Institutional Congruence, Ideas, and Anticorruption Policy: The Case of China and the United States

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While international comparisons of anticorruption policies abound, whether these policies are transferable and how they change inside national boundaries remain debatable. Kaifeng Yang of Florida State University proposes an institutional framework that emphasizes the role of congruence and ideas in institutional change. In comparing China to the United States, the author concludes that anticorruption institutional change is path dependent, as it is nested in fundamental political structures and meta-narratives. Professor Yang proposes the possibility that new ideas may cause gradual changes with radical results.

Ranks by international organizations such as Transparency International and the World Bank consistently show that China is much more corrupt than the United States. Based on the rankings, these organizations often prescribe that China should adopt institutions that have heavy Western imprints. For example, Transparency International recommended that China should take the following steps:

- Strengthen oversight by the National People’s Congress of government, judicial, and law enforcement agencies
- Increase judicial independence
- Enhance the status of audit offices
- Increase the roles of the private sector and civil society
- Increase disclosure and transparency of public service departments
- Reform and improve the budget and financial system
- Unify and renew laws, regulations, and rules concerning the integrity system (Guo 2006)

To what extent are such recommendations appropriate? These recommendations are often based on international rankings, but there are concerns about the rankings’ lack of validity and their inability to differentiate among types and causes of corruption or to illustrate the strength of anticorruption activities (Kaufmann and Kraay 2008; Thompson and Shah 2005). It is also unclear whether the political ideologies of the international organizations and the dominant discourses in the international arena affect the scoring and ranking (Taussig 1999). Indeed, while international comparisons of anticorruption policies abound (Kaufmann and Kraay 2008; Rose-Ackerman 2001), it remains debatable whether these policies are transferable and how they, as a form of institutions, change inside national boundaries (Collier 2002; Warren 2004). In particular, much has been written on corruption in China (Gong 1994, 2000; Hao and Johnston 2002; Kwong 2000) and the United States (Anechiarico and Jacobs 1996; Cooper 1994; MacKenzie with Hafken 2002), but rigorous comparison between the two countries is limited.

One challenge is that an accurate understanding of corruption requires a “thick description” of a country’s institutional framework, political contingencies, and discursive framing, but international comparisons require a general framework that is applicable to different countries, and such a framework is lacking. The “Western” prescriptions are not necessarily inappropriate—they represent particular types of ideas and affect institutional change in a certain way. This article aims to build a general institutional framework for comparison, focusing on how political leaders frame corruption issues, how anticorruption policies interact with other institutions, and how ideas and institutions evolve. This article also adds to the debate regarding whether Western democratic institutions deter corruption (Sung 2004; Warren 2004) and the debate between those who emphasize ethical “low roads” and those who emphasize “high roads” (Hejka-Ekins 1994).

Ideas, Institutions, and Corruption

In figure 1, at the front stage are anticorruption agencies and other preventive and enforcement organizations, which carry out day-to-day anticorruption activities. The actions they take and the effectiveness of these actions depend on the back stage factors,
including structural institutions (political structures and democratic institutions), formal scripts (formal narratives, ideas, and discourses as institutions), and informal scripts (informal narratives as institutions). Formal scripts have three types: (1) the official meta-narrative that a society upholds, such as liberalism or socialism; (2) the official narratives and policies regarding corruption, which define the nature, source, and solution of corruption; and (3) other official narratives, such as those governing the area of economic development and government performance evaluation. Informal scripts include, for example, those taken-for-granted beliefs about how guanxi (personal favors or quid pro quo) plays a role in social interactions and how government performance is actually evaluated. These factors can all be viewed as institutions in different research traditions of institutional analysis (e.g., North 1990; Scott 2001; Skocpol 1992).

These institutions are embedded within one another. The front stage organizations are embedded within the macro-level structural institutions and the official meta-narratives. The corruption narratives and policies are embedded within the official meta-narratives. There are complementarities among the institutions under normal conditions. That is, there are interactive effects among the institutions in structuring political and social relations—one set of institutions is complementary to another when its presence makes the other work (Amable 2000; Hall and Soskice 2001). Considering both embeddedness and complementarities, these institutions work well when they are congruent with one another as they develop in a particular time and space. If incongruence occurs, problems may emerge and institutional change may be necessary. For example, incongruence could exist between official polices and informal scripts: while corruption is defined as unethical and punishments are specified for violators, individual officials or citizens may believe that other people will be corrupt or that social interactions are always based on taking and returning personal favors.

The ideas of embeddedness and congruence are consistent with the argument that once institutions are established, they evolve slowly in a path-dependent manner because they are interlocked with one another, because they constrain individuals' choices so that people tend to make incremental adjustments, and because decision makers learn gradually (North 1990). Therefore, anticorruption institutions should be understood in their development history—how they have emerged and changed over a long period of time. To make institutional change—evolutionary or revolutionary—happen, an important factor is ideas. Ideas provide organizations the legitimacy they must pursue and influence how actors perceive their interests and options—what actors believe is as important as what they want (Garrett and Weingast 1993). North (1998) argues that the social sciences, except for some branches of psychology, have neglected the importance of the cognitive process and thus calls for a “cognitive social science.” In the case here, how corruption is framed determines what policy will be adopted.

This article focuses on two ideas. First, recommendations by international organizations mostly focus on the front stage organizations and, more importantly, on the structural institutions in the back stage. They are “new” or “marginal” ideas to China, and we examine how they interact with currently dominant ideas and how they shape anticorruption policy. Second, there are two general approaches regarding how ethics are achieved. The legal strategy prefers designing laws, institutions, and rules to prevent, detect, and punish corruption; the cultural strategy focuses on cultivating morality and virtue in individuals through education. In the United States, this cultural strategy is relatively “new.”

### The Chinese Experience After 1978

We address China’s experience after 1978, when the reform and open-door policy started.

#### 1978–89: Anticorruption as a Spiritual Civilization

The economic situation during this stage was characterized by a shortage economy, agricultural domination, and low productivity. The primary objective of the government was to satisfy people’s basic needs, such as food and clothing. An overarching meta-narrative was proposed in 1982 and has since continued...
Different narratives were used to frame corruption. The reformers did not make the system a priority. There was tension between those who emphasized the Chinese government realized this problem, but anticorruption was controlled by the plan and partially adjusted by market), in which corruption was facilitated by the two-track price system (partially controlled by the plan and partially adjusted by market), in which rent seeking as a result of price difference was widespread. The Chinese government acknowledged this problem, but anticorruption was not a system priority. There was tension between those who emphasized deepening reform and those who emphasized moral education. Different narratives were used to frame corruption. The reformers emphasized structural analysis and considered corruption a byproduct of reform that was doomed to self-destruction as national maturation progressed. This view prevented reformers from taking more proactive systematic measures. Conservatives emphasized cultural analysis and argued that marketization should be stopped. Moderates contended that further marketization was the way out, but immediate measures should also be taken to fight corruption. The result is a confusing set of mixed messages rather than any kind of clear political narrative (Sun 2001).

However, while the Chinese government acknowledged the structural sources of corruption, such as the transitional economy, bureaucratic power, and weak anticorruption institutions, the dominant narrative was a version of the orthodox Marxist understanding that related corruption to feudalism and capitalism (Sun 2001; Ting 1994). Corruption was seen, first and foremost, as a problem of personal moral decadence or degeneration. The leadership believed that only a few officials were corrupt and that they were tainted by feudalism, decadent capitalist ideology, bourgeois ways of life, personal vices of greed, and individualism. Hence, mass campaigns were used as the main anticorruption strategy, such as the “Campaign of Curbing Official Privileges and Unhealthy Tendencies in the Party” from 1980 to 1981, the “Campaign of Resolutely Cracking Down on Economic Crimes” in 1982, and the “Campaign of Eradicating Housing Irregularities by Officials” in 1983, among others.

The effectiveness of the anticorruption measures was hindered by the changing and confusing ideas about corruption (Levy 2000). Corruption is abuse of “public office” for personal gain, but public office can be an ambiguous concept in a transitional economy. In the 1980s, public office extended beyond the party-state apparatus to various cultural, educational, scientific, and manufacturing entities. Particularly confusing were the state-owned enterprises that contracted with private parties, as well as rural collectives and joint ventures. Matters were further blurred when activities were not undertaken purely for personal gain, but for the interests of an enterprise or local community. There were no clear definitions about state versus society, public versus private, market versus patrimonial methods of allocation, politics versus administration, and personal versus collective rights and interests.

The ideological attack on “personal vices of greed” and “individualism” contradicted the market discourse—“to get rich is glorious” and “white cats, black cats, those who can catch mice are good cats.” The ambiguity of definitions and the clash between different narratives impeded the rule of law and led to flexible law enforcement among individuals, sectors, and areas. For example, a Central Committee on Discipline and Inspection (CCDI) regulation allowed gift giving and gift taking that was “small in amount, reasonable, and necessary.” But, in 1985, a professor in Liaolin Province who had helped a factory solve a technical problem was arrested for accepting a fee. In the same year, another professor in Guangdong Province was rewarded by the government for a similar action (Hao and Johnston 2002). A popular saying went that the same offender “makes a model worker in Guangdong but a criminal in Shanghai; chairs meetings in Hainan but wears handcuffs in Beijing.”

The tension between major narratives was a big problem. The Chinese government insisted on the Marxist-Leninist meta-narrative, but the central purpose of the state was to develop the economy and raise living standards. When Deng Xiaoping declared that “one portion of society must get rich first,” political elites were in the best position to take advantage. There was no consensus within the political leadership about how to interpret the unintended consequences, and the failure of virtue ethics was to impose Marxist-Leninist morality on an increasingly capitalist base (Holmes 1993).

In this stage, some formal anticorruption institutions were established or reestablished, but their effectiveness was limited, as they were adjustments within the current political system. The Ministry of Supervision was reestablished in 1987 in part to curb corruption, but it was not charged with handling corruption cases among senior party members. While the CCDI was reestablished in 1978 to handle corruption among senior party members, it was not effective because it reported to both the standing committee at the same level and the CCDI at higher levels. Intervention from higher-level CCDI was normally absent unless a major scandal was disclosed, so CCDI commissions mostly failed to monitor the leadership at the same level. At the end of the 1980s, widespread whistle-blowing
channels were set up for citizens to help monitor government officials, but their effectiveness depended on political leaders’ commitment to anticorruption (Gong 2000).

When facing all these institutions, corrupt officials seemed to be able to short-circuit investigations by appealing to their protectors within the party hierarchy. The effectiveness of anticorruption institutions was hampered by informal politics, political factions, and the concentrated power in the party-state. A faction refers to a personal network of mutual obligation and exchange that seeks to preserve and expand the power of the patron, which benefits every member of the network. Such networks often became conduits whereby appointments, economic goods, and policy power were channeled. Faction politics was essential because Chinese politics was “informal” and uncertain—there was no institutionalized succession mechanism and no clear indicators of power.

These problems were recognized by Chinese leaders. Although political reform was not a major task, the inconsistency between economic and political reforms became clearer after 1984—especially after 1987, when the economic reform slowed down because the two-track system and decentralization induced unexpected problems such as corruption and inflation. In 1988, the Chinese government declared that whether the party and state apparatus could avoid corruption was a problem that concerned China’s future and the party’s fate. In light of this, from 1985 to 1987, Deng Xiaoping pointed out several times the necessity for political reform. In September 1986, the CCP Central Committee Unit for Studying Reforms of the Political System was established. In 1987, the Overall Proposal for Political System Reform was passed in principle by the Seventh Plenary Session of the Twelfth CCP Central Committee. Later that year, the Thirteenth CCP National Congress Report outlined a basic blueprint for political reforms. The report stated that China’s basic political system was good, but there were major deficiencies in its leadership system, organizational forms, and operating modes. It asserted that China should not copy the Western model of separation of powers and multiparty competition, and submitted that political reform should achieve the following goals:

- Separating the CCP from the government
- Further decentralizing the power structure
- Reorganizing the government, including government—enterprise separation and budgetary control
- Reforming the personnel system, including the civil service system and performance-based accountability
- Building a social consulting and dialogue system, including an open government and media monitoring
- Refining the socialist democratic political system, including the People’s Congress, the People’s Political Consulting Meeting, democratic/competitive election, and citizen complaint system
- Strengthening the socialist legal system, including judicial independence and rule of law

The 1990s: Rule by Law versus Rule of Man
The foregoing blueprint was not executed, as two critical events occurred—the 1989 student demonstration and the collapse of the former Soviet Union. From June 1989 to early 1992, conservatives dominated, and both economic and political reforms were halted.

In early 1992, Deng Xiaoping’s South China tour reaffirmed the reform/open-door policy and called for further liberation of ideas and mind-sets. Afterward, economic reform picked up, but the momentum for political reform did not return. Although Deng Xiaoping affirmed the correctness of the Thirteenth CCP National Congress Report, political reform changed direction in the 1990s—from addressing the core problems of the political system to refining the current system. For the purpose of defending the regime’s legitimacy, China associated corruption with “capitalist liberalism” and made great efforts to strengthen its “loosened” ideological control and communist education.

In the 1990s, the meta-narrative remained the same—socialism with Chinese characteristics—but marketization continued. While political reform was not initiated, the rule of law as a significant idea was formally established for the first time in CCP history. In 1997, the report of the Fifteenth CCP National Congress linked political reform to democratic legal reform and the rule of law. The rule of law became a basic reform objective and was written into a constitutional amendment in 1999. After 1988, the National People’s Congress passed a series of laws dealing with bribery, speculation, profiteering, and abuse of power. Judicial organs accelerated the processing of corruption allegations. In 1993, the State Council began to convene an annual anticorruption meeting that would designate certain tasks each year. In 1997 alone, five new national anticorruption laws and disciplinary regulations were promulgated.

After 1995, more attention was paid to institutional methods. In 1996, the Central Bureau of Anti-Embezzlement and Bribery was established. The root of corruption was considered to be the “intervention and destruction of economic activities by administrative power” and “the lingering administration of enterprises and economic activities by government as a legacy of the command economy.” As a result, both the 1994 “Building Modern Enterprise Systems” program and the 1998 administrative reform were intended to further separate government from enterprise. The People’s Liberation Army was ordered in 1998 to withdraw from its myriad business ventures, a policy that was extended to all government agencies in 1999.

Despite these legal and institutional efforts, there were institutional mismatches that hampered their effectiveness. The first mismatch was between various formal narratives or ideas. For example, in the Jiang Zeming era, the rule of law did not become the predominant narrative, as he assigned the same importance to the rule of virtue. Although the integration of the rule of law and the rule of virtue as a political narrative was not formally outlined by Jiang until 2001, his ideas about corruption in the 1990s reflected this balanced view. Jiang, in the CCDI’s 1993 session, cited four major causes of corruption. Three were cultural: “feudal and other influences from exploitative systems,” “decadent influences from capitalism after reform and opening,” and “insufficient ideological education that gave way to monetary fetishism, hedonism, and excessive individualism.” The fourth concerned structural institutions: “incomplete structural transition.” In his report to the Fifteenth Party Congress, Jiang declared his intention “to uphold a policy of curing the symptom as well as the root; to use education as the foundation, rule of law as the guarantee, and monitoring as the key.”
The emphasis on the rule of virtue highlighted the leadership’s main concern: the legitimacy crisis that the CCP faced, attributable in part to widespread corruption. But Jiang did not specify what he meant by virtue, and the concept may require rule by virtuous people, which could place emphasis on the personalities of leaders rather than on the rule of law. This potential threat is particularly relevant given the informal politics and faction struggles within the CCP—virtue could be defined as political virtue and loyalty. The rule of law and anticorruption were not only affected by the idea of the rule of virtue but also by other narratives: the rule of law was often overshadowed by other more dominant narratives—party policies originated from the state’s core tasks and major reforms. The CCP used many circulars containing policies that can be easily bent to suit the needs of the people who execute them on the ground where policies have to be adjusted to fit local situations. With decentralization, more and more decrees, directives, and ordinances were issued, and yet they became less and less effective, often conflicting with one another and with the law. The clash between economic development and anticorruption was also clear in the Yuanhua case, in which the corruption ring included hundreds of senior officials in the party, administration, military, public security, custom, and financial industry at the provincial and city levels. Smuggling and tax evasion were tolerated by the provincial leadership because their “local economic performance” could be boosted.

Another incompatibility was between official narratives and informal narratives. Anticorruption measures and ethics development were hampered by informal norms and underground rules. Although the civil service system was established in the 1980s, changing cadres’ thought, style, values, and attitudes turned out to be more difficult than setting up the system (Zhu 2000). It was common knowledge that guanxi was important in social and political interactions. Also well known was that “officials produce numbers and numbers make officials.”

There was also a disparity between official policies and political structures. Cadres faced accountability to the top, not to peer institutions or to citizens at the bottom. Without elections and checks and balances based on the rule of law, performance-based management is very likely to degenerate into a game of numbers, because that is the only way to legitimize power. Hence, unethical behaviors abound in a neotraditional system with an ethos torn between traditional revolutionary cadres and modern bureaucratic spirits (Lu 1999, 2000). Moreover, the disparity led to citizen perceptions that anticorruption was not a law-based action but a form of a power struggle among political factions. Indeed, corruption replaced ideology as the primary factor in factional struggles (Dittmer 2003). Factions are no longer identified with distinctive policy platforms, but exclusively around personnel issues. For example, in 1998, onetime Politburo member and former party secretary of Beijing Chen Xitong was given a 16-year jail sentence. However, citizens perceived the case not as a signal of the leadership’s resolution to fight corruption, but as a result of the power struggle. Internal faction struggles tended to lead to compromise and vacillation in policy, as well as utilization of anticorruption as a tool of factional politics (Holmes 1993).

Despite the consideration given to institutional and legal strategies, corruption has not been effectively curbed; rather, the scope and form of corruption has expanded. The focus of rent seeking shifted to price differences in capital goods such as stocks, real estate, and state property shares, with more money involved. Corruption among officials who did not directly control economic resources increased, as they engaged in levying illicit fines, imposing illicit fees, and requiring illicit apportionments. Moreover, corruption increasingly occurred at the system level. In the Mu-Ma case in Shenyang, the mayor, the party secretary, vice mayors, 17 bureau (administrative or party) chiefs, as well as numerous mid-level managers, were found to be corrupt. Finally, there was increased corruption in promotion and recruitment. In sum, the 1990s saw many more institutional and legal strategies taken to curb corruption, but the effect was disappointing.

**The New Millennium: Toward Rule of Law?**

Within the same meta-narrative, socialism with Chinese characteristics, the new millennium has seen many innovations. For example,

- In 2000, Jiang Zemin introduced the “Three Represents”—that the party should represent the advanced culture, the advanced relations of production, and the interests of the broad masses of the people. This explicitly broadened the criteria for CCP recruitment to include members of the middle classes, even members of the bourgeoisie.
- In 2000, the Fifth Plenary of the Fifteenth CCP Central Committee added two new items to political reform: scientific and democratic decision making, and citizen participation.
- In 2002, the Sixteenth CCP National Congress Report insisted that China should never copy any models of the political system of the West, but acknowledged that China must learn from the achievements of the political civilization of mankind. It pledged that the basic principle of ruling the country by law would be implemented completely.
- In 2004, the State Council issued the Program for Comprehensive Implementing Government Administration in Accordance with the Law, which set forth the goal of building a government under the rule of law.
- In 2005, Primier Wen Jiabao introduced service-oriented government for the first time.
- In 2007, the Seventeenth CCP National Congress Report specified for the first time the importance of (1) the people’s democracy, (2) self-governance at the primary level of society, (3) law-based governance, (4) transparency and power in the sunshine, and (5) systems of inquiries, accountability, economic responsibility auditing, resignation, and recall. In particular, it emphasized that power should be checked and balanced: “We must have institutions to govern power... and establish a sound structure of power and a mechanism for its operation in which decision-making, enforcement and oversight powers check each other and function in coordination.”

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Without elections and checks and balances based on the rule of law, performance-based management is very likely to degenerate into a game of numbers, because that is the only way to legitimize power.
After Hu Jintao took control in 2002, the government showed its determination to fight corruption in acknowledging the seriousness of the problem. Hu set the tone in 2003: “Currently, some corruption is still severe; soils and conditions conducive to corruption are still existent; an anticorruption environment is still critical; and an anti-corruption task is still onerous.” Media reports on corruption became more open and candid. The government also placed its focus on high-ranking officials. In 2003, 13 provincial and ministry-level officials were disciplined for corruption and were widely reported. That year also saw other historical progress. The government proposed building an institutional system to fight corruption, drafted the first Intra-CCP Monitory Rule, signed the first United Nations Anti-Corruption Agreement, changed from ad hoc monitoring to special monitoring, and started to focus on behaviors that severely damaged citizens’ direct interests.

In general, the strategy seems to be continuing efforts on moral, institutional, and legal grounds, but with stronger resolve and better coordination. This is reflected in the Five-Year Anti-Corruption Plan announced in 2008. The measures include the following:

- **Education and culture:** (1) further carry out anticorruption and clean government education toward the leading cadres, the whole party, the society; and (2) build a culture of clean government.
- **Legal systems:** (1) refine intraparty democracy and intraparty monitoring; (2) refine discipline systems; (3) refine anticorruption leader responsibility and mechanisms; (4) and strengthen the laws against corruption.
- **Checks and balances:** (1) strengthen the monitoring of the leading cadres; (2) strengthen the monitoring of power execution in major areas and key tasks; and (3) support the work of monitoring organizations.
- **System reform:** (1) reform the personnel and judicial systems; (2) reform the administrative management and social systems; (3) reform the financial management, taxation, monetary, and investment systems; (4) deepen state-owned enterprise reform; and (5) deepen modern market system development and related reform.

The monitoring institutions have been strengthened. The new Rule on Intra-Party Monitoring, proposed in 1990, was finally enacted in 2004. It legitimates the monitoring function of the CCID at various levels and specifies 10 monitoring systems. Many other laws are under consideration. Xia Zanzhong, vice secretary of the CCID, stated in 2004 that the CCP aims to build a regulatory system of clean administration, which will consist of 10 types of laws and rules.

- **General laws and rules on clean government, CCP behavior, and anticorruption, such as the CCP Rule on Internal Monitoring, the Guidance on Accountability for Clean Government and CCP Behavior, and the Law on Administrative Monitoring**
- **Laws and rules on CCP leadership self-discipline and other behavioral norms**
- **Procedural laws and rules, including investigating violations of CCP or government discipline**
- **Laws and rules on dealing with CCP members and civil servants who violate CCP or government discipline**
- **Laws and rules on correcting inappropriate practices of sectors and industries**
- **Laws and rules on monitoring and checks and balances in order to prevent and curb corruption at its root**
- **Laws and rules on propaganda and education for anticorruption and clean government**
- **Laws and rules on disciplinary and monitory functions, organizational apparatus, and internal monitoring**
- **Laws and rules on anticorruption cooperation with foreign institutions, and domestic laws and rules in line with some international agreements**
- **Other laws and rules that are formulated by the CCP departments, ministries, the local CCP and administrative agencies**

Virtue ethics is still emphasized. Right after his inauguration, Hu Jintao traveled to Xibaipo, Hebei Province, where Mao Zedong had advised CCP members of the “two musts” before the founding of the new republic: (1) CCP members must maintain a mode of modesty, prudence, and nonsuperficialness, and (2) CCP members must maintain a mode of bearing austerity and striving for better. Another example was the “citizenship morality” project. In September 2001, the CCP announced the Synopsis on Implementing the Citizenship Morality Project, which promotes, through education and propaganda, 10 “virtues” based on traditional Confucian culture and socialist thoughts.

**The U.S. Experience**

The U.S. experience has been widely documented (Cohen and Eimicke 2000; Cooper 1994; Gilman 1997; Mackenzie with Hafken 2002). Anechiarico and Jacobs (1994) nicely summarized anticorruption institutional change in the United States since the antipatronage era. Much of the ethics infrastructure in the U.S. federal government, however, was created in the aftermath of the Watergate crisis of the 1970s. The Ethics in Government Act of 1978 established the federal Office of Government Ethics (OGE) under the Office of Personnel Management, and the Ethics Reform Act of 1989 made it an independent agency. The OGE provides direction and leadership in ethics management in the executive branch. It requires each federal agency to have a designated ethics officer to administer ethics record-keeping paperwork and conduct training. In 1993, it created the Fourteen Principles of Ethical Conduct for Federal Employees, which has no practical influence on the OGE’s daily work. The states all maintain some form of ethics agency or commission (Hejka-Ekins 1994).

Clearly, in the United States, legal policy has become prevalent in the past several decades. Sophisticated formal accountability systems are designed to ensure rule-based ethical behavior. Congress intentionally structured the OGE as a compliance agency with a limited role—to ensure compliance with the rules on financial disclosure and conflicts of interest. Thus, the actual functions of the OGE are devoted to tracking financial connections and processing paperwork. Although the OGE claims to take the “high road” approach, the issues it addresses are exactly what Rohr (1989) views as the “low road”: addressing ethical issues almost exclusively in terms of adherence to agency rules.

States differ greatly in their scope of ethics regulations and in the authority and effectiveness of ethics agencies. In addition to establishing rules about conflicts of financial interest, many state commissions track campaign and election expenditures, register
lobbyists, and receive reports on lobbying expenditures. Nevertheless, most state ethics commissions are similar to the federal OGE and emphasize compliance with rules and regulations about conflicts of interest (Anechiarico and Jacobs 1996; Maletz and Herbel 2000).

The legal approach is congruent with the meta-narrative of the U.S. Constitution, which focuses on institutions channeling self-interests to the public interest. Although the framers of the Constitution wrote about the importance of virtue occasionally, the existence of government is founded on the premise that virtue is uncommon—“If men were angels, no government would be necessary” (Madison 1788). The question is how a state should be constructed in the absence of virtue (Bailey 2001). Jane Ley, former deputy director for government programs and special projects at the OGE, in sharing the U.S. experience with its international counterparts, began by pointing out that the constitutional separation of powers and responsibilities is “a first protection against conflicts of interest” (2000, 1) and “carries through in programs designed to address ethics and conflicts of interest” (2).

The legal approach is also congruent with the meta-narrative of liberalism. Maletz and Herbel, in commenting on why virtue ethics is not practiced, wrote,

[T]he aim itself would conflict with a deeply ingrained preference in liberal societies against government attempts to define or promote ends. Built into the framework of liberalism from the beginning was a demand that government should confine itself toward defining a basic level of behavior dealing with the most general and common needs . . . the dominant strand of liberal democratic thought has feared attempts by government to define the aspirations of the conscience or to direct human beings toward specific qualitative modes of conduct, belief, or aspiration. There have been those who dissent from this view of the relationship between government and ethics, but they remain a minority. (2000, 37–38)

The U.S. experience shows that there is sometimes incongruence between the official anticorruption narrative and the narrative of efficiency and performance. For example, the OGE requirements are often found to be burdensome to employees, detrimental to performance, and unable to foster public confidence in the integrity of public officials (Mackenzie 2002; Mackey 1996). Extensive anticorruption control “exacerbates fundamental pathologies that have always plagued bureaucracy” and makes government ineffective (Anechiarico and Jacobs 1996, 173).

While China’s experience points to a significant problem of the party-state, political parties in the United States are also a significant source of corruption, as reflected in the term “spoils system.” As Lowi (1964) reported, until well into the twentieth century, politically appointed department heads in New York City met every evening to report to the party bosses. The practice of donations moving through political parties is sometimes labeled “mediated corruption” (Thompson 1993). Patronage continued to be an issue in the 1990s. For example, Moe (1991) documented that in the 1980s, political loyalists were appointed to high positions in the Department of Housing and Urban Development to ensure that contracts were awarded to developers that properly certified through Republican Party channels.

The Pendleton Act of 1883 was designed to inject ethics into government, as it “sought to establish inside the constitutional system a professional structure that could overcome or at least minimize the inevitable corruption that parties had introduced and managed from outside that constitutional system” (Thayer 2000, 54). However, recent decades have seen repeated political efforts to undermine the act. President Jimmy Carter’s 1978 reform abolished the Civil Service Commission, the bipartisan body that had managed federal civil service without being subject to total presidential control. President Bill Clinton’s reinventing government program targeted civil servants, but not political appointees. The recent at-will employment movement in the states reflects the same trend.

Once again, the problem is rooted in the tension between narratives. For example, in lamenting how political parties lead to corruption, Thayer asked, “How can these ‘associations,’ legally defined as nothing but ordinary interest groups, be so indispensable to governance?” and “Why so many questions about the legitimacy of a civil service but none at all about political parties that do the dirtiest work of a dirty business?” (2000, 51). Maletz responded that Thayer’s argument is “a critique of essential institutions and practices of liberal democracy, especially electoral competition” (2002, 165), and concluded that the pursuit of ethics in government “must be guided by an awareness of the necessary institutions of constitutional democracy” (165).

Discussion

The experiences of China and the United States seem to support the institutional framework proposed in this article. Institutional congruence among different anticorruption institutions seems to be an important issue, although the level and type of incongruence differ in the two countries. In the United States, the primary incongruence is between anticorruption narratives and other narratives governing the operation of government. China faces much more incongruence in its transition toward a market economy, but it does have the same conflicts, such as that between anticorruption and economic development. Maletz and Herbel’s observation seems to be a general one:

Public organizations have primary substantive missions. There is little doubt that corruption can damage the performance of the mission, but at the same time, there seems little doubt that organizations generally subordinate the elimination of corruption to some or maybe many other tasks that are their actual raison d’être . . . In actual practice, of course, ethics matters are usually treated more like a necessary but peripheral issue. (2000, 27)

Unlike the United States, China’s anticorruption narratives have frequently clashed with narratives governing other policy areas. They have also increased tension with the informal script that taking and returning favors are necessary and socially accepted. North, Wallis, and Weingast differentiate a “limited access social order” from an “open access social order.” The former is characterized by “privileged access to valuable rights and activities” and “builds on inherent affinity in human nature for building personal relationships” (2006, 31). The latter is characterized by free access to political and
Th e party-state structure and its related insti-
Law and policy have not yet been eliminated completely.

tions, and those eff orts have been accompanied
with structural institutions, and with informal scripts. Since 1978,
been in confl ict with meta-narratives such as the CCP leadership,
United States, but it was not always so in China, where it has often
Similarly, the rule of law has been a dominant narrative in the
A priori. We have seen some structural changes in China in the last
2007, an amendment to the Constitution added political civilization to socialist material civilization and
2002, China expanded its “two civilizations” to “three civilizations,”
and personal favors may take much longer to

As a new idea, the fate of virtue ethics in the United States sheds
light on how ideas affect institutional change. It seems that new
ideas need to be consistent with meta-narratives or demonstrate
they are an eff ective alternative—to be linked to material conditions
in ways that give them weight and credibility. Virtue ethics arguably
does not ft well with meta-narratives such as liberalism. It cannot
be formulated in or enforced by legalistic imperatives either (Moore
and Sparrow 1990). It cannot be “inculcated by a government pro-
gram in any economical fashion to large numbers of people,” and “it
is far from clear that we know how to foster such qualities reliably
even on a small scale” (Maletz and Herbel 2000, 38). At least in
most Western countries, an integrative approach has not seen much
success yet.

Similarly, the rule of law has been a dominant narrative in the
United States, but it was not always so in China, where it has often
been in confl ict with meta-narratives such as the CCP leadership,
with structural institutions, and with informal scripts. Since 1978,
China has formulated more than 1,500 policies, directives, regula-
tions, and laws that are related to anticorruption,

tions, which itself is a serious void in the social sciences. Changes
take time to unfold. What is appropriate depends on the historical
specifi city of the phenomenon in question—it cannot be prescribed
a priori. We have seen some structural changes in China in the last
30 years. The bad news is that the informal scripts and cultural
values about guanxi and personal favors may take much longer to

Conclusion
Achieving a high standard of ethics is essential to the legitimacy and
effectiveness of a modern state, but the road to ethical bureaucracy
remains a black box despite tons of studies and centuries of experiments. Anticorruption
institutional change is necessarily path dependent, as it is nested in fundamental
political structures and meta-narratives, but there is always the possibility that new ideas
can lead to relatively radical changes. The congruence of various institutions infl uences
the effectiveness of anticorruption policies. The Chinese and U.S. experiences show
that in order to effectively curb corruption, governments have to balance virtue ethics, the
rule of law, democratic institutional safeguards, and cultural values in their ethics reforms. Different countries have different historical,
economic, and institutional contexts, which constrain the choice of
anticorruption strategies and their effects.

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