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Measuring political will in an organised crime environment

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Summary

A lack of political will is often used as an excuse by policymakers, donors and development practitioners to explain failures in policies and programmes. While this is true for most development programming, it is particularly salient with regard to anti-corruption, the rule of law, and efforts to combat organised crime. Indeed, political will is vital if governments are to reduce the deleterious activities of organised crime; without it, crime proliferates. Using country specific formulae in three categories, water and electrical utilities, tax administration and land management, this paper presents an empirical methodology to measure the political will possessed by state actors to reduce organised crime.

Recommendations

- Political will is context-specific, where state actors may exhibit high levels of commitment to counter some types of criminal activity but not others, depending on the category.
- The role of state actors in an organised crime environment is paramount, and shifting attention from illicit markets to state actors as organised crime entrepreneurs can produce analytic clarity and empirical results.
- The year-on-year change in utility, tax and land administration sector efficiencies is a clear indicator of the state's political will to challenge organised crime and supplies indicators that can be readily obtained.
- Baselines can be established for state performance in the sectors of water and electrical utilities, tax and land administration, giving the measurement of political will a way to measure outcomes reliably from an objective given starting point.
- The methodology measures political will by measuring the efficiency of state institutions within these three market sectors over time.

Introduction

Political will and political commitment are among the most misused phrases in development theory and practice. These synonyms are largely devoid of operational and programmatic definition and meaning[1] and primarily used by donors and development practitioners as counterfactuals, to signal their absence.[2] At the very best, the terms are circular and, at worst, they are a form of magical thinking.[3] Ascriptions of a lack of political will are 'phrase[s] masquerading as an explanation', used for ineffective programming as a means by which to absolve policymakers, donors and development practitioners of responsibility.[4]

It is precisely, however, the absence of political commitment that needs 'to be explained rather than [being] an explanation in its own right'.[5] Most often, when it is claimed that political will and political commitment do not exist, it is a clear indication that they do, but most likely in a form inconsistent with what the policymakers and development practitioners would prefer to see.[6] This is particularly true in endeavours to deal with organised crime and corruption. In countries where organised crime is rampant, it is especially important to be able to determine the level and extent of political will to tackle the scourge.[7] If little to no political will and commitment exist, it is naïve and foolhardy to believe that activities sponsored and supported by both domestic and international actors can not only succeed but also be sustained.

This paper takes up the gauntlet of measuring political will and commitment in an organised crime environment. It seeks to explain what has been all too often left unexplained: how accurately to assess the scope, depth and extent of state actors' political will to tackle the proliferation and virulence of organised crime.

A methodology is proposed by which to measure the political will possessed over time by state actors in a specific country in relation to tackling organised crime. The methodology is based upon evaluating the annual performance of a state's institutions, agencies and regulatory bodies with regard to water and electrical utilities, tax administration and land administration. These were chosen as three sectors that affect the everyday life of every citizen, for which there are known means of assessing efficiency, and whose efficiency is correlated to the overall level of organised crime in the country under examination.

The methodology presented in this paper is quantitative and objective. It does not rely on the qualitative opinions and judgments of experts, as that approach has been recognised as unreliable.[8] The methodology also does not utilise public opinion surveys or perception studies for similar reasons.[9] Furthermore, the approach is not dependent upon public statements of political actors, the promises of reputed change agents, or the existence of national strategies, laws, or rules and regulations, which are rarely implemented, especially in organised crime environments. The methodology is highly contextual, as discrete indicators are needed, given differences between and among countries. This approach, therefore, does not permit cross-country comparisons.

This paper takes up the gauntlet of measuring political will and commitment in an organised crime environment

Finally, while empirical evidence to support the proposed methodology comes from around the world, much of the data and its application come from Africa. This is not to differentiate Africa from other parts of the world. Nor is it meant to suggest that African countries are more or less susceptible to organised crime. Rather, Africa is used solely as a test case for the elaboration of the methodology.

Structure and limitations

This paper is divided into five sections, including this Introduction. The second section defines political will and commitment and lays out the parameters by which the broad concept can be measured. The third section outlines the difficulties in measuring political will with regard to organised crime as defined by illicit markets. The fourth section shifts the discussion away from organised illicit markets and onto the role of state actors as organised crime entrepreneurs. Based upon this paradigm shift, this section outlines the methodology with regard to water and electrical utilities, tax administration and land management. The fifth and final section presents the parameters for the indicators to be used for measuring political will in an organised crime environment.

For measuring political will in this environment, the underlying issue of organised crime is the role and power of political actors as criminal entrepreneurs. Unlike attempting to measure the extent of organised crime based upon illicit markets, the activities of criminal actors wielding state power is susceptible to rigorous empirical measurement. Consequently, this report's evaluation of political will applies only to the structural and systemic relationship of the state to organised crime and not to that of specific illicit markets and products, which cannot be reliably measured.

Furthermore, this approach measures how state performance changes year by year, positively or negatively. As the methodology concentrates on the change of state performance over time, its priority is to establish a country baseline from which to measure the fluctuation of political will. There is no absolute quotient of political will for any given state, and this methodology does not characterise the original baseline as efficient or inefficient, an example of good governance or not. For the purposes of measuring changes in political will, such value judgments regarding the baseline are irrelevant.[10]

Consequently, the methodology does not and cannot address what is or is not an efficient or legitimate state with regard to the delivery of public goods and services (education, sanitation, safety and security, democracy, accountability, etc). While effective good governance is essential and an important political concept, this methodology is agnostic as to what constitutes an effective, good and/or quality government and state.[11]

It is not possible to use the methodology to evaluate whether or not the three market sectors are efficient or represent an appropriate level in the delivery of public goods and services. Consequently, the methodology is not a vehicle through or upon which development and reform of the market sectors can be based. Such discussions are political and the methodology's assessment of political will only seeks to establish a state's performance baseline so as to be able to measure changes in political will over time.

Furthermore, this paper takes the social and governance order of any society and state, the formal and informal rules of the game, as a given.[12] As a result, this paper and its methodology make no value judgment regarding the nature, structure, or legitimacy of the state. It does not advocate for one or another type of state system; nor does it traffic in notions of strong, weak and/or failed states. Performance can be measured whether the state is centralised or decentralised; organised based upon unity, federal or regional autonomy principles.

> Lack of political will remains 'the most frequently cited reason for unsuccessful development endeavours'

Lastly, political will is not a comparative phenomenon, dependent upon the actions or inactions of other countries in order to rank whether one country is better or worse than any other. The methodology's indicators of state performance do not assess one country's progress against another's and, therefore, cannot be used to rank or index states in relation to one another. Furthermore, the indicators used are dependent upon the country context and are likely to vary from country to country, as do the structure, systems and management of their water and electrical utilities, tax administration and land management. Ranking states from best to worst may be descriptively useful but provides little reliable or valid analytical or programmatic value. Consequently, the methodology presented in this paper to measure political will is specific to each country, transparent and readily replicable.

Defining political will

Political will and political commitment are, for purposes of this paper, synonyms. As concepts, they have become undecipherable black boxes,[13] largely devoid of meaning and operational definition. Nevertheless, a reputed lack of political will remains 'the most frequently cited reason for unsuccessful development endeavours'.[14] Typically, a lack of political will is cited post-facto, stating counterfactually that if only it had existed, the programme, government policy and/or initiative would have been successful.

Nevertheless, political will can and has been adequately defined. Conceptually, it is 'the commitment of [a defined set of] actors to undertake actions to achieve a set of [distinct] objectives … and to sustain the costs of those actions over time'.[15]

Broadly speaking, political will is observable, arising from actual behaviours and performance over time. These behaviours are exercised at the individual, group and institutional levels. Political will also 'involves intent and motivation, which are inherently intangible phenomena'.[16] As a result, assertions of political will are, frequently, 'prone to manipulation and misrepresentation',[17] which is what tends to complicate its measurement in ways which are credible, valid, reliable and replicable.[18]

Despite these apparent hurdles, political will can be measured without inference to political actors' intent or motivation. It can be observed across multiple dimensions, including, *inter alia*,

- concrete outcomes and results
- disbursement of requested and allocated budgetary funds
- implementation of laws, rules and regulations
- analytic analysis and understanding of the problem that is to be solved
- application of incentives and disincentives for decisionmakers, policymakers and implementing officials, and
- coalition building.[19]

For example, while budget requests and allocations may suggest an underlying intent, only the actual disbursement of funds according to budgetary line items is an effective measure of political commitment. In fact, ascription of political will or its absence lies in the discrepancy between requests and allocations on one side and actual spending on the other.[20] While the divergences are susceptible to political analysis and discussion as to who is responsible for the discrepancies and is therefore of policy and political interest, it is only the existence of the divergence itself that is relevant to an empirical ascription of political commitment.

Public statements and avowals of political leaders and state actors can never be understood as expressions of political will. Rather, the variance, if any, between such declarations and concrete achievements realised 'on the ground' measure the degree, depth and scope of a lack of political will.

The same reasoning and logic apply to the process of discussion, legislation, rule-making and, ultimately, tangible implementation of laws, administrative processes and procedures. The mere existence of laws, the establishment of special units to deal with organised crime, and the public pledges of politicians and change agents do not constitute achievements. They are formalistic expressions of intent. They are important means to an end, but they are not outcomes and valid and reliable inferences of political will cannot be drawn from their existence.

Change requires cobbling together coalitions of those who support change

It is often the case that the implementation of budgets, laws and regulations do not achieve the desired result. Strong committed action may not always produce the intended policy or development results. Despite the failure to generate tangible achievements, political will can be assessed through observable behaviours. For instance, the more detailed, cogent and empirically sound (with regard to, for example, reliable and proven theories of change) the analysis that goes into the definition of a problem and the great clarity made in sketching out possible scenarios for remedying it, the greater probability that this depth and extent of resolve equates to political will. Slapdash initiatives and those that lack a solid empirical analytic grounding, on the other hand, indicate an original lack of commitment, particularly if there are reliable approaches that could have been undertaken.

Change of any kind will always be resisted by some individuals, groups and elements within state institutions and civil society. Their objective is to thwart the implementation of change and, in the balance of power, resistance to change may prove to be the stronger force. This failure to implement, however, is not a prima facie case of a lack of political will, as there are, at least, two means by which to determine whether there was a real original commitment.

First, the existence and, more importantly, the application of incentives and sanctions against those resisting change suggests the serious commitment of those who instigated and tried to implement change. Conversely, the absence of such incentives is a flashing red light of a lack of political will. Second, change requires cobbling together coalitions of those who support change. This is not about identifying and heralding 'agents of change' but rather concrete efforts

to establish coalitions of the willing. An absence of such coalition-building behaviours, in turn, suggests the lack of political commitment, even in countries with authoritarian tendencies.

Measuring illicit markets

Measuring political will in an organised crime environment poses additional challenges. The broad parameters described above need to correspond to the context of an organised crime environment, in which outcomes are challenging to determine, let alone achieve. This is particularly evident when organised crime is perceived through the lens of an illicit market.

Political will is highly context-specific. Just as the organised criminal value-added chain varies from one illicit market to the next, so does political will. A state and its actors may, for instance, exhibit high levels of commitment with regard to countering certain types of criminal activities, i.e. drugs, but not to others, such as fisheries or trafficking in persons. The same applies to the political will to counter organised crime in property development versus counterfeit medicines or the wildlife trade.

Organised crime is surreptitious, stealthy and secretive and estimates of its activities tend to have margins of error

Within property development, political will may exist to prevent large agricultural land grabs by foreign entities but not with regard to state-owned or controlled land in urban centres that have been set aside for infrastructure development. Similarly, within the drug trade, political will can differ from one illegal narcotic (heroin) to another (fentanyl), even if the same organised criminal organisation trades in both narcotics. Consequently, there are few to no valid methods of comparing measurements of political will across disparate illicit markets or within any one product type (drugs, real estate development, trafficking in persons).

Aggregate country-wide measures of political will are also misguided, unless weighed by type of illicit markets and its discrete products, given that the harms caused by different markets vary.[21] The harms inflicted by organised cannabis trafficking, in countries where cannabis remains illegal, cannot be equated to those perpetrated by human trafficking or organised public procurement fraud. As a result, assessing political will within a country across different types of organised crime defined according to illicit markets is illogical. It can only be done market by market.

As already discussed, ascriptions of political will depend upon being able to measure policy and programmatic outcomes, as defined by a reduction of organised criminal activity. The very nature of organised crime when defined through illicit markets makes it difficult to obtain reliable and replicable data. Organised crime is surreptitious, stealthy and secretive and estimates of its activities tend to have margins of error that belie calculation.

In the case of trafficking in persons, the margin of error is unknowable, given that the definition of trafficking is vague;[22] in practice 'there has been little uniformity in the application of the Palermo Protocol definition to identify trafficking in persons';[23] and an understanding of what constitutes trafficking, smuggling of persons, and migration (legal and irregular) operationally and conceptually blur. For organised crime in real estate development or organised public procurement fraud, there are no valid or reliable estimates at all.

In other organised illicit markets the calculated margins of error are excessive, such as in illegal logging (200%), illegal mining (300%), and wildlife exploitation (almost 400%).[24] In fact, margins of error of 100% can be considered low. In Nigeria, for instance, a 2017 study found that 'the total annual cost of stolen oil [in Nigeria] runs anywhere from $3 billion to $8 billion, depending on estimates and circumstances'.[25] A global 2015 effort to estimate the global 'trade in illegal fishing products linked to criminal activity… [is] somewhere between $10 billion and $23.5 billion a year'.[26]

These margins of error in the size and scope of organised criminal activities make clear that indicators seeking to measure the overall effectiveness of state action through quantifying the reduction of illicit trade are problematic and likely to be highly unreliable. Increases, for instance, in the seizure of illicit goods and commodities purveyed by organised crime cannot testify to the success of state action, in part because estimates of the size of illicit markets are, typically, derived from the volumes seized by law enforcement.[27] This circular reasoning, among other factors, shows that seizure data cannot be validly or reliably used to assess political will.

While seizure data is notoriously unreliable, there are other indicators for measuring organised illicit markets that have been proposed. For instance, the annual percentage increase in state budgetary expenditures for various law enforcement agencies/units that are directly engaged in reducing a selected illicit organised criminal trade could offer some insight into the country's political commitment with respect to selected illicit markets. A comparable indicator would be the annual increase in state budgetary expenditures for law enforcement agencies/units that are directly engaged in reducing a selected illicit organised criminal trade as a percentage of the overall state budget.

For successful results to begin to come into play as a way of measuring political will, expenditures need to be coupled with the annual percentage increase in the number of convictions for organised crime perpetrators. Once again, the indicator would be valid only if disaggregated by commodity and type of organised crime. Conversely, declining conviction rates, disaggregated by commodity and type of organised crime, may characterise a lack of political will.

While gross conviction rates are outcome indicators, they provide little detailed information about either state effectiveness or tangible political will. To assess political will it is more relevant which organised criminals are convicted. Fifteen separate cases in which, for example, the drivers and couriers in the cocaine trade are convicted pumps up conviction rates, but says very little, if anything, about either effectiveness or political will. Cocaine drivers and couriers are like disposable razors, eminently replaceable, and when politicians and policymakers trumpet their arrest it is, more likely than not, an indication of a lack of political will.

Rather than gross numbers, political will would be apparent when collapsing the criminal network and convicting its leadership. In this sense, a more refined and valid indicator is the annual percentage increase in the number of perpetrators per case that results in convictions, if, once again, it were to be disaggregated by commodity and type of organised crime. If there were a reliable method of determining and ranking the position and seniority of individuals convicted, then the annual percentage increase in the seniority of perpetrators per case that results in convictions would hypothetically be a reliable outcome measure of state effectiveness and political will, once disaggregated by commodity and type of organised crime.

When attempting to measure political will with regard to organised illicit markets, tangible outcomes are few and very far between. The issue is not merely one of displacement, organised criminal entrepreneurs shifting resources and their activities from one illicit market to another, in response to state and/or civil society legal and law enforcement pressure.[28] Nor is it an example of coalitions of the willing being few and far between or an indication that empirically valid and reliable theories of change are generally lacking.

Political will would be apparent when collapsing the criminal network and convicting its leadership

The 'inherent dilemma … [is that] the very actors which must adopt and implement policies to curb corruption are those which may face weak, or even negative, incentives to do so'.[29] The increasing flow of drugs out of Colombia after years of dedicated activity is a case in point.

In most instances, it is reasonable to presume that state actors' motivation is to resist and subvert policy and programming intended to reduce the existence of organised crime activities, rather than support them.[30] This lack of political commitment goes a long way to explain why programming targeting organised illicit markets has generally been unsuccessful and those focused on institutional capacity building, accountability and transparency initiatives have persistently been ineffective.[31]

In fact, a 2019 study of organised crime in Africa, *Organised Crime Index: Africa 2019* (hereafter, *Index*), has shown that the majority of anti-organised crime activities, which have been dedicated to 'the building up of the architecture', the systems, laws and structures to tackle organised crime, have been weakly implemented.[32] Efforts to reform the African water sector, for example, through

> 'policy reform promoting decentralisation and private sector participation, and new funding paradigms such as SWAps and direct budget support may have provided a more fertile environment for new (sometimes higher) levels of corruption of national or donor funds'.[33]

The same inability exists in land management, where 'introducing new systems, standards and procedures has been widely demonstrated to be ineffective. In particular, strengthening audits and supervisory controls on land administration have proved lacking for a number of reasons.'[34] According to the *Index*, institution- and capacity-building initiatives undertaken in Africa have primarily enhanced the power and perniciousness of organised crime and tend to 'undermine … country resilience'.[35]

State actors and organised crime

The ability validly and reliably to measure political will changes dramatically when analytical attention shifts from illicit markets to state actors who are also criminal entrepreneurs. In fact, shifting the lens to state actors as organised criminal entrepreneurs offers an opportunity for accurate ascriptions of political will.

The ability validly and reliably to measure political will changes when analytical attention shifts from illicit markets to state actors

It is important to acknowledge that these lens through which to analyse and address organised crime are complementary and not mutually exclusive. They have different strengths and weaknesses and when measuring political will in an organised crime environment the state actor approach produces empirical results.

In an organised crime environment, the role of these state actors is paramount. In Africa, for example, the *Index's* principal finding is that 'state-embedded actors are the most prominent criminal actor type … across the continent'.[36] The *Index's* empirical finding not only underscores the need to shift the lens to state actors as organised criminal entrepreneurs and away from illicit markets. It also highlights why, if the objective is to pursue effective policies and initiatives against organised crime, a valid and reliable methodology for measuring political will is essential. Without comprehending the real dimensions of political will, it is naïve and foolhardy to believe that activities sponsored and supported by both domestic and international actors can succeed and be sustained.

Natural monopolies and organised crime

Irrespective of country and continent, the daily life of every person is informed, affected and influenced by at least three distinct structures, systems and economic/market sectors, each of which is a natural monopoly. They are:

- utilities (water[37] and sanitation, electricity, and sewage)
- land administration; and
- taxation.

Almost every human activity is bound by these three systems and, in each, the state is the predominant actor, either owning, managing or outsourcing the means of production and delivery of services. Furthermore, the state also establishes the laws, rules and regulations by which production, delivery and consumption occur, irrespective of whether the provision of the service is conducted by public entities or private corporations. In other words, in these natural monopolies, the state and state actors irrevocably are the principal players and their behaviour permeates the daily lives of every individual.

The outcomes and results of state performance in these three sectors are knowable and readily quantifiable. Baselines can be established and, once they are, effective state ownership, management and regulation is correlated to increased annual efficiencies. This is not about valuing a form of governance more than any other. Nor does it postulate any singular notion of good governance. Rather it reliably measures outcomes from an objective given starting point, one that is unique to each and every state. Furthermore, there is no comparison or ranking of states against one another in that each state has its own baseline, which is determined according to its country-specific characteristics and contexts.

While enhanced efficiency of the sectors directly translates to better state performance and governance, it also is a direct measure of political will because of the correlation in each of these three systems (utilities, land management and tax management) between the level and influence of organised crime and efficiency. In each of the three, poor efficiencies and outcomes are tied to the degree to which organised crime networks control the respective system and sector.

For example, a 'very strong correlation exists between levels of corruption in the land sector and overall public

sector corruption in a country'.[38] This relationship between organised crime and real estate development appears to be especially significant with regard to large land purchases.[39] This correlation suggests that political will to reduce organised crime overall in a given country is directly associated to a reduction in the incidence and/or value of that country's organised crime associated with land.

For African water utilities it is estimated that efficiencies could be increased over 60% with lower levels of organised crime

In Africa, for instance, the higher overall cost of producing water and electricity, along with lower levels of coverage (hence lower efficiency), is also tied to increased levels of organised crime and corruption.[40] Similarly, for African water utilities it is estimated that efficiencies could be increased over 60% with lower levels of organised crime.[41] Furthermore,

> 'be it in decision-making over the allocation of water resources, or bribery and fraud in procurement or construction, [organised crime] … practices are endemic to most water supply and sanitation (WSS) institutions and transactions in Africa'.[42]

Whether it is in infrastructure, operations, or access to water and sanitation services, inefficiencies are directly correlated to the depth and extent of organised crime in the country.[43]

The same applies to electrical utilities, as a Latin American study has determined, in that 'corruption at the national level is negatively associated with firm productivity'[44] and overall electrical efficiency is strongly and negatively correlated to organised crime. More specifically, for instance, longer customer wait times for establishing an electrical connection to the grid is correlated to increased organised crime activity.[45] In Latin America, the same correlation exists with respect to the relationship between an increased number of employees (lower labour productivity) and higher levels of organised crime.[46] As expected, in land, water and electricity, lower efficiencies are associated with higher levels of organised crime, which primarily resides within the state and is perpetrated by state actors.

Lastly, a study of Bulgaria has indicated that poor tax administration is a reliable gauge of the overall prevalence of organised crime networks:

> 'The greater the amount of tax corruption, the larger the opportunities for giving and benefiting from bribes in all other spheres of the public and the private sector will be. In this sense, the cost of tax corruption should also be assessed by its spill-over effects on other types of corruption – public procurement, licences and permits, public services – and the related costs to the economy and business.'[47]

While it is an open question in which direction the causal relationship flows,[48] an inefficient tax administration appears to be correlated to the existence of strong organised criminal networks.[49]

Given that the state is the principal actor in these natural monopolies, their dominance by organised crime directly correlates to the depth and extent to which state actors double and act as organised criminal entrepreneurs. Given these relationships, increased sector efficiency year-on-year is a clear and reliable indicator of the state's political will to challenge and tackle organised crime. The measure for political will is not the given level of efficiency, but *the direction and magnitude of the annual change of efficiency from an established baseline*.

It must be acknowledged that this measure of political will, focusing on state actors as organised criminal entrepreneurs, assesses the macro level of commitment throughout the state and its officials. It does not and cannot be correlated to any individual illicit commodity or market. These indicators of political will refer specifically and only to the overall relationship of the state and its representatives to organised crime.[50] It is an indicator of the structure and condition of the state and the role of state actors when they are the principal type of organised criminal.

Measuring efficiencies

Methods for measuring efficiency in utilities, tax administration, and land management are relatively well-known.[51] The purpose of this section is to present the methodology and initial indicators by which to assess political will. For each market, the methodology proposes five indicators, all of which are to be weighed equally. It is expected that experts in the respective three sectors – water and electrical utilities, tax administration and land management – will refine and strengthen the indicators.

The proposed indicators are also those that can be readily obtained. In the main, they do not require extensive research or the imposition of new administrative or bureaucratic procedures that are not already undertaken. For instance, in assessing tax administrations, verification of registries and audits are routine and highly effective means of increasing efficiency.[52] Neither is recommended in the African context as they may impose extra burdens on state agencies and organisations, even though targeted audits to confirm compliance and verify tax payments (overall, capital gains, interest, rents, etc) with respect to business categories particularly vulnerable to organised criminal penetration and control, such as construction or property development, would be revelatory.

As already indicated, Africa is used as a case study for the presentation of indicators. Because the contexts and characteristics of each African country are different, as well as the continent as a whole from other parts of the world, recognised methods of assessing efficiency need to vary from state to state.[53] The initial iteration of the methodology and indicators is intended to outline how to calculate each state's baseline, from which the direction and magnitude of the annual change of efficiency can be measured as the proxy indicator for political will.

Efficiency particularly with regard to utilities cannot merely be equated to enhancing the overall outputs, given a fixed cost structure.[54] Most frequently, however, efficiency is measured in terms of operational, technical, commercial and financial variables, such as systems losses, whether electrical or water leakage, as they are considered key indicators cutting across operations, finances and commercial performance domains.[55] These types of measures need to be supplemented by indicators gauging the coverage of the service provided as part of the overall performance of utilities. For the purpose of this analysis, this is defined by the access, availability, quality and customer responsiveness of electricity and water utilities to its customers. As a result, efficiency measures should include questions pertaining to reliability, affordability and connections to services, all of which are crucial[56] in assessing the political will of a state to deliver public goods and services within an organised crime environment.

It is important to recognise that the proposed indicators do not necessarily reflect activities within the three market sectors – water and electrical utilities, tax administration and land management – that are vulnerable or susceptible to penetration by organised crime, though they may in certain instances.

The actual degree and extent of organised crime penetration of the market sectors cannot be ascertained through use of the methodology. Nor is it possible to use the methodology to evaluate whether or not the market sectors are efficient. Consequently, the methodology is not a vehicle through or upon which development and reform of the three market sectors can be grounded. What is at issue is to measure the efficiency of state institutions and agencies within these three market sectors over time as a proxy indicator of the political will of state actors.

The importance of context

Recognising the African context – or any other – is vital when assembling valid indicators for measuring the efficiency of land management, tax administration and water and electrical utilities. For example, 'coverage' is a key indicator in measuring the efficiency of utilities, as it evaluates the availability and accessibility of water and electricity. One of the predominant methods of assessing 'coverage' is by measuring the number of connections in a country, usually achieved by counting water and electrical meters in relation to the number of users/customers. However, given the overall scarcity of electrical or water meters in Africa, not to mention those that have been installed but do not work, coverage indicators based upon the number of connections are less relevant and valid than they would be in other areas of the world.

A more radical contextual difficulty arises with regard to assessing effective land management in Africa. Throughout the continent there is an exceptionally low number of surveyors and the percentage of the continent's land that is registered and cadastred along one of the four standard dimensions – ownership/tenure, value, use, development – is minuscule. At its most elemental, an 'effective management of public [or any other] land is virtually impossible if there is no inventory of such land or if its boundaries are ambiguously defined' and in Africa that is essentially the current situation.[57] Consequently, the African context requires a methodology of measuring land management efficiency that does not rely on the pre-existence of cadasters.

Traditionally, there are four core types of taxes: corporate and personal income taxes, VAT, custom and import fees, and PAYE withholding. In Africa, however, the majority of most economies are informal[58] and, therefore, measuring the efficiency of the tax administration cannot rely only on core taxes, as may be applicable and appropriate elsewhere in the world. Furthermore, one of the principal forms of public revenues in Africa derives from state

control over natural resources and the rentier system, which is not equally true across the globe. It should also be noted that the percentage of tax revenues derived from customs and import taxes in many Africa countries is significant, the predominance only partially due to the dependence in domestic economies on the exploitation of natural resources and a means by which to protect nascent domestic markets.[59] For these reasons, it is imperative that the country and continental context be acknowledged and considered.

The challenge of benchmarking

One of the pre-eminent means of measuring water or electrical utility efficiency is by benchmarking. This is a method by which utilities are evaluated against local, regional, and global best practices by measuring the 'relative performance of utilities against their peers'.[60] Performance is assessed by establishing a 'current frontier' through the Stochastic Frontier Analysis, Data Envelopment Analysis or other similar parametric means according to 'cross-country goodness of fit' statistical techniques.[61]

Given that political will in organised crime environments is not susceptible to cross-country comparisons or indexing through the use of ranking techniques, relative performance methodologies cannot be used. Once again, the challenge is to determine 'the depth and scope of organised crime in country X' and 'in what direction country X's political will moves year-over-year' and comparative data simply cannot answer either question.[62] None of this, however, precludes the use of the discrete indicators of performance upon which these frontier analyses are based or the statistical procedures themselves if and when the data used to carry them out derives only from within any one country.

Electrical utility indicators[63]

As already indicated, a correlation exists between the number of electrical utility employees and levels of organised crime. This may be of particular salience and interest in Africa, given that state employees/staff earn, on average, five times the wages made by informal workers, who comprise almost 90% of the continent's workforce,[64] suggesting that selling public administration positions can be a highly lucrative organised criminal activity.[65] The ratio of the cost of labour can be related to production/generation of electricity, transmission of electricity and/or use of electricity. All three are equally valid perspectives of a composite picture and the choice is largely dependent upon the country context. For purposes of the initial iteration of the methodology, it is proposed that the indicator be more expansive and use net revenues collected. The reason is to weigh the ability of electrical utilities effectively to manage their business rather than merely produce and distribute a commodity. The recommended indicator, therefore, is:

net revenues collected/total labour cost
or
net revenues collected/total labour hours (or days)

The daily operations of electrical utilities and continuing maintenance[66] are costly. Operations provide insight into efficiencies maintaining electrical infrastructure (plant, distribution, etc), the costs of labour involved, and the procurement of the associated goods and services required, all of which are highly susceptible to organised crime. It is important, however, to eliminate finance charges from operational costs so as to focus narrowly on labour, goods and services. Once again, the cost of operation can be related to production/generation of electricity, transmission of electricity and/or use of electricity, though it is believed to be a better reflection of efficiencies if the indicator were to be associated with revenues. The recommended indicator, therefore, is:

net revenues collected/cost of operations and maintenance (O&M)

While financial costs are separated out from operations, the capital costs of building electrical infrastructure are, nevertheless, pertinent to questions of efficiency.[67] They can also reflect the degree to which the construction of infrastructure is tainted by organised crime. Because of the African context, it is not advisable for capital costs to be related to the number of connections, as may be customary in other environments. The recommended indicator, therefore, is:

cost of new power plants and distribution lines/electricity supplied to grid (GWh)

There is always leakage of power in the generation through distribution of electricity. A loss of between 5-10% is a technical inevitability. In the case of Africa, losses are more than merely technical. They are also financial, given the dearth of accurate and reliable metering, as well as simple non-payment of bills.[68] This more expansive definition of 'loss' is a key measure of utility efficiency. The recommended indicator, therefore, is:

total electricity billed (GWh))/ electricity supplied to grid (GWh)
or
(In-country generation, net of plant own use (GWh) – Export (GWh) + Import (GWh)) – Electricity billed to customers / In-country generation, net of plant own use (GWh) – Export (GWh) + Import (GWh)

The fifth and last indicator is a proxy for accessibility and availability. There are multiple methods of measuring accessibility and availability, none of which rely on customer perception surveys. Two of these measurements are the available hours of usage per customer (business and/or residential) and the cost of electricity in relation to household income. For purposes of the first iteration of the methodology, however, a potentially more direct correlation with organised crime is the speed with which customers are connected to the electrical grid. Once again, it is important to take into account the African context, the overall infrastructure environment, and the general lack of consumer connection to the grid by marginalised and vulnerable populations. The recommended indicator, therefore, is:

# of days to connect for business customers

Water utility indicators[69]

As already indicated, water is used in multiple ways and is not limited to residential purposes for drinking or sanitation. Water in all the ways in which it is procured (rainwater, dams, rivers and lakes) is key to agriculture. It is also important for many industrial processes. Nevertheless, there are many similarities in how to assess efficiency between water and electrical utilities. As a result many of the proposed indicators are comparable, slightly modified to reflect the differences between water and electricity. Therefore, the first three indicators proposed are comparable:

net revenues collected/total labour cost
or
net revenues collected/total labour hours (or days)

net revenues collected/cost of operations and maintenance (O&M)
and
cost of new power plants and distribution lines/water supplied

The method of measuring water lost differs slightly from how loss can be measured in electricity generation and transmission. The proposed indicator, therefore, is:

Non-revenue water[70] – total water billed/water supplied

With regard to accessibility and accountability, while water is important to agriculture and other businesses, water utilities' infrastructure as a service may be better measured in terms of its continual availability, which is also associated with how readily service is restored when disrupted. The proposed indicator, therefore, is:

# of hours of water service/day

Tax administration[71]

The most basic means of measuring the efficiency of a tax administration is tax revenues collected as a percentage of GDP, which would make it logical for it to be the first indicator.[72]

However to respect the African context, in order to eliminate natural resources and the rentier system, as well as all other forms of non-earned state income, it is proposed that the first indicator be:

earned tax revenues (individual and corporate) + VAT/GDP

Tax compliance is another standard measure of administrative efficiency. While that is often evaluated in terms of the number of taxpayers (individuals and/or corporations) in relation to the population, in Africa the predominance of the informal economy precludes that method of measurement. Nevertheless, if the overall cost of compliance increases, the system can be said to be less efficient as it is costing the state more to collect public revenues. As with the measurement of utility efficiency above, it is prudent to exclude all financing and indirect costs and include only labour and administrative costs.

It should be noted that an increase of compliance costs may also reflect, at least partially, a measure of the legitimacy of the tax system, in that the attitudes of taxpayers to the state is buried within any compliance indicator. Furthermore, simpler tax codes are generally correlated with higher revenue collections, less organised crime and less tax evasion. The recommended indicator, therefore, is:

cost of collecting earned tax revenues (individual and corporate) + VAT/ earned tax revenues (individual and corporate) + VAT

Because of the size and pivotal importance of the informal economy and its nonpayment of taxes, it is essential to measure it. Furthermore, there is a known direct correlation between the size of the informal economy and the prevalence and proliferation of organised crime.[73] The recommended indicator, therefore, is:

estimated value of informal economy/GDP

Another standard means of determining a tax administration's efficiency is by measuring the 'tax gap or yield', which is the difference between revenues actually collected and those that were forecast to be collected. Compliance and yield rates should customarily increase year-over-year. These rates can be applied to all of the core taxes or any variation thereof. Timely collection of taxes is also an indicator of the legitimacy of a tax code and administration. Combining compliance and timeliness adds greater resonance in a single indicator. For the methodology, it is proposed that it focus on VAT, given that other indicators are to concentrate on other elements of a tax system. The recommended indicator, therefore, is:

value of VAT payments made by the due date/projected total value of VAT payments

An excise tax is a type of customs and import tax. Most frequently, it is a tax on luxury and sin goods, which are also frequently highly susceptible to trafficking by organised crime. A measure of compliance or yield in the excise tax would, consequently, be instructive as to the efficiency of the tax administration, as well as the extent to which organised crime has penetrated the customs and import tax system. The recommended indicator, therefore, is:

value of excise tax collected/projected total value of excise tax

Land management[74]

Land management, at its most basic, consists of four distinct elements: ownership and tenure, which includes a demarcation of boundaries; value and taxation; use, regulation and enforcement; and development and planning.[75] This is true for all types of land, be they urban, peri-urban, or rural. All four dimensions also apply to different methods of property ownership or land titling – state, indigenous, communal, affinity group, individual or informal settlement.[76] It is crucial to note that a land management system, in itself, does not alter the relationship of the person or persons with tenure or title to the land parcel to which they have tenure or title.

Each of the four elements of land is susceptible to being cadastred and registered. The pivotal feature of land management is its cadaster[77] and/or register for each of the four dimensions. Each is distinct and all four need to be mapped and associated, one with another, though not necessarily in a single cadaster. Cadasters and registers are not ends in themselves, but means to an efficient land management by which land rights, ownership and tenure are delineated; boundaries specified; and the means for its transfer and current and future use identified and duly recorded.[78]

In Africa, however, very little of the continent's land is cadastred or registered. Part of the challenge is that there are very few land surveyors whose work is key to the production of accurate and reliable cadasters and land registries. For instance, Ghana, Kenya and Uganda have 10 or fewer land surveyors per one million population.[79] As a result, among other reasons, approximately only 10% of all African rural land is registered;[80] between 62-75% of all urban housing is informal[81] with almost all of it happening outside of planning processes; and 90% of all land holders/owners are not registered.[82]

For the purposes of this paper, the question is not whether the current state of land management in Africa is effective, legitimate, and/or conducive to socio-economic development. Those are political and value judgments and outside the scope of the methodology. The challenge is how to measure land management efficiency and its changes over time in an environment where cadasters and registries are largely non-existent and their reliability questionable.

There is a direct correlation between the informal economy and the prevalence and proliferation of organised crime

Standard measures, such as the percentage of land parcels registered and their ownership reliably specified on cadaster maps, cannot be used.[83] Statistics concerning data integration across the four dimensions are also not usable, as the various cadasters and registers may not be reliable. Nevertheless, it remains vital to measure improvements in cadasters and registers accurately identifying land parcels.

One of the principal landowners throughout Africa is the state and most of that land is not surveyed or cadastered.[84] State land and state-controlled land are frequently misappropriated, the theft of which is, invariably, perpetrated by and through state actors acting as organised criminal entrepreneurs. The recommended indicator, therefore, is:

annual change in the percentage of state-owned land that is mapped and legally certified

Another typical measure of land management efficiency is the speed with which a certified copy of title or transfer of property rights is produced. Shorter periods required, however, may not necessarily produce reliable certificates, given the current state of cadasters and registers. A more reliable indicator relates to the cost of the certification or, more relevantly, its transfer from one owner to another, particularly when associated with the total value of the property. The recommended indicator, therefore, is:

cost to certify transfer of land title/property value

To assess the availability of land management processes, it is important to evaluate how costly it is for citizens to access the system. The recommended indicator, therefore, is:

average working days to pay for an original and certified titling
or
average working days to pay for the cost of transferring a parcel

A reasonable way of measuring the efficiency of the fiscal and tax dimension of land management is through the collection efficiency, the amount of property tax collected compared to the expected taxes to be accrued. For the purposes of this methodology, however, the distinction between tax administration and land management is blurred. A variation focusing on costs, however, is plausible, particularly when it incorporates taxation and land valuations. The recommended indicator, therefore, is:

labour and administrative costs of assessing land value + collecting property taxes/property taxes collected

Land use is one of the four dimensions. For an efficient land management system it is vital that land parcels are used in ways that accord with land codes. The misuse of land parcels may be directly correlated with the extent and depth of organised criminal activities. The recommended indicator, therefore, is:

total number of certified construction + modification permits/total number of construction permits + applications to modification existing permits granted

Conclusion

Political will has been characterised as a black box and has become a form of magical thinking. All too often, the lack of political will is cited by policymakers, donors and development practitioners to absolve themselves of responsibility for their own ineffective programming. This is especially the case for initiatives that seek to curb organised crime. It is especially important when challenging organised crime to be able to determine the level and extent of political will to reduce its activities. If little to no political will exists, it is misguided and naïve to believe that activities sponsored and supported by both domestic and international actors can succeed and be sustained, particularly in countries in which organised crime has proliferated.

This paper has presented a means by which one can empirically quantify and *measure the political will possessed over time by state actors in a specific country in relation to their challenging and reducing organised crime*. The proposed indicators are well known and readily obtainable and do not rely on the qualitative judgments of experts, public opinion surveys or perception studies. The outlined methodology evaluates the *actual performance year-over-year* of a state's institutions, agencies and regulatory bodies with regard to water and electrical utilities, tax administration and land management – three sectors that affect the everyday life of each and every citizen, for which there are known means of assessing efficiency, and whose efficiency is correlated to the overall level of organised crime in that country. Increased efficiency of each of the three is a direct measure of the state's political will to reduce the malevolence of organised crime.

Notes

1 M Andrews, *Creating Space for Effective Political Engagement in Development,* Faculty Research Working Papers Series, RWP08-015, John F Kennedy School of Government, Harvard University, March 2008.

2 L Hammergren, *Political Will, Constituency Building, and Public Support in Rule of Law Programs, PN-ACD-023,* USAID, 1998, https://issat.dcaf.ch/Learn/Resource-Library/Policy-and-Research-Papers/Political-Will.-Constituency-Building.-And-Public-Support-in-Rule-of-Law-Programs.

3 M Johnston, Relying on 'political will' to fight corruption is magical thinking, 20 December 2017, https://fcpablog.com/2017/12/20/michael-johnston-relying-on-political-will-to-fight-corrupti/.

4 D Hudson, C Mcloughlin, C Roche, H Marquette, Inside the Black Box of Political Will, DLP, February 2018, 8, www.dlprog.org/publications/research-papers/inside-the-black-box-of-political-will-10-years-of-findings-from-the-developmental-leadership-program.

5 Ibid.

6 In this sense, the issue is the degree and type of the ongoing political dynamic rather than binary attribution of political will. See M Andrews, *Creating Space for Effective Political Engagement in Development*, Faculty Research Working Papers Series, RWP08-015, John F Kennedy School of Government, Harvard University, March 2008.

7 S Fritzen, Beyond 'Political Will': How Institutional Context Shapes the Implementation of Anti-Corruption Policies. *Policy & Society*, Vol 24, No 3, 2006.

8 According to scholars, perception indicators of corruption/organised crime display 'a substantial amount of variation in reported levels of corruption [that] is not attributable to variation in actual corruption or to random measurement error but, rather, is driven by the choice of evaluator and hence is an artefact of the [perception] method selected to measure corruption'. See A Hawken and G Munck, *Do You Know Your Data? Measurement Validity in Corruption Research,* School of Public Policy, Pepperdine University, 2009, 12; B Olken, Corruption Perceptions vs Corruption Reality, *Journal of Public Economics*, Vol 93 (7-8), 2009, 950–64. Furthermore, perceptions are subject to known biases, including those related to the bandwagon and halo effects. See S Sequeira, Advances in Measuring Corruption in the Field, in D Serra and L Wantchekon (eds), *New Advances in Experimental Research on Corruption*, Emerald Group Publishing, 2012. While is it impossible to distinguish whether grand or petty corruption/organised crime is more pernicious and of greater harm, perception studies on organised crime in public procurement are better correlated with petty rather than grand corruption. See S Knack, *Measuring Corruption in Eastern Europe and Central Asia: A Critique of the Cross-Country Indicators,* World Bank Policy Research Working Paper 3968, 2006. For more general discussions of difficulties posed in surveys of corruption and organised crime, see K Ko and A Samajdar, Evaluation of International Corruption Indexes: Should we Believe Them or Not? *The Social Science Journal*, Vol 42, No 3, 2010; JG Lambsdorff, The Methodology of the Corruption Perceptions Index, *Transparency International*, 2007.

9 There is an almost unbridgeable chasm across countries between opinions about the prevalence and the experience of corruption. See C Abramo, How Much Do Perceptions of Corruption Really Tell Us? *Economics: The Open-Access, Open-Assessment E-Journal* 2, 2008. Furthermore, in Europe, a 2011-2012 public opinion survey found that 74% of the populace believed that corruption was a major issue, while only 8% had any direct experience of corrupt practices. See European Commission, *Special Eurobarometer 374: Corruption,* http://ec.europa.eu/public_opinion/archives/ebs/ebs_374_en.pdf, 2012.

10 This paper recognises that, while any given starting point is, essentially, arbitrary, a starting point must be established in order to measure change over time.

11 For a discussion and overview of what constitutes effective and quality governance, see B Rothstein and M Tannenberg, *Making Development Work: The Quality of Government Approach*. Expertgruppen för biståndsanalys, 2015, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3023883.

12 See A Mungiu-Pippidi, *Corruption as Social Order: Background Paper for the 2017 World Development Report*, World Bank, 2017, https://elibrary.worldbank.org/doi/abs/10.1596/27046.

13 Willy McCourt, Political Commitment to Reform: Civil Service Reform in Swaziland, *World Development*. Vol 31, No 6, 2003, 1015-1031, 1016.

14 C Malena, Building Support for Participatory Governance, in Carmen Malena (ed), *Governance from Political Won't to Political Will*, West Hartford, Connecticut: Kumarian Press, 2009, 17.

15 D Brinkerhoff, *Unpacking the Concept of Political Will to Confront Corruption*, U4 Brief, No 1, 2010, 1, www.u4.no/publications/unpacking-the-concept-of-political-will-to-confront-corruption/; see also LA Post et al, Defining Political Will, *Politics & Policy* 38, no 4, 2010, 653–676.

16 Ibid.

17 Ibid.

18 For ascriptions of political will, neither intent nor motivation can be understood 'as separate from, or prior to, action on the ground', DJH Te Lintelo and R Lakshman, Equate and Conflate: Political Commitment to Hunger and Undernutrition Reduction in Five High-Burden Countries, *World Development,* Vol 76, 2015, p. 282.

19 Ibid. See also H Tilley, et al, *Monitoring the effect of advocacy in changing political will: political will monitoring tool guidance note*, ODI, 2018; L Post et al, Defining Political Will, *Politics & Policy* 38, No 4, 2010, 653–676.

20 K Engesveen, et al, Assessing countries' commitment to accelerate nutrition action demonstrated in PRSP, UNDAF and through nutrition governance, www.researchgate.net/publication/285667381.

21 Harms caused by illicit organised crime markets differ. For example, the harms caused by cannabis are not commensurate to those perpetrated by human trafficking. This is all the more so with cannabis increasingly becoming a legal commodity. To assess levels of political will accurately, therefore, it is necessary to weigh the varying harms caused by different illicit markets. Doing so inevitably requires value judgments, which makes aggregate measures unreliable and invalid. Not doing so, however, defies reality and reason as it disregards the very real differences in harm caused by illicit organised crime markets.

22 The controversial debates in trafficking revolve around the consent of the individual being trafficked. For definitional purposes consent is irrelevant, but '[h]ow can one establish that … "coercion" has taken place if one does not relate to the wishes of the victim that the coercion is used against?' M Skilbrei and M Tveit, Defining trafficking through empirical work: Blurred boundaries and their consequences, *Gender, Technology, and Development* 12, 2008, 13. Ignoring volition implies not taking the decisions seriously of those women who may have willingly left their homes, even if that decision was made with the knowledge that they would end up in prostitution; doing so renders those women passive victims rather than persons with agency, which is one of the reasons why, within the EU, at least, 'important controversies exist with regards to whether the consent [or lack thereof] of the trafficked person is to be taken as a constitutive element'. LR Grundell, *EU anti-trafficking policies: from migration and crime control to prevention and protection* , Migration Policy Centre, 2015, 2.

23 IOM, *Human Trafficking: New Directions for Research*, 2008, p. 6.

24 For examples of margins of error of 100% or more, see C May, Transnational Crime and the Developing World, *Global Financial Integrity*, 2017, xi. For the complications in and the inability to estimate the flow of illicit drugs into the United States, see Congressional Research Service, Illicit Drug Flows and Seizures in the United States: What Do We [Not] Know?, 2019, https://fas.org/sgp/crs/misc/R45812.pdf.

25 I Ralby, *Downstream Oil Theft: Global Modalities, Trends and Remedies*, Vol 1, Atlantic Council, 2017, 15, www.atlanticcouncil.org/in-depth-research-reports/report/downstream-oil-theft/.

26 A Telesetsky, Laundering Fish in the Global Undercurrents: Illegal, Unreported, and Unregulated Fishing and Transnational Organized Crime. *41 Ecology L.Q.*, 2015, 942. This is not a challenge experienced only or primarily by developing countries, for in the US '20 to 32 percent of the weight of wild-caught seafood is estimated to be either illegal or unreported' (Ibid).

27 C May, Transnational Crime and the Developing World. *Global Financial Integrity*, 2017, 1.

28 For an example of displacement, see, L Wagner, *Organized Crime and Illegally Mined Gold in Latin America*, Global Initiative against Transnational Organized Crime, 2016, https://globalinitiative.net/organized-crime-and-illegally-mined-gold-in-latin-america/.

29 S Fritzen, Beyond 'Political Will': How Institutional Context Shapes the Implementation of Anti-Corruption Policies, *Policy & Society*, Vol 24, No 3, 2006. See also A Mungiu-Pippidi, *Corruption as Social Order: Background Paper for the 2017 World Development Report*, World Bank, 2017. It is also crucial to recognise that the reputed distinction between corruption and organised crime is specious, at best. The two are, in fact, opposite sides of the same coin, as the 'indicator of high levels of corruption derived from the World Bank governance indicators … [is] strongly and positively correlated to a composite index of organised crime prevalence', J Anderson et al, *Evaluating Success in Tackling Transnational Organised Crime Overseas*, UK Office for Security and Counter-Terrorism, 2015, 17. See also Edgardo Buscaglia et al, *Undermining the Foundations of Organized Crime and Public Sector Corruption: An Essay on Best International Practices*, Hoover Institution on War, Revolution and Peace, 2005.

30 Overall in the developing world, for instance, increased state regulation of utilities appears to be associated with increased wait times and higher levels of organised crime, which underscores the *Organised Crime Index: Africa 2019* finding that a standard governance institutional capacity-building approach is ineffective in reducing the power and pervasiveness of organised crime. See A Carvalho, *Delays in Connecting Firms to Electricity: What Matters?* CEERP Working Paper No 3, Edinburgh: Herriot-Watt University, 2016. There is tentative evidence to suggest that, under certain circumstances, the establishment of an independent regulatory body may minimise the pervasiveness of organised crime. See L Wren-Lewis, Do Infrastructure Reforms Reduce the Effect of Corruption? Theory and Evidence from Latin America and the Caribbean, *The World Bank Economic Review*, Vol 29, No 2, 2013, 353–384.

31 Programming focused on 'governance is unlikely to support political will to fight corruption'. See D Brinkerhoff, *Unpacking the Concept of Political Will to Confront Corruption*, U4 Brief, No 1, 2010, 2. For the ineffectiveness of governance organised crime and anti-corruption programming, see J Huther and A Shah, Anticorruption Policies and Programs: A Framework for Evaluation, *Policy Research Working Paper 2501*, World Bank, 2000; I Kolstad et al, *Corruption, Anti-corruption Efforts and Aid: Do Donors Have the Right Approach?* Working Paper No 3, Research project (RP-05-GG) of the Advisory Board for Irish Aid, 2008; B Rothstein et al, Why Anticorruption Reforms Fail—Systemic Corruption as a Collective Action Problem, *Governance:* An *International Journal of Policy, Administration, and Institutions*, 2008; A Disch et al, *Anti-Corruption Approaches: A Literature Review*. Norwegian Agency for Development Cooperation, 2009; A Mungi-Pippidi et al, *Context Choices in Fighting Corruption: Lessons Learned.* Norwegian Agency for Development Cooperation, 2011; R Hanna et al, *The Effectiveness of Anti-Corruption Policy: What has Worked, What Hasn't and What We Don't Know – A Systematic Review*. EPPI-Center, Social Science Research Unit, 2011; Jesper Johnson et al, *Mapping Evidence Gaps in Anti-Corruption: Assessing the State of the Operationally Relevant Evidence on Donors' Actions and Approaches to Reducing Corruption*, Anti-Corruption Resource Centre, 2012; B Rothstein and M Tannenberg, *Making Development Work: The Quality of Government Approach*, Expertgruppen för biståndsanalys, 2015; C Church, *Taking the Blinders Off: Questioning How Development Assistance Is Used to Combat Corruption*, Institute for Human Security, 2016; E Engel et al, *Report of the Expert Advisory Group on Anti-Corruption, Transparency, and Integrity in Latin America and the Caribbean*, Inter-American Development Bank, 2018; and J Gans-Morse et al, Reducing bureaucratic corruption: Interdisciplinary Perspectives on What Works. *World Development*, Vol 105, 2018, 171-188.

32 ENACT, *Organised Crime Index: Africa 2019*, 2019,12.

33 J Plummer and P Cross. *Tackling Corruption in the Water and Sanitation Sector in Africa: Starting the Dialogue.* Water and Sanitation Program, 2006, 6.

34 A Durand-Lasserve et al, Land delivery systems in West African Cities: The Example of Bamako, Mali. *Africa Development Forum Series*. World Bank, 2015, 9. Interestingly, the analysis states that 'the main causes of land-related corruption identified in the paper are lack of political will at a host country level', which is, in turn, 'linked to vested interests in land development and control of land for the purposes of patronage'.

35 ENACT, *Organised Crime Index: Africa 2019*, 2019, pp 12 and 19, 'investments to reinforce the technical capacity of key state institutions [institutional- and capacity-building endeavours] are of limited value, or can even be counter-productive'.

36 Ibid, 18. Not every African state is similarly riddled by organised crime. Moreover, not all state actors double as organised criminal entrepreneurs, accumulating state power for the purpose of siphoning off rents for their private satisfaction. There are notable differentiations between and among African states and state actors in their level of political will to challenge organised crime.

37 It must be noted that water refers not only to all types of water utilities built for water usage related to drinking, washing, and bathing, but to all forms and uses of water, which includes agriculture and irrigation.

38 *Transparency International*, Corruption in the land sector, 2011, 2. See also R Grover and C Grover, Modelling Indicators of Land Governance, *Land Governance*, paper no 4999, 2011. In general, it is reported that approximately 20% of all real estate transactions are tainted by corruption and organised crime. See Transparency International, *Global Corruption Barometer*, 2013. In Africa, however, the percentage may be as high as 50%. See Transparency International, Corruption and Land Governance in Kenya, *Adili Newsletter*, Transparency International, 2015.

39 M Bujko et al, *How Institutions Shape Land Deals: The Role of Corruption*, Center for Economic Studies and Ifo Institute Working Paper Series No 5178, 2015.

40 A Estache and E Kouassi, *Sector Organization, Governance, and the Inefficiency of African Water Utilities*, World Bank Policy Research Working Paper 3374, 2002; Colin Kirkpatrick et al, An Empirical Analysis of the State and Private-Sector Provision of Water Services in Africa, *World Bank Economic Review*, 2006; Jonathan Halpern et al, *Deterring Corruption and Improving Governance in the Electricity Sector*, World Bank, 2009.

41 A Estache and E Kouassi, *Sector Organization, Governance, and the Inefficiency of African Water Utilities*, World Bank Policy Research Working Paper 3374, 2002. It is estimated that, in South Asia, organised criminal networks cause water and sanitation utilities to spend 20-35% more on their construction contracts than they would otherwise. See J Davis, Corruption in Public Service Delivery: Experience from South Asia's Water and Sanitation Sector, *World Development*, Vol 32, No 1, 2004, 53-71. With regard to construction of water utility infrastructure, estimates run as high as 40%. Water Integrity Network, *Fighting Corruption to Reduce Poverty: Linking Global and Local Strategies*, Seminar Report 2006 – World Water Week in Stockholm, 2006; Asian Development Bank et al, *Connecting East Asia: A New Framework for Infrastructure*. Asian Development Bank, 2005.

42 J Plummer and P Cross. *Tackling Corruption in the Water and Sanitation Sector in Africa: Starting the Dialogue*. Water and Sanitation Program, 2006, 6.; for an overall discussion of corruption and organised crime in the water sector, see *Global Corruption Report 2008 Corruption in the Water Sector*, Transparency International, 2008; Water Integrity Network, *Water Integrity Global Outlook 2016*, Water Integrity Network, 2016.

43 J Plummer and P Cross, *Tackling Corruption in the Water and Sanitation Sector in Africa: Starting the Dialogue, Water and Sanitation Program*, 2006, 8.

44 L Wren-Lewis. Do Infrastructure Reforms Reduce the Effect of Corruption? Theory and Evidence from Latin America and the Caribbean, *The World Bank Economic Review*, Vol 29, No 2, 2013, 353–384, https://elibrary.worldbank.org/doi/abs/10.1093/wber/lht027; E Dal Bó and M Rossi, *Corruption and Inefficiency: Theory and Evidence from Electric Utilities*, Unpublished paper, Universidad de San Andres, Argentina, 2006.

45 A Carvalho, *Delays in Connecting Firms to Electricity: What Matters?* CEERP Working Paper No 3, 2016. It has been estimated that 15-30% of electrical production and sales are susceptible to theft by organised crime. See M Ruth, *Corruption and the Energy Sector*, Management Systems International, 2002. It should be noted, however, that this type of organised crime pertains only to the day-to-day operations of electrical utilities and not the entire spectrum of opportunities that exist for state actors to siphon off rents.

46 L Wren-Lewis, Do Infrastructure Reforms Reduce the Effect of Corruption? Theory and Evidence from Latin America and the Caribbean, *The World Bank Economic Review*, Vol 29, No 2, 2013, 353–384.

47 Konstantin Pashev. *Understanding Tax Corruption in Transition Economies: Evidence from Bulgaria*. MPRA Paper No 974, December 2006, 21, http://mpra.ub.uni-muenchen.de/974/. See also International Monetary Fund. *Fiscal Monitor: Curbing Corruption*, IMF, 2019.

48 C McClellan, The Consequences of Poor Tax Administration: Collections, Growth, and Evasion, PhD dissertation, Andrew Young School of Policy Studies, Georgia State University, 2013, https://scholarworks.gsu.edu/econ_diss/90/.

49 D Ghura. *Tax Revenues in Sub-Saharan Africa: Effects of Economic Policies and Corruption*. International Monetary Fund Working Paper, 1998. It should also be noted that the level of a country's informal economy is correlated to the efficiency of that state's tax administration. See G Savić et al, Impact of the Efficiency of the Tax Administration on Tax Evasion. *Ekonomska Istraživanja*, Vol 28 No 1, 2015, 1138-1148. Given that approximately 90% of all new jobs on the African continent are expected to be in the informal economy and the informal economy is a petri dish for the proliferation of organised crime, the correlation between organised crime in Africa and tax administration efficiency is strong.

50 It should be noted that service delivery in, for example, utilities, is frequently, manipulated by political parties as an integral part of their electoral strategies. See T Baskara et al, Election Cycles and Electricity Provision: Evidence from a Quasi-experiment with Indian Special Elections, *Journal of Public Economics*, Vol 126, 2015, 64–73; B and M Golden, Electoral cycles in Electricity Losses in India, *Energy Policy*, Vol 65, 2014, 619–625.

51 With regard to land management, the means by which to assess the efficiency of land values and taxation are less well established than the other elements of land management. See J Whittal and M Barry, *Property Valuation System Reform: Assessing Change Processes and Performance*,12th African Real Estate Society (AfRES) Annual Conference, 2012. For tax administration, see TADAT Secretariat, *Field Guide, 2019*. TADAT, 2019.

52 C McClellan, The Consequences of Poor Tax Administration: Collections, Growth, and Evasion, PhD dissertation, Andrew Young School of Policy Studies, Georgia State University, 2013, https://scholarworks.gsu.edu/econ_diss/90/.

53 See, for example, G Ferro and C Romero, *Efficiency in Water and Sanitation Sector: A Survey on Empirical Literature*,

Working Paper No 22, Centro de Estudios Económicos de la Regulación, Universidad Argentina de la Empresa, 2007.

54 C van den Berg and A Danilenko, *Performance of Water Utilities in Africa*, World Bank Group, 2017.

55 P Tallapragada et al, *Monitoring Performance of Electric Utilities: Indicators and Benchmarking in Sub-Saharan Africa*. World Bank, 2009.

56 Ibid.

57 K Deininger et al. *The Land Governance Assessment Framework: Identifying and Monitoring Good Practice in the Land Sector*, World Bank, 2012, p. 33.

58 According to the International Labour Organization, 'an estimated 85.8 per cent of African workers are informally employed', a percentage that rises to 89.2 in sub-Saharan Africa and 94.9% for youths in sub-Saharan Africa, International Labour Organization, *World Employment and Social Outlook: Trends 2020*, ILO, 2020, 40, 42, and 43. It should be noted that these figures have remained essentially constant for over a decade and may, in fact, have deteriorated over that period of time.

59 To illustrate, according to the World Bank, the percentage of tax revenues derived from customs and import taxes for the following countries are: Botswana, 39.7% (2018); Namibia, 33.3% (2018); Ethiopia, 21.2% (2018); Liberia, 39.1% (2013); and Gambia 31.6% (2009). The percentage for other countries is significantly lower, such as Burkina Faso, 14.6% (2018); Cote d'Ivoire, 13.5% (2017); Kenya, 7% (2017); South Africa, 3.8% (2017); and Congo 16.4% (2012) See https://data.worldbank.org/indicator/GC.TAX.IMPT.ZS.

60 Water and Sanitation Program, *The State of African Utilities: Performance Assessment and Benchmarking Report: Water Operators' Partnerships*, World Bank, 2009. p. 31. The cross-country comparison issue is not of concern with regard to land management or tax administration. See D Steudler, *A Framework for the Evaluation of Land Administration Systems*, Department of Geomatics, The University of Melbourne, 2004; A Das-Gupta et al, *Measuring Tax Administration Effectiveness and its Impact on Tax Revenue,* ERIA Discussion Paper Series, 2016.

61 For an overview of these methods, see SV Berg, Advances in Benchmarking to Improve Water Utility Operations: A Review of Six IWA Books, *Water Policy*, Vol 15, No 2, 2013, 325-333; P Tallapragada et al, *Monitoring Performance of Electric Utilities: Indicators and Benchmarking in Sub-Saharan Africa*, World Bank, 2009; T Coelli et al, *A Primer on Efficiency Measurement for Utilities and Transport Regulators,* World Bank, 2003; R Meenakumari and N Kamaraj, Measurement of Relative Efficiency of State Owned Electric Utilities in India Using Data Envelopment Analysis, *Modern Applied Science*, Vol 2, No 5, 2008.

62 Comparative data is important when the objective is to reform utilities and improve performance, neither of which is the objective of this report's measurement scheme.

63 The indicators for this section were derived from the following reports and articles, *inter alia*, A Carvalho, *Delays in Connecting Firms to Electricity: What Matters?* CEERP Working Paper No 3, 2016; A Scott and P Seth, *The Political Economy of Electricity Distribution in Developing Countries: A Review of the Literature*. Overseas Development Institute, 2013; A Eberhard et al, *Africa's Power Infrastructure: Investment, Integration, Efficiency,* World Bank, 2011; P Tallapragada et al, *Monitoring Performance of Electrical Utilities: Indicators and Benchmarking in Sub-Saharan Africa,* World Bank, 2009; A Cadena et al, Efficiency Analysis in Electricity Transmission Utilities, *Journal of Industrial and Management Optimization*, 2009; T Coelli et al, *A Primer on Efficiency Measurement for Utilities and Transport Regulators, World Bank*, 2003.

64 International Labour Organization, *Informal Economy in Africa: Promoting Transitions to Formality: Challenges and Strategies*, International Labour Organization, 2009, 11.

65 In Africa, 'overemployment in power and water utilities ranges from 20 percent to 80 percent over benchmarks in other developing areas' and can rise as high as 88% in some electrical utilities. See V Foster and C Briceño-Garmendia, eds. *Africa's Infrastructure: A Time for Transformation*, The International Bank for Reconstruction and Development, 2010, 10 and 72.

66 The cost of maintenance is an excellent vehicle to assess the original procurement, design, construction, and operations of infrastructure. In Africa, it is believed that upwards of one-third of all of Africa's infrastructure is in urgent need of maintenance: V Foster and C Briceño-Garmendia, eds, *Africa's Infrastructure: A Time for Transformation*, The International Bank for Reconstruction and Development, 2010, 1.

67 'Inefficiencies within the public expenditure management systems are particularly detrimental [with respect to utilities and]… as African countries are, on average, unable to spend as much as one-quarter of their capital budgets and one-third of their recurrent budgets in the corresponding fiscal year' and there are estimates that up to 30% of cost overruns due to poor capital execution, Ibid, 69.

68 'According to household surveys, about 40 percent of those connected to utility services do not appear to be paying for them, a share that rises to 65 percent for a significant minority of countries', Ibid, 10.

69 The indicators for this section were derived from the following reports and articles, *inter alia*, H Haider et al, Performance Indicators for Small- and Medium-Sized Water Supply Systems: A Review *Environmental Reviews*. Vol. 22, 2014; C Romero and G Ferro, *Efficiency in Water and Sanitation Sector: A Survey of the Empirical Literature,* Working Paper No 22, Centro de Estudios Económicos de la Regulación, Universidad Argentina de la Empresa, 2007; D Parker et al, An Empirical Analysis of State and Private-Sector Provision of Water Services in Africa. *The World Bank Economic Review* Vol 20, No 1, 2006, 143-16; Chen Lin, *Service Quality and Prospects for Benchmarking: Evidence from the Peru Water Sector,* University of Florida, 2005; A Estache and E Kouassi, *Sector Organization, Governance, and the Inefficiency of African Water Utilities*, World Bank Policy Research Working Paper 3374, 2002.

70 Non-revenue water is defined as loss of water through various kinds of leakages and breakages of pipes, as well as diversions, in the distribution of water. It also includes non-payment of bills, connections that do not have meters, those whose meters do not work or have been manipulated, or are illegal. In Freetown, Sierra Leone, upwards of 50% of all water delivered can be classified as non-revenue. See Daniel Harris et al, *The Political Economy of Urban Water-Pricing Regime in Freetown, Sierra Leone.* Working Paper 348, Overseas Development Institute, 2012.

71 The indicators for this section were derived from the following reports and articles, *inter alia*, TADAT Secretariat. *Tax Administration Diagnostic Assessment Tool: Field Guide*, 2019; A Das-Gupta et al, *Measuring Tax Administration Effectiveness and its Impact on Tax Revenue, ERIA Discussion Paper Series*, 2016; M Hak

and A Devčić, Measuring the Efficiency of the State Administration Through the Key Performance Indicators, *European Scientific Journal*, 2016; K Raczkowski, Measuring the Tax Gap in the European Economy. *Journal of Economics and Management*, Vol 21, No 3, 2015; HS Pedersen et al, *A Review and Evaluation of Methodologies to Calculate Tax Compliance Costs*, European Commission, 2013; W Crandall, *Feasibility Study: Developing a Tool to Assess Tax Administration Performance*, Public Expenditure and Financial Accountability (PEFA) Partnership, 2011; M Mansor, *Performance Management for a Tax Administration: Integrating Organisational Diagnosis to Achieve Systemic Congruence*, Australian School of Taxation, 2010; W Crandall, *Revenue Administration: Performance Measurement in Tax Administration*, International Monetary Fund, 2010.

72 In Sub-Saharan Africa, over the past 25-30 years, the percentage of tax revenues collected as a percentage of GDP has stagnated at an average of approximately 15%. See U4, *Approaches to Curbing Corruption in Tax Administration in Africa*. Anti-Corruption Resource Centre, 2014.

73 G Savić et al, Impact of the Efficiency of the Tax Administration on Tax Evasion. *Ekonomska Istraživanja*, Vol 28, No 1, 2015, 1138-1148; E Buscaglia et al, *Undermining the Foundations of Organized Crime and Public Sector Corruption: An Essay on Best International Practices*, Hoover Institution on War, Revolution and Peace, 2005; E Buscaglia and J van Dijk, Controlling Organized Crime and Corruption in the Public Sector, *Forum on Crime and Society*, Vol 3, Nos 1 and 2, UNODC, 2003, 3-34. See also J Anderson et al, *Evaluating Success in Tackling Transnational Organised Crime Overseas*, UK Office for Security and Counter-Terrorism, 2015, where it is argued that 'countries with large existing informal sectors and black markets may be more susceptible to economic capture by large organised criminal organisations' (43-44).

74 The indicators for this section were derived from the following reports and articles, *inter alia*, H Zhang and C Tang, *A Performance Assessment Model for Cadastral Survey System Evaluation*, The World Cadastre Summit, 2015; K Deininger et al, *The Land Governance Assessment Framework: Identifying and Monitoring Good Practice in the Land Sector*, World Bank, 2012; J Whittal and M Barry, *Property Valuation System Reform: Assessing Change Processes and Performance*, 12th African Real Estate Society (AfRES) Annual Conference, 2012; T Burns, *Measuring the Cost-Effectiveness of Land Administration*, Land Equity International, 2009; T Burns, *Land Administration Reform: Indicators of Success and Future Challenges*, The International Bank for Reconstruction and Development/The World Bank, 2007; D Steudler, *A Framework for the Evaluation of Land Administration Systems*. Department of Geomatics, The University of Melbourne, 2004.

75 S Enemark, *Land Administration and Cadastral Systems in support of Sustainable Land Governance – a Global Approach*, 3rd Land Administration Forum for The Asia and Pacific Region, 2009. Development and planning is defined as 'the processes and institutions related to building of new physical infrastructure and utilities; the implementation of construction planning; public acquisition of land; expropriation; change of land use through granting of planning permissions, and building and land use permits; and the distribution of development costs' (3).

76 I Williamson, *Best Practices for Land Administration Systems in Developing Countries*, International Conference on Land Policy Reform, 2000.

77 International Federation of Surveyors, *FIG Statement on the Cadastre*, FIG Publication No 11, 2014, www.fig.net/resources/publications/figpub/pub11/figpub11.asp; The UN Ad Hoc Group of Experts on Cadastral Surveying and Land Information Systems, United Nations, 1985. For some, cadasters and registries are essentially synonymous with the concept of land management. See RM Bennett and BK Alemie, Fit-for-Purpose Land Administration: Lessons from Urban and Rural Ethiopia, *Survey Review*, Vol 48, No 346, 2016. For others, however, the cadaster refers to boundaries and location, value, and use of land parcels, while registries delineate ownership and land tenure. See World Bank, *Lessons from Land Administration Projects: A Review of Project Performance Assessments*, World Bank, 2016.

78 I Williamson, Cadastres and Land Information Systems in Common Law Jurisdictions, *Survey Review*, 1985.

79 F Byamugisha, Introduction and Overview of Agricultural Land Redistribution and Land Administration Case Studies in F Byamugisha (ed), *Agricultural Land Redistribution and Land Administration in Sub-Saharan Africa: Case Studies of Recent Reforms*, World Bank, 2014; for purposes of comparison, Malaysia and Sri Lanka have 197 and 150 per million, respectively.

80 Ibid.

81 African Development Bank, Sustainable cities and structural transformation, vol 2, 2016, 172. According to the World Bank, 'the informal sector supplies well over the majority of demand [for housing] in Nigeria (80 percent), Ghana (90 percent), urban Ethiopia (65 percent), urban Senegal (80 percent), Zambia (80 percent) and Cameroon (97 percent). See World Bank, *Stocktaking of the housing sector in sub-Saharan Africa: challenges and opportunities*, 2015, 11.

82 M Cheremshynskyi and F Byamugisha, Developing Land Information Systems in Sub-Saharan Africa: Experiences and Lessons from Uganda and Ghana in F Byamugisha (ed), *Agricultural Land Redistribution and Land Administration in Sub-Saharan Africa: Case Studies of Recent Reforms*. World Bank, 2014, 103.

83 See, for example, Cameroon: *Diagnostic Study for Modernization of the Lands and Surveys Sectors*, African Development Bank, 2009, where is it stated that Cameroon lacks a reliable national cadaster, 5% of the all land parcels have land tenure certificates, and many of those have been issued to multiple 'owners' of the same parcel.

84 F Byamugisha, Introduction and Overview of Agricultural Land Redistribution and Land Administration Case Studies in F Byamugisha (ed), *Agricultural Land Redistribution and Land Administration in Sub-Saharan Africa: Case Studies of Recent Reforms*, World Bank, 2014, 12.

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Enhancing Africa's response to transnational organised crime

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About ENACT

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