FaR 2021
International Forum "Freedom and responsibility in pivotal times"

ASSESSMENT OF THE CORRUPTION OF INDIVIDUAL AUTHORITIES IN NIZHNY NOVGOROD REGION

Valeriy A. Borodin (a), Elena A. Nagaeva (b)*, Evgeniya S. Prokhorova (c),
Sergey V. Ustinkin (d), Dmitry Y. Akatiev (e)
*Corresponding author

(a) Linguistic University of Nizhny Novgorod named after N.A. Dobrolyubov, Nizhny Novgorod, Russia,
borodin@lunn.ru
(b) Linguistic University of Nizhny Novgorod named after N.A. Dobrolyubov, Nizhny Novgorod, Russia,
lena.nagaeva@mail.ru
(c) Nizhny Novgorod Institute of Management Branch Russian Presidential Academy of National Economy and
Public Administration, Nizhny Novgorod, Russia, proev@list.ru
(d) Linguistic University of Nizhny Novgorod named after N.A. Dobrolyubov, Nizhny Novgorod, Russia,
sv.ustinkin@gmail.com
(e) Linguistic University of Nizhny Novgorod named after N.A. Dobrolyubov, Nizhny Novgorod, Russia,
akatjev@lunn.ru

Abstract

At the moment, corruption is one of the most acute problems of the Russian state, society and economy. The negative impact of corruption on the country's economy is steadily growing, the scale of corruption is increasing, the areas of corruption actions are expanding and already cover almost all socio-economic processes of the country. Corruption affects all stages of economic processes without exception, covering the production of resources and their subsequent distribution, which has a destructive effect on the overall state of the country's financial and economic system, including by reducing the tax base, worsening tax collection, and reducing budget revenues. Due to corruption manifestations in the economy, not only a significant part of the country's material resources "falls out" of official circulation, but also there is a distortion of tax, statistical and financial reporting, which, in turn, leads to a decrease in the transparency of the economy. In fact, "in the shadow" there is a huge unused reserve of resources and opportunities for economic growth, which, if legalized, could become a significant help for the progressive development of the country. Finally, the high level of corruption in the Russian economy seriously worsens the country's investment climate and destroys its image as a reliable business partner.

Keywords: Corruption, authorities, valuation, corrupt deal

1. Introduction

As the practice of developed Western countries shows, law enforcement systems work most effectively where they rely on the support of the general population (Abalkin, 1994).

No law enforcement machine is able to prevent and solve all 100 % of crimes, because this would mean total surveillance of its citizens, which goes beyond the technical and financial capabilities of even the richest state (Edelev, 2007).

2. Problem Statement

Therefore, a truly effective control system relies, first of all, on signals "from the ground" (from the population, the media, etc.) (Dolmatov, 2007).

Naturally, the reaction to such signals should be immediate, the results of this reaction should be known and visible, and active participants-assistants from among the population should be encouraged by this control system (Kingston, 2008).

In relation to Russia, there should be a certain breakdown of the mentality of the population, when such assistance to the supervisory authorities will lose the status of "snitching" and will be regarded by the majority of citizens as an active and correct social position (Kalinina, 2010).

3. Research Questions

It seems that the above set of measures, even in the first approximation, should significantly change the situation with the anti-corruption fight in the Russian Federation, increase its effectiveness and efficiency (Bilinskaya et al., 2011).

Currently, more than 3.2 million citizens live in the Nizhny Novgorod Region, including more than 1.2 million of them in the regional center. More than 160 thousand business entities conduct business in the region. It is advisable to start the analysis of the corruption situation in the region by considering the official data of the Ministry of Internal Affairs of Russia for the Nizhny Novgorod Region:

1. In 2020, 413 corruption – related crimes were detected by employees of the internal affairs bodies of the Nizhny Novgorod Region (in 2019 – 519).

2. 136 criminal cases were sent to the court for 376 crimes, and 173 criminal cases were initiated on corruption in 2020 (194 in 2019), and (161 and 433 in 2019, respectively). In total, 229 persons who committed corruption crimes were identified, 174 persons were brought to criminal responsibility (in 2019 – 223 and 178, respectively).

3. 38 corruption crimes were detected in the field of education (10 in 2019), and 70 crimes were detected in the field of public administration and compulsory social security (58 in 2019). In 2020, 60 corruption crimes related to the use of budget funds were suppressed (in 2019 – 28), including 21 criminal acts related to procurement for state and municipal needs (in 2019 – 10).

4. Employees of the internal affairs bodies revealed 36 facts of receiving a bribe (in 2019 – 45), 16 of which were committed on a large and especially large scale (in 2019 – 11). Documented 34 bribery and 25 cases of mediation in bribery (in 2019 20 and 11, respectively).

5. 19 prosecuted perpetrators of the offences under article 290 of the criminal code "receiving a bribe" (in 2019 – 15), including 12 individuals for crimes in large and especially large size (in 2019 – 5).

At the same time, the data presented in the above-mentioned rating can in no case be evaluated "straightforwardly" that some regions are more susceptible to corruption, and some are less corrupt (Moiseev & Prokuratov, 2012).

Firstly, it is impossible to discount the different effectiveness of the work of law enforcement agencies in different regions of the Russian Federation, since the identified cases fall into the statistics. Secondly, corruption crimes have an extremely high latency (secrecy), which is why the overall picture of the corruption situation in the regions is very, very conditional (Goncharenko, 2008).

In addition to other sources, the Summary Report uses materials from sociological surveys of the population on the issues of relations between citizens and representatives of small and medium-sized businesses with bodies performing registration, licensing and control and supervisory functions, identifying the most corrupt areas of activity in the Nizhny Novgorod region and evaluating the effectiveness of anti-corruption measures implemented (Kalinina, 2010).

Representatives of the Nizhny Novgorod business called the following amount of one corrupt payment:

- from 10 to 25 thousand rubles – 36.0 % of respondents;
- from 25 to 150 thousand rubles – 32.7 % of respondents.

From 48.3 to 65.7 % of respondents stated that there is no need to pay bribes to officials of state and municipal bodies. 51 % of respondents named a bribe as a means of resolving issues about violations in the conduct of business identified by state (municipal) inspection bodies.

At the same time, representatives of the Nizhny Novgorod business community indicate that the share of expenses in their business activities that fall on corrupt payments and "offerings" is on average from 5 to 15 %.

The results of a survey on corruption conducted among state and municipal employees of the Nizhny Novgorod Region are quite interesting.

Thus, the absolute majority of the polled state civil servants (59.9 %) indicated that corruption violations in the region "practically do not occur" ("are not widespread"). Another third of respondents (33.1 %) admit that corruption violations in the region are "average". Only 7.0 % of respondents consider the situation in the Nizhny Novgorod Region to be highly corrupt.

Almost identical results on the same issues – 62.5, 31.9 and 5.6 % – were obtained during the survey of municipal employees.

State civil servants indicated that 86.4 % of them had never encountered corruption proposals from citizens. (Among municipal employees, the share of similarly responding employees was 89.2 %). And only 13.6 % said that they had received corruption proposals at least during their service (among municipal employees – 17.1 %).

4.   Purpose of the Study

The presented data show that, firstly, the absolute number of corruption crimes detected in the Nizhny Novgorod Region in 2020 is small. And, secondly, almost all indicators of corruption manifestations in dynamics tend to decrease (Bilinskaya et al., 2011).

Comparing the situation with corruption in the Nizhny Novgorod region with other regions of Russia, it should be noted that the region is not listed either in the leaders of the corruption rating, or among the regions with the lowest degree of corruption (Dolmatov, 2007; Moiseev & Prokuratov, 2012).

5.   Research Methods

The results of the qualitative and quantitative assessment of corruption in the Nizhny Novgorod region according to the officially established methodology are presented in Table 1. (Transparency International…, 2020).

Table 1.   Corruption of individual authorities of the Nizhny Novgorod region in the field of "business" corruption

Types of authorities	Total number of disclosed corruption transactions	The total number of individuals who have reported a request for corrupt transactions	The coefficient of corruption of the authorities (gr. 2/gr. 3)
1	2	3	4
Judicial authorities	37	26	1.4
Police, internal affairs bodies	40	27	1.5
Prosecutor's Office	23	12	1.9
Tax authorities	245	92	2.7
Rostechnadzor	75	54	1.4
FAS of Russia	46	23	2.0
Fire-fighting supervision bodies, the Ministry of Emergency Situations	203	104	1.95
Rospotrebnadzor	123	70	1.8
Bodies for the protection of natural resources and the environment	49	32	1.53
Labor protection authorities	84	54	1.6
Bodies dealing with the provision of land plots	46	21	2.2
Bodies engaged in the provision of premises for rent that are in state (municipal) ownership	63	27	2.3
Bodies for the implementation of state (municipal) policy in the field of trade, food and services	49	25	1.96
Bodies for architecture and construction (BTI, etc.)	40	19	2.1
Rosreestr	11	5	2.2
Other authorities	23	14	1.6

The corruption coefficient of the authorities is the average number of corrupt transactions for each authority per one business representative per year and is calculated by the formula:

$$I = Q/K, \tag{1}$$

where I is the corruption coefficient of the authorities;

Q – The total number of uncovered corruption transactions

K – The total number of individuals who have reported a request for corrupt transactions.

6. Findings

The most corrupt structures, according to the respondents, are as follows:

- traffic police (61.1 % of the study participants);
- political parties and movements (58.5 %);
- housing and utilities services (57.1 %);
- mass media (55.3 %);
- law enforcement agencies (53.0 %).
- They close the list with the lowest indicators:
- employment services and other social institutions (22.3 %);
- armed forces (19.0 %);
- institutions of secondary and secondary specialized education (15.9 %).

It is possible to assess the corruption of the authorities according to the proposed scale in table 02.

Table 2. Assessment of the corruption of individual authorities in Nizhny Novgorod region in the field of "business" corruption

Normative value	The level of corruption	Types of authorities of the Nizhny Novgorod region
$I >= 2$	high	Tax authorities, the Federal Antimonopoly Service of Russia, Bodies dealing with the provision of land plots, Bodies engaged in the provision of premises for rent that are in state (municipal) ownership, Bodies for Architecture and Construction (BTI, etc.), Rosreestr
$1.5 <= I < 2$	average	Police, internal affairs bodies, Prosecutor's Office, Fire supervision bodies, Ministry of Emergency Situations, Rospotrebnadzor, Bodies for the protection of natural resources and the environment, Labor protection bodies, Bodies for the implementation of state (municipal) policy in the field of trade, food and services, Other authorities
$1 <= I < 1.5$	low	Judicial authorities, Rostechnadzor

7. Conclusion

Thus, the following authorities are the most corrupt in the Nizhny Novgorod region: tax authorities, the Federal Antimonopoly Service of Russia, bodies dealing with the provision of land plots, Bodies engaged in leasing premises that are in state (municipal) ownership, Bodies for Architecture and Construction (BTI, etc.), Rosreestr.

As the analysis of anti-corruption strategies of foreign countries shows, although complete eradication of corruption is impossible in principle, but reducing the level of corruption is a very real and

achievable task. However, the regional authorities, due to the existing mechanism of distribution of power in the Russian Federation (Federation – subjects of the Federation – municipalities), are very limited in developing and implementing their own anti-corruption policy (Bilinskaya et al., 2011; Lavrentiev, 2017).

Regional work on combating corruption should be carried out comprehensively within the framework of a unified national anti-corruption policy, within the framework of a unified approach with the broad involvement of civil society institutions (which, however, has yet to be formed in Russia) (Lesh, 2007).

Publicity, openness, publicity – these are the "whales" on which the anti-corruption policy of the developed countries of the West is based. Together, these postulates, combined with a set of legal measures, contribute to reducing the level of corruption in the state and normalize all socio-economic processes of the country as a whole (Resolution of the Government of Nizhny Novgorod No. 685, 2009; Resolution of the Government of the Nizhny Novgorod Region No. 167, 2019).

References

Abalkin, L. I. (1994). Economic security of Russia: threats and their reflection. *Questions of economics, 12.*

Bilinskaya, M. N., Moiseev, V. V., & Nitsevich, V. F. (2011). *Modern corruption: domestic specifics and foreign experience of counteraction*. ORAGS Publishing House.

Dolmatov, I. V. (2007). Regional aspects of ensuring economic security. *Audit and financial analysis, 1.*

Edelev, A. L. (2007). *Strategic stability and economic security of the subjects of the Russian Federation.* Academy of Economic Security of the Ministry of Internal Affairs of Russia.

Goncharenko, L. P. (Ed.). (2008). *Economic and national security*. Economy.

Kalinina, N. M. (2010). Economic security of the region: the essence, threats and measures of ensuring. *Siberian Trade and Economic Journal, 10.*

Kingston, Ch. (2008). Social structure and cultures of corruption. *Journal of Economic Behaviour & Organization, 67*, 90–102.

Lavrentiev, A. R. (2017). Administrative and legal measures for the prevention of corruption (by the example of the Nizhny Novgorod region). *Science Thought, 3.*

Lesh, A. (2007). *Spatial organization of the economy.* Science.

Moiseev, V. V., & Prokuratov, V. N. (2012). *Anti-corruption in modern Russia.* APLIT.

Resolution of the Government of Nizhny Novgorod no. 685. (2009). On approval of the Procedure of anti-corruption monitoring in the territory of the Nizhny Novgorod region (as amended on November 30, 2019). *Legal environment, 100.*

Resolution of the Government of the Nizhny Novgorod Region no. 167. (2021). On approval of the state program "Prevention (prevention) of corruption in the territory of the Nizhny Novgorod Region" (as amended on February 26, 2021). *Nizhny Novgorod News, 54.*

Transparency International. Legislative bases of combating corruption. (2020). T*he report of the Center for Anti-Corruption Research and Initiatives*. http://www.transparency.org.ru/