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Why Do Politicians Create Anti-Corruption Agencies?

A Credible Commitment Story

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1. Introduction

The International Commission Against Impunity in Guatemala (CICIG) was created in 2007 under very specific circumstances. After the 1996 Peace Accords that ended the 36-year long civil conflict, the Guatemalan state adopted a commitment to fight organised crime and clandestine security actors engaging in corruption and state capture. In 2002, however, the United States rescinded Guatemala's accreditation as an ally in the fight against drug trafficking and organised crime. Over the next few years, the country adopted many policies to regain international recognition and legitimacy, trying to abide by the commitments made to the international community during the peace negotiations. The most important of these policies was the creation of the CICIG to assist domestic institutions in the prosecution of organised crime (Open Society Justice Initiative 2016). Designed by Guatemalans and implemented by the United Nations, the Commission gradually expanded its mandate, focusing also on corruption by public officials (Arellano-Gault 2020). Twelve years later, however, President Jimmy Morales decided not to renew the mandate after the commission prosecuted him and members of his family for anomalies in public contracts and illegal campaign financing. This forced the CICIG out of the country in September 2019.

CICIG is one of many Anti-Corruption Agencies (ACAs) set up in the last 3 decades across the world. The first one was created in Singapore in 1952 and is still active today (Quah 2007; OECD 2013; Recanatini 2011; Johnston 1999). Over the last twenty years, there has been a rapid expansion in ACAs. Currently, the total number of ACAs worldwide is 95. Figure 1 documents the meteoric rise of ACAs. It shows a clear wave of institutional innovation in the late 1990s and early 2000s.

ACAs are "specialized agencies established by governments for the specific aim of minimizing corruption in their countries" (Quah 2007, 2). They usually exist to enforce anti-corruption laws and work as stand-alone investigative, preventive, or prosecutorial institutions focusing on corruption and other felonies such as fraud, bribery, and embezzlement. ACAs vary in terms of their independence, accountability, specialisation, and attributions.

My long-term DPhil project asks: (1) What explains the adoption of ACAs? (2) What explains variation in institutional design? (3) What happened in the late 1990s and early 2000s that led to the creation of so many ACAs across the world?

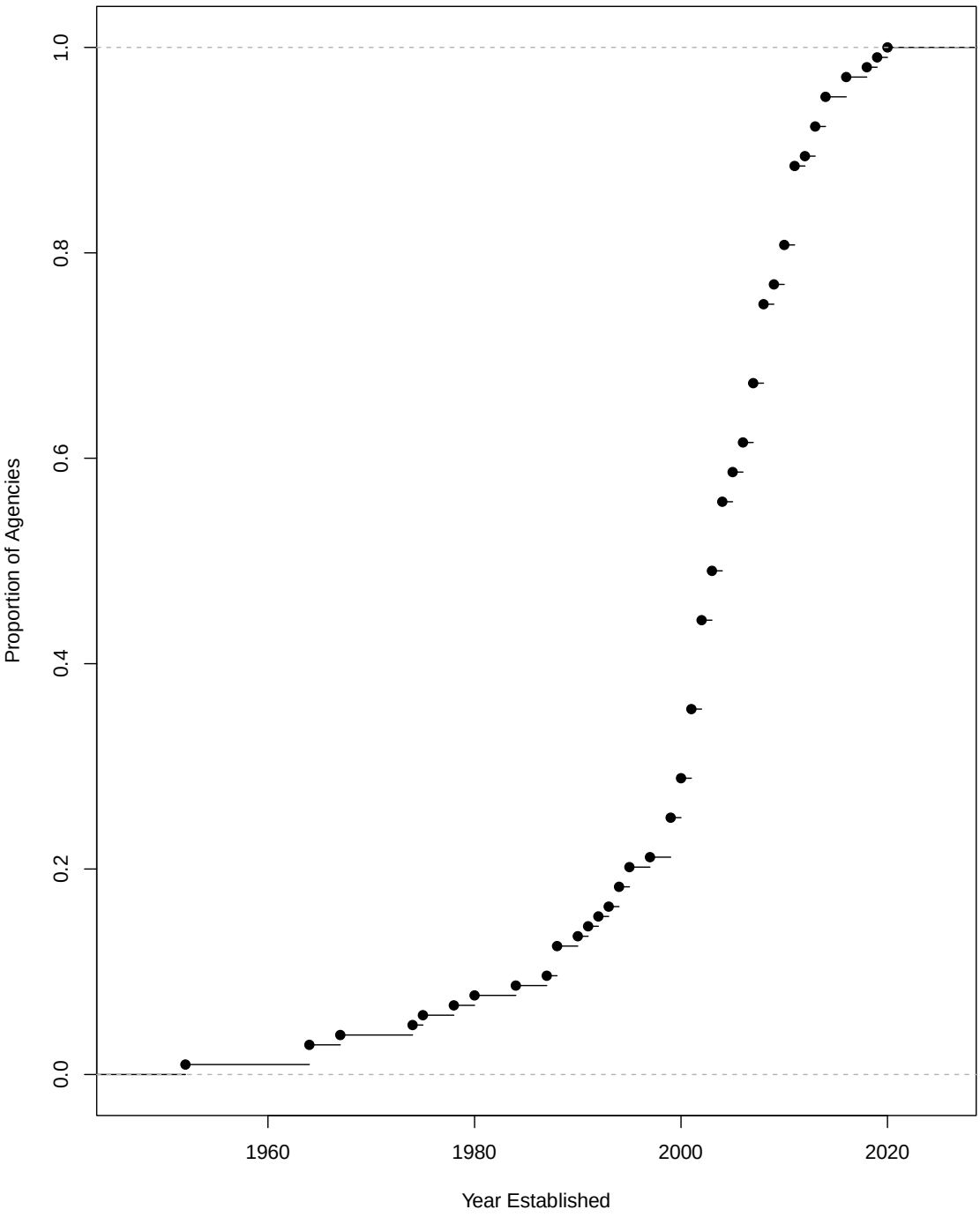
(4) What is the impact of different ACAs? In the MSc thesis I plan to address questions 1 and 2, and to some extent, question 3. I develop a preliminary theory of ACA adoption and probe it with an in-depth case study of Guatemala's CICIG based on interviews with key actors as well as primary and secondary documents. I argue tentatively that ACAs are credible commitment devices that elites use to comply with international standards in order to attract investors and aid and show this with the Guatemalan case of CICIG.

This thesis is organised as follows. Section 2 justifies the research project. Section 3 discusses the literature on the creation of ACAs, which tends to be descriptive rather than explanatory. Section 4 identifies the shortcomings of existing typologies of ACAs and puts forward an alternative framework. I rely on the concepts of "independence" and "power" to map the constitutive dimensions of ACAs. Afterwards, I illustrate the heuristic utility of the typology by briefly illustrating the four ideal types that emerge from my original typology: Guatemala, Afghanistan, Albania, and Argentina. Section 5 develops an argument to explain why politicians create ACAs. Central to this argument is the notion that ACAs serve as credible commitment devices for vulnerable elites in corrupt countries. Finally, section 6 presents a case study of Guatemala that traces the creation of the CICIG with the theoretical argument in mind. It traces the events leading to the birth of the CICIG from four angles: international pressure, need for investment, political calculation, and the reasons behind the adoption of a particular international template. Section 7 concludes.

2. Why Study Anti-Corruption Agencies?

First, as Figure 1 shows, ACAs have been adopted in a wave-like pattern by countries from different world regions that have little in common. For example, adopters vary in terms of size (e.g. as large as India and as small as Singapore), level of development (e.g. from advanced economies such as France to extremely poor countries like Haiti), colonial experience (e.g. both Hong Kong and the United Kingdom have adopted ACAs, as well as the Philippines and Spain, and Madagascar and France), and level of democracy (e.g. full democracies like Australia and weaker democracies like those in Northern Central America). It is clear that ACAs are a widespread and highly popular institution for transparency and the fight against corruption. It is worth studying why they emerged as a template for so many different governments. Furthermore, the institution is a child of the last decades of the twentieth century. The wave-like pattern of adoption at this particular time is puzzling and suggests the possibility that institutional innovation is driven by international factors (Mainwaring and Pérez-Liñán 2013; Rose-Ackerman and Carrington 2013). As a result, it is an area of research that lends itself to the study of policy diffusion and its determinants.

Figure 1. Anti-Corruption Agencies Over Time[1]



Second, a study of ACAs allows us to understand why elites sometimes follow the route of institutional innovation rather than institutional layering. Why did states choose to create a new institution instead of reforming existing ones, for example, by assigning them anti-corruption functions? Courts, prosecutors, and the police

[1] Source: Self-made with data from the World Bank Group's Anti-Corruption Authorities (https://www.acauthorities.org), OECD's report on ACAs (2008; 2013), and Recanatini (2011).

could have been given new anti-corruption mandates in line with emerging international anti-corruption standards/norms. Instead, many countries decided not to "layer" the fight against corruption, but to create a separate institution to carry out this particular mission. Having alternative institutions to adopt the attributions that ACAs exercise in their legal mandate, why would politicians decide to innovate when there was already an alternative institution?

Finally, the fight against corruption is clearly a desirable objective. These agencies present a model to improve accountability regarding public spending and the provision of public goods. ACAs are supposed to either prevent, investigate or even prosecute cases of corruption. Corruption generates economic costs (Mauro 1995; Rose-Ackerman 1996; Senior 2006; Rose-Ackerman and Søreide 2011) and undermines good governance (Della Porta and Vannucci 2016). Studying ACAs can provide relevant insights on policy that can impact positively the lives of citizens, bureaucrats, entrepreneurs, investors, and politicians. In this regard, for instance, it has been suggested that CICIG in Guatemala is responsible for a sustained decline in the homicide rate in the country (Trejo and Nieto Matiz 2019), and also has the potential role of building societal trust (Schloss 2015), thus contributing positively to the general well-being of the population. Therefore, it is important to better understand the types of institutional designs and contextual factors that make these positive outcomes more or less likely.

3. Anti-Corruption Agencies in the Literature

As previously mentioned, ACAs are specialised agencies established by governments with the specific aim of minimising corruption in their countries (Quah 2007). They can take many institutional forms depending on their disciplinary functions, who they answer to in a chain of accountability, their specific legal resources, or source of funding (Doig and Williams 2007; Schütte 2015; Repucci 2006). Regarding disciplinary functions, ACAs can be preventive, investigative, or dedicated to prosecuting corrupt elites. They can be accountable to the Legislature, the Executive, or international organizations. Legal resources can include wiretapping, whistle-blower protection, training of accountants, prosecutors, etc., or deploying undercover agents (OECD 2013). Finally, funding can be assigned by the Parliament, the Executive, international donors, or it can be completely independent. While ACAs are public institutions, they are not always managed by the host state, like the CICIG in Guatemala or Kosovo's European Union Rule of Law Mission (EULEX) (Kuris 2019).

What are they not? ACAs can be mistaken for other institutions that have similar objectives but lack specific features of this innovative institutional form. Truth

Commissions, for instance, are not ACAs. They are ad-hoc institutions designed to investigate political crimes a posteriori, usually in the aftermath of armed conflicts or dictatorships. Similarly, other "layered" anti-corruption agencies are not considered part of my universe of cases. Spain's Special Prosecutor's Office against Corruption and Organized Crime could have been a proper ACA, with independence from other institutions, a clear autonomous mandate, and prerogatives that allowed it to prevent/investigate/prosecute corruption, but instead, politicians decided to put some of these functions under the orbit of an existing institution, the National Police.

Not all ACAs are born equal. While there is ample institutional variation across countries, the literature has tried to distinguish between a limited set of models. Heilbrunn's (2004), for example, identifies four types. First, the *universal model* includes preventive, investigative, and communicative functions. This model is exemplified by Hong Kong's Independent Commission Against Corruption (ICAC). Second, the *investigative model* is characterised for being a small, centralised office dedicated to prosecution. This type is epitomised by the oldest of ACAs, Singapore's Corrupt Practices Investigation Bureau (CPIB). These two types are organisationally accountable to the Executive. Third, the *parliamentary model* is subject to scrutiny by a legislative committee. Finally, the *multi-purpose agency* is that which is decentralised in various smaller agencies throughout the country. The US Office of Government Ethics best represents this type. The diverse offices are all independent of each other, but they are part of an integrated system directed by a central office.

The OECD (2013; 2008) also produced a typology of ACAs, which distinguishes between three distinct types of agencies: multi-purpose agencies with law enforcement powers, law enforcement type institutions, and preventive and policy co-ordination institutions. The difference rests on their main functions. The first one is close to Heilbrunn's universal model, which includes both preventive and investigative functions. The second is most similar to the investigative model, in the sense that ACAs stand out for being strong prosecutorial institutions with the purpose of law enforcement. The third type is exclusively preventive and communicative. The main function is to conduct research in order to make policy recommendations and share good anti-corruption practices with the business community and the public.

These typologies prove useful as an initial approximation, but they are not entirely satisfactory. While both are based on the functions and accountability of the organisation, highlighting "what do they do" and "who do they answer to", these differences are seen as categorical rather than ordinal. Such an approach is problematic because it does not allow for systematic comparisons of *degree*

between functions and type of accountability. In this study, I therefore propose an alternative typology that is better suited to capturing differences in degree versus difference in kind, especially regarding independence and power. This typology is subsequently better suited to answering questions such as "why do politicians endow ACAs with varying degrees of power and independence?", and "what are the political consequences of different types of ACAs?"

Existing typologies categorise ACAs in a descriptive manner, not in a theoretical or analytical one. In other words, they are ad hoc typologies that were adjusted to fit cases descriptively. This is a problem because some types end up being useful only to explain very few existing agencies. For instance, Heilbrunn's "Multi-Agency Model" seems to have been introduced to describe the Ethics Office in the U.S. because it cannot easily accommodate other models. Similarly, the OECD's typology is contingent on the function an agency has but fails to account for other factors that interact to produce different institutional arrangements overall. For example, an ACA can be meaningfully different from another even when their functions of investigation and prosecution are the same, namely because their accountability mechanisms are designed such that one is controlled by the Executive and the other one operates more freely. The resulting policy implication is two agencies with similar attributions but with different criteria of when to investigate and against whom the investigation can be directed. To remedy these shortcomings, below I propose a preliminary new typology of ACAs that is based on two constitutive dimensions (Collier, LaPorte, and Seawright 2012; 2008) – "power" and "independence".

Alongside those who propose descriptive typologies of ACAs are those who engage in analyses of institutional design and performance. One of the most active organisations dedicated to this kind of research is the U4 Anti-Corruption Resource Centre. They focus on analysing success and failure cases to recommend improvements in institutional design. Bolongaita (2010) compares Indonesia's better-performing ACA and the Philippines' Ombudsman—which serves as an ACA—to explain variation in outcomes. Kuris (2019) makes a comparison between Guatemala's CICIG and Kosovo's EULEX as the only two completely international agencies. He argues that political will and the aggressive investigative approach of the CICIG made it more efficient than EULEX's, even when the CICIG had fewer resources and powers. U4 also conducts single case studies whereby they analyse particular aspects of an agency (Messick, Mulukutla, and Hoppe 2015). Other work has accounted for differences between local and national ACAs (Jennett 2007b) and between centralised and decentralised structures (Chêne 2012), but fail to address the question of why these agencies were created in the first place, or to explain differences in institutional design.

In a similar vein, Schütte (2015) highlights the need for independence and many procedural checks when analysing appointment and removal of directors in order to prevent witch-hunts and abuses of power. Jennett (2007a) adds that besides independence, anti-corruption actors also need to be accountable to their appointers in order to get the best results. Engelbert (2014) argues that in highly corrupt states, it is harder for ACAs to collaborate with local enforcement agencies in order to combat corruption effectively, thus pointing out that an ACA's success also depends on the context of the country. The role of donors is also an important factor in shaping accountability, as well as good evaluators with clear guidelines (Johnsøn et al. 2011). It was assumed that by following some core principles ACAs would perform well. However, the literature has cast doubt on the real effect ACAs can have and how we should account for it (de Sousa 2009).

Regarding the origins of ACAs, de Sousa (2010), Johnston (1999), and Meagher (2005) offer brief historical accounts, but they don't seek to put forward a general theoretical argument. Maegher and Voland (2006) attribute their legal origin to the UN Convention Against Corruption, but this document only requires signatories to set up prevention agencies; it therefore does not account for other institutional forms with more or fewer powers or with more or less independence. It also fails to account for how the initial ACAs of the 1950s and 1960s served as templates for the adoption of international standards for the rest of the countries, as well as the mechanisms that influenced the wave-like pattern of adoption during the 1990s and 2000s. This is important because the literature does not theoretically address the design and implementation of ACAs; it merely takes as given that they appeared to fulfil a purpose. Consequently, we need to pay more attention to the political motivations and processes that governed their creation and design.

4. Typology of ACAs

The core feature of ACAs is the fact that they are autonomous organisations with diverse functions and powers. My contribution captures two constitutive dimensions, power and independence, such that there are analytically meaningful differences between quadrants encompassing the universe of cases. "Power" refers to what an ACA can and cannot do, as stipulated by law. It captures the degree of specialisation and the range of responsibilities. This dimension includes the functions identified by previous typologies, namely, whether an agency is dedicated to preventing, investigating, and/or prosecuting corruption.

Table 1

Summary: Constitutive dimensions and attributions of ACAs

Constitutive Dimension	*Characteristic*	*Level*
Power[2]	(1) Specialisation and responsibilities	(1) **High**: Investigative or Prosecutorial; **Low**: Preventive or Policy Recommendation
Independence[3]	(1) Accountable Institution	(1) **High**: Legislature or International; **Low**: Executive
	(2) Budget Dependence	(2) **High**: Legislature or completely independent; **Low**: Executive
	(3) Appointment and Removal of Director	(3) **High**: Indirect appointment and removal; **Low**: Direct appointment and removal

Prevention functions are about policy recommendations and producing material that serves as guidelines for ethics in the public administration. An ACA with only prevention functions scores low on the power dimension. Investigation and prosecution functions are close to one another, mainly referring to the ability an ACA has to act against corruption. An ACA with these functions scores higher on the power dimension. These functions usually allow an agency to build criminal accusations and jointly work with prosecutors to uncover cases of corruption, usually political and high-profile. One could argue that power is additive in the sense that having all three functions makes an agency even more powerful. This is empirically true, but the usefulness of the dimension only makes sense if there is an analytically meaningful difference between passive and active agencies.

On the other hand, independence concerns the formal rules that serve to insulate the institution from undue pressure (Ríos-Figueroa and Staton 2014). In other words, it encompasses attributes that define accountability mechanisms that could potentially ease or hamper the exercise of its functions and responsibilities. Elements such as budget autonomy, what institution the ACA is accountable to,

[2] Whenever two out of the three existing functions are present in an ACA, it will be considered to be of *high* power because it establishes a meaningful difference in power between them and those that are only preventive.

[3] To score high independence overall, an ACA should have two of three subcategories scoring high as well.

and mechanisms of appointment and removal of the director form part of this constitutive dimension.

For example, I argue that answering to the Executive makes for a less independent ACA than answering to the Legislature because the latter has more built-in checks than the former, making it harder to unilaterally decide what the ACA can and cannot do. The Legislature has more veto points and presents a space for the opposition to have a say. However, there can always be a setting in which the Legislature is controlled by the Executive, but more often than not this will not be the case. Legislatures have, over time, the capability to overcome such power inbalances. Regardless of the balance of power inside the Parliament, what matters the most is that there is a meaningful difference in being accountable to the Executive as opposed to the Legislature. This dimension does not tell apart the purely independent from the purely dependent agencies, but it does tell apart those that are more independent than others.

For instance, Guatemala had at some point two coexisting agencies: the CICIG and the Transparency and Fighting Corruption Commission of the Guatemalan Vice-Presidency. The former was completely independent because it was accountable to the UN and funded by international donors. The appointment of the commissioner was under the control of the Secretary-General of the UN. All of these characteristics allowed the CICIG to operate independently of national politics. The latter, by contrast, was completely *dependent* on the Executive. The budget was assigned by the Vice-President, the commissioner could be appointed and removed without any checks, and the agenda was set by the Executive. Under these circumstances, the agency had so many strings attached that it could hardly take any autonomous decisions. Table 1 summarises the constitutive dimensions of ACAs, with the features that define the "low" or "high" presence of each dimension.

4.1 Description of the Universe of ACAs

To get a sense of the kinds of countries around the world that currently have ACAs I ran a series of regression models. The database was built based on the OECD's report of Anti-Corruption Agencies (2013; 2008), the World Bank's Group database "ACA Authorities", and Recatini (2011). It includes as covariates Transparency International's Corruption Perception Index, World Bank data on GDP per capita (PPP), and V-Dem's (Coppedge et al. 2020; Pemstein et al. 2020) indicator for electoral democracy (polyarchy). The dependent variable is a binary variable that takes the value of 1 when a country has at least one agency and 0 where it does not.

Table 2. Preliminary OLS and Logistic Regressions for Anti-Corruption Agencies

	Dependent variable:			
	Country Has ACA			
	OLS		*logistic*	
	(1)	(2)	(3)	(4)
Corruption Perception Index, 2018	0.006	0.007	0.027	0.029
	(0.004)	(0.005)	(0.018)	(0.020)
GDP Per Capita (PPP), 2018	-0.00001**	-0.00001	-0.00003**	-0.00002
	(0.00000)	(0.00001)	(0.00001)	(0.00003)
Polyarchy Level (V-Dem), 2018	-0.124	-0.124	-0.527	-0.534
	(0.220)	(0.220)	(0.910)	(0.912)
CPI*GDP Per Capita (PPP)		-0.000		-0.00000
		(0.00000)		(0.00000)
Constant	0.460***	0.452***	-0.174	-0.232
	(0.116)	(0.155)	(0.475)	(0.643)
Observations	160	160	160	160
R^2	0.028	0.028		
Adjusted R^2	0.009	0.003		
Log Likelihood			-108.152	-108.143
Akaike Inf. Crit.			224.304	226.286
Residual Std. Error	0.498 (df = 156)	0.499 (df = 155)		
F Statistic	1.499 (df = 3; 156)	1.119 (df = 4; 155)		
Note:				*p<0.1; **p<0.05; ***p<0.01

Columns 1 and 2 report results of a simple OLS model, while columns 3 and 4 report a logit regression. Columns 2 and 4 include the interaction between corruption and wealth. The only statistically significant predictor of having an ACA is GDP per capita (Models 1 and 3). In Model 1, a $1 (PPP) increase in GDP per capita is associated, on average, with a decrease of 0.001% in the likelihood that a country has an ACA. Simply put, according to this analysis wealthier countries are less likely to have an ACA, but this is effect is not substantively large. As I will argue later on, this difference might be because elites in poorer countries use ACAs to send signals to outside actors, including investors, financial

institutions and aid agencies, that they are credibly commiting to fighting corruption. The other two variables in the models show no significant association with the likelihood of having an ACA. The signs of the coefficients, however, suggest that this type of institution is perhaps less common in more democratic countries and more common in countries in which elites are perceived as being more corrupt. Again, this seems to point in the direction of the argument I will develop below—ACAs serve as signalling devices for corrupt elites with weaker checks on their power, willing to gain the confidence of investors, international financial institutions and so on.

4.2 The Typology in Action: Four cases of Anti-Corruption Agencies

Considering variation in both power and independence yields for ideal types of ACA (Table 3). In what follows I briefly discuss 4 cases that match these ideal types in order to show my typology "in action." These four cases where selected based on the "typical" case criteria (Seawright and Gerring 2008).

"Fully Fledged" *ACA: Guatemala's CICIG*

Guatemala's CICIG was originally conceived in 2003 as a mechanism to fight the so-called "CIACS", the Spanish acronym for "illegal bodies and clandestine apparatuses", but was initially rejected by Congress. Four years later, after a redesign of the commission, the Legislature ratified the treaty with the UN to implement a "weaker" version of the commission under the institutional architecture of the CICIG. It is a high–high type of agency, with extensive powers (though not the most powerful agency in the world) and the highest level possible of independence.

Regarding its **power**, the CICIG's mandate was to investigate corruption and recommend policy to the Guatemalan state. Article 2 of the agreement between Guatemala and the UN for the creation of CICIG specifies that the Commission's functions are to (1) identify illegal bodies and clandestine apparatuses[4], (2) collaborate with the state with the dismantling of such CIACS, and (3) recommend policy (even at the constitutional level) to dismantle CIACS and prevent their re-emergence.

The next article in the agreement further specifies the prerogatives of the CICIG. Among these, the most important ones are (1) having the power to file cases in the Ministerio Público (the prosecution services) and be a member of the prosecution

[4] This includes the identification of their members, linkages to the state, financial origins, and structure and functioning.

team in specific criminal cases ; (2)[5] implement cooperation agreements with other institutions such as the police, the Attorney General's Office, the Ombudsman, and the Supreme Court of Justice; (3) select and train their members of staff (national and international); and (4) demand documentation and information from other institutions to conduct investigations.

Table 3. Typology of Anti-Corruption Agencies with examples

	High Independence	**Low Independence**	
High Power	Fully Fledged *e.g. Guatemala (CICIG)* *n = 19*	Executive Instrument *e.g. Argentina (OA)* *n = 35*	HP = 54
Low Power	Barking Watchdog *e.g. Afghanistan (MEC)* *n = 4*	Façade *e.g. Albania (ACMG)* *n = 7*	LP = 11
	HI = 23	LI = 42	*Total = 65*[6]

Both articles of the agreement establish a wide framework of action for the CICIG to operate in Guatemala. It has enough powers to investigate organized crime and enforce the law upon actors associated with CIACS—and, by extension, corruption at the highest level. For example, these powers eventually allowed the CICIG, under the right circumstances and leadership, to prosecute both the President and Vice-President of the Republic in 2015. This eventually led to their resignation and imprisonment in 2016.

Regarding its **independence,** the CICIG is perhaps the most independent ACA out of the four analysed here and probably out of all existing ACAs. The agreement with the UN specifies that the CICIG will operate with full autonomy from other institutions. This effectively means no partisan intrusion, no political influence, and even no UN influence besides naming the commissioner. The wording of the agreement is very clear: "The CICIG will operate with *absolute* functional

[5] CICIG clearly had the potential of having spill-over effects. Namely to strengthn domestic accountability and law enforcing institutions. Trejo and Nieto (2019) highlight this when studying CICIG's effect on the reduction of homicides.

[6] The sample for Table 3 includes 65 out of the total 95 ACAs I have in my database. However, only this proportion had the necessary data available to date. The rest of the data will be gathered in a future DPhil project.

independence in the performance of its mandate"[7] (Article 2, Agreement between the UN and Guatemala for the Creation of CICIG 2007, emphasis added). Even though the CICIG was conceived by Guatemalans and implemented by the UN, its effective accountability mechanism remained unclear. It never really belonged to either entity, and its budget depended entirely on international donations. Some even argued that CICIG had too much independence because it was not accountable to anyone (Lemus 2019).

Regarding the budget, the CICIG had the responsibility (and freedom) of obtaining funds from international donors. In no way could the UN nor the Guatemalan state (neither the Executive nor the Legislature) allocate funds to the Commission. Ultimately, throughout its twelve years of existence, the CICIG was mainly funded by the US, Norway, Sweden, and the EU, among others (Haering 2019).

To sum up the independence profile, CICIG had total budget autonomy[8], *absolute* functional independence, and the procedure to appoint the commissioner was non-political. The only check on the independence of the CICIG was that the commissioner's mandate had to be approved every two years by the President. Technically, the president had total freedom to dismiss the Commission as he saw fit (which is effectively how CICIG was forced out of the country in 2019), but not the Commissioner.

"Executive Instrument" *ACA: Argentina*

Argentina's "Oficina Anticorrupción" (Anti-Corruption Office) is an example of a high powers/low independence ACA. It was created in 1999 under the administration of Fernando de la Rúa. De la Rua succeeded President Carlos Menem, who was responsible for leading one of the most aggressive neoliberal turns in Latin America, in line with the dictates of the Washington Consensus. His administration, however, was characterized by entrenched corruption. De la Rua campaigned on a strong anti-corruption platform, which in part led to the creation of the ACA.

Argentina's ACA was initially put under the orbit of the Ministry of Justice but as an independent institution. Later on, in 2019, a presidential decree declared the Anti-Corruption Office to be a "decentralized organ of the Presidency of the Republic" (Decreto 54/2019), giving the director of the Office the rank of minister. Due to its ample investigative powers and dependence on the Executive, it is a case of high powers/low independence ACA.

[7] "La CICIG actuará con absoluta independencia funcional en el desempeño de su mandato".
[8] With the only obligation of producing a report of labours at the end of each year.

The prerogatives of the Anti-Corruption Office are quite extensive. According to their annual report in 2000, for instance, the Office can receive and process complaints of corruption from any citizen. It can also denounce corruption after a thorough investigation and act as a plaintiff before a competent judge and aid in the judicial process. Importantly, it does not necessarily need to receive a complaint to act as a plaintiff in a case. The Office can investigate any actor or firm that works with public funds, much like an auditing institution. Moreover, it evaluates and controls all sworn declarations from public officials with suspicion of illicit enrichment. Finally, regarding other functions, the Office has the power to design corruption prevention programmes and also to advise other public institutions in the implementation of anti-corruption policy.

The Anti-Corruption Office shares some of the core features of the CICIG in the *power* dimension. The investigation, auditing of public funds, prevention, and policy recommendation functions are quite similar. What clearly distinguishes both ACAs are their respective levels of independence. On paper, Argentina's Anti-Corruption Office has the independence to operate but in practice its place within the Executive branch implies otherwise. According to Article 2 of the Presidential Decree No 54/2019, the head of the Office is functionally dependent on the President of the Republic. It can be appointed and removed by him or her, thus being ultimately accountable to the President. Futhermore, its budget is also dependent on the Executive. Since the Anti-Corruption Office is closely linked to the Executive and the Ministry of Justice and Human Rights, it has no way of determining its budget autonomously. Such an arrangement potentially hinders the functionality and political direction and decision-making of the agency, becoming prone to financial crippling.

Given the institutional design of this type of ACA, it is likely that they (1) will be used politically by the president to prosecute and attack the opposition, (2) will avoid investigating the dominant coalition, or (3) will remain dormant under powerful presidents and activate cases under weaker ones. For example, immediately after his inauguration in 2015, President Macri swiftly removed by decree a clause that indicated that the Office chief had to be a lawyer. He did so in order to appoint former MP Laura Alonso, a member of his party with anti-corruption credentials but without a law degree (Decreto 226/2015 and 252/2015). She served as head for four years during which she avoided investigating President Macri even after his involvement in the scandal of the Panama Papers (La Nación 2016). On another occasion, Alonso participated in the investigation and prosecution of former President Cristina Fernández de Kirchner, specifically through corruption-related procedures such as asset recovery and seizure. She

said that "I do not know whether Cristina [Fernández de] Kirchner will end up in jail, but am sure that she will end up without a single *peso*"[9] (La Nación 2019).

"Barking Watchdog" *ACA: Afghanistan*

Afghanistan's Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC) is one of many Afghan institutions created to combat corruption. It was originally created in 2010 by Presidential Decree 61 (MEC 2020) and placed under the orbit of the High Office of Oversight and Anti-Corruption (HOOAC), the country's other anti-corruption institution. Afghan elites eventually decided to separate the MEC from the HOOAC, thus strengthening it and giving it full autonomy (UNAMA 2019). These changes were decided at the London and Kabul Conferences in 2010, during which the international community closely scrutinised Afghanistan's democratization efforts (MEC 2020). Importantly, the decision to grant the MEC greater autonomy makes room for a future effort for a fully specialised Anti-Corruption Commission that can have more powers. So far, this effort has led to the new Independent Access to Information Commission created in 2018 with transparency as its main purpose.

MEC is particularly interesting because of the jointly national and international dimension that helps to position it relative to Guatemala's CICIG. Both agencies have similarities in terms of their independence. For instance, MEC's accountability institutions are meant to be "the public, the President, Parliament, and the international community". It has to produce bi-annual reports but has the autonomy to operate as it sees fit. The MEC is chaired by a mix of national and international members, with a rotating head. These members are chosen by the international community and approved by the President, thus being nearly free of partisan influence. They are tenured and cannot be removed before the end of their term (ACAs Authorities 2012). They have budget autonomy dependent only on donors, without any links to national budgets or other types of financial interference.

The main difference with the CICIG is that the MEC was designed as a policy recommendation (prevention) agency, so it lacks the power to investigate and punish corruption. Their powers are therefore quite limited. The United Nations Assistance Mission in Afghanistan (UNAMA) summarises their functions in their Anti-Corruption Report of 2020: (1) monitoring and evaluating the anti-corruption efforts of the Government and the international community; (2) issuing recommendations for introducing reforms; (3) monitoring and evaluating the

[9] "No sé si Cristina Kirchner va a ir presa, pero estoy segura de que va a terminar sin un solo peso." https://www.lanacion.com.ar/politica/laura-alonso-no-se-si-cristina-va-nid2215381

effectiveness, transparency and accountability of international aid; and (4) monitoring the implementation of its recommendations.

Afghanistan's MEC therefore focuses on preventing corruption and monitoring anti-corruption policy. It lacks real strength to threaten the establishment or other illegal actors inside the state. Given the institutional design of this type of ACA, it is likely (1) that they will engage in various efforts at policy reforms with very little success, and (2) that the nature of accusations and actions will have more to do with the part of anti-corruption that deals with ethics in the civil service, transparency and access to information, or public acquisitions, than with corruption scandals and financial malpractise within the state. In other words, one could argue that such an agency is closer to a transparency NGO than to a robust institution that effectively deals with corruption in the front line. In a similar vein, it could be compared to a "barking watchdog" that does not "bite". This does not mean, however, that such institutions are doomed to fail; they can potentially still materialise powerful efforts in the fight against corruption.

"Façade" *ACA: Albania's Anti-Corruption Agency*

Finally, Albania's Anti-Corruption Agency exemplifies what I call "façade ACAs." These are neither "independent" nor "powerful;" they operate under the strict supervision of the Executive and are only allowed to prevent corruption by making policy recommendations.

Since 1999, Albania has had three different ACAs. Here I focus on the first one, the Government Commission for the Fight Against Corruption (GCFAC) created in 1999. The others are the Anti-Corruption Task Force (ACTF) created in 2005 after the GCFAC was dismantled, and the Investigative Unit Against Corruption and Economic Crime (JIU). Interestingly, each one of these agencies was more powerful and independent than the previous one, partly as a result of the country's increasing need to credibly signal its anti-corruption credentials to investors and the international community.

The initial mandate of the GCFAC was to "ensure coordination between Government institutions in the fight against corruption" (U4 2011). The OECD (2008) classified it as a "preventive and policy coordination institution" which essentially captures the less powerful nature of the ACA. It was made up of 13 representatives of the Government and headed by the Prime Minister.

The GCFAC had a specialised unit called the Anti-Corruption Monitoring Group (ACMG) dedicated to (1) monitoring, coordinating and advising ministries and central institutions on the implementation of the Action Plan for the Prevention

and Fight against Corruption; (2) discussing, analysing and approving reports concerning the implementation of the Action Plan; and (3) recommending to the GCFAC or the Council of Ministers, through the Minister of State, strategic changes in preventive measures and initiatives (OECD 2008). Like Afghanistan's MEC, Albania's GCFAC (and its monitoring group) could not investigate actors and institutions involved in corruption.

Regarding its independence, the GCFAC was clearly dependent on the Prime Minister and the Executive. There were no accountability mechanisms outside of the ministerial setting. The ACMG's head was appointed and removed by the Prime Minister (who at the same time chairs the GCFAC). This means that the Executive had complete functional control over the ACA, thus making it relatively toothless from a design perspective. It did not have a separate budget either. The budget was allocated from the existing annual budget of the Council of Ministers (OECD 2008).

With no budgetary independence, political influence over the daily decision-making, and lack of powers to investigate corruption, Albania's GCFAC was merely a façade put in place to comply with international standards with the bare minimum. While the agency was able to promote some anti-corruption policies between 1999 and 2005, it was ultimately irrelevant when it came to combating corruption more comprehensively.

5. Argument

Why do political elites create ACAs? I argue tentatively that ACAs are credible commitment devices that elites use to comply with international standards in order to attract investors and aid. This simple insight is useful to answer not only why specific countries decide to set up an ACA, and why elites sometimes endow ACAs with greater independence and power, but also to explain why we observe the wave-like pattern of adoption in the 1990s.

To make this argument I rely on the literature that explains why politicians restrict their own power via the creation of independent non-majoritarian institutions. Similar literature has used the notion of credible commitment to account for other types of institutions, such as Electoral Commissions, Judicial Review, and Central Banks (Schedler, Diamond, and Plattner 1999).

The credible commitment argument can be found in Acemoglu and Robinson's theory of democratisation (2006). Their model consists of the elite's "fear of redistribution" from the poor. Elites reject democracy *ab initio* because the poor

would heavily tax the rich with their new political power. The calculus changes when the elite fears a revolution from the poor. Facing this challenge, the elite commits to democracy as a solution to the unrest, since it cements more credibly the rights of the poor in the long term, thus discouraging a revolution.

Similarly, North and Weingast (1989) argue that the commitment logic applies to the creation of constitutions. Their analysis of seventeenth-century England finds that the Crown had a commitment problem when it came to protecting the rights of the population. This was ultimately solved by the supremacy of Parliament that made the government more predictable and added veto players to the decision-making process. The initial problem came from the uncertainty over people's rights that a rent-seeking Crown and an uncooperative Parliament generated. To credibly commit, the government had to bequeath power to the wealth holders who thus had a say in Parliament through their representatives (North et al. 1989, 828–29).

More relevant for this thesis, Finkel (2008) explores the motivation behind the adoption of independence-enhancing judicial reforms in Latin America during the 80s and 90s. This is an example of a counterintuitive phenomenon in which politicians were willing to limit their power. She argues that political parties implemented these reforms to contain the risk of someday being out of power and face prosecution from the opposition. They secured their rights in advance, and by extension the rest of the population's rights as well. However, the initial pressures for judicial reform came from the IMF and the World Bank as conditions for loans and opening lines of credit in the context of painful neoliberal change. The initial response from elites was to propose reforms to signal to international investors that they were willing to protect the rule of law. The implementation was even more robust when these elites identified a threat of losing power, so they also used the reforms to protect themselves in case of losing office in the future.

In a similar vein to Finkel, other literature on self-restraining politicians focuses on courts and judicial independence. Moustafa's analysis of Egyptian courts, for example, accounts for why politicians allowed the courts to serve as real constraints on their power in an otherwise authoritarian state. He argues that Egyptians installed a powerful court that could guarantee property rights to attract investors and prevent the failure of the post-socialist economy (Moustafa 2003). The pressure originated in Egypt's transition from socialism to a more liberal economy. Leaders recognised that they had to be willing to give power to courts to signal this commitment to the rule of law.

Central banks are another type of institution that can restrict politicians' power, especially regarding control over monetary policy (Cukierman 1994). But

independent central banks can help control inflation, thus contributing to stabilise the economy, attract investment, trigger growth and in turn improve incumbents' electoral fortunes (Summers and Alesina 1993). These economic and political motivations sometimes encourage elites to commit to central bank independence.

I contribute to this literature by applying these insights to another category of self-restraining institutions: ACAs. As stated in the previous section, there is a growing literature concerned with the effectiveness and desirability of ACAs. However, this literature fails to explain why countries adopt these institutions in the first place. My main argument understands corruption as an economic problem (Rose-Ackerman and Palifka 2016) that distorts investment incentives and prices, as well as aid and cooperation in specific areas (e.g. security); the solution (ACAs) is a way of curbing this distortion to improve economic performance and improve the reputation of the country.

I argue that the creation of ACAs responds to the need of domestic elites, especially those in developing countries, to signal credible commitment in the fight against corruption. This need, in turn, arises from a series of developments in the international arena. First, the Washington Consensus of the late 1980s, which rested in part on the belief that long term development requires changes in the role of the state in the economy. Implicit in the policy recommendations of the Washington Consensus is the notion that large states breed corruption and corruption undermines countries' ability to attract investment and growth. Domestic elites in need of foreign investment and international aid were forced to provide reassurances regarding their commitment to fighting corruption and strengthen the rule of law. This is in part why ACAs were adopted at the same time that countries were opening their economies following these broader policy recommendations.

Second, the rise of the international anti-corruption regime, also during the 1980s and 1990s, in particular the UN Convention Against Corruption, provided a ready-made template for these elites to respond to the aforementioned international pressures. The creation of ACAs was part of this template. Credible commitment problems that arise from these changes in the international environment not only help understand why states create ACAs, but also the wave-like pattern of adoption. Thus, these seemingly unrelated events help identify the source of the need for commitment and the specific institutional templates adopted to respond to such pressures.

I posit that if domestic elites in developing countries face a particularly low need for investment or aid, they do not need to credibly commit in a way that fully satisfies the requirements of international anti-corruption norms or investors

seeking reassurances. As a result, we are less likely to see the creation of ACAs. Instead, we might see "layering" rather than institutional creation. For example, elites may layer anti-corruption functions on existing institutions such as the police or the courts. By contrast, if the need for investment or aid is high, then elites have to evaluate the perception that the international community has of their level of corruption. Elites know they need to credibly commit, but the kind of commitment device they use will depends on how corrupt others think they are. Stronger ACAs will emerge in countries where elites need to counter more negative perceptions of corruption.

For example, Tables 4 and 5 summarise the level of FDI and Official Development Aid in the years prior to the adoption of ACAs in the four countries analysed in the previous section. There is a wide range of scenarios. Afghanistan, Albania, and Guatemala appear to have experienced a steady decrease in FDI before they decided to create an ACA. Guatemala, in particular, had three of its worst years in history in terms of FDI before the initial proposal of to create the CICIAS which eventually paved the way to the powerful and independent CICIG. Afghanistan and Albania, on the other hand, appear to have been heavily dependant on foreign aid, which can be reasonably attributed to their respective conflicts, but at the same time implies that those governments are particularly sensible to reputational damages (e.g. accentuated by corruption) and conditioning of foreign aid.

This story does not necessarily consider the population's perception of corruption, but rather how domestic elites think international actors responsible for releasing cooperation funds, approving investments, or opening lines of credit percieve them. If domestic elites think that these actors perceive them as corrupt, then the implementation of the reform has to be more robust to credibly commit to curb corruption and generate a more friendly investment/aid environment. This is how, according to the argument, powerful and independent ACAs are created. If this perception is low, however, then it leads to weaker ACAs. The argument is summarized in Figure 2. At this stage it has limitations for predicting mid-levels of power/independence but still remains useful to explain the general variation in the dependent variable. This particular issue is meant to be addressed in a future DPhil project, as well as the explanation for continuity (negative) cases—those were a government never manifested even an effort to layer an anti-corruption body under an existing institution.

Table 4. Foreign Direct Investment (FDI) as % of GDP

Time (t)	*-7*	*-6*	*-5*	*-4*	*-3*	*-2*	*-1*	*0*	*1*
Afghanistan	1.28	3.58	4.36	3.41	1.94	0.46	0.45	1.20	0.29
Albania	3.07	4.89	2.82	2.93	2.82	2.10	1.77	1.28	4.11
Argentina	1.94	1.18	1.41	2.17	2.55	3.13	2.44	8.46	3.67
Guatemala	-4.09	-5.01	-4.89	0.09[10]	1.34	1.98	2.10	2.52	1.87

Source: World Bank.

Table 5. Official Development Aid (ODA) as % of Central Government Expense

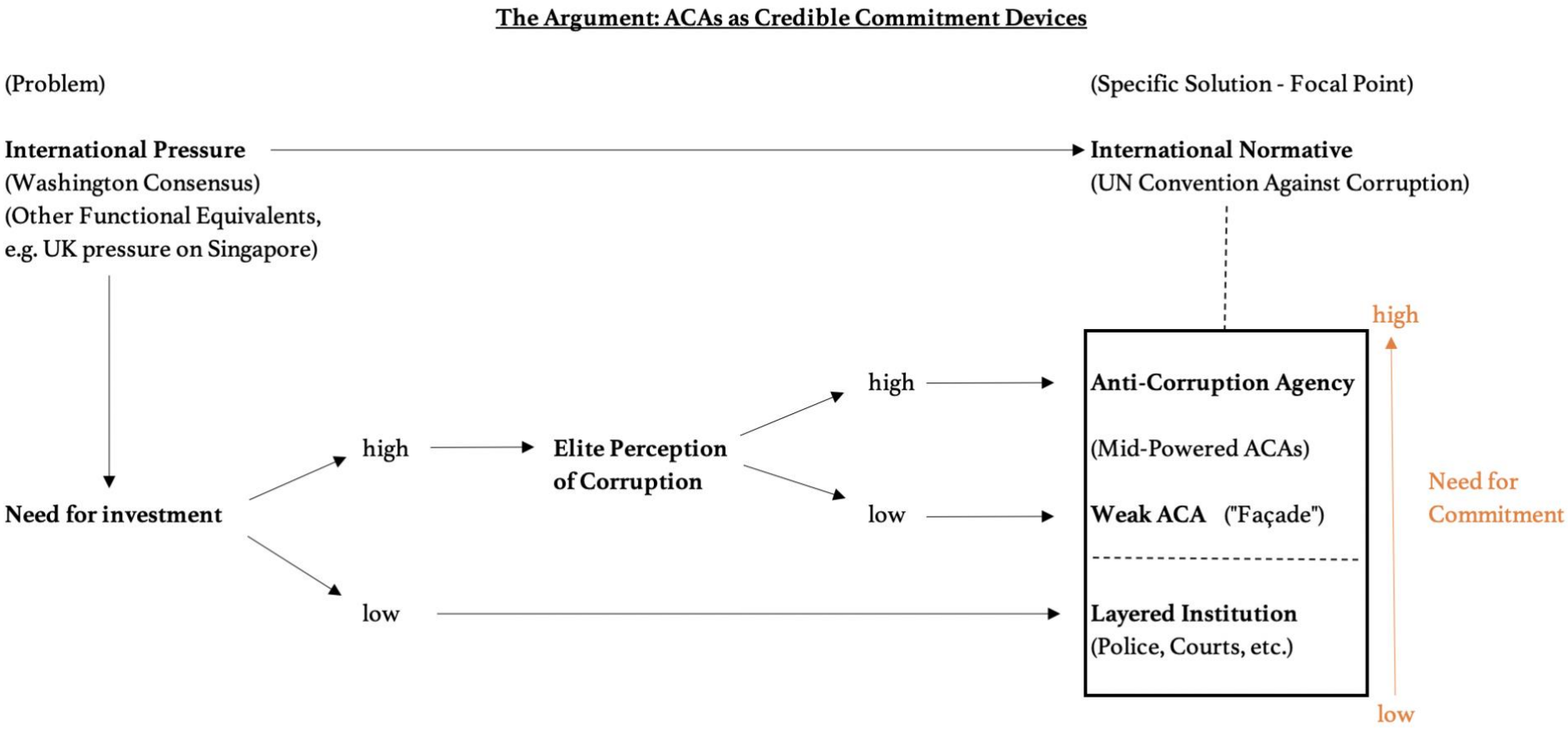
Time (t)	*-4*	*-3*	*-2*	*-1*	*0*	*1*
Afghanistan	201.86	210.84	93.83	110.89	77.31	63.69
Albania	29.15	33.60	29.12	35.15	—	—
Argentina	0.37	0.30	0.23	0.16	0.17	0.16
Guatemala	8.25	7.69	7.72	12.73	10.94	11.80

Source: World Bank.

Note: For both tables, t_0 represents the year where a country's ACA was adopted: 2010, 1999, 1999, and 2007 respectively

[10] t_{-4} is the year (2003) when the original CICIACS was proposed in Guatemala.

Figure 2. Summary of the Argument



So far I have put forward an argument that helps understand the conditions under which domestic elites create ACAs, and also why ACAs vary in their power and independence. While the commitment problems triggered by the Washington Consensus explain why elites try to find an institutional solution, this argument alone doesn't explain why ACAs became the preferred institutional solution or the template followed by many countries around the world. In other words, why did ACAs become a focal point? To answer this question, I argue one has to look at other developments at the international level. Taken together, both parts of the argument help understand creation and the wave-like pattern of adoption.

The second important development was the consolidation of an international anti-corruption regime through the signing of the Inter-American Convention Against Corruption (1997) and the United Nations Convention Against Corruption (2003). Both conventions make a series of reform recommendations, and ACAs emerged as the preferred institutional template to operationalize these recommendations. Jointly, these two factors complete the picture of the argument explaining the creation of ACAs and the wave-like pattern of adoption[11].

The "Investment Bundle" and the Political Tradeoff

In order to make the argument more sound, it is important to address two issues. First, FDI, foreign aid, international credit loans, and cooperation funds are functional equivalents of what I call the "Investment Bundle". Second, once the idea that those three instruments are linked together, it is important to consider in greater depth the implications of ACAs for politicians, and elite incentives to create or avoid them.

Foreign Direct Investment (FDI), Foreign Aid (FA), and Cooperation Funds (CF) are, according to my argument, part of the "investment budle" that elites in developing countries are after when they decide to create ACAs. They are functional equivalents that serve the purpose of cash inflow for the country. They can all contribute positively to a developing country's financial health and are not easily obtained. The arrival of these cash flows depends to some extent on clear signals of political stability (Schneider and Frey 1985) and other types of commitments such as promoting judicial strength and adherence to the rule of law (Staats and Biglaiser 2012). Moreover, even if FDI or other forms of international financial flows do not contribute massively to a country's GDP, this does not mean that their relevance and contribution are insignificant. Guatemala's government spending, for example, makes up around 13-14% of the nation's GDP. Increasing

[11] My DPhil project will include a more thorough historical account of the rise of the global anti-corruption regime and its impact on the popularity of the ACA template.

the inflow of international funds (in whichever form), perhaps even by one percent, is crucial for the government to increase its functional capacity. Given high levels of poverty, poor human capital, and low productivity, growth can be very dependent on money and wealth that is not generated within the borders of a developing country.

Indeed, there is literature that suggests that (1) these devices can come as a package and (2) that certain policies that commit to international standards (such as ratifying human rights) can attract FDI. On the first point, Garriga and Phillips (2014) argue that investors rely on a variety of indicators to decide whether or not to invest in a country. Crucially, when national economic indicators are unreliable (e.g. after a civil conflict) investors rely on other signals to identify where it is safe to invest. For instance, the authors find that FDI follows FA because "donors tend to give more to countries they trust to handle the funds," thus reassuring investors.

This implies that not only can both FDI and FA contribute to boost a country's economic position, but can potentially flow into a country sequentially or hand in hand. On the second point, we know that certain policies that signal a country's commitment to international standards can help attract FDI. In this sense, Garriga (2016) shows that a country's participation in the human rights regime (e.g. via treaty ratification) has positive effects on levels of FDI. This happens because protecting human rights, at least formally, provides what she calls a "reputational umbrella" for investors. The logic can potentially be extended to ACAs. These institutions not only fight crime and protect rights, but also signal a commitment to international standards that helps build the aforementioned reputational umbrella.

As established before, the CICIG's creation followed a tumultuous episode in the bilateral relations between the US and Guatemala. The US's accusation that Guatemala was not an ally in the fight against drug trafficking had important repercussions in the country's FDI, especially in the years before 2003, when the original CICIACS was proposed. An interview with Guatemala's former Permanent Representative to the UN sheds light on this matter. According to him[12], the CICIG was intended to singal Guatemala's commitment to effecitvely follow up on the UN sponsored 1996 Peace Accords that put an end to the civil war. When it signed the accords, the country agreed to having an international observer that could "provide real justice" for those most affected by the three-decade-long civil conflict. Initially, this took the form of MINUGUA (*Misión Internacional de Naciones Unidas en Guatemala*). MINUGUA served as a truth

[12] Author's interview, 27 July 2020.

commission to address the crimes, but its effectiveness, and by implication Guatemala's commitment to uphold the UN-sponsored peace agreement, was always in doubt. The CICIG was therefore meant to fulfil this old promise made to the international community.

The implication, regarding the aforementioned literature, is twofold: ACAs can potentially offer investors a "reputational umbrella" and also serve as a signal of commitment to international cooperation that further strengthens a country's reputation. Even if the decision to invest or to provide aid to a country is not radically affected by the presence of an ACA, what is relevant from the point of view of my argument, is that domestic elites likely find in this institutional template a readily available, internationally recognized instrument to send the right signals.

My argument assumes that elites are aware of the requirements and qualms of international political and economic elites and seek to address these by promoting the creation of ACAs. If ACAs indeed help attract foreign money the gains are potentially not trivial. FDI has positive spill over effects on the host country. For instance, FDI can affect positively technology development in a host country if the economic policy and other institutional arrangements are adequate (Blomström and Kokko 2001). In a similar vein, FDI can increase the productivity of domestic firms (Liang 2016) with enough available resources to absorb the transfer of capacities. This can be particularly important for politicians. Increasing FDI, and consequently the "investment bundle", can improve economic opportunities, attract jobs, invest in public goods, and overall increase growth. Such outcomes can greatly improve chances of reelection as well as general political stability.

But it is also true that ACAs can be costly for corrupt domestic elites. In other words, there is a trade-off involved in the decision to create an ACA. On the one hand, by creating ACAs the risks of engaging in corruption could rise and their pockets could suffer as a result. On the other hand, if they do not credibly commit by signaling investors they are willing to fight corruption, they might miss out on the chance of enhancing the cash flow that comes from international actors and the potential reelection benefits that could bring. Put simply, the trade-off highlights the cost of accepting to limit their power and benefit less from corruption or operate freely with corruption but damage their international image and possibly affect reelection chances.

One could argue that the cost of adopting an ACA and potentially having corruption revealed and punished should override the expected economic benefits of institutiuonal change. This can be true only if the *implementation* of the ACA is strong enough for it to raise the costs to corruption. Evidently, ACAs are created

to curb corruption but the reality is that more often that not ACAs never fully disclose, punish or eradicate corruption. In other words, while ACA *adoption* can help build a "reputational umbrella" for investors or address the concerns of foreign political elites, adoption does not imply the ACA will be effective. Moreover, when it comes to institutional design, local elites have ample room for maneovre, especially if the international pressures they face, or their investment needs, are not excrutiatingly strong. And as the fate of the CICIG in Guatemala demonstrates, even when elites do decide to create powerful and independent ACAs, they are not bound to it indefinitely. If ACAs become too costly, they can always be dismantled (incidentally, in the case of Guatemala this was easier to do in 2019 because the international environment had changed and the US stopped pressuring the government to address crime and corruption).

Limitations of the Argument

It is worth noticing that this argument is useful to explain the adoption of a particular policy, not necessarily its implementation. This logic is drawn from Finkel (2008) and her work on judicial reform in Latin America. The distinction made in her work is between *initiation* and *implementation,* whereby the main difference consists on the former being a "signal to intent judicial autonomy" (in this case, credible commitment) and the latter being the "real outcome of judicial reform (…) determined by (…) details and vigor" (Finkel 2008, 2). Another important implication of this caveat is that the typology is based on *de jure* attributions rather than *de facto.* This is linked, once again, to the different logics of adoption and implementation. Implementation (and thus *de facto* independence/power of an ACA) will depend on variables such as political will of the leadership of the ACA and specific resources available to the agency.

For example, in the implementation phase Guatemala's CICIG had different levels of "power" contingent on the aforementioned variables. CICIG's first commissioner, Carlos Castresana, never really exercised the investigative powers assigned to CICIG. His three years as commissioner between 2007 and 2010 mainly focused on developing initial protocols and recommending reforms to the justice sector in Guatemala (Haering 2019). It was until commissioner Iván Velázquez's administration that the CICIG really mobilised resources to combat corruption. This was only possible, to an extent, once some Guatemalan laws where changed to create positive synergies between local actors and the CICIG. For instance, before 2008 Guatemalan law did not contemplate for any prosecutorial institution to be able to wiretap telephone communications based on suspicious illegal activity. Under such circumstances, CICIG's work under Velázquez in later years would have been more difficult. Particularly, the main piece of evidence that contributed to former vicepresident Roxana Baldetti's

incarceration for her involvement in the *La Línea* case came precisely from a wiretap of a conversation between two brokers that referred to her as *la número dos* (the second in command).

This shows how the "power" of an ACA (i.e. the strength of its functional attributes) can change during the implementation period contingent on the political will of its commissioner and the legal resources made available to them by politicians. Therefore, the main objective of this thesis is to explain adoption, which only demands attention to elements in ACAs's *de jure* design, since what matters in terms of the dependent variable are the formal institutional features qua signalling devices, and not necessarily the effectiveness and robustness of their implementation.

6. The International Commission Against Impunity in Guatemala

The following case study exaplining the creation of CICIG will address the main question that drives the dissertation to show that the argument is plausible and that it can potentially travel to other contexts. The section is divided in four parts that correspond to the four stages of the argument: (1) international pressure and context, (2) need for investment, (3) corruption perceptions, and (4) adoption of anti-corruption international templates.

The process leading to the creation of the CICIG consisted of stages: first, the attempt to create the CICIACS (*Comisión de Investigación de Cuerpos Ilegales y Aparatos Clandestinos de Seguridad en Guatemala*) after an agreement between the UN and the Guatemalan Government. As mentioned before, however, this was initially rejected by Congress and the Constitutional Court. Negotiations started in 2003 and ended with the signing of the agreement and its later rejection in 2004. The second stage consisted in the creation of CICIG, which is the agency that survivied for 12 years and investigated high ranking officials of the Guatemalan Government. This stage began in 2004 and ended with the signing of the agreement in 2007.

According to Guatemala's former Permanent Representative to the UN, the story of the CICIG can be traced back as far as the signing of the Peace Accords in 1996. These accords terminated the 36-year long civil war that devastated the Guatemalan social fabric. One of the most unfortunate legacies of the conflict was the emergence of the so-called "CIACS" (*Cuerpos Ilegales y Aparatos Clandestinos de Seguridad*). These illegal structures were created by military officers, and consisted of rogue sqadrons that started mafia-like activities, extorting villages for

livestock and vehicles as a "war tax" (Gutiérrez 2016) Over time, they infiltrated the private sector and state structures. Gutiérrez (2016) describes them as follows:

> "The CIACS are a kind of mafia—Sicilian style—in the sense that they thrive on the weakness of the state institutions. They sell or are at the service of private interests (legal or not), provide them with security, arrange the fulfillment of contracts or eliminate competences, jealously taking care of their strategic task: producing impunity, maintaining a gelatinous State (in the sense that it may seem malleable but it gradually returns to its essential structure) in the face of repeated reform and modernization efforts undertaken over three decades" (Gutiérrez 2016, 30).

CIACS represent in a very clear way the manifestation of the most powerful type of corruption: the capture of the state (Della Porta and Vannucci 2016). The more recent manifestation of CIACS are criminal structures that predate on the state, such as the tax fraud structure *La Línea* uncovered by the CICIG and which contributed to the incarceration of former President Otto Pérez Molina and former Vicepresident Roxana Baldetti in 2015-2016.

Understanding the creation and evolution of CIACS as ingrained corruption structures is important to understand the type of commitment device that the Guatemalan state eventually adopted. In March 1994 the Government and the Guatemalan National Revolutionary Unit (URNG) signed the Global Agreement on Human Rights[13] which included an article stating that "to maintain unrestricted respect for human rights, there should be no illegal bodies, or clandestine security apparatuses. The Government of the Republic recognizes that it is its obligation to combat any manifestation thereof"[14] (Gobierno de Guatemala y URNG 1994, chap. 2, section IV). This article represents the bedrock of all the negotiations that took place between Guatemala, the UN, and allied countries regarding the CICIACS and eventually the CICIG.

In this sense, the legal advisor of the Permanent Mission to the UN told me in an interview that during these negotiations Guatemala's main focus was to frame the subject as a human rights and transitional justice matter, particularly because if framed in those terms the U.S. and Europe would see it as a highly promising project that could attract the necessary international funding. The real intention, however, was to signalling a broader commitment to the rule of law and thus

[13] One of the many accords that compose the 1996 Peace Accords that ended the 36-year long civil conflict.

[14] "Para mantener un irrestricto respeto a los derechos humanos, no deben existir cuerpos ilegales, ni aparatos clandestinos de seguridad. El Gobierno de la República reconoce que es su obligación combatir cualquier manifestación de los mismos."

"promote the candidature of Guatemala to the UN Security Council" which in turn would bring great benefit to the country. Indeed, Guatemala was elected to the Security Council in 2014. As my source put it: "imagine having a debt when asking for a loan in the bank… they would never lend you the money. Presenting ourselves as a modern country that was over with its rights violation past was very important to attract investors and credit" (Author's interview, 20 August 2020). This points to the kind of political calculation that the government made when negotiating the creation of the commission. They openly recognised that the Guatemalan state had a serious problem of the highest possible form of corruption and indicated that they were willing to do something about it.

International Pressure: The United States and the United Nations

This need for reputational repair stemmed from four different forms of international pressure that Guatemala received from two different actors, the U.S. and the U.N. First, was the cut of US military aid. In 1990, the United States halted military aid to Guatemala considering that the country had committed serious human rights abuses (Inter Press Service 2005). This, of course, has to do with the fact that Guatemala was in the middle of a civil war. However, what promted the US to withdraw military support was that in 1990 a Guatemalan army colonel on the CIA's payroll had been responsible for the murder of a U.S. innkeeper and the torture-killing of a guerrilla leader who was married to a U.S. lawyer (Inter Press Service 2005).

Second, in 2002 the United States decided to remove Guatemala from the list of allies in the fight against drugs (US Department of State 2004). The "decertification" of Guatemala is probably one of the most serious pressures the country had to withstand in these years. Former Minister of Foreign Affairs of Guatemala stated in an interview that "being part of that 'black-list' meant that the country-risk assessment would greatly harm the country, cutting investment flows from the outside" (Author's interview, 29 July 2020). After lengthy negotiations and a series of commitments by the Guatemalan Government[15] the country was recertified by the U.S. in Spetember 2003, but the commitment problem, according to my argument, had not been solved just yet.

Third, numerous reports of MINUGUA (*Misión de Verificación de las Naciones Unidas en Guatemala*) highlighted the problems of impunity and corruption in the country after the end of the civil war. MINUGUA was the UN mission to observe and help with the implementation of te 1996 Peace Accords. This institution

[15] For example, the implementation of policies that strengthened the justice sector, the police, and the Anti-Narcotics Deparment.

reported periodically to the UN about the progress of the Guatemalan government in implementing the accords. In numerous occasions, MINUGUA expressed their concerns, specifically with regards to the problem of CIACS and impunity. Its final report in August 2004 stated that

> "The main challenge today is to consolidate the rule of law amid a surge in crime and manifold evidence that key institutional reform processes launched under the peace accords have lost momentum and in some cases gone backwards. Without a more solid legal and institutional framework for protection in place, the substantial gains in human rights described above will be undermined (MINUGUA 2004, 7).

The most important report, however was the one published in 2003. It pointed out one of the most difficult obstacles for Guatemala to establish a firm and lasting peace:

> "(…) full compliance with the commitments of the peace agreements to reorganize or dismantle the State organs of repression has been questioned as a result of the continued involvement of the army in public security activities; former PAC[16] members reorganizing to demand payment for services during the armed conflict; evidence of the involvement of military intelligence, including members of the Presidential General Staff, in efforts to block investigations and trials for human rights violations committed during the conflict; and *the mutation of clandestine structures from the era of the conflict into multifaceted networks engaged in corruption and organized crime*" (MINUGUA 2003, 7, emphasis added).

This last sentence is important for two reasons. On the one hand it crystallises the concern that international obersvers had regarding CIACS as obstacles for consolidating the rule of law in Guatemala. On the other hand, it directly establishes the connection between these illegal and clandestine security apparatuses and newer forms and structures of corruption and organised crime. According to the report this called for the establishment of an agency that could potentially address all of these interrelated problems at the same time.

The final source of international pressure was a resolution from the UN General Assembly in 2003 urging Guatemala to apply diligently the peace agreements of 1996 (which include the 1994 Global Agreement of Human Rights). In the resolution, the UN evaluated the situation in Central America, but dedicated a

[16] The *Patrullas de Autodefensa Civil* were a paramillitary government project for counterinsurgency during the civil war. Their purpose was to include civilians in the counterinsurgency endeavour against Marxist revolutionaries.

section to "[urging] the Government of Guatemala to give renewed impetus to the fulfilment of the commitments contained in the peace agreements, in the context of reprogramming for the period 2001-2004 (…)" (United Nations 2004, 2)

All four types of pressure correspond to different stages of my argument. Pressures from the US address directly the need for reform in order to secure international aid. Halting military aid and decertifying Guatemala both created the need for the Guatemalan Government to commit to a meaningful anti-corruption strategy in order to recover the lost money and secure future cash flows. The UN pressure, on the other hand, contributed to making perceptions of corruption in Guatemala among international elites more negative. The reports allowed national elites to have a clearer sense of the kinds of concerns they had to address.

Need for Investment: The Investment Bundle in Action

At this point it is worth going back to Table 4, which summarises the inflow of FDI to Guatemala. In the years prior to the creation of the CICIG, Guatemala suffered a decrease in FDI. This decline was particularly significant in the years before the proposal to create the CICIACS. The years 2000, 2001, and 2002 saw a growth of FDI (as percentage of GDP) of -4.09, -5.01, and -4.89 respectively. These figures are in line with the interview data reported in the previous section, and together point to the fact that the country had clear issues attracting investment. In this context, local elites saw anti-corruption measures as a way to address this lack of international trust. In fact, FDI rose back to 0.09 in 2003 when the proposal to create the CICIACS was already on the table.

Besides the FDI situation, there are were other developments that suggest local elites were indeed concerned about the state of the economy, and that anti-corruption commitments helped them improve their international reputation to address pressing economic problems. In the years prior to the creation of the ACA, the IMF extended two loans in 2002 and 2003. In early 2002, the Guatemalan government requested a stand-by credit to the IMF, clearly signaling that they required aid of some sort. In April of that year, the IMF approved the stand-by credit for about 105 million USD (IMF 2002). To be sure, this stand-by credit was approved before the creation of CICIG, and also the proposal to create the CICIACS. But it is still interesting to explore the motivation behind the approval, and compare it to the state reasons why the IMF approved a second loan a year later. In 2002, the press release from the IMF highlights that the stand-by credit is meant to help with monetary issues:

> "The program for 2002 is framed around a further recovery in economic activity helped by the gradual improvement of the international

> environment, and a reduction in inflation to a 4-6 percent range. Net international reserves would be maintained at a relatively comfortable level, providing adequate cover for imports and short-term debt" (IMF 2002).

At least publicly, the IMF was concerned about inflation, tax revenue, and debt levels; it did not mention political conditions of any sort. A year later, in June 2003, however, the IMF approved a new stand-by arrangement for about 120 million USD (15 million more than the previous year). The press release again highlights Guatemalan efforts in reducing inflation and the debt situation, but this time it made specific reference to the fact that political conditions in the country showed signs of improvement and indicated that this made a difference when it considered the second loan application:

> "The government also is strengthening governance and transparency by improving the dissemination of key fiscal data, seeking approval of a new budget law, and strengthening legislation on public procurement and fiscal transparency. *Also, a recently created anticorruption commission will propose actions to improve governance*" (IMF 2003).

The last part of the citation makes direct reference to the creation of CICIACS—which would later be officially agreed by the government in January 2004. This is important because it shows that the IMF cared about governance, transparency and corruption when assigning stand-by loans, and even more importantly the fact that it recognised and supported the creation of an ACA.

In addition to IMF assistance, in March 2005 the United States restored military aid (3.2 million USD) to Guatemala after 15 years of suspension. To be sure, the timing and reason for resuming the aid does not directly coincide with the creation of the CICIG. This happened two years before the CICIG was approved and one year after CICIACS was turned down by Congress and the Constitutional Court. The decision by the US was therefore not in direct response to the adoption of specific anti-corruption measures, although at this stage, negotiations were still going forward for repackaging the CICIACS into the CICIG. As a result, it is plausible that the US government might have been somewhat satisfied that the country was taking the necessary steps. In any case, the restoration of military aid led to a series of additional pressures which further reinforced the need to adopt concrete anti-corruption reforms.

At least on paper, the restoration of military aid was in response to Guatemala's commitment to "reforming the armed forces whose human rights record in the 1980s was considered the worst in the Americas" (Inter Press Service 2005).

However, in a joint statement, the Washington Office on Latin America (WOLA), the Robert F. Kennedy Memorial Centre for Human Rights, and other human rights groups questioned this rationale for restoring the aid. They noted that

> "despite its commitment to ending impunity and combating clandestine groups, the Berger administration has demonstrated a lack of political will and ability to make progress in establishing an effective mechanism to investigate and dismantle clandestine groups […] [T]hese clandestine groups or illegal armed groups, which were supposed to have been dismantled after the signing of the historic 1996 Peace Accords, are believed to have ties to Guatemala's military intelligence apparatus, which is also widely believed to have become increasingly active in drug trafficking and organised crime" (Inter Press Service 2005).

In other words, Guatemala's lack of progress in dealing with structural corruption and organized crime was once again on display. In the mind of local elites this likely raised concerns about the extent to which they would continue to receive international support if they failed to address this line of criticism.

Political Calculation: Back to Domestic Politics and the Constitutional Court

After the signing of the agreement for the creation of CICIACS between the Guatemalan Government and the UN, the document had to be approved by the Parliament to incorporate it into national legislation. In January 2004, days after the signing of the agreement, the Parliament decided that the Interior and Human Rights Legislative Committees would examine the issue. This, however, did not represent a faithful attempt to approve the initiative. Former Vice-President of Guatemala stated in an interview that "the Congress [effectively] shelved the proposal" (Author's interview, 25 August 2020). with no real political will to address it. This episode shows that among the elite there were definitely those who feared the creation of an independent and powerful ACA, and who did not care much for the Executive's need to use the initiative in order to address its economic and foreign policy predicaments. According to the Former Vice-President, in his numerous meetings with political parties and with the President of Congress, he was constantly "promised that the initiative would be put in the agenda, but it never happened". He famously stated in the media at the time that "those congressmen that do not want to address the subject are hiding the worm's nest", implying that they were not willing to accept such an institution because they themselves were corrupt (Author's interview, 25 August 2020).

Given the unwillingness of Congress to advance with the CICIACS proposal, the government withdrew the initiative from the Legislature and officially requested

an advisory opinion from the Constitutional Court in order to put pressure on legislators. Unfortunately for them, the move backfired. In August 2004, the Constitutional Court's advisory opinion stated that CICIACS could not qualify as an "international instrument of human rights", and that some articles were not compatible with the constitution[17], specifically because they infringed on the exclusive prosecutorial prerogatives of the *Ministerio Público*. It is important to unpack these points to understand the political calculation of the Court. The first point was crucial to establish limits on the power of the CICIACS. Qualifying as an "international instrument of human rights" means, according to the Guatemalan Constitution, that such an accord would have "constitutional status", putting the agreement above national legislation. The second point also conditioned the power of the CICIACS. Not giving it independent prosecutorial powers meant that the agency could only be investigative in kind. What is clear from this, is that part of the the Guatemalan elite was not yet willing to allow something as powerful as the *Ministerio Público* to be effectively controlled by the UN.

In the midst of all this internal opposition, one unexpected event gave the Executive the political oxygen it needed to broker a meaningful anti-corruption reform package that would finally appease international pressures. In February 2007, three Salvadorean congressmen from the Central American Parliament were murdered by Guatemalan policemen who were later themselves killed by individuals linked to the Ministry of Interior. This showcased very clearly how compromised the state was with the penetration of CIACS in its top ranks. The scandal forced obstructionist congressional elites back to the negotiating table with the Presidency. The result was the CICIG, which wasn't as powerful and independent as the CICIACS, but was nevertheless unprecedented in the world of ACAs. The legal advisor of the Permanent Mission to the UN said in an interview that "if it had been in the hands of Congress, they would have watered down [the proposal] even more [in reference to the weakened version of CICIACS that the Constitutional Court had pushed for in the August 2004 ruling], but the scandal made everybody realise how big the problem was and ended up accepting a quite powerful CICIG".

In sum, the Executive approved the original agreement looking for a reputational repair; Congress, however, had different plans. The Executive is more sensible to pressures than the Congress because of their dependence on cash flow to survive. It is more exposed to the vulnerabilities of economic development and provision of public goods. On the other hand, the Guatemalan voters do not usually hold

[17] Article 1 sub 2; article 2 sub 1 and 2; article 3 sub 1 and 3; and article 5 sub 2 (UN and Government of Guatemala 2004).

Congress accountable for shortages of cash flow in the state. But the fallout from the assassination increased international pressure on the country to address the problem of endemic corruption and organized crime, and finally brought reluctant parties to the negotiating table, even when the Congress is more resilient to international pressure. According to the Former Vice-President: "We wanted a realistic proposal, something that could be agreed by Congress but that would not limit the commision's autonomy and power" (Author's interview, 25 August 2020).

International Template

In an interview, a Transaprency International official compared the creation of CICIG with the creation of other agencies, particularly Eastern European ones. She stated that "the European Union has entry criteria, and the commitment with the fight against corruption is a particular point in that agenda" (Author's interview, 4 August 2020). If countries wanted to successfully apply to the EU, they had to do something about corruption. Specifically, it was recommended that they adhered to the United Nations Convention Against Corruption that "promoted the creation of ACAs". She also shed light on the creation of other non-European commissions, stating that "most [countries] where just trying to appease international actors like the IMF or the World Bank to extend credits or approve loans, they were not really commited to fight corruption" (Author's interview, 4 August 2020).

The CICIG was different from European ACAs in the sense that it wasn't explictly mandated by an international actor, like, for example, EULEX in Kosovo. Guatemalans were the ones who promoted and negotiated its creation with the UN instead of having it directly imposed on them. But this does not mean that the proposal wasn't a reaction to indirect international pressures. As I argued in previous sections, there are reasons to believe that the pressure for commitment was clear in the rationale of Guatemalans when they designed the commission.

Facing these pressures, the Guatemalan government resorted to ready-made and recognized international templates to address its commitment problems. The government proposed a very powerful and independent ACA, but it could have chosen a different path and still comply with the 2003 UN Convention Against Corruption or the 1997 EU Convention Against Corruption. Driving this choice was the fact that the goal of the Guatemalan champions of the CICIG was not just to fight conventional forms of corruption, but rather to dismantle the CIACS. To credibly commit to fight these deeply entrenched criminal networks, the government had to go a step further. According to the former Vice-President, as a result of this at some point the UN even considered "sending the initiative away from the Secretary General to the Organised Crime Division in Viena."

During the negotiation the focal point were always templates with which the government's main interlocutor, the UN, had ample experience: ad hoc international human rights tribunals. Both the legal advisor to the Permanent Mission of Guatemala to the UN and Hudson (Hudson and Taylor 2010)identify the CICIG as an instrument molded from the same clay as previous models of hybrid tribunals of justice sponsored by the UN. These models include the Special Panel for Serious Crimes in Timor-Leste, the Special Court for Sierra Leone, the Extraordinary Chambers in the Court of Cambodia, and the Special Tribunal for Lebanon (STL). According to the legal advisor to the Permanent Mission to the UN, this model of mixing national and international judges/prosecutors had been successful in other places. In this regard, Hudson (2010) states that

> "as a rule [these hybrid mechanisms] are empowered to try individuals in locally headquartered courts staffed by a mixture of international and domestic judges and prosecutors. The trend towards embedding international initiatives within the local context can also be seen in the proliferation of bilateral technical assistance programmes supplying training and equipment to ineffective legal systems" (pp. 54).

In this sense, it is interesting to note that other international ACAs also adopted templates with which their respective interlocutors were already familiar: the *Misión de Apoyo contra la Corrupción y la Impunidad en Honduras* (MACCIH) followed the OAS model, while the EULEX followed the EU model.

Initially, the UN was hesistant to accept Guatemala's overture. Guatemalans, after designing and proposing the initiative, then needed to convince the UN to approve the proposal. According to the former Vice-President, the UN Secretary General wanted to avoid past mistakes with similar initiatives: "they had a record of another similar commission in Africa that left many debts which later had to be paid for by the UN". This commission had been created to address the legacy of a civil conflict and was therefore similar in spirit to the CICIACS/CICIG, and ended up being very effective according to my source, just too costly for the UN. The UN knew the model could be effective, but they just did not want to assume all the costs.

Ultimately, the negotiations with the UN were successful with the help of the US and other European allies, according to the Permanent Representative to the UN and his legal adviser. The caveat from the UN was that CICIG was not going to be a "UN body" which exempted the UN from providing security, funds, and tenured officials (Stein 2019). Guatemala managed to provide all of this with international donors, and so the project was finally approved by both sides.

Alternative Explanations

There are three main alternative explanations that I will contrast with my account: (1) the political insurance theory, (2) ACAs as reactive solutions to corruption scandals, and (3) other explanations contingent on regime type.

The first is epitomised by Ginsburg's (2003) work on judicial review. Ginsburg attributes changes in judicial power to the need for political insurance in the face of democratization threats:

> "Constitutional designers will choose judicial review[18] if and only if the expected costs of electoral loss (the probability of electoral loss times the average expected cost) exceed the net agency costs of judicial review. As the risk of electoral loss increases, the incentive to adopt judicial review increases as well. Similarly, any increase in perceived loyalty of the judiciary to the constitutional designer, either for ideological or political reasons, will increase the incentive to adopt judicial review, holding electoral risks constant" (Ginsburg 2003, 32–33)

The theory competes with mine because it claims that reform or creation of independent non-majoritarian institutions comes from internal electoral pressures that threaten the survival of incumbents, not from external commitment problems to protect, for example, property rights.

Second, one could argue that ACAs are reactive solutions to corruption scandals or large protests, and could then take stronger or weaker forms depending on the severity of the scandal. This view is implicitly the one offered in some existing accounts in the literature, namely those that overlook (or possibly deny) the connection between corruption and economic growth and the pressures from the international community to actively address this problem.

Finally, regime type could be argued to interact with the main variables of the analysis. Namely, stronger democracies may design stronger agencies because they also have the means to build them; they can already guarantee independence given their pre-existing institutional setting. By contrast, dictators may have more to lose from independent ACAs, even when they face strong international economic pressures. This view is not necessarily mutually exclusive with my argument, however. They can both coexist and help explain a wider variation of the dependent variable.

[18] Or Anti-Corruption Agencies for the purposes of my argument.

The first two alternative explanations cannot account for the creation of the CICIG. For instance, Ginsburg's theory holds that the incumbent party is strong and has held power for a long time, but fearing an imminent turnover, seeks forms of institutional insurance. Precisely because of this it has the power to creating an institution that will protect its interests going forward. It is unlikely that the actors that promoted the CICIACS and the CICIG had electoral concerns in mind. They were basically technocrats concerned with the country's economic stability and standing in the international community. This is true for both the Permanent Representative of Guatemala in the UN and the Minister of Foreign Affairs, key champions of the initiative. The former President and Vice-President under which the reform was passed, by contrast, could have had an interest in tying the hands of their successors, as insurance theory predicts. After all, neither could seek reelection. But the fact that both the CICIACS and the CICIG were designed to combat orgnanized criminal structures with indirect ties to politicians suggests that they were not necessarily seeking to constrain their successors. In other words, it is unlikely that a pure electoral insurance logic governed the decision-making process. Finally, the party system in Guatemala is one of the most volatile of the region (Mainwaring and Scully 1995). The implication being that parties do not have the necessary default power to trigger the insurance logic, mainly because incumbents never last long enough in power (e.g. Fernández Luiña et al. 2016; Brolo 2016.

On the other hand, corruption scandals were not prominent in the years prior to the creation of CICIG. The event that could have caused a large commotion, namely the assassination of the three Salvadorean congressmen, did not generate a strong reaction from the civil society. This political moment was considered by the elite only, who subsequently reacted to the imminent threat of criminal structures infiltrated in the state.

7. Discussion

In this thesis, I have argued that ACAs are credible commitment devices that elites use to comply with international standards in order to attract investors and aid. The Guatemalan case of CICIG showed the plausibility of the argument throughout four steps. First, Guatemala experienced strong international pressure from the US, UN, and IMF to commit to the 1996 Peace Accords and address the security problem inherited from the civil conflict, particularly the decertification as an ally for the combat against drug-traficking by the US. Second, some international pressures highlighted a high need for investment in the Guatemalan state, manifested in the form of international aid (from the US) and loans and credits (from the IMF). Moreover, the FDI in Guatemalan was in an all-

time low in the yers prior to the adoption of the prototype of CICIG. Third, a high self-perception of corruption amongst the Guatemalan elite triggered by the assassination of three Salvadorean public servants that raised international pressure to the maximum. Finally, the adoption of the institution based on a previously existing template of international tribunals designed by locals and implemented by an international organisation. The result of the particular design resembled more the interlocutor, in this case the UN. The final product is a very innovative ACA that combated corruption for 12 years with wide investigative powers and high levels of independence.

The next steps in this line of research include a large-N study, discuss the logic of the anti-corruption regime that developed during the 1990s, and extend the case studies. A large-N study will help me probe the external validity of the argument and disentangle other confounders that could potentially bias the interpretation of the data. The anti-corruption regime of the 1990s further deepens the understanding of the wave-like pattern of adoption and the international template of ACAs when designing and implementing them in different contexts.

Guatemala presents a "most-likely" case for the argument. The setting is encouraging for an ACA to flourish, mainly because of its high corruption, high dependence on international aid and the influence of the U.S. being so strong. Guatemala is a recently democratised country vulnerable to international pressure, besides having serious problems with the rule of law and impunity. Other countries with a better reputation might present a bigger challenge to explain. This case, however, serves its purpose as a plausibility probe. The argument requires further testing in more difficult settings. For example, variation in regime type and level of economic development can prove a wider range of applicability to the argument. This endeavour will be addressed in a further DPhil project when selecting more cases for comparison.

8. Appendix I.

Summary of the Events Leading to the Creation of the International Commission Against Impunity in Guatemala (CICIG)

Date	Event
1990	The United States halt military aid to Guatemala after considering that the country had committed serious human rights abuses.

March 1994	Guatemala's Global Agreement on Human Rights (part of the Peace Accords that ended the 36-year long civil conflict) includes an article that commits Guatemala to fight against illegal bodies and clandestine security apparatuses.
December 1996	Signing of the Peace Accords.
April 2002	The International Monetary Fund (IMF) approved a one-year stand-by credit for Guatemala for about 105 million USD to support the government's economic program for 2002.
June 2002	Guatemalan NGOs start discussing the need for the creation of an independent investigation commission to fulfil the 1996 Peace Accords.
October 2002	The United States decertify Guatemala as a country aiding in the fight against drug-traficking.
March 2003	The initiative suggested by the NGOs is taken by the Ombudsman and the Ministry of Foreign Affairs and take it one ste further by drafting the agreement for the creation of CICIACS.
June 2003	The IMF releases a stand-by arrangement for around 120 million USD to support the government's program for march 2004.
September 2003	Guatemala's Minister of Foreign Affairs restores the certification with the United States as an ally for the fight against drug-traficking.
November 2003	MINUGUA publishes the 14th report of labours. It highlights the problem of CIACS and their relationship to corruption.
January 2004	The Guatemalan President signs the agreement between the Guatemalan Government and the United Nations for the creation of CICIACS (*Comisión de Investigación de Cuerpos Ilegales y Aparatos Clandestinos de Seguridad en Guatemala*).
August 2004	The Government officially consults the Constitutional Court about CICIACS's feasibility in accordance to the constitution.

	The Constitutional Court resolves that some articles are unconstitutional and brings them down from the agreement.
March 2005	The United States restores military aid (3.2 million USD) to Guatemala after 15 years of suspension.
December 2006	The Guatemalan Government and the UN sign the agreement that gives birth to CICIG adjusting the flagged articles that the Constitutional Court had initially considered inconstitutional.
February 2007	Three Salvadorean congressmen of the Central American Parliament were murdered by the police and members of the Ministry of Interior in Guatemalan soil.
May 2007	The Constitutional Court approves the constitutionality of the newly signed agreement.
September 2007	The CICIG agreement is approved and ratified by Congress.
January 2008	CICIG begins operations in Guatemala under the direction of its first commissioner, Carlos Castresana.

9. Appendix II.

Summary of Interviews

Interviewee	**Involvement in the creation of CICIG**
Former Permanent Representative to the UN, Guatemala	Main negotiator with the UN in New York for the promotion of CICIG in the Security Council and the General Assembly of the UN.
Former Vice-President of Guatemala / Former MP of the Guatemalan Congress	As an MP, he went through the first set of negotiations for the creation of CICIACS. Later as Vice-President, he negotiated with political parties and other internal actors the creation of CICIG.
Former Minister of Foreign Affairs, Guatemala	First proponent and designer of CICIACS. He participated as a connection between the UN and

	the Guatemalan Government during the negotiations.
Former Legal Assistant to the Permanent Mission of Guatemala to the UN	She engaged with the negotiations from New York and assisted the Permanent Representative with legal advise.
Transparency International Official	Highly knowledgable of the creation process of Anti-Corruption Agencies in the world.

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