

FRANTIŠEK OCHRANA

Center for Social and Economic Strategies, Faculty of Social Sciences, Charles University, Czech Republic

MILAN PŮČEK

The College of Regional Development, Czech republic

MICHAL PLAČEK

Private College of Economic Studies Znojmo, Česká republika

THE USE OF FMEA FOR THE ANALYSIS OF CORRUPTION: A CASE STUDY FROM BULGARIA

Abstract:

The article is based on the analysis of the microeconomic foundations of corruption (especially principal -agent theory) and is dedicated to the use of FMEA for the risk analysis of corruption in public administration with a focus on cities. The study proposes how to evaluate corruption risks based on modifications to the standard methods of FMEA. The proposed procedure is verified on the case of a municipal procurement in Bulgaria. Unlike previous researches dedicated to this topic, which were focused more on descriptive and qualitative evaluation of corruption, we show that it is possible to quantify the risk of corruption in the public sector. But we still have to take into account the limitations of this methods.

Keywords:

Corruption, Bulgaria, Risk of Corruption, Method of FMEA

JEL Classification: D73, D78, D00