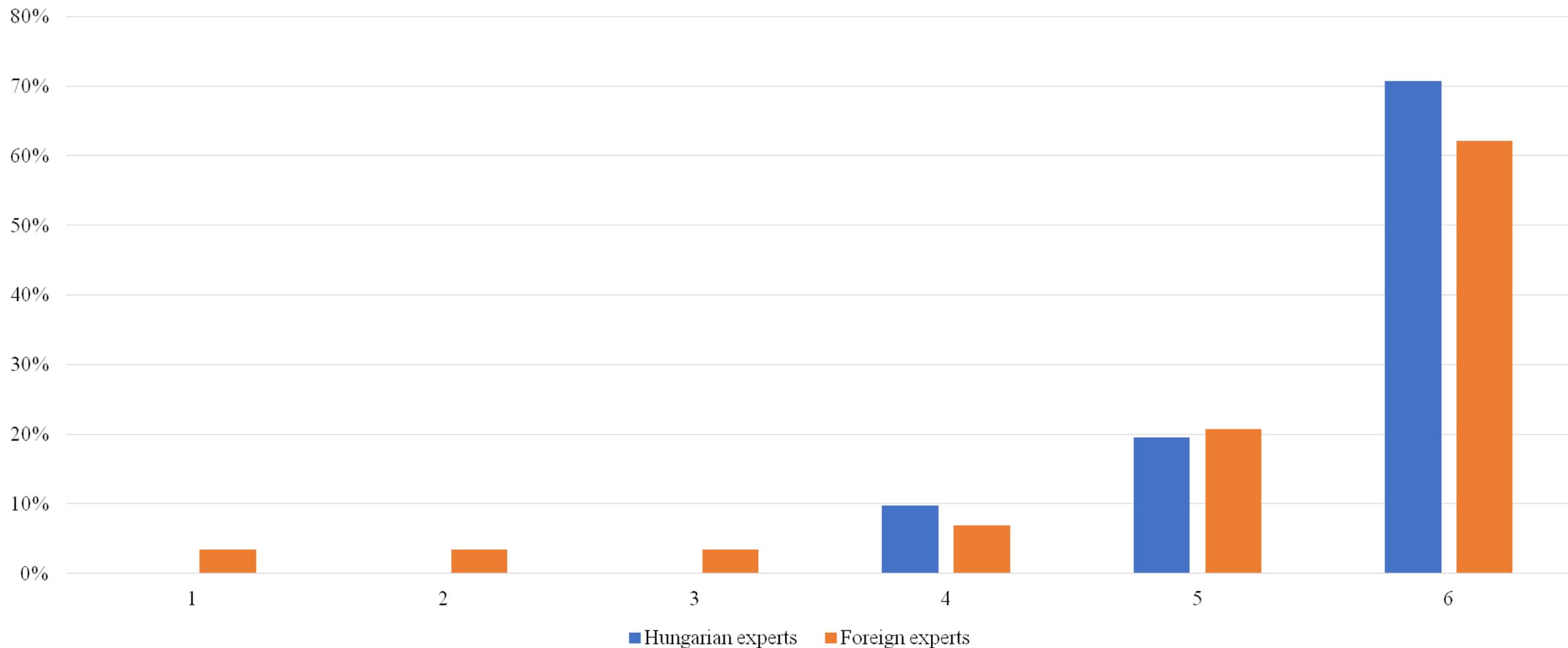
A citizen wants to build a garage on his plot next to his house, which is not allowed by the current building regulations. In order to obtain the permit, he recommends EUR 330 to the administrator.



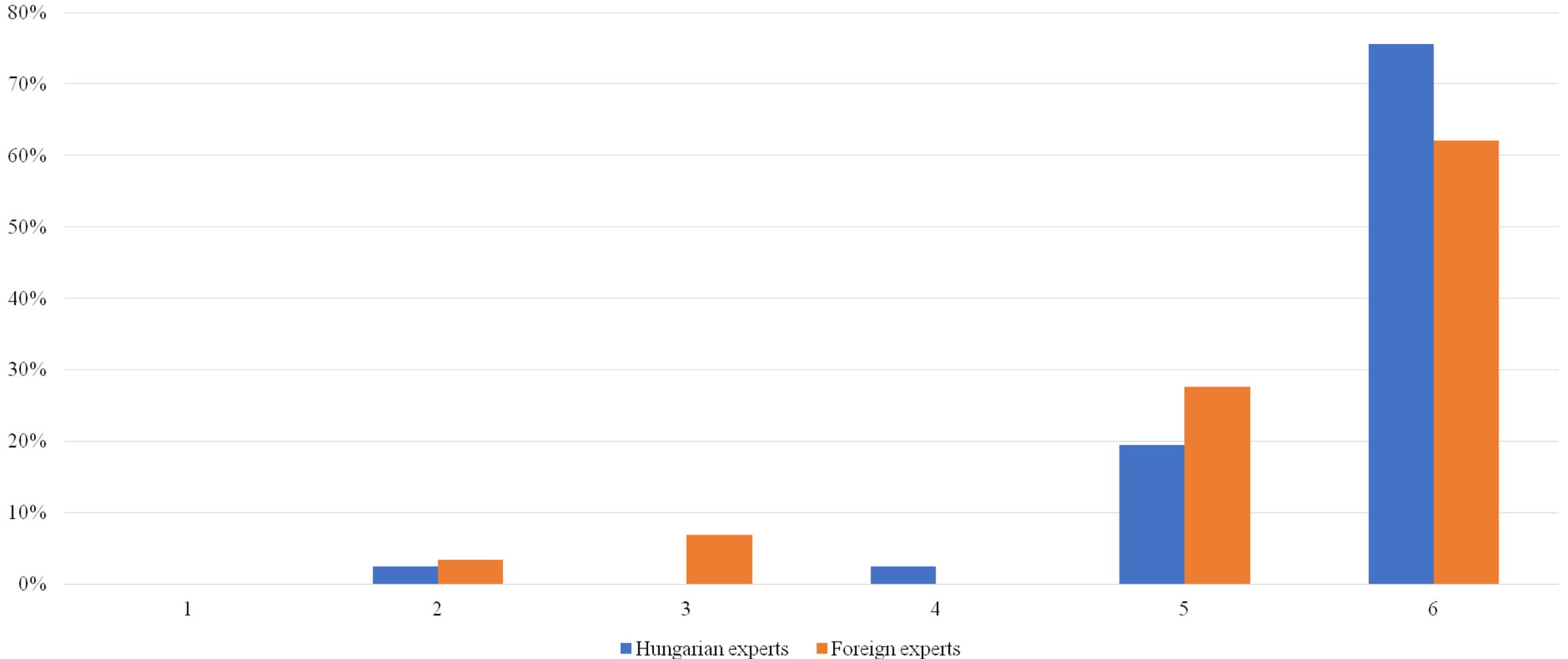
A chief physician requests financial compensation from patients who have social insurance for surgeries and examinations covered by social insurance performed at the public hospital: in most cases EUR 500 for the surgery and EUR 50 for the control examination. The chief physician receives different amounts from a total of 10 patients this way.



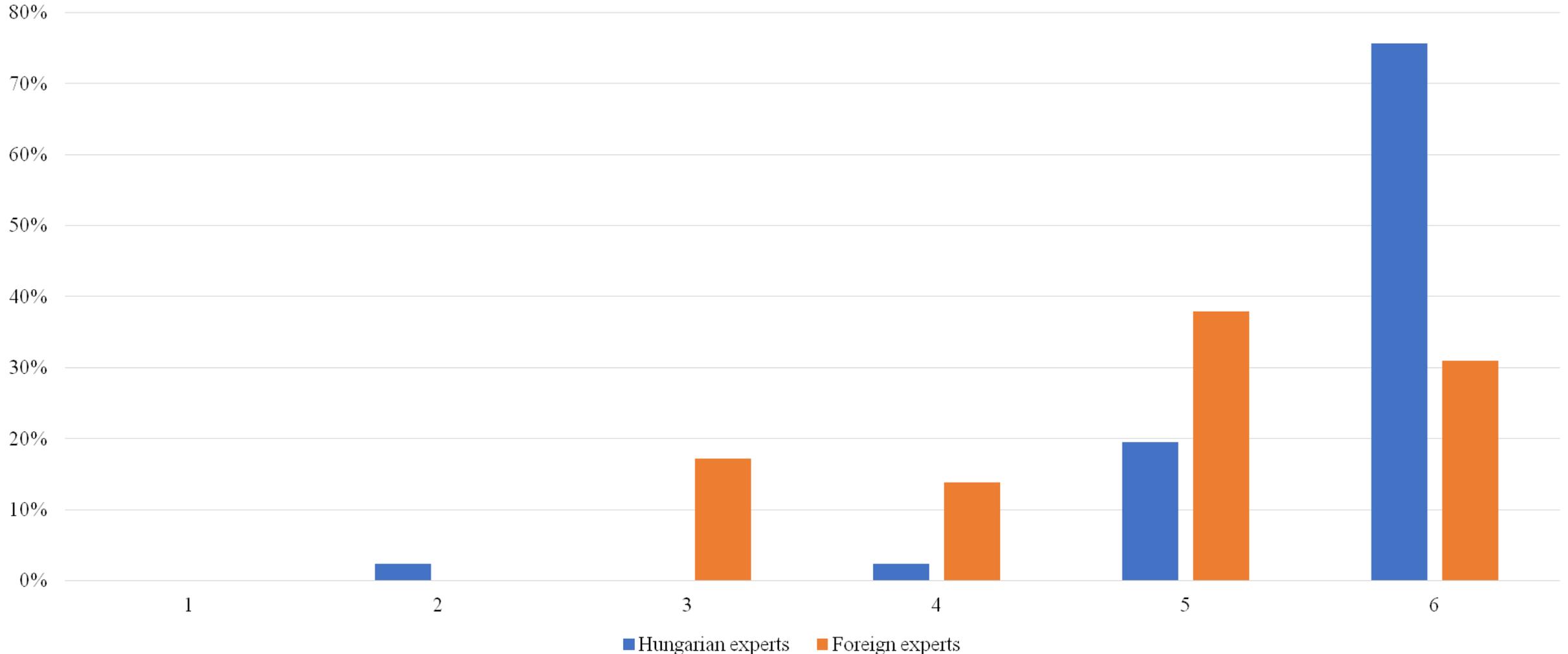
The contractor plans to start a new agricultural enterprise with the help of a state subsidy. The contractor offers advantage to the Deputy State Secretary in order to help him to win the tender of thousands of euros of a non-refundable support required for the investment. The contractor offers a 5 percent share in his company in return. The Deputy State Secretary accepts the offer and acquires the promised share in the newly established agricultural enterprise.



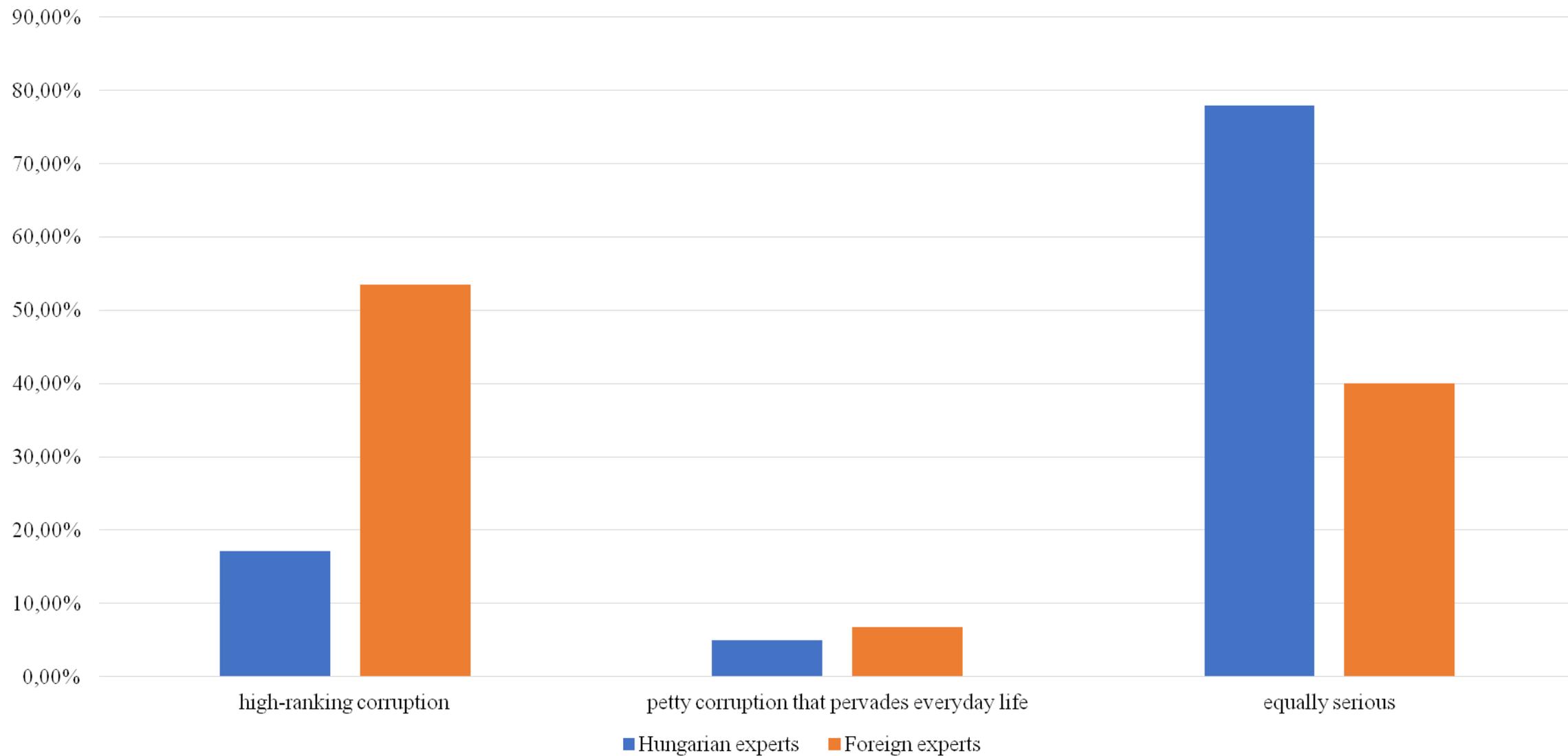
A health care center based in Hungary receives a grant of EUR 670.000 as a beneficiary. As part of an EU-funded project, purchased equipment from a Slovak company for EUR 1.7 million. The purchase price of the equipment (presumably at a realistic market value) in Slovakia was EUR 262.000. Part of the overpriced annuity went to those affected as brokerage commissions. The other part of the annuity was used to raise the project's own contribution in such a way that the supplier passed on the difference to an offshore company registered in the Seychelles to the Hungarian health care center as an interest-free loan.



One of the employees of 'Company L' contacts the Executive Director of 'Company M' in connection with a tender. 'Company M' submitted a price offer for a tender in the amount of EUR 95.000. The employee of 'Company L' organizes a personal meeting in his office, where he announces that the offer of 'Company M' is the most favorable among the competitors, so it is likely that 'Company M' will win the right of the execution. At the same time he indicates that they can benefit from a margin compared to the offer of other competitors, if the Executive Director of 'Company M' raises his bid to the amount of EUR 130.000. Then the difference between the final price “officially” negotiated from it – EUR 120.000 - and the original price offer by the 'Company M' is divided into three parts. The employee of 'Company L.' and his partner claim a total of EUR 16.500 from the EUR 25.000 difference. Thus, the Executive Director of 'Company M' will have to negotiate the final price with the management of 'Company L' in light of this. The employee of 'Company L' indicated that the offer made by 'Company M' could only be submitted to the management of 'Company L' if this employee would forward it. He also mentions that he is in the evaluating committee and he is able to influence the decision of the management of Company L. He also pointed out that if the Executive Director of Company M. does not accept his offer, he may cause hard times to Company M during the procedure.



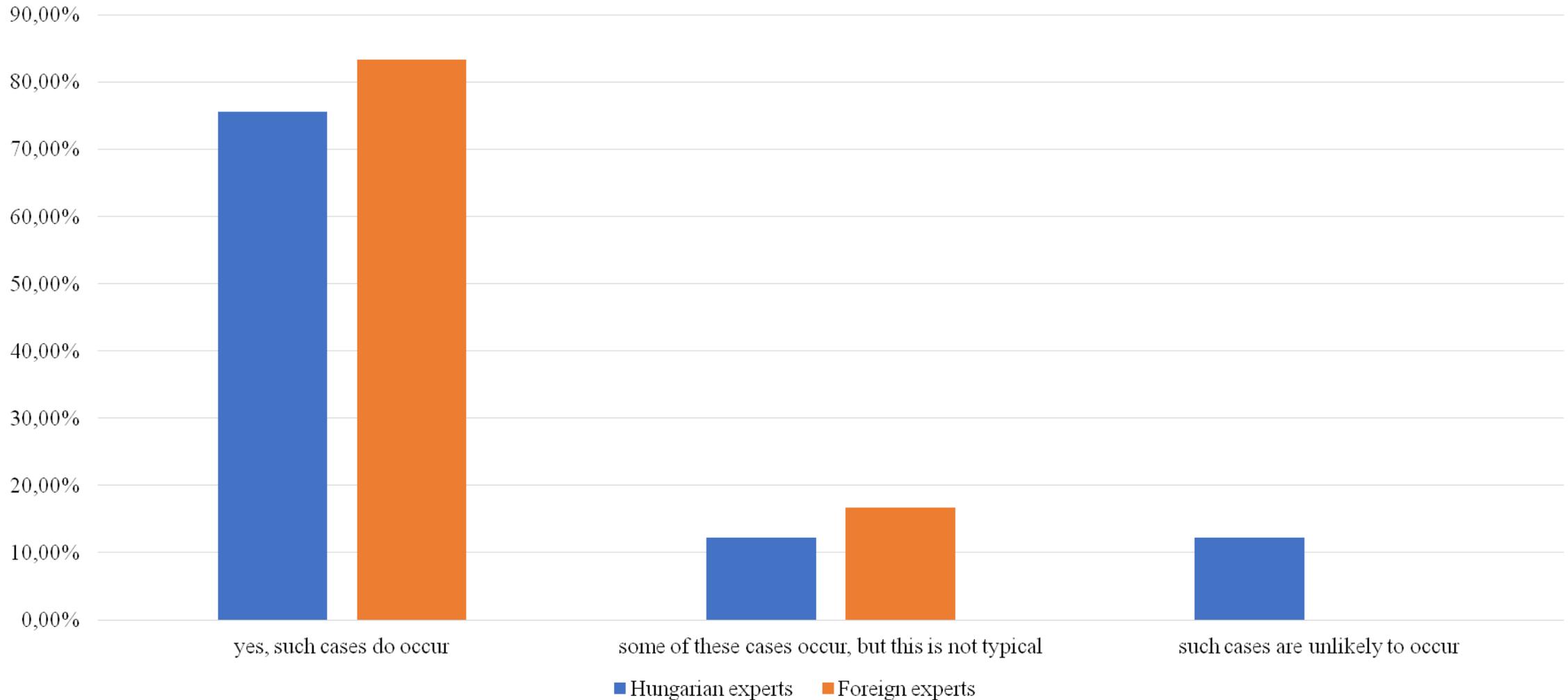
Which of the following do you considered to be more serious to society?



Public or private or both?

- In your opinion, is there a moral justification for the fact that in some countries the law treats public officials' corruption and the private sector one differently?
- International: 10 yes, 8 no, 3 „Both arguments could be given”
- Hungarian: 9 yes, 9 no, 2 it could be both

Would you consider it possible that in a corruption-situation the advantage given by the bribing party is provided because he/she is pressed by the power of the party requesting/accepting the advantage?



Summary

- Serious problem of a society
- Effected everyone
- Petty or high-ranking?
- Public/private?
- Do we have (clear) indicators?
- Criminal law approach vs other point of views?

**Thank you for your
kind attention!**

inzelteva@ajk.elte.hu