THE ROLE OF CORRUPTION IN THE MODERN ECONOMY

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Abstract. Studies are looking about the role of corruption in modern economy. A year and a half since the onset of the COVID-19 pandemic, the global economy is poised to stage its most robust post-recession recovery in 80 years in 2021. But the rebound is expected to be uneven across countries, as major economies look set to register strong growth even as many developing economies lag. Corruption is one of the oldest human problems that poses a serious threat to the process of economic growth. Countries are given much better features and efforts to prevent and control corruption. Not only the states themselves are concerned, but also international organizations such as the World Bank, the United Nations, the International Monetary Fund and others. However, even with minimal anti-corruption initiatives, this phenomenon remains a pressing problem in the world. It is difficult to assess the negative potential of corruption for economic development, but it is clear that corruption harms financial institutions, which are crucial for economic growth. In addition, corruption negatively affects the global economy by promoting the shadow economy, criminal activity, illicit money flows and tax obstacles.
Since its inception in 1995, the Corruption Perceptions Index (CPI), Transparency International's flagship research product, has become the leading global indicator of public sector corruption. The index offers an annual snapshot of the relative degree of corruption by ranking countries and territories from all over the globe. In 2012, Transparency International revised the methodology used to construct the index to allow for comparison of scores from one year to the next.
Purpose - investigate role of corruption in the modern economy.
Research methodology – the article used comparative and systematic literature analysis, analysis of statistical data.
Findings: According to Transparency International 2020 CPI shows corruption is more pervasive in countries least equipped to handle the COVID-19 pandemic and other global crisis. In 2020 the top countries on the CPI are Denmark and New Zealand, with scores of 88, followed by Finland, Singapore, Sweden and Switzerland, with scores of 85 each. The bottom countries are South Sudan and Somalia, with scores of 12 each, followed by Syria (14), Yemen (15) and Venezuela (15).
Research limitations – CPI focuses on perceptions of public sector corruption. In other words, the corruption that takes place in and around governments and public servants. It says nothing about corruption in private business.
Practical implications – the results of the study could be used in further corruption studies, which could examine corruption in private business area of the country.
Originality/Value – this work highlighted the role of corruption in the modern economy, which quite recently faced with COVID-19, which had a very significant impact on the economy as a whole.

Keywords: corruption, economy, corruption perceptions index, Transparency International.
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