

BRICS NATIONS: AN IDEAL BREEDING GROUND FOR CORRUPTION?

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Abstract

An attempt is made to unearth the causes of corruption in the BRICS nations, which are more known for their high growth rates than for the high level of corruption existing in them. In this regard it is found that the BRICS nations satisfy almost all the known and identified causes of corruption. Such a study is essential to better understand the nature of corruption prevailing in them. It is then found that amongst all the BRICS nations South Africa is the least corrupt, has the best quality of governance, and economic freedom. Russia and India on the other hand are the most corrupt, have almost the worst level of governance. Nevertheless, Russia is the best in terms of the Ease of Doing Business, as it has the least number of procedures that need to be completed in a relatively lesser time. By contrast, China has predominantly public sector corruption, and has especially bad levels of voice and accountability in governance, but is far superior in terms of market size and labor market efficiency.

The foremost aspect of the BRICS nations that attracts attention, and that has already been much talked about in the academic and the not-so-academic literature is their relatively higher economic growth rates, vis-à-vis the world. However, an important aspect of these nations, that has thus far gone completely un-noticed, is the prevalence of extremely high levels of corruption in them. It is important to understand the magnitude, nature and hence causes of corruption in these nations, as corruption in itself has the capacity to mar the long run growth prospects of even the most promising nation. It is owing to this significance of corruption, that many authors have tried to identify and enumerate some of the most important causes of it, on the basis of their academic studies. While most nations of the world satisfy only a few or some of the causes of corruption enumerated in the academic literature, the set of five nations constituting the BRICS group (Brazil, Russia, India, China and South Africa) seem to satisfy almost all of them. This is probably responsible for the high presence of corruption in them. In this context, the present paper analyses some of the most potential causes of corruption from the perspective of BRICS nations.

1. CORRUPTION LEVELS IN BRICS NATIONS

The level of corruption in a nation can be assessed by two different types of indicators viz. perception based indicators, and the actual experience based indicators. An analysis of both the types of corruption indicators reveals the grave levels of corruption existing in the BRICS nations.

The Perception based indicators of corruption are those that are based on the perceptions and opinions among citizens and experts, about corruption present in a nation. The two most notable perception based indices are the Corruption Perception Index (CPI) by Transparency International (TI), and the Control of Corruption (CC) (a part of Worldwide Governance Indicators) by the World Bank, the data on both of which are available on a continuous basis since 1995 for the CPI and 1996 for the CC. While the CPI measures corruption only in the public sector, the CC measures corruption in both public and private sectors, and is thus a broader measure of corruption present in an economy than is the CPI. The CPI assigns scores from 100 to 0 (with 100 indicating most clean) to countries according to the perception of the presence of corruption in them and ranks them accordingly. On this basis, the BRICS nations are obtained to be one of the most corrupt and hence the lowest scorer in 2015, out of the total 168 countries surveyed by the Transparency International. Even some African and Latin

American nations, as Uruguay, Chile, Botswana, Ghana, Rwanda, Namibia, fare better than the BRICS nations in terms of corruption, as measured by the CPI 2015. Brazil has even been quoted by the Transparency International, as experiencing a serious deterioration in corruption since 2012. Even

	Brazil	Russia	India	China	S. Africa	Denmark	Finland
CPI score 2015	38	29	38	37	<u>44</u>	91	90
CPI rank 2015	76 th	119th	76 th	83 rd	<u>61st</u>	1 st	2 nd
BRICS rank	2 nd	5 th	2 nd	4 th	1 st		

Source: Transparency International ;www.transparency.org
 A CPI score of 100 implies 'very clean' while that of 0 implies 'highly corrupt'; the bold and underlined figures indicate the best performance amongst the BRICS nations, while only the bold figures indicate the worst.

Table 1

the highest CPI score (44) and the best CPI rank (61st) by any BRICS nation (South Africa) is lower than a score of 50 (Table 1), which places all the BRICS nations with 114 such countries (out of the 168 surveyed) scoring less than 50.

Unfortunately, an analysis of the trend in their corruption levels over the past twenty years (since 1995), also does not reveal any improvement, despite the much touted claims of the BRICS nations for effecting a crackdown on the corrupt. Brazil has even tried with impeachments of its Presidents on charges of corruption, and yet there seems to be no letup in its levels of corruption. Similarly, there seems to be a tendency for corruption to rise in South Africa over time, despite remaining the lowest amongst the BRICS group all through. Interestingly, of all the BRICs nations, Russia has always been the most corrupt, followed by India, China and Brazil in that order, as measured by the CPI.

The other perception based index, the Control of Corruption indicator by the World Bank, assigns values to nations from -2.5 to 2.5 (with 2.5 indicating the 'most clean') on the basis of the degree to which corruption exists in them. On this basis also the BRICS nations turn out to be one of the most corrupt in the world. Now, none of the BRICS nation even manages to come near the average score of 0 in the range of -2.5 to 2.5 (Table 2).

	Brazil	Russia	India	China	S.Africa	Denmark	New Zealand
CC 2014	-0.38	-0.87	-0.46	-0.33	<u>-0.11</u>	2.26	2.27
CC 2014 percentile rank	44.23	19.71	38.94	47.12	<u>54.33</u>	99.52 (2 nd)	100 (1 st)
BRICS rank	3 rd	5 th	4 th	2 nd	1 st		

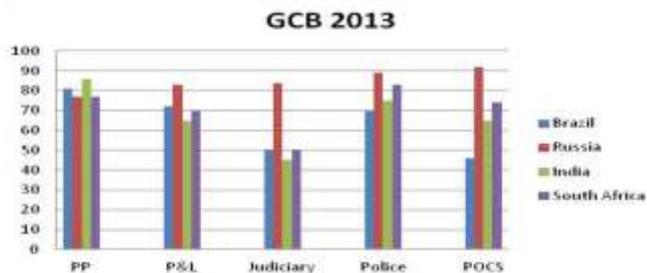
Source: Worldwide Governance Indicators ; www.worldbank.org/governance/wgi/index
 • The bold and underlined figures indicate the best performance amongst the BRICS nations, while only the bold figures indicate the worst.
 • The percentile rank indicates the percentage of countries lying below the corresponding country

Table 2

Once again, the best performer amongst the BRICS nations is South Africa, with almost 55% nations below it out of the 230 nations surveyed, and the worst is Russia, with only 20% nations below it. The lower BRICS ranks for India than that of China in the World Bank survey, as compared to that in the Transparency International survey, could be a pointer to the fact that, the public sector is relatively more corrupt in China, as the World Bank survey includes both private and public sector corruption. An analysis of the trend in the CC over time since 1996 (since when the data on the CC is available) also reveals a fairly rapid and marked deterioration in corruption levels in South Africa, despite remaining the best amongst the BRICS group. There is also a mild increase in corruption levels in India and China, with an overall constancy in Brazil and Russia.

The other category of corruption indicators are the actual experience based objective indicators, such as the Global Corruption Barometer (GCB) by Transparency International, and the Enterprise Surveys by the World Bank (ESWB), both of which measure citizens' and firms' actual experience with corruption. While the former are publicly available for most years since 2003, the latter are one time surveys that have been conducted in different nations at different points of time since 2000. Regarding the BRICS nations, both the GCB and the ESWB point to the existence of high corruption in them. For instance, in the GCB 2013 survey, 54% people in India and 47% people in South Africa agreed to having paid a bribe at least once in last one year, to at least one of the eight services, viz. Political Parties, Parliamentary/Legislature, Military, NGO, Media, Religious Bodies, Business/Private Sector, Education System, Judiciary, Medical Health, Police, Public

Officials/Civil Servants. This is in stark contrast to barely 1% each in Denmark and Finland. Besides, more than 70% people in all the five BRICS nations believe political parties and police to be corrupt.



(PP: Political parties; P&L: Parliament and Legislature; POCS: Public Officials and Civil Servants)

Similarly, according to the ESWB (Table 3), a higher percentage of firms in the BRICS nations (than in both the High Income OECD and non-OECD countries) experienced at least one bribe payment request, and were expected to give gifts to secure government contracts and to 'get things done'. Here India seems to be the most notorious of all the BRICS nations in terms of both the incidence and depth of bribery, followed by Russia, while South Africa once again seems to be best.

	Brazil (2008-09) (1802 firms)	Russia (2011-12) (4220 firms)	India (2006) (4234 firms)	China (2011-13) (2700 firms)	S.Africa (2007) (937 firms)	High Income OECD	High Income non-OECD
Firms experiencing at least one bribe payment request (incidence of bribery)	11.7%	14.2%	22.7%	11.6%	<u>4.2%</u>	1.7%	7.6%
Percentage of Transactions where a gift or informal payment was demanded (depth of bribery)	8.4%	9.7%	19.6%	9.9%	<u>3%</u>	1.2%	5.6%
Firms expected to give gifts to secure government contracts	32.9%	30.9%	23.8%	42.2%	34.1%	10.7%	10.6%
Value of gift as a % of the value of government contract (bribe rates)	0.4%	2.5%	1%	<u>0.2%</u>	1.7%	0.5%	0.5%

Source: Enterprise Surveys, World Bank Group, official website: www.enterprisesurveys.org
The bold and underlined figures indicate the best performance amongst the BRICS nations, while only the bold figures indicate the worst.

Table 3

China once again fares badly in terms of public sector corruption, as of all the BRICS nations the highest percentage of firms in China are expected to give gifts to secure government contracts, while the value of gift as a percentage of government contracts is the highest in Russia.

2. COMMAND ECONOMY

All the five BRICS nations seem to satisfy almost or most of the characteristics that have been identified in the academic literature, as being potential reasons for the existence of corruption. Of these, the foremost is that all of these five nations have had a command economy setup at some time in their recent past. A command economy framework creates optimum conditions for the breeding of corruption, as the former creates stringent and stifling and many times irrelevant rules and regulations. The economic entities are then forced to indulge in corruption to break free from these unwarranted shackles.

While Brazil had a military regime, South Africa was subjected to apartheid, and Russia was under the influence of communism when these nations decided to undergo both political and economic transformation. In all these three nations, democracy came hand in hand with economic liberalization. On the other hand, in both India and China, democracy (dictatorial type in China) had been established even before they embarked on the path of economic liberalization (Table 4 and 5).

Beginning of Economic Liberalization	Beginning of Democracy
China : 1978 Brazil : 1985 India, Russia & S.Africa : 1991	India : 1947 China : 1949 (Dictatorial) Brazil : 1985 Russia & S.Africa : 1991

Table 5

Brazil	Formal Democracy: 1889-1930; Dictatorship: 1930-1945 Political Instability: 1946-1964 Military Regime: 1964-1985; Democratic Liberalization thereafter.
Russian Federation	Czar Dynasty: Till 1917; Communism : 1917 – 1991; Democratic Liberalization thereafter
India	British Colonial Rule : Till 1947 ; Democracy and Mixed Economy (towards Socialism): 1947 -91; Economic Liberalization: Since 1991
Mainland China	Qing Dynasty: Till 1911; Democracy: 1912-1949; Communism under USSR Influence : 1949 -1978; Economic Liberalization: Since 1978; Dictatorial Democracy: Since 1949
South Africa	Partial Apartheid: 1892-1946 Full-fledged Apartheid : 1946 – 1992; Democratic Liberalization thereafter

3. NATURAL RESOURCE RICH

Another potential cause of corruption is known to be the vastness of resources available in nations, as the

economic entities strive to corner a larger share of these resources to establish their control over the economy. That is, the availability of potential resources creates sufficient inducements and grounds for practicing corruption, as economic entities try to benefit by exploiting the available natural resources. By this count, all the five BRICS nations are extremely rich in natural resources. Four out of five BRICS nations are one of the world's most populous and largest nations (Table 6). Even S. Africa, which although is not very populous or geographically large, is minerally very rich, which is probably why it was the last country in the world to achieve freedom from foreign rule.

	Population	Land Area	Minerals
Brazil	5 th	5 th	Iron ore (3 rd), Aluminium (7 th), Exports Nickel, Mica, Chrome, Bauxite, Manganese
Russian Federation	9 th	1 st	20% of world's oil and natural gas reserves and timber, one sixth of world's iron ore reserves etc
India	2 nd	7 th	Coal, Lignite, Chromite, Zinc (3 rd), Iron Ore (4 th), Manganese & Bauxite (6 th); Oil and Natural Gas (2 nd in Asia), Forest Cover (21% of land area)
Mainland China	1 st	3 rd	Water Resources (1 st), Oil and Natural Gas (1 st in Asia), Forest Cover (18.5% of land area)
South Africa	25 th	25 th	World's largest reserves of diamonds, manganese, platinum, gold, chromium etc.

Source: Government websites of the different BRICS nations; the figures in brackets are world rankings.

Table 6

4. GOVERNANCE

Another important cause of corruption is known to be a poor level of governance in nations in terms of weak implementation of rules and regulations, delayed formulation of laws, misuse of proximity to the government etc. These create sufficient grounds for propagating corruption. Now, all the five BRICS nations perform badly in terms of governance also. This can be assessed in terms of the six indicators of governance, called the Worldwide Indicators of Governance, being published by the World Bank since 1996. According to the World Bank, governance consists of the traditions and institutions by which authority is exercised in a country. "This includes the process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them."

As can be seen from Table 7, all the five BRICS nations perform poorly on all the six governance

indicators vis-à-vis the two almost corruption free nations, Denmark and Finland. The six governance indicators are mostly negative, and rarely ever positive. Once again, S. Africa is the best or nearly the best performer amongst all the BRICS nations in terms of all the six indicators of governance.

S.No.		Brazil	Russia	India	China	S.Africa	Denmark	Finland	New Zealand
1.	Voice & Accountability	0.41	-1.04	0.42	-1.54	0.65	1.55	1.57	1.56
2.	Political Stability & Absence of Violence	-0.01	-0.84	-0.96	-0.46	-0.08	0.94	1.28	1.49
3.	Government Effectiveness	-0.15	-0.08	-0.20	0.34	0.33	1.81	2.02	1.93
4.	Regulatory Quality	-0.07	-0.40	-0.45	-0.27	0.32	1.72	1.90	1.94
5.	Rule of Law	-0.08	-0.71	-0.09	-0.33	0.16	2.09	2.12	2.02
6.	Control of Corruption	-0.38	-0.87	-0.46	-0.33	-0.11	2.26	2.18	2.27

Source: Worldwide Governance Indicators (2014) official website: www.worldbank.org/governance/wgi/index

- The figures are on a scale of 2.5 to 2.5, with 2.5 indicating the best performance and 2.5 the - worst.
- The bold and underlined figures indicate the best performance amongst the BRICS nations, while only the bold figures indicate the worst.

Table 7

India, on the other hand is the worst performer in terms of Political Stability and Absence of Violence, Government Effectiveness and Regulatory Quality, while China is the worst performer in Voice and Accountability, and Russia is the worst in Rule of Law, and Control of Corruption. Interestingly, India does not match the level of either S. Africa or Denmark, Finland and New Zealand in terms of Voice and Accountability, despite having a notably free press. It is also worth noting here that the quality of governance is much worse in Russia than in China, although both were communist nations at one time.

5. ECONOMIC FREEDOM

Another known cause of corruption is the existence of high restrictions on economic activity which forces the economic entities to use bribes to get around rules and regulations. Now it is well known that the five BRICS nations embarked on a path of economic liberalization after shunning their command economy framework. Yet, ever after two-three decades of economic liberalization in these nations, the economic procedures continue to remain stifled with high red tapism, as is indicated by various measures of economic freedom.

The two most widely quoted indices of economic freedom are the Index of Economic Freedom (IEF) by the Heritage Foundation, published since 1995,

and the Ease of Doing Business (EDB) by the World Bank, published since 2003. The IEF is a simple average of ten different measures of economic freedom and lies from 0 to 100, with 100 indicating complete economic freedom, while 0 indicating no economic freedom. The EDB on the other hand ranks nations from 1 to 189 (with a rank of 1 suggesting complete economic freedom) according to the number of procedures and time spent in 10 different areas, such as Starting a Business, Dealing with Construction Permits, etc.

	Brazil	Russia	India	China	S.Africa	Hong Kong	Singapore	New Zealand
IEF 2016 Score	56.5	50.6	56.2	52.0	<u>61.9</u>	88.6	87.8	81.6
IEF 2016 Rank	122	153	123	144	<u>80</u>	1	2	3
EDB 2016 Score	57.67	<u>70.99</u>	54.68	62.93	64.89	83.67	87.34	86.29
EDB 2016 Rank	116	<u>51</u>	130	84	73	5	1	2

Source: The IEF official website: www.heritage.org/index and the EDB full report available on the official website www.doingbusiness.org.

- The bold and underlined figures indicate the best performance amongst the BRICS nations, while only the bold figures indicate the worst.

Table 8

A look at the IEF 2016 figures in Table 8 reveal that of the five BRICS nations, only S. Africa lies in the 'Moderately Free' (score of 69.9-60) category of the IEF and that to, almost at its bottom. On the other hand, the remaining four BRICS nations lie either in the middle or at the bottom of the 'Mostly Unfree' (score of 59.9-50) category of the IEF. Comparing the IEF results with that of the EDB 2016 figures yields the stunning result that Russia, which is the worst performer in terms of the IEF is the best when viewed point of the EDB. This discrepancy is probably due to the difference in the approach of the two indicators. The IEF is a general measure of the conduciveness of business environment, as it includes even such aspects as the Rule of Law (property rights and freedom from corruption), Limited Government (fiscal freedom, and government spending), Regulatory Efficiency (Business Freedom, Labour Freedom, and Monetary Freedom) and Open Markets (Trade Freedom, Investment Freedom, and Financial Freedom). The EDB, on the other hand, is a more specific measure of economic freedom, concentrating only on the number of procedures to

be completed by firms for business operations, and on the time and capital spent in conducting such operations.

	Brazil	Russia	India	China	S.Africa	Hong Kong	Singapore	New Zealand	
IEF 2016	Business Freedom	61.4	<u>72.2</u>	47.6	54.2	69.7	97.4	91.4	
	Labour Freedom	52.5	57.6	47.8	62.0	58.7	89.0	85.9	
	Monetary Freedom	64.2	62.9	72.8	70.6	<u>74.6</u>	81.8	88.1	
	Trade Freedom	69.4	72.4	71.0	72.8	<u>77.0</u>	90.0	87.2	
	Investment Freedom	<u>55.0</u>	25.0	35.0	30.0	45.0	90.0	80.0	
	Financial Freedom	50.0	30.0	40.0	30.0	<u>60.0</u>	90.0	80.0	
	Property Rights	45	20	55	20	50	90.0	95.0	
EDB 2016	Starting business ^a	11 (83)	<u>4.4</u> (10.5)	12.9 (29)	11 (31.4)	6 (46)	2 (1.5)	3 (2.5)	1 (0.5)
	Dealing with Construction permits	18.2 (425.7)	19 (263.5)	33.6 (191.5)	22 (244.3)	19 (141)	11 (72)	10 (26)	10 (93)
	Getting Electricity	4 (43.6)	<u>3</u> (160.5)	5 (90.1)	5.5 (143.2)	5 (226)	4 (28)	4 (31)	5 (58)
	Registering Property	13.6 (31.7)	<u>3</u> (15)	7 (47)	4 (19.5)	7 (23)	5 (27.5)	4 (4.5)	2 (1)
	Paying Taxes	9.6 (2,600)	7 (168)	33 (243)	9 (261)	7 (200)	3 (74)	6 (83.5)	8 (152)
	Enforcing Contracts	(731)	(307)	(1,420)	(452.8)	(600)	(360)	(150)	(216)
	Resolving Insolvency	(4)	{2}	{4.3}	{1.7}	{2}	{0.8}	{0.8}	{1.3}

Source: Worldwide Governance Indicators (2014) official website: www.worldbank.org/governance/wgi/index

- The bold and underlined figures indicate the best performance amongst the BRICS nations, while only the bold figures indicate the worst.
- The figure in the round brackets () are the number of days taken, those in the square brackets [] are the number of hours taken, while the ones in the brace brackets { } are the number of years required.
- The figures for starting a business, dealing with construction permits, getting electricity, and registering property are the number of procedures required for the corresponding work
- The figures for paying taxes are the number of times in a year taxes have to be paid.

Table 9

Therefore, on segregating the different components of both the IEF and the EDB (Table 9), Russia again emerges as the best performer of all the BRICS nations in terms of the EDB, having the least number of procedures that have to be completed, and the number of days required to complete this work. Probably that is why it fares the best in the Business Freedom component of the IEF, although it is the worst in terms of Monetary Freedom, Investment Freedom, Financial Freedom and Property Rights.

India, on the other hand is the best performer only in the enforcement of property rights, after considering the components of both the IEF and the EDB. But it is the worst performer of all the BRICS nations in terms of Business Freedom, Labor Freedom, number of procedures required for starting a business, and dealing with construction permits, and also in terms of the time required to enforce contracts and to resolve insolvency. By contrast, South Africa, fares the best in most components of

the IEF. Interestingly, China and Russia, which have been all along communist nations fare better than India in Labor Freedom, with China being the best across all the BRICS nations.

Another comprehensive, but lesser known and quoted, indicator of economic freedom is the Global Competitiveness Index by the World Economic Forum, available since 2004. It assesses the competitiveness of a nation in terms of 12 pillars, for each of which a score is given to the respective nations on a scale of 1 to 7, with 1 indicating the worst performance out of the 149 countries surveyed (Table 10).

	Brazil	Russia	India	China	S. Africa	1 st Rank
GCI 2015-16 score	4.1	4.4	4.3	4.9	4.4	5.8
GCI 2015-16 rank	75	45	55	28	49	Switzerland
1 Institutional Pillar score	3.2	3.5	4.1	4.1	4.4	6.1
Institutional Pillar rank	121	100	60	51	38	Finland
2 Infrastructural Pillar score	3.9	4.8	3.7	4.7	4.1	6.7
Infrastructural Pillar rank	74	35	81	39	68	Hong Kong
3 Macroeconomic Environment Pillar score	4.0	5.3	4.4	6.5	4.5	6.8
Macroeconomic Environment Pillar rank	117	40	91	8	85	Norway
4 Health & Primary Education Pillar score	5.1	5.9	5.5	6.1	4.2	6.9
Health & Primary Education Pillar rank	103	56	84	44	126	Finland
5 Higher Education & Training Pillar Score	3.8	5.0	3.9	4.3	4.1	6.2
Higher Education & Training Pillar Rank	93	38	90	68	83	Singapore
6 Goods Market Efficiency Pillar Score	3.7	4.2	4.2	4.4	4.6	5.7
Goods Market Efficiency Pillar Rank	128	92	91	58	38	Singapore
7 Labor Market Efficiency Pillar Score	3.7	4.4	3.9	4.5	3.8	5.8
Labor Market Efficiency Pillar Rank	122	50	103	37	107	Switzerland
8 Financial Market Development Pillar Score	4.0	3.5	4.1	4.1	5	5.7
Financial Market Development Pillar Rank	58	95	53	54	12	New Zealand
9 Technological Readiness Pillar Score	4.4	4.2	2.7	3.7	4.6	6.4
Technological Readiness Pillar Rank	54	60	120	74	50	Luxembourg
10 Market Size Pillar Score	5.8	5.9	6.4	7	4.9	7
Market Size Pillar Rank	7	6	3	1	29	China
11 Business Sophistication Pillar Score	4.1	3.8	4.2	4.3	4.4	5.8
Business Sophistication Pillar Rank	56	80	52	38	33	Switzerland
12 Innovation Pillar Score	3.2	3.3	3.6	3.9	3.7	5.8
Innovation Pillar Rank	84	68	42	31	38	Switzerland

Table 10

It is now interesting to note that out of the 12 pillars considered by the GCI, both China and South Africa are at the top within the BRICS group in 5 pillars each, while Russia is at top in 2 pillars. Brazil on the other hand is at the bottom within the BRICS group in the maximum (6) number of pillars, out of which in four pillars it is even one of the bottom rankers in the world (rank of more than 100). China is not at the bottom of the BRICS group in any of the pillar, and even holds the first rank in the world in the market size pillar.

For the pillar of technological progress, it is surprising to note that India holds the lowest rank

not only amongst the BRICS nations, but also in the world, having the lowest score among all pillars in all the five BRICS nations. This only points towards the low percolation of technological up-gradation, and the existence of technological dualism in the country. The GCI reiterates the point reached by the IEF that, both China and Russia, despite being communist in the past, offer better labor market efficiency than the other BRICS nations.

Nevertheless, all the indicators of economic freedom do point to the fact that the BRICS nations, despite initiating, pursuing and maintaining economic reforms for almost two-three decades now, are still much less free than the most free nations of the world, such as Hong Kong and Singapore. The continuing economic restrictions in these nations can also be a potential ground for the continuing corruption in them, as the economic entities still need to use bribes to evade them to carry on their business operations unhindered.

6. WEAK SOCIAL INDICATORS

On more known cause of corruption is the prevalence of low level of economic development in terms of high poverty, low literacy, high inequality etc. as then it is easier to exploit the general populace by the influential. Again the BRICS nations are prominent for their weak social indicators, although they are fast catching up with some of the most developed nations of the world. As is evident from Table 11, these nations continue to be plagued by high poverty levels, high levels of inequality, almost a quarter of the urban population still living in slums, high mortality of under 5 children, relatively low per capita incomes etc.

	Brazil	Russia	India	China	S. Africa	USA
Income share of lowest 20%	0.97 (2013)	N/A	3.52 (2011)	1.69 (2010)	N/A	5.1 (2011)
Income share of highest 20%	57.4 (2013)	N/A	44.2 (2011)	47.1 (2010)	N/A	46.4 (2013)
Poverty headcount ratio at \$1.90 a day	4.87 (2013)	0.04 (2012)	21.3 (2011)	11.2 (2010)	16.6 (2011)	N/A
Mortality of under 5 per 1000 live births	16.4 (2015)	9.6 (2015)	47.7 (2015)	10.7 (2015)	40.5 (2015)	6.5 (2015)
GDP Per capita PPP (current US\$)	15,400 (2015)	24,500 (2015)	6090 (2015)	14,200 (2015)	13,200 (2015)	55,800 (2015)
Unemployment rate	6.8 (2014)	5.1 (2014)	3.6 (2014)	4.7 (2014)	25.1 (2014)	6.2 (2014)
Urban population living in slums (percent)	22 (2014)	N/A	24	25	23	N/A

Source: World Bank Data Set: www.data.worldbank.org/indicators

Table 11

Weak social conditions on one side are a result of corruption, as the funds allocated for carrying out developed are pilfered, and on the other are a cause of corruption as well, as the people are forced to use bribes to ameliorate the evil effects of weak social conditions of the economy.

7. SUMMARISING

One little recognized fact about the BRICS nations (Brazil, Russia, India, China and South Africa) is the high level of corruption existing in them. While the other corrupt nations of the world may satisfy only a few of the well-known causes of corruption, the BRICS nations seem to satisfy all of them. This makes them world's one the most corrupt countries, despite belonging to different continents and being culturally different. All the five BRICS nations had some or the other type of command economy set-up in the recent past, although they follow democracy at present. They are not the most economically free nations, are not the best governed, and are also weak in terms of social development. Therefore tackling corruption in them will require a concerted and long term effort by all the economic entities in them, since corruption is socially and morally unjustified, even if it supports economic growth.