

Bribe and Co – The Institutionalization of Corruption in a Multinational

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ABSTRACT

The dramatic exposure of the corrupt activities of multinational corporations in various corners of the world has driven an extensive scholarly interest in the role of multinationals in corruption. As a result, our understanding of corruption around and between multinational enterprises has been significantly advanced by international business scholars. But there are a number of important issues that remain to be explored. In particular, how multinational corporations manage their corrupt activities – how they are internally organized and maintained – remains uncharted territory. Our paper begins to address this gap by presenting the results of a case study of Odebrecht – an emerging market multinational and one of the largest construction companies in the world – that institutionalized and reproduced corrupt practices throughout their international operations. We bring together ideas from international business, institutional theory, and the extensive literature on corruption to better understand how corruption is sustained over time in an emerging market multinational and how corrupt practices are replicated in foreign subsidiaries.

Keywords: Corruption; EMNE; institutionalization; Latin America