CORRUPTION PERCEPTIONS INDEX 2017

TRANSPARENCY INTERNATIONAL
the global coalition against corruption

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Scores and ranks 180 countries and territories from around the world on the perceived level of corruption in the public sector.

THE CORRUPTION PERCEPTIONS INDEX IS:

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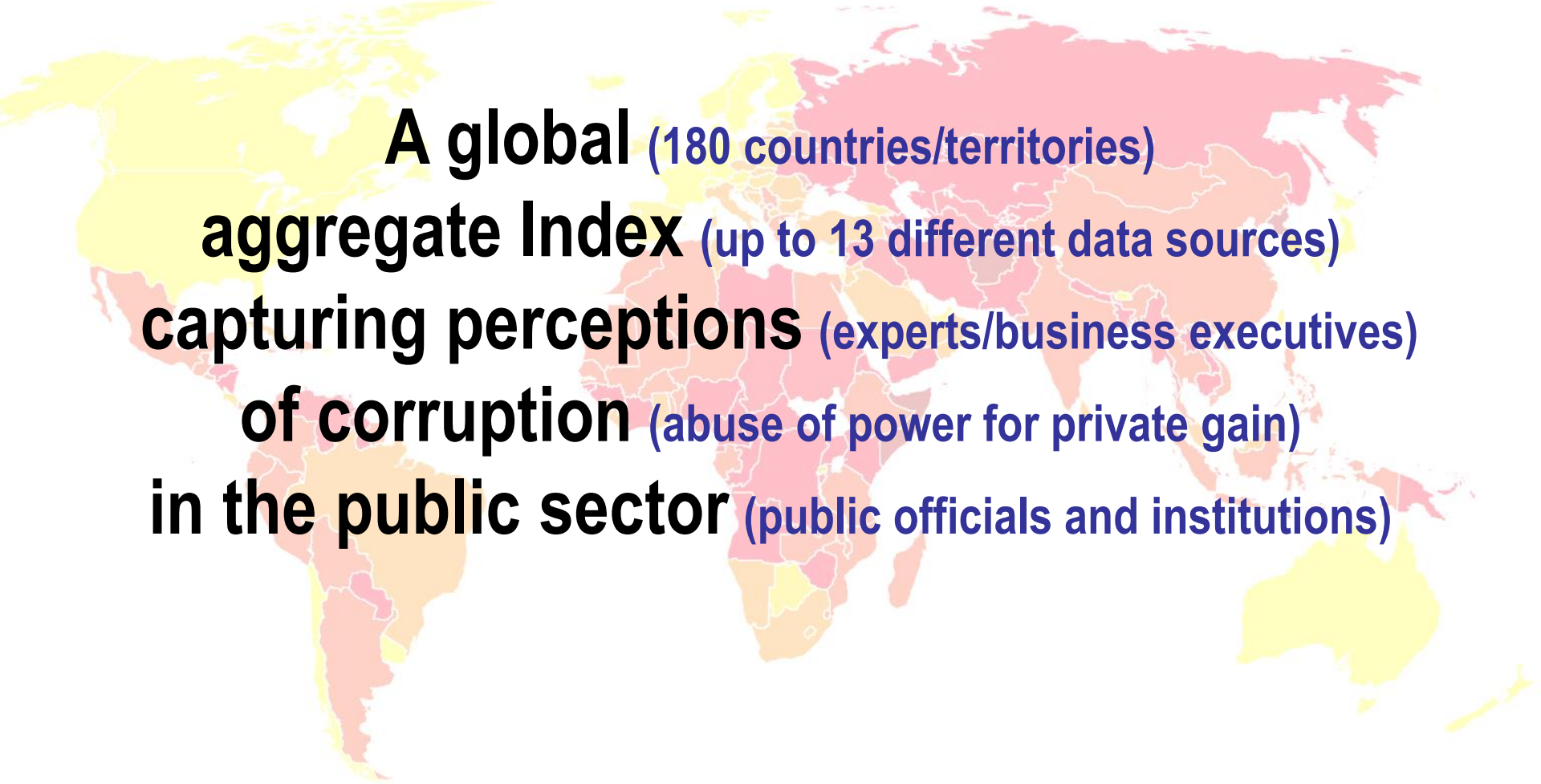


A global (180 countries/territories)
aggregate Index (up to 13 different data sources)
capturing perceptions (experts/business executives)
of corruption (abuse of power for private gain)
in the public sector (public officials and institutions)

THE METHOD

STEP 1 – Select data sources

STEP 2 – Rescale data sources

STEP 3 – Calculate the average

STEP 4 – Report uncertainty

STEP 1 – SELECT DATA SOURCES

What makes a valid data source:

A) Reliable data collection and methodology from a creditable institution

B) Data addresses corruption in the public sector

C) Quantitative granularity

D) Cross country comparability

E) Multi-year data-set

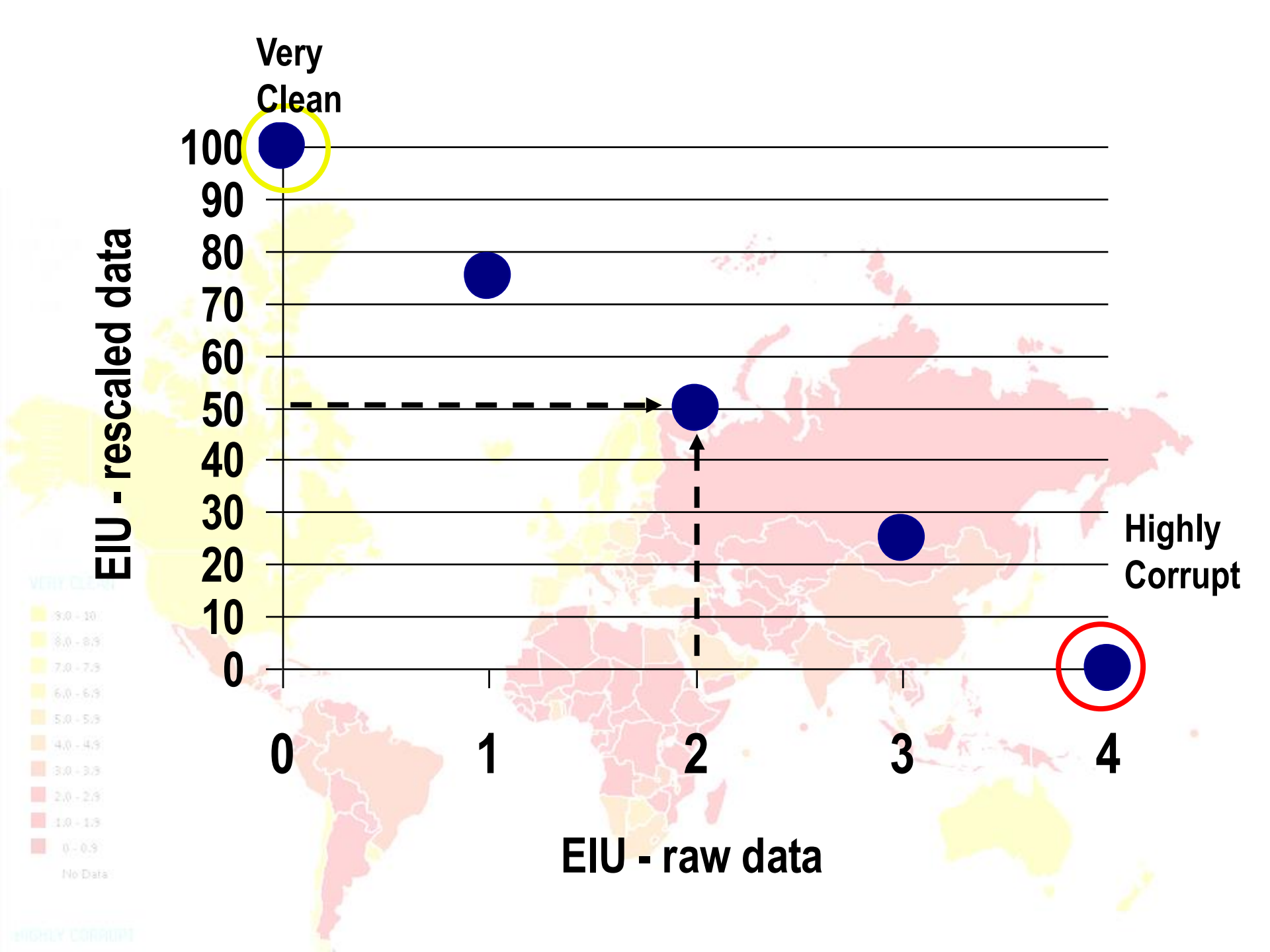
STEP 2 – RESCALE DATA SOURCES

A) Reverse your data (if necessary)

- Low number = Highly corrupt
- High number = Very clean

B) Standardise data to CPI scale (0-100)

- Set average equal to 50
- Fix the spread of data to have a max 100, min 0


Very
Clean
100
90
80
70
60
50
40
30
20
10
0
EIU - rescaled data
Highly
Corrupt
0
1
2
3
4
EIU - raw data

STEP 3 – CALCULATE THE AVERAGE

At least three scores for each country

Simple average of scores

Each source counts equally (no weighting)

Country X	Score
World Bank	58
Global Insight Country Risk Rating	59
World Justice Project	61

Country X score = (58+59+61)/3

= 59

STEP 4 – REPORT UNCERTAINTY

To capture the uncertainty in the score

- Calculate a measure for the spread of the source data
- Report the standard error
- Calculate a 90% confidence interval

Country X	Score
World Bank	58
Global Insight Country Risk Rating	59
World Justice Project	61

$$\text{Country X st. error} = \frac{\sqrt{\text{var}(58,59,61)}}{\sqrt{3}}$$

$$= 0.85$$

90% Confidence interval = 58 (lower bound)
60 (upper bound)

INTERPRETING THE RESULTS

Score:

On a scale of 0 – 100, where 0 means highly corrupt and 100 means very clean.

Allows for comparison with scores from previous years (2016, 2015, 2014, 2013, 2012): **The CPI score for 2017 can be compared with the CPI scores from the previous five years and changes in scores can be interpreted appropriately.**

Rank:

Out of the **180** countries globally, a change in rank could be due to:

a) Change in CPI score for the country between **2017** and **2016**

b) Change in scores of other countries included in the CPI

c) Inclusion of additional countries in the index

INTERPRETING THE RESULTS

Uncertainty:

Number of sources: Between 3 (minimum) and 13 (total number of sources)

min/max: Captures the range of scores given to that country from all data sources

Standard error: Calculation of the distribution of the source data, taking into account both the range in values of each source and also the number of sources available for that country

90% confidence interval: Captures the uncertainty in the CPI score, by providing a range of scores that we have 90% confidence the CPI score falls between

DATA SOURCES FOR CAMBODIA

1. The Bertelsmann Stiftung Transformation Index 2017-2018
2. The Economist Intelligence Unit Country Risk Service 2017
3. The Global Insight Country Risk Ratings 2016
4. The Political and Economic Risk Consultancy Asian Intelligence 2017
5. The World Bank Country Policy and Institutional Assessment 2017
6. The World Economic Forum Executive Opinion Survey 2017
7. The World Justice Project Rule of Law Index Expert Survey 2017-2018
8. The Varieties of Democracy (V-Dem) 2017