

ANNEX 9: LIST OF INDICATORS AND INDEXES USED IN STATISTICAL ANALYSIS

The list below contains the full list of indicators and indexes that were collected, analysed, and included in the statistical clustering and multiple regression analysis.

1. Corruption indexes. These are generally of two types: expert assessments and public perceptions. Separate tests should be run on both types to establish differences between the two.
 - 1.1. Corruption perception index (Transparency International) – a composite index, that includes EIU and IBRD indexes;
 - 1.2. Control of corruption index (IBRD) – a composite index that includes TI’s Global Corruption and CATO/GCR;
 - 1.3. Prevalence of corruption (Eurobarometer) – only for 2002 and 2005 (public perceptions survey);
 - 1.4. Level of corruption Index (EIU) – 20 member states only (expert evaluation);
 - 1.5. Extra payments/bribes (CATO/GCR) – composite of 5 survey questions of business perceptions;
 - 1.6. Lack of corruption experience (Eurobarometer) – only for 2002 and 2005;
 - 1.7. Corruption measurements: vulnerable public sectors:
 - 1.7.1. Local institutions (Eurobarometer 2002 & 2005 survey) – perceptions;
 - 1.7.2. Regional institutions (Eurobarometer 2002 & 2005 survey) – perceptions;
 - 1.7.3. National institutions (Eurobarometer 2002 & 2005 survey) – perceptions;
 - 1.7.4. Officials awarding public tenders (Eurobarometer 2002 & 2005 survey) – perceptions & experience;
 - 1.7.5. Irregular payments public contracts (GCR survey 2001-2006) – expert opinions;
 - 1.7.6. Officials issuing building permits (Eurobarometer 2002 & 2005 survey) – perceptions & experience;
 - 1.7.7. Officials issuing business permits (Eurobarometer 2002 & 2005 survey) – perceptions & experience;
 - 1.7.8. Inspectors (health, building, food, etc.);
 - 1.7.9. Corruption in registry and permits (TI, 2004-2007), 20 countries – survey opinions.
 - 1.8. Police corruption:
 - 1.8.1. (Eurobarometer 2002 & 2005 survey) – perceptions & experience;
 - 1.8.2. Reliability of police services (GCR survey 2002 – 2008) – this question could equally refer to effectiveness as well as corruption. It could be tested against the Eurobarometer data above;
 - 1.8.3. TI (Global Corruption Barometer) contains experience for 17 EU countries from 2004 – 2007, as well as two different experience related questions for 2006 and 2007 (20 countries).

- 1.9. Customs corruption:
 - 1.9.1. (Eurobarometer 2002 & 2005 survey) – perceptions & experience;
 - 1.9.2. Corruption Perceptions (TI, 2004-2007), 20 countries.
- 1.10. Irregular payments in import/export permits (GCR survey 2001-2006) – expert opinions;
- 1.11. Tax authorities:
 - 1.11.1. Irregular payments in tax collections (GCR survey 2001-2006) – expert opinions;
 - 1.11.2. TI (Global Corruption Barometer) contains experience for 17 EU countries from 2004 – 2007, as well as two different experience related questions for 2006 and 2007 (20 countries);
 - 1.11.3. (TI, 2004-2007), 20 countries – survey opinions.
- 1.12. Private sector: this is quite important as one of the issues that is being examined whether and how organised has been able to penetrate private companies and financial institutions:
 - 1.12.1. (TI, 2004-2007), 20 countries – survey opinions.
- 1.13. NGOs: non-profits are also occasionally used by criminal groups to launder money or to disguise criminal activities:
 - 1.13.1. (TI, 2004-2007), 20 countries – survey opinions.
- 1.14. Judiciary corruption:
 - 1.14.1. (Eurobarometer 2002 & 2005 survey) – perceptions & experience;
 - 1.14.2. Irregular payments judicial decisions (GCR survey 2002-2006) – expert opinions;
 - 1.14.3. Judicial independence (GCR survey 2001 – 2008) expert opinions – this question in essence asks about corruption;
 - 1.14.4. TI (Global Corruption Barometer) contains experience for 17 EU countries from 2004 – 2007, as well as two different experience related questions for 2006 and 2007 (20 countries).
- 1.15. Political corruption:
 - 1.15.1. National institutions (Eurobarometer 2002 & 2005 survey) – perceptions & experience;
 - 1.15.2. Corporate illegal corruption (IBRD, 2004) – expert opinions;
 - 1.15.3. Corporate legal corruption (IBRD, 2004) – expert opinions;
 - 1.15.4. Corporate ethics index (IBRD, 2004) – expert opinions;
 - 1.15.5. Favouritism in decisions of government (GCR survey 2001-2008) – expert opinions;
 - 1.15.6. Diversion of public funds (GCR survey 2002-2008) – expert opinions;
 - 1.15.7. Political parties corruption (TI, 2004-2007), 20 countries – survey opinions;
 - 1.15.8. Parliament Corruption TI, 2004-2007), 20 countries – survey opinions;
 - 1.15.9. Local politicians (Eurobarometer 2002 & 2005 survey) – public perceptions & experience;
 - 1.15.10. Regional politicians (Eurobarometer 2002 & 2005 survey) – public perceptions & experience.

2. Organised crime markets: The indicators gathered are again of three types: (a) perceptions of experts; (b) police or judicial statistics; (c) illegal market data (e.g. admitted drug use):
 - 2.1. Organised crime cost on business (GCR) – perceptions of corporate leaders;
 - 2.2. Organised crime (French Government expert survey 2001 and 2006, only some EU countries);
 - 2.3. Pervasiveness of money laundering (in banking and non-banking system) (GCR);
 - 2.4. Prevalence data for Cannabis, Cocaine, Heroine, Amphetamines, Ecstasy (UNODC);
 - 2.5. Police recorded statistics (Eurostat):
 - 2.5.1. Drugs;
 - 2.5.2. Homicides;
 - 2.5.3. Motor Vehicle Theft;
 - 2.5.4. Illegal border crossings (Frontex);
 - 2.6. Judicial statistics;
 - 2.6.1. Drug convictions;
 - 2.6.2. Homicide Convictions;
 - 2.6.3. Trafficking of people convictions (UNODC) (this data is a mix of convictions and investigations). If used year-to-year comparisons will have to be for the same country, as comparisons between countries are not possible.
 - 2.7. Other (NGO):
 - 2.7.1. Data on victims of trafficking: this is a mix of government and NGO data (UNODC).
3. Other:
 - 3.1. Government effectiveness:
 - 3.1.1. Rule of law index (IBRD, 2000, 2002-2007): measuring perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. It includes numerous indicators, including EIU, GCR, and statistics on trafficking. The way in which its weighted is not clear from publicly available methodology.
 - 3.1.2. Impartial Courts (CATO/GRC, 2000-2006): this measurement combines both efficiency and corruption.
 - 3.1.3. Reliability of police (GCR, 2002-2008): this measurement combines both efficiency and corruption.
 - 3.1.4. Legal enforcement of contracts (CATO/World Bank, 2005 & 2006): an efficiency measure of the legal system based on the speed to collect or clear a debt. One of the services offered by organised crime is debt collection. Therefore the inefficiency of the judiciary could be filled by organised crime: low debt collection rating could be associated with high organised crime presence.
 - 3.1.5. Judicial/Legal effectiveness (IBRD, 2004).
 - 3.1.6. Transparency and fairness of Legal System Index (EIU, 1999-2008, 20 countries).

4. General governance indicators:
 - 4.1. Corporate governance index (IBRD, 2004);
 - 4.2. Quality of bureaucracy index (EIU, 1999-2008), 20 countries;
 - 4.3. Political inefficacy risk index (EIU, 2002-2008), 20 countries;
 - 4.4. Government size index (Heritage Foundation, 1999-2008);
 - 4.5. Size of government index (CATO, 2000-2006);
 - 4.6. Voice and accountability index (IBRD, 2000, 2002-2007);
 - 4.7. Government Effectiveness Index (IBRD, 2000, 2002-2007);
 - 4.8. Regulatory Quality Index (IBRD, 2000, 2002-2007).

5. Political and Economic factors:
 - 5.1. Political:
 - 5.1.1. Political stability and absence of violence (IBRD, 2000, 2002-2007);
 - 5.1.2. Political risk score (EIU, 1999-2008);
 - 5.1.3. Legal and regulatory risk score (EIU, 2002-2008), 20 countries only.
 - 5.2. Economic freedom indicators:
 - 5.2.1. Overall Economic Freedom Score (Heritage, 1999-2009);
 - 5.2.2. Business Freedom Score (Heritage, 1999-2009);
 - 5.2.3. Trade Freedom Score (Heritage, 1999-2009);
 - 5.2.4. Fiscal Freedom Index (Heritage, 1999-2009);
 - 5.2.5. Monetary Freedom Index (Heritage, 1999-2009);
 - 5.2.6. Investment Freedom Index (Heritage, 1999-2009);
 - 5.2.7. Financial Freedom Index (Heritage, 1999-2009);
 - 5.2.8. Property Rights Index (Heritage, 1999-2009);
 - 5.2.9. Labour Freedom Index (Heritage, 2005-2009);
 - 5.2.10. Taxes on International Trade (CATO/IMF, 2000-2006);
 - 5.2.11. Regulatory Trade Barriers Index (CATO/, 2000-2006);
 - 5.2.12. International Market Controls Index (CATO, 2000-2006);
 - 5.2.13. Credit Market Regulations Index (CATO/WB/IMF, 2000-2006);
 - 5.2.14. Labour Market Regulations Index (CATO/WB, 2000-2006);
 - 5.2.15. Business Regulations Index (CATO, 2000-2006);
 - 5.2.16. Open Budget Index (Open Budget Initiative, 2008, 8 countries).
 - 5.3. General Economic Indicators:
 - 5.3.1. Average Wages Monthly (EIU, 1999-2008) 20 countries;
 - 5.3.2. State Ownership Control (EIU, 1999-2008) 20 countries;
 - 5.3.3. Wage Regulation (EIU, 1999-2008) 20 countries;
 - 5.3.4. Corporate Tax Burden (EIU, 1999-2008) 20 countries;
 - 5.3.5. Value Added Tax (EIU, 1999-2008) 20 countries;
 - 5.3.6. Top Marginal Income Tax, (EIU, 1999-2008) 20 countries;
 - 5.3.7. Employers Social Security Contributions (EIU, 1999-2008) 20 countries;
 - 5.3.8. Overall unit labour costs levels (EIU, 1999-2008) 20 countries;
 - 5.3.9. Labour Market Risk Score (EIU, 1999-2008) 20 countries;
 - 5.3.10. Recorded Unemployment (EIU/OECD, 1999-2008);
 - 5.3.11. GDP Per Capita in PPS (Eurostat, 1999-2008);
 - 5.3.12. GDP at market prices (Eurostat, 1999-2008).

- 5.4. General Demographics: Population (Eurostat, 1999-2008).
- 5.5. Grey Economy:
 - 5.5.1. Services with undeclared work input (Eurobarometer 2007);
 - 5.5.2. Goods with undeclared work input (Eurobarometer 2007);
 - 5.5.3. Receipt of envelope wages (Eurobarometer 2007);
 - 5.5.4. Share of envelope wages (Eurobarometer 2007);
 - 5.5.5. Performance of undeclared work (Eurobarometer 2007);
 - 5.5.6. Shadow Economy Estimate as Percentage of GDP (Schneider, 1999-2003).