

This project is based on an excellent command of the literature and some well-designed empirical work. You have explored what data is available for investigating corruption through growth regressions very carefully. You have succeeded in adding to the stock of useful results on the topic, which is indeed an important one. You give serious consideration to reverse causality issues and distinguish between the direct and indirect effects of corruption and are thus able to offer some critical comments on earlier papers in the area. Your own results are interesting and are offered with suitable 'health warnings'. At times, the exposition is not totally clear – how was Table 3.2 obtained?, some typos in the tables etc. and overall the feel is that the econometrics has rather dominated any discussion of the policy implications, e.g., what should the World Bank take from this?