DIRECTIONS FOR IMPLEMENTATION OF ANTI-CORRUPTION STRATEGY AND ASSESSMENT OF THEIR CONSEQUENCES IN RA
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Abstract: *a successful anti-corruption policy is important for the economic development of a country, which will eventually lead to an improvement in the living standards of the population, and combined with the implementation of an effective anti-corruption strategy, in turn will increase opportunities to make corruption as manageable as possible. Therefore, there are many factors in a successful anti-corruption strategy that require comprehensive approaches. In particular, an integrated national plan is needed to increase the chances of success in the fight against corruption, which will include the whole government and the private sector.*
Keywords: *anti-corruption strategy, methods of assessing corruption, corruption perception index, level of economic prosperity, nominal GDP, average monthly nominal salary, democracy, anti-corruption mechanism.*

НАПРАВЛЕНИЯ РЕАЛИЗАЦИИ АНТИКОРРУПЦИОННОЙ СТРАТЕГИИ И ОЦЕНКА ИХ ПОСЛЕДСТВИЙ В РА
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Аннотация: *успешная антикоррупционная политика важна для экономического развития страны, что в конечном итоге приведет к повышению уровня жизни населения, а в сочетании с реализацией эффективной антикоррупционной стратегии, в свою очередь, увеличит возможности сделать коррупцию максимально управляемой.*
Таким образом, в успешной антикоррупционной стратегии существует множество факторов, требующих комплексных подходов. В частности, для повышения шансов на успех в борьбе с коррупцией необходим комплексный национальный план, который будет охватывать все правительство и частный сектор.
Ключевые слова: *антикоррупционная стратегия, методы оценки коррупции, индекс восприятия коррупции, уровень экономического благосостояния, номинальный ВВП, среднемесячная номинальная заработная плата, демократия, антикоррупционный механизм.*

In the context of reducing corruption, various methods of assessing corruption have been used (D. Kaufman [2], W. Tanzi [5]), of which formula (1) is the most widely used:

$$Corrupton_{it} = f\ (Economic\ well\text{-}being_{it},\ Democracy_{it},\ Judicial\ system_{it},\ Dureaucracy_{it,}\ Historical\ factors_{it,}\ Geographical\ factors_{it}\ )\ [4] \qquad (1)$$

where:

i - is the country;

t - is the year;

$Corrupton_{it}$ - is an indicator of the perception of corruption;

$Economic\ well\text{-}being_{it}$ - is the level of economic well-being (GDP per capita);

$Democracy_{it}$ - is an indicator of democracy;

$Judicial\ system_{it}$ - is an indicator of the evaluation of the judiciary (the development of the judiciary also prevents the expansion of corruption processes);

$Dureaucracy_{it}$ - is the level of bureaucracy;

$Historical\ factors_{it}$ - are historical factors (socio-cultural phenomena);

$Geographical\ factors_{it}$ - are geographical factors (along with the factor of concentration of power).

Based on formula (1), the main causes of corruption were identified in the work, and accordingly, a multifactorial analysis was performed, which was presented through the following formula:

$$Y_t = \beta_1 X_{1t} + \dots + \beta_q X_{1q} + \xi_t \quad [3] \qquad (2)$$

where:

$t = 1, 2, \dots, p$;

Y_t - is a dependent variable;

$\chi_t' = (\chi_{1t}, \chi_{2t}, \dots, \chi_{qt})$, $p \times q$ is a matrix of size, which is the vector of the causes of the dependent variable;

$β'(β_1,β_2,.....,β_q)$, $p×q$ - the vector expresses the causal relationship between the latent variable and its causes.

$ξ_t$ - is the magnitude of an accidental error.

Therefore, the following factors have been singled out from the factors contributing to corruption:

1. The higher the level of economic well-being, the lower the propensity to resort to illegal methods of profit, the stronger the anti-corruption measures, and the stronger the civil society.

2. Democracy Index the more developed a democracy is, the greater the opportunities for anti-corruption bodies to fight corruption.

3. The average monthly nominal salary from the indicators characterizing the volume and quality of bureaucracy, on average more bureaucracy and more corruption.

In our work, we proposed a financial assessment approach, according to which, the aim is to identify the relationship between corruption, nominal GDP, democracy, average monthly nominal salary in Armenia.

$$Cor_t = β_0 + β_1 GDP_t + β_2 Dem_t + β_3 AMNS + ξ_t \qquad (3)$$

where:

t= 1, …, p,

Cor_t - is a Corruption Perceptions Index, according to Freedom House;

GDP_t - is the nominal GDP at market prices (million drams);

Dem_t - is an indicator of democracy according to Freedom House;

$AMNS_t$ - is the average monthly nominal salary (AMD);

$β_0$, $β_1$, $β_2$ - are coefficients of elasticity;

$ξt$ - is the magnitude of an accidental error.

(3) according to the model, the work was tested (parameter evaluation) by means of the smallest squares.

The calculations based on the exogenous variables were considered in 2005-2021 statistical data of the presented indicators on an annual basis. Before estimating the model, the statistics were linearized by calculating their sliding values.

According to the results of the evaluation of the regression model, the state F and Prob. (F) show that the equation is statistically significant at the level of 1% (F> F $_{crit.}$, F = 22.77 and F $_{crit.}$ = 4.34). The hypothesis (H$_0$: $β_1$ = $β_2$ =… = $β_{p-1}$ = 0) in the model was rejected at the 1% value level[1].

Based on the results of the assessment, it can be concluded that there is a significant correlation between the observed factors and corruption. The adjusted coefficient of determination is equal to 0.8032, ie 80.32% of the variation of the dependent variable (degree of corruption) is explained by the variables GDP_t, DEM_t and $AMNS_t$ included in the regression model, and the remaining 19.68% by random errors [1].

Table 1. Estimates of Corruption, Nominal GDP, Democracy and Average Nominal Monthly Wages [2]

Explanatory variables	Coefficient	t-condition	Prob.	Adjusted R^2
Constant	-2.484028	-1.340895	0.2029	0.803246
GDP_t	-0.291474	-1.690412	0.1148	
DEM_t	0.477647	1.835337	0.0894	
$AMNS_t$	0.426859	3.203043	0.0069	

(3) Based on the linear regression model, we obtain the following model with estimated coefficients:

$$Cor_t = -2.484028 - 0.291474 GDP_t + 0.477647 Dem_t + 0.426859 AMNS + ξ_t \qquad (4)$$

Thus, (4) as a result of the econometric model, it has been substantiated:

• An increase of one percentage point in GDP (GDP_t) leads to an increase in the level of corruption (Cor_t) due to GDP, to 0.29 percentage points, which is perhaps a paradox, as GDP growth should lead to a reduction in corruption, consequently , the question arises, if the GDP grows and the level of corruption grows again, it means that the goods and services included in the GDP are under-declared, ie the goods and services are produced in Armenia, but are not included or not are fully included in GDP, ie GDP is expressed in incomplete volume, which is explained by the shadow economy. Therefore, an increase of one percentage point in the shadow economy, in turn, leads to an increase in corruption, and vice versa, if the shadow economy decreases, then corruption will decrease as well.

• An increase of one percentage point in the Dem$_t$ index (Dem$_t$) leads to a decrease in the level of corruption (Cor_t) due to the Democracy Index to 0.47 percentage points. Experience shows that democracy in all countries leads to a reduction in corruption, which is based on the fact that the higher the level of democracy, the lower the risks of corruption.

• An increase of one percentage point in the average monthly nominal salary index ($AMNS_t$) leads to a decrease in the level of corruption (Cor_t) due to the average monthly nominal salary, by 0.42 percentage points. That

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[1] In the model n = 17, p = 4, α = 0.05 at the value level v = 0.95, k$_1$ = 3, k$_2$ = 13, the required critical value of the random quantity with Fisher distribution is F $_{crit}$ = 4.34.

[2] Table 1 was calculated by the author, where the t-condition and Prob. (T) show that the coefficients estimated in the model are statistically significant at the 1% value level.

is, if each person receives more income, and if the control system works effectively, then we have a reduction in the level of the shadow economy, which leads to a reduction in corruption risks.

In terms of effective financial evaluation of the anti-corruption mechanism, a format was developed and presented in the paper (see Figure 1), according to which the financial evaluation of the anti-corruption mechanism identified the primary factors of the anti-corruption strategy, in particular, nominal GDP, average monthly nominal salary and the level of democracy, conditioned by the establishment of separate infrastructures, which are aimed at increasing economic prosperity.
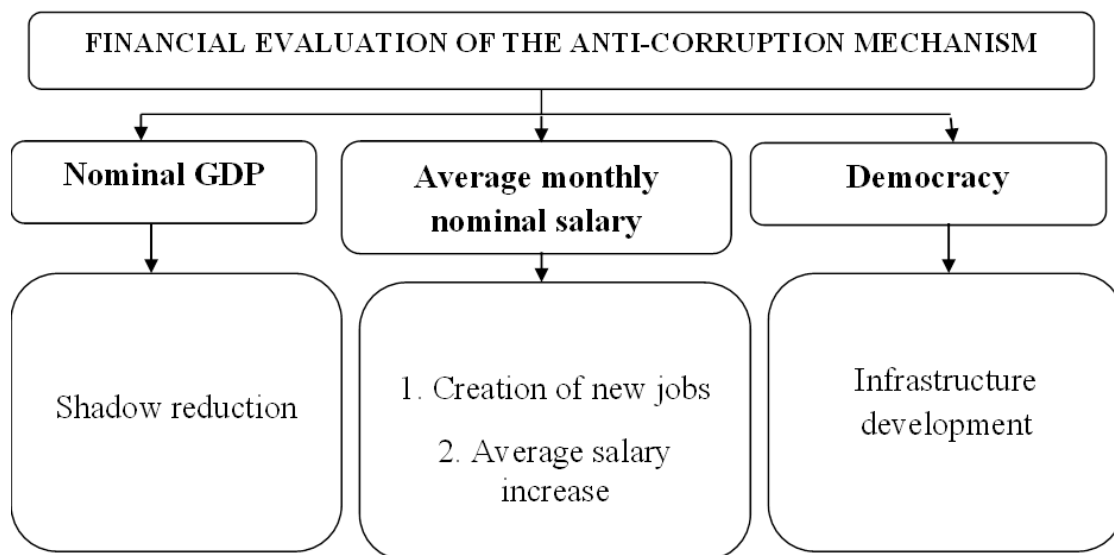

Fig. 1. Priorities for the implementation of anti-corruption strategy

Accordingly, in order to increase economic prosperity, the first is to reduce the shadow economy due to the declaration of informal income, the second is to increase the average monthly nominal wage due to the reduction of informal employment and the introduction of the declaration principle, and the third, raising the level of democracy for the active operation of infrastructure. Therefore, as an instrument for the implementation of active anti-corruption policy, each of the mechanisms leads to an increase in these indicators, which in turn leads to the introduction of effective anti-corruption mechanisms.

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