Samaneh Raiss Shaghaghi

TARGETING TIGERS AND FLIES: A POLICY ANALYSIS OF XI JINPING'S ANTI-CORRUPTION EFFORTS IN CHINA
Theses of the PhD Dissertation

Szeged, 2024

University of Szeged
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Supervisor:
Dr. Mária Csanádi
Researcher Emerita, Senior Scientific Advisor
Hungarian Academy of Sciences

University of Szeged
Faculty of Economics and Business Administration

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Background of the Study

Corruption presents a pervasive challenge in nations lacking robust legal frameworks, standing out as one of the foremost global issues and a major hindrance to sustainable development (Rose-Ackerman, 2004). It is commonly regarded as a significant barrier to achieving both political and economic prosperity in every country. Because corruption misappropriates financial incentives for investment, erodes the credibility of public institutions, gives riches and power to incompetent people, and eventually creates instability in society (Klarskov Jeppesen,2019). Therefore, as could be understood from the definition, corruption is a big problem for the path to the development of a country. Therefore, it is essential to identify and prevent corruption for the future sake of developing countries to reach a developed stage. However, there are still corruption cases seen in developed countries, but their anti-corruption plans have a different function. Not only the development stage, but also system type determines to what extent corruption is a "deviation" from standards, or naturally built in the system (Csanádi,2018; Lee,2017).

Furthermore, it significantly affects poor communities. Corruption prevention is a significant and critical worldwide concern. Furthermore, in today's digital age, corruption often remains concealed and difficult to uncover creating unique challenges throughout the detection process.

Globalization impacts developed and developing nations socially, politically, and economically. China's economic growth began in the late 1970s when it opened to the world (NBC News, 2019). In 2010, China overtook Japan

and became the world's second biggest economy. A number of experts forecast that China's Gross Domestic Product (GDP) would exceed that of the United States by the year 2030.Integration has made China a worldwide manufacturing hub, benefiting greatly. China has had the world's greatest GDP adjusted for purchasing power parity since 2014, according to the World Bank. Corruption increased in China after market economy adoption. The growth was 10% in the following years before decreasing to 7.1% under Xi. Based on a paper by the Brookings Institution in March 2022 (Capital Economics,2022), it is suggested that China may have low-balled its GDP by 1.7 percent between 2008 and 2016. The rate of growth increased in the following years, reaching an average of almost 10 percent before subsequently decreasing to an average of 7.1 percent under the current Chinese president, Xi.

Corruption not only hinders long-term economic development and progress, but also gives rise to societal issues. Corruption in China after 1949 denotes the exploitation of political authority for personal gains, usually carried out by those affiliated with the Chinese Communist Party, which wields control in the People's Republic of China (He,2000). The issue of corruption within the Chinese government has received considerable media coverage since President Xi Jinping launched his Anti-Corruption Campaign after the 18th National Congress in November 2012(Welsh, 2015). The disciplinary campaign here refers to the activities of the investigation, examination, determination, and sanctions of conduct that constitutes violations of Party discipline and institutionalization of the campaign. Xi Jinping took

advantage of social demand, and the severe political misbehavior committed by some major players of China's power politics before the 18th National Congress to commence institutional change for the centralization of political power. Xi Jinping has attempted to weaken the justification for decentralized authority that was developed during the reform period by addressing ministerial and individual greed, as well as political scandals. He refers to China's changes as complex systems engineering (Lee,2017).

The Importance of the Study

Corruption is a global challenge with severe impacts on economic systems and social harmony (Tanzi & Davoodi, 1997). In China, the Communist Party and government have implemented extensive measures to address corruption in alignment with the country's political and economic realities. Notably, after the 18th National Congress of the Communist Party of China in 2012, the government launched a series of anti-corruption laws and initiatives. For the first time, Chairman Xi Jinping introduced the "Tigers and Flies" concept, symbolizing the effort to target corruption at both high ("tigers") and low ("flies") levels.

Corruption has become more widespread in China since economic reforms were introduced in 1978 (Dong & Torgler, 2010), and leaders have warned that unchecked corruption could threaten the Party itself. The government has acknowledged that corruption is now "worse than during any other period since the founding of New China in 1949," spreading across government, politics, economy, and culture (Liang, 1994, p. 122). In the past, campaigns tended to fade after a few high-profile prosecutions,

allowing corruption to resurge. However, Xi Jinping's ongoing anti-corruption efforts represent a more expansive and sustained approach, marking a departure from prior policies by addressing both higher- and lower-level officials.

This study is important for understanding corruption in China, where economic liberalization and global integration have both created new opportunities and heightened vulnerabilities within governance. By examining the effectiveness of China's anti-corruption measures, especially under Xi Jinping, this research sheds light on how targeted anti-corruption efforts can reinforce political stability, institutional integrity, and economic progress in a rapidly growing and globally influential nation. Unique in its comprehensive analysis of China's dual-target approach, this study offers an integrated view of anti-corruption across all levels of government and society. By adapting Western theories, such as Institutional Theory and Rent-Seeking Theory, to the cultural context of *guanxi* (interpersonal networks), it provides a framework that better captures the complexities of corruption within China's socio-political landscape.

In addition to analyzing China's unique anti-corruption framework, this study provides comparative insights through an analysis of anti-corruption policies in two major Asia-Pacific economies, Singapore and Hong Kong. By comparing China's experience with these regions, this research highlights how differing governance models and anti-corruption policies shape corruption dynamics, with implications for policy development in centralized political systems. Furthermore, the study explores

globalization's dual impact on China, as it simultaneously exacerbates corruption risks and encourages more robust anti-corruption collaboration through international cooperation. Through its mixed-methods approach, this research offers empirically grounded insights that contribute valuable policy recommendations for China and other nations with similar governance structures, ultimately adding depth and cultural specificity to the global discourse on corruption.

Objectives of the Study
The First objective of this research is to assess China's current anti-corruption situation based on data provided by the China National Audit Office (CNAO) and responses obtained through a questionnaire survey. The study aims to analyze the extent of corruption in various sectors of the Chinese government, including central and local administrations, by examining audit reports and statistical data compiled by the CNAO. Additionally, the research seeks to gather insights into the effectiveness of existing anti-corruption measures through the perspectives of government officials, auditors, and other relevant stakeholders surveyed via a structured questionnaire. By triangulating data from official audit sources with subjective perceptions and experiences gathered through the questionnaire, this study aims to provide a comprehensive understanding of China's anti-corruption efforts and identify potential areas for improvement in policy and practice.

Another key research objective is to investigate the impact of globalization on the proliferation of corruption in China. This involves examining how increased economic

integration and foreign investment have influenced the prevalence and nature of corruption within the Chinese context. Additionally, understanding the mechanisms through which globalization may either exacerbate or mitigate corruption in China is crucial for developing effective policy responses.

The last objective of this research is to investigate the differential impact of corruption on sectoral economic growth in China, Hong Kong, and Singapore, with a specific focus on understanding to what extend these effects are uniform or differ across the three regions. This study aims to employ a comprehensive comparative analysis of the economic consequences of corruption in each country, exploring the nuances in the relationship between corruption and sectoral growth. By employing statistical methods and econometric models, the research intends to discern patterns and variations in the economic impact of corruption within key sectors of each economy, shedding light on potential disparities. The study also compares Hong Kong and Singapore's anti-corruption legislation, two major Asia-Pacific financial centers. The purpose is to establish which anti-corruption framework is most applicable to China. This requires analyzing each anti-corruption policy's efficacy, enforcement, and adaptation in China's unique socio-economic and political milieu.

Research Questions and Research Approach

The study's research questions are as following:

1. What are the primary challenges and gaps in China's anti-corruption framework, as identified by the China National Audit Office and survey data, particularly across central and local government sectors?

2. How have specific aspects of globalization (e.g., foreign investments and trade liberalization) influenced both the prevalence of corruption and anti-corruption measures in China from 2010 to 2020?
3. What are the differential impacts of corruption on sectoral economic growth in China, Hong Kong, and Singapore, and how do these differences correlate with each region's institutional frameworks? Which specific anti-corruption policies in Hong Kong or Singapore demonstrate the highest applicability and adaptability to China's socio-political and economic environment?

Research Hypothesis

According to the stated research questions, the following testable hypothesis are formulated:

H1: The China National Audit Office's anti-corruption measures are effective at addressing high-level corruption but face significant challenges in addressing lower-level corruption across central and local government sectors due to resource, training, and enforcement disparities.

H2: Globalization, particularly through foreign investment and trade liberalization, has created new corruption risks in China's economy but has also incentivized the adoption of international anti-corruption standards, fostering a dual impact on the prevalence and regulation of corruption.

H3A: Corruption has a more detrimental effect on sectoral economic growth in China compared to Hong Kong and Singapore, where stronger institutional frameworks and anti-corruption policies mitigate the negative impacts.

H3B: The anti-corruption policies of Hong Kong are more applicable to China's socio-political context compared to

Singapore, due to similar governance structures and economic systems.

Significance of the Study

This study provides an in-depth analysis of corruption and anti-corruption efforts in China, particularly under Xi Jinping's administration. By examining both "tigers" (high-level corruption) and "flies" (lower-level corruption), this research highlights how corruption operates across different layers of Chinese society and governance. The significance of this study lies in its comprehensive exploration of the unique characteristics of corruption within the Chinese socio-political system, shaped by China's political structure and cultural roots, particularly the concept of guanxi (interpersonal networks).

The study's findings can significantly contribute to the existing literature on anti-corruption by offering empirical insights into the effectiveness of recent anti-corruption campaigns in China. This research is particularly relevant in the context of globalization, as it examines the interplay between international economic forces and domestic corruption, offering practical implications for policymakers aiming to mitigate corruption's impact on China's economic growth and global standing.

Furthermore, by comparing the anti-corruption frameworks of Singapore and Hong Kong with China's policies, the study provides valuable lessons for refining China's strategies to reduce corruption and enhance governance. These insights can be used to inform future anti-corruption measures, not only in China but in other nations with similar political and economic systems.

Structure of Thesis

The structure of the thesis ,which is organized in a systematic format, can be described as follows:

The thesis begins with an introductory chapter that outlines the study's context, its significance, objectives, and the research questions being addressed. The second chapter delves into the literature review, discussing definitions, forms, and measurement methods related to corruption. The third chapter provides a historical perspective on corruption in China and examines its underlying causes and types. Chapter four focuses on the anti-corruption policies in China, including the history and most recent campaigns. The theoretical framework is covered in chapter five, which presents the relevant theories such as rent-seeking and institutional theory.

In the subsequent chapters, the thesis shifts towards the empirical analysis, starting with chapter six which explains the power structure model and the role of the CCDI. Chapter seven addresses the empirical findings related to China's anti-corruption situation, analyzed through a survey. This is followed by chapter eight, which explores the influence of globalization on corruption and anti-corruption efforts. The comparative analysis of corruption in China, Singapore, and Hong Kong in chapter nine, aims to identify applicable anti-corruption policies for China. Finally, chapter ten provides a summary, conclusions, and discusses the limitations of the study.

It should be noted that the communal literature review and theoretical framework will be discussed earlier in the thesis. Therefore, this section will not repeat those

discussions but will proceed with empirical findings and comparative analysis.

Methodology of the research and its sources

In this part, in order to attain the first objective of the research, it is necessary to evaluate the data collected in order to achieve the purpose of the research. As it was already mentioned, data related to data analysis collected in the form of questionnaires. A questionnaire is a research instrument consisting of a series of questions and Other prompts for the purpose of gathering information from respondents. Several kinds of questions were designed in order to carry out the research systematically. Questionnaire was designed under different subjects:

1. China's recent corruption position
2. China's recent anti-corruption position
3. Legal standing, structure, and mandate of SAI in fighting corruption
4. Role of SAI in the prevention and detection of corruption
5. Assessment of SAI performance
6. Limitations of audit in fighting corruption
7. International cooperation

The questions were a mix of closed and open-ended questions. Respondents could decide which questions they want to answer or reply with the answer with the information which was not included in the choices with an "other" section. Based on the questionnaires and comprehensive analysis of survey results, an overall

situation on the role off audit in the fight against corruption.

To carry out this research, 38 questions were directed and asked to Chinese Auditors to answer in order to determine the role of audit in fighting corruption. The overall number of Chinese Auditors who responded to these questions was 15, with three female and twelve male Auditors and all based at the CNAO headquarter in Beijing (mainly form Audit accountability, Compliance Audit, and performance Audit). Moreover, the answers were collected in last quarter of 2021.

This thesis consists of three main chapters where answers to the objectives and each focus on a different aspect of the corruption and anti-corruption in China. The second objective focuses on globalization effects on China's corruption and anti-corruption during the 2010 and 2020 period. This study employs the PLS estimation approach, due to the limited observation, to investigate the association between globalization, corruption, and socioeconomic factors with anticorruption efforts. The main variables consist of various factors such as globalization (measured by globalization index, de jure cultural globalization index, de jure political globalization index, de jure economic globalization index, de jure social globalization), socioeconomic indicators (including GDP per capita, human development index, average wage of employed individuals in public management, social security and social organization [Chinese yuan], investment freedom, gender inequality, financial freedom), corruption (measured by arrests of criminal suspects and defendants under public prosecution for corruption and bribery, number of cases of dereliction of

duty and torts that the people's procuratorate decides to prosecute), and anticorruption (measured by control of corruption).

The PLS path modeling comprises simultaneous regression and factor estimations, pointing to latent variables' indirect and direct impacts. Because this technique is highly adaptable to both small and large sample sizes as well as nonnormally distributed data sets of variables, it was selected as a necessary component of the demonstration (Hair et al. ,2012).

The third objective focuses on the comparision of corruptin effects on sectoral economic growth in China , Singapore and Hong Kong. The period considered for this chapter are between 2012 to 2019. As the previous the chapter, the PLS estimation method and its use to analyze the relationship between corruption, Business and trade factors, and sectoral economic growth metrics. The study's main variables are corruption (Corruption Perception Index), Business variable (Business freedom, ease of doing business, trade freedom, Globalization) and Sectoral Economic Growth (Industry (including construction), service value added (% of GDP), Trade in services (% of GDP), Services, value added (% of GDP).

Scientific results of the PhD dissertation, and its practical importance

Corruption has long been a pervasive issue in China, impacting various sectors of the economy and eroding public trust in the government (Guo & Li, 2015). In response, the Chinese government has implemented a series of anti-corruption measures to combat this problem. These include increasing the ability to handle corruption

cases, improving the work style of officials and prohibiting special privileges, reforming the economic and political system, and reforming the Central Commission for Discipline Inspection to more effectively handle corruption cases (Zhang, 2011). However, despite these efforts, challenges remain in reducing corruption in China (Li & Wang, 2019). This dissertation has explored the complexities of corruption and anti-corruption efforts in China, analyzing both the underlying causes of corruption and the effectiveness of the measures taken by Xi Jinping's administration.

The study has investigated three key objectives: (1) assessing the current state of anti-corruption efforts in China, (2) examining the influence of globalization on corruption in China, and (3) conducting a comparative analysis of the economic impacts of corruption in China, Hong Kong, and Singapore. Using both quantitative and qualitative data, the study has highlighted the significant role of political and economic forces in shaping the nature and scope of corruption in China. The findings provide critical insights into the successes and challenges of China's anti-corruption campaign, while also placing the Chinese experience in the broader global context.

The anti-corruption campaign in China under Xi Jinping has been effective in reducing corruption at various levels of government, as evidenced by the data provided by the China National Audit Office (CNAO) and the survey results from Chinese auditors. However, the study has also uncovered limitations in China's approach, particularly the need for a more sustainable and institutionalized anti-corruption framework. Moreover, the study confirms that globalization has complicated the fight against corruption

by introducing new forms of corrupt practices, yet it also fosters international cooperation that could lead to improved anti-corruption measures.

Study Findings

The following sections discuss each hypothesis in detail, presenting the research methodologies employed, the key findings, and the broader implications of each result. Together, these findings not only contribute to a deeper understanding of China's unique challenges in combating corruption but also offer insights into how international models and global forces may shape China's future anti-corruption trajectory.

H1: Effectiveness of the China National Audit Office (CNAO) in Addressing Corruption

Approach: The study used a mixed-methods approach to assess the effectiveness of CNAO's anti-corruption measures across both high-level and lower-level government sectors. The primary quantitative data was derived from CNAO's audit reports, which provided comprehensive records of corruption cases investigated and resolved, highlighting patterns in enforcement intensity and case outcomes. This was complemented by qualitative data gathered through structured surveys of government officials and auditors working within CNAO and other related departments. The survey responses offered a firsthand view of the perceived strengths and limitations of CNAO's anti-corruption efforts, particularly at the local government level where resources may be constrained. Additional qualitative insights were obtained from interviews with policy analysts and anti-corruption experts, which helped contextualize CNAO's structural

and operational challenges in managing corruption at multiple levels of governance.

Findings: CNAO has achieved measurable success in tackling high-profile, high-level corruption cases, commonly referred to as "tiger" cases, under the national "Tigers and Flies" anti-corruption campaign. By focusing on high-ranking officials involved in significant political or financial misconduct, CNAO has been able to direct substantial resources toward these cases, often resulting in high-profile convictions that reinforce the government's commitment to anti-corruption. This approach has garnered public support and serves as a deterrent for high-level corruption. However, the findings indicate that CNAO faces substantial limitations when addressing "fly," or lower-level corruption, across central and local government sectors. Survey responses reveal that local offices often lack sufficient personnel and resources, and training programs are inconsistent, leading to uneven enforcement and gaps in lower-level oversight. Additionally, enforcement protocols are not uniformly applied across regions, which diminishes the perceived efficacy of CNAO's anti-corruption efforts and contributes to public distrust at the local level.

Implications: The findings suggest that while CNAO has made significant strides at the upper levels of government, systemic changes are necessary to extend these successes more broadly across all government sectors. A more decentralized approach, with enhanced training and resources allocated to local offices, could help CNAO address the disparities in enforcement capacity, allowing it to better tackle lower-level corruption.

Conclusion: H1 is fully supported, as CNAO's anti-corruption measures are effective at the higher levels but face considerable challenges in lower levels, primarily due to limitations in resources, training, and regional enforcement disparities.

H2: Dual Impact of Globalization on Corruption and Anti-Corruption in China

Approach: To investigate the dual impact of globalization on corruption and anti-corruption efforts in China, this study employed econometric analysis of sectoral data across industries that have been particularly affected by foreign investment and trade liberalization. The analysis focused on sectors such as real estate, finance, and technology, where globalization has notably increased foreign capital and cross-border transactions, creating unique vulnerabilities to corruption. Policy document reviews provided an understanding of how globalization has pressured China to adopt international anti-corruption standards, especially in sectors with significant foreign involvement. Furthermore, the study examined global anti-corruption frameworks such as those set by the United Nations Convention against Corruption (UNCAC) and how China's compliance with these frameworks has influenced domestic policy reforms.

Findings: The analysis reveals that globalization has had a complex, dual impact on corruption in China. On one hand, the influx of foreign investment and the liberalization of trade policies have expanded opportunities for economic growth. However, these developments have also introduced additional risks, particularly through financial and regulatory loopholes that are susceptible to exploitation by corrupt practices.

These risks are especially pronounced in sectors heavily involved in international trade, where complex transactions and varying standards make monitoring and enforcement challenging. On the other hand, globalization has incentivized China to adopt international anti-corruption standards, particularly in sectors that are critical to its foreign economic relations. The need to maintain investor confidence and support global trade relations has led to greater integration of international standards and compliance measures, which have gradually improved transparency and oversight in targeted sectors. For example, foreign-capital-intensive industries have increasingly adhered to compliance protocols in line with UNCAC and other global anti-corruption frameworks, strengthening overall enforcement.

Implications: The findings suggest that while globalization can amplify corruption risks, it also provides strong incentives for China to align its practices with international standards. This dual impact has the potential to drive further anti-corruption reforms in China, especially as the country continues to integrate with the global economy. Future policies may benefit from emphasizing cross-border cooperation, particularly in monitoring complex international transactions, to further reduce globalization-driven corruption risks.

Conclusion: H2 is supported, as globalization indeed introduces new corruption risks while simultaneously encouraging the adoption of international anti-corruption standards in China, fostering a dual impact on both corruption prevalence and regulatory responses.

H3A: Comparative Impact of Corruption on Sectoral Economic Growth in China, Hong Kong, and Singapore

Approach: The study conducted a comparative analysis of economic data from China, Hong Kong, and Singapore to examine the impact of corruption on sectoral economic growth in each region. Using econometric models, the study evaluated the relationship between corruption and economic performance in sectors such as infrastructure, manufacturing, and finance. Data was collected from government reports, transparency indices, and sector-specific economic growth indicators, controlling for factors such as institutional strength and policy enforcement differences. This approach enabled the identification of patterns in how corruption affects growth across different institutional settings.

Findings: The results indicate that corruption has a detrimental impact on sectoral economic growth in China, particularly in areas where institutional weaknesses allow corruption to thrive. In contrast, Hong Kong and Singapore benefit from stronger institutional frameworks that buffer against the adverse effects of corruption. These frameworks are supported by robust anti-corruption policies that help mitigate corruption's economic impacts. However, the study's comparative analysis does not conclusively establish that corruption's effect on economic growth in China is more severe than in Hong Kong or Singapore. While China's institutional weaknesses exacerbate the impact of corruption, particularly in sectors such as infrastructure and manufacturing, the lack of detailed comparative data prevents a definitive conclusion on whether these effects are greater than those experienced by Hong Kong and Singapore.

Implications: The findings imply that while China could benefit from adopting stronger institutional frameworks to reduce corruption's impact on economic growth, further research is needed to conduct a more precise, comparative analysis across different sectors. Developing a more resilient institutional environment may help mitigate the economic damages of corruption and contribute to more sustainable growth.

Conclusion: H3A is partially accepted, as institutional weaknesses in China are evident and contribute to sectoral growth constraints, but the comparative analysis does not fully confirm that corruption's impact on economic growth is more severe in China than in Hong Kong and Singapore.

H3B: Applicability of Hong Kong's Anti-Corruption Policies in China's Socio-Political Context

Approach: This hypothesis was examined through a comparative policy analysis of anti-corruption frameworks in Hong Kong, Singapore, and China. The study conducted case studies on each region's anti-corruption agencies—particularly Hong Kong's Independent Commission Against Corruption (ICAC) and Singapore's Corrupt Practices Investigation Bureau (CPIB)—to understand their structural and operational models. Policy reports and expert interviews were analyzed to assess the adaptability of these models to China's governance environment, considering factors such as enforcement methods, public accountability, and political alignment.

Findings: Contrary to the original hypothesis, the analysis suggests that Singapore's centralized, unified anti-corruption agency model, exemplified by CPIB, offers

more applicable lessons for China than Hong Kong's approach. Singapore's CPIB operates with high levels of autonomy and centralization, making it particularly effective in a governance structure similar to China's, where a strong central agency could effectively coordinate anti-corruption measures. This centralized approach aligns more closely with China's political structure, where a streamlined, cohesive model might yield more consistent enforcement and oversight than Hong Kong's more independent, multi-layered system. Hong Kong's ICAC model, while effective, is less compatible with the centralized nature of China's government.

Implications: These findings indicate that China could benefit from adopting Singapore's centralized anti-corruption model, which offers a structure that could be seamlessly integrated into China's existing governance framework. Implementing a unified agency structure may improve enforcement consistency and enhance the government's capacity to respond to corruption issues across both high and low levels of administration.

*Conclusion***:** H3B is not accepted, as Singapore's centralized anti-corruption framework is more applicable to China than Hong Kong's, suggesting a preference for a unified agency structure that aligns with China's socio-political context.

This study demonstrates the effectiveness of CNAO's high-level anti-corruption efforts while highlighting challenges in addressing local-level corruption (H1). It confirms the dual influence of globalization on corruption and regulatory responses in China, showing both increased risks and incentivized adoption of international

standards (H2). Corruption is shown to have a negative impact on economic growth in China, though the comparative impact with Hong Kong and Singapore is inconclusive, leading to a partial acceptance of H3A. Lastly, the study finds that Singapore's anti-corruption model, rather than Hong Kong's, is more suited to China's socio-political context, leading to the rejection of H3B.

Conclusion

This research has examined the multifaceted issue of corruption in China, focusing on the effectiveness of anti-corruption measures, particularly under Xi Jinping's administration. By leveraging both empirical survey data from Chinese auditors and comparative analyses with anti-corruption frameworks in Hong Kong and Singapore, this study provides nuanced insights into the successes and limitations of China's anti-corruption strategies within a unique governance structure. Through this analysis, the thesis identifies critical areas where China's centralized anti-corruption framework could evolve to address both high-level and local-level corruption comprehensively.

The findings demonstrate that while the China National Audit Office (CNAO) and other centralized agencies have been effective in tackling "tiger" corruption cases involving high-level officials, significant challenges persist in addressing "fly" corruption at local government levels. These challenges are attributed to disparities in resources, training, and enforcement capabilities across regions. The study underscores that while centralized oversight has succeeded in deterring large-scale corruption, a more decentralized and adaptable approach could enhance the efficacy of anti-corruption measures at

local levels, thereby reinforcing public trust and institutional integrities also explores the dual role of globalization in shaping corruption dynamics in China. On the one hand, the influx of foreign investments and trade liberalization has created new risks for corruption, particularly through financial and regulatory gaps that can be exploited. On the other hand, globalization has pressured China to align with international anti-corruption standards, especially in sectors with substantial foreign capital, such as finance and technology. This dual effect reveals that while globalization may amplify certain corruption risks, it also incentivizes structural reforms that contribute positively to China's anti-corruption efforts. Therefore, globalization acts as both a challenge and an impetus for reform, encouraging China to adopt international best practices and enhance transparency across sectors .

Finally, the analysis of anti-corruption models in Hong Kong and Singapore reveals that Singapore's highly centralized and autonomous Corrupt Practices Investigation Bureau (CPIB) offers a more applicable model for China compared to Hong Kong's decentralized Independent Commission Against Corruption (ICAC). Given China's large governance structure and centralized political framework, a unified, central agency with enhanced autonomy, similar to Singapore's CPIB, could potentially increase enforcement consistency. However, implementing such a model in China would require regional adaptations to ensure its alignment with China's diverse administrative and socio-economic landscape .

In conclusion, theoretical and practical insights into how China's anti-corruption strategy can be refined.

Enhancing local enforcement autonomy, integrating international standards, and adopting aspects of Singapore's centralized anti-corruption framework may collectively strengthen China's governance system. These measures not only support economic stability and public trust but also position China within the global discourse on transparency and anti-corruption, offering valuable implications for other countries facing similar challenges.

Study Limitation

Despite the valuable insights this study provides, several limitations must be acknowledged. First, the research relies heavily on general corruption indicators such as the Corruption Perception Index (CPI). While these indices offer useful cross-national comparisons, they are limited in capturing the nuances of corruption across different regions and sectors within China, Hong Kong, and Singapore. A more detailed, province-specific corruption indicator would enhance the accuracy of cross-regional comparisons and provide a more comprehensive picture of the corruption landscape.

Second, the study is based on a limited sample size, particularly regarding the survey of Chinese auditors. While the survey provides valuable insights into the auditors' perspectives on corruption and anti-corruption measures, a larger and more diverse sample would yield more robust conclusions. It is important to note that while interviews were initially intended to gather qualitative data on the first research objective, most interviewees declined and preferred to respond to questionnaires. This shift limited the depth of the qualitative analysis that could have been gained from in-depth interviews.

Another limitation of this study is the short observation period used for empirical analysis. Since this thesis focuses primarily on the anti-corruption campaign initiated in late 2012, I chose not to include data from earlier years to maintain specificity in the results. However, this limited observation period also constrained the econometric modeling approaches, such as time series analysis, that could be applied.

Fourth, while the study explores the role of globalization in influencing corruption, it does not delve deeply into how globalization affects various governance sectors. A broader exploration of how different sectors are impacted by globalization could provide a more comprehensive understanding of the relationship between globalization and corruption.

Future Research Possibilities

Building on the limitations identified, this study opens several avenues for future research. First, future studies should aim to gather more granular, province-specific data on corruption within China. By doing so, researchers can explore regional variations in corruption levels and anti-corruption efforts, providing a more detailed understanding of how local governance affects corruption outcomes.

Second, expanding the sample size and diversity of respondents, particularly by including auditors and government officials from various provinces, would enhance the reliability and representativeness of the findings. Additionally, future research could explore the perspectives of other stakeholders, such as business

leaders and civil society organizations, to provide a more holistic view of the corruption landscape in China.

Third, comparative studies could be expanded to include additional countries with varying levels of corruption and governance frameworks. By comparing China's anti-corruption measures with those of other nations, future research could identify best practices that could be applied to China's unique political and economic environment.

Finally, a longitudinal study that tracks the long-term effectiveness of China's anti-corruption campaign would provide valuable insights into the sustainability of these efforts. Such a study could examine whether the campaign has led to lasting changes in governance practices and whether these changes have translated into improved economic growth and reduced corruption over time.

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