ACE SOAS Consortium
Anti-Corruption Evidence
Making Anti-Corruption Real

Briefing Paper 20

Why the 2007–2009 ‘big bang’ anti-corruption drive in Bangladesh failed — and what it means for future reform

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This briefing note summarises the key findings and implications of the working paper ‘The 1–11 government and the consequences of “big bang” anti-corruption in Bangladesh, 2007–2009’ (Khan et al., 2026).

Drawing on a review of the literature, 15 anonymised interviews with central actors, and the SOAS-ACE political settlements framework, the paper examines how underlying configurations of power, capabilities and interest shaped both corruption and anti-corruption outcomes during this period.

The briefing highlights the paper’s core findings and their implications for designing feasible anti-corruption strategies and future reforms in Bangladesh.

Key messages

1. Bangladesh’s 2007–2009 ‘big bang’ anti-corruption drive under the 1-11 government not only failed, but it also paved the way for fifteen years of authoritarian rule.
2. Mass anti-corruption prosecutions in the Bangladesh context were misguided and ended up creating a heightened sense of impunity.
3. Top-down anti-corruption efforts failed because they are only effective if horizontal checks can be created to ensure enforcement.
4. The deepest damage caused by the big bang anti-corruption drive was to further concentrate political and economic power.
5. The subsequent authoritarian rule reshaped Bangladesh’s state and economy around oligarchic control.
6. The 2024 Uprising did not succeed in significantly undoing this concentration of economic and political power.
7. After the 2026 elections, the key challenge is to reverse the concentration of political and economic power by enabling more inclusive competition and strengthening horizontal checks on public resource flows.

The failure of the 2007 ‘big bang’ anti-corruption drive

The military-backed caretaker government that took power on 11 January 2007 (known as 1–11) launched a classic ‘big bang’ anti-corruption strategy, attempting also to modernise the two main political parties by removing their dynastic leaders. Tens of thousands of individuals, including the two former prime ministers and senior politicians of the main political parties, were arrested on corruption charges.

These interventions failed to reduce corruption or improve governance. Worse, they helped create an even more adverse distribution of political and economic power that enabled 15 years of authoritarian rule, state capture, and unprecedented corruption. The Awami League that took power in 2009 consolidated extreme authoritarian rule and only lost power through a violent popular uprising in July 2024.

Why mass prosecutions failed

Where corruption is widespread and diverse, indiscriminate prosecutions are misguided. They unite victims and perpetrators of corruption — often difficult to distinguish in practice — into large coalitions that resist enforcement. Weak investigative and judicial capacity further contribute to the collapse of cases, creating a heightened sense of impunity among the powerful. This dynamic was clearly visible during 1–11, when most cases failed or were later selectively withdrawn.

However, prosecutions of significant perpetrators remain important for challenging elite impunity. When properly designed, a small number of successful prosecutions can have a powerful signalling effect. The lessons of 1-11 are that effective prosecutions in the future will depend on designing and strengthening horizontal checks within investigation and prosecution processes.

Box 1: Can widespread corruption be overturned by a ‘big bang’ approach?

The 1–11 episode provides a natural experiment for assessing whether widespread corruption can be overturned through a big bang strategy.

The evidence and testimony of insider informants show how a massive vertical enforcement drive in high-corruption contexts can rapidly go wrong. Investigation agencies and courts have limited capacity, in part because they are rarely required to conduct proper investigations. In addition, many officers are themselves embedded in corrupt and informal systems, making effective enforcement difficult. Moreover, almost everyone has engaged in corruption in these contexts, either out of necessity or because they had the power to bend rules.

Top-down enforcement works better in societies already close to a rule of law, where extensive horizontal checks ensure the number of violators is small, and where a broad range of powerful actors has the interest and capacity to horizontally check enforcement agencies to ensure that rule violators are punished. These horizontal checks make enforcement possible and effective.

Where horizontal checks are limited or absent, large-scale enforcement is very likely to fail unless such checks are deliberately built into selected prosecution processes. Horizontal actors do not act as enforcers, but they are essential to ensure enforcement is constrained and credible (Khan and Roy, 2022). For this reason, a selective and targeted approach is the only one likely to work initially — an approach that was clearly not followed during 1–11.

The deepest damage: the concentration of power in a new political settlement

The most damaging legacy of 1–11 was not the failure of prosecutions, but the massive shift in the distribution of political and economic power. The big bang enforcement drive was exploited by insiders to destroy opposition party organisations, enabling the emergence of a one-party state. This concentration of power allowed the politicisation and capture of institutions, the fixing of elections, and the systematic suppression of political opposition in the subsequent years.

The period from 2009 to 2024 witnessed not only institutional destruction and rising corruption; but also a fundamental transformation of the structure of the economy. What had previously been an economy with many small- and medium-enterprise (SME) firms in the middle became one dominated by a small number of politically connected oligarchs. This concentration of economic power did not emerge out of normal economic processes, but out of corruption, collusion, and state capture tilting the field in favour of politically connected businesses.

The 1–11 experience therefore reiterates the importance of the political settlement in shaping both corruption and anti-corruption outcomes. Bangladesh in 2026 inherits a much more adverse distribution of power and capabilities than it had in 2006. Corruption opportunities are greater, powerful perpetrators are stronger, and anti-corruption actors are relatively weaker than they were two decades ago.

At the same time, the concentration of political power under the Awami League was disrupted by the 2024 Uprising. The 2026 elections brought back one of the established clientelist parties, the BNP, and there is now a more effective parliamentary opposition, with the potential for stronger horizontal checks. The challenge is to ensure that this relatively more open political space is used to expand economic inclusion — particularly by supporting SMEs and other policies that can be implemented despite the resource claims of politically connected businesses.

Box 2: Why political settlements determine what anti-corruption can achieve

The 1–11 experience shows that corruption and anti-corruption outcomes are shaped by the underlying distribution of power and capabilities in society, described here as the political settlement.

The constitutional crisis of 2006 came about because both of the powerful and closely balanced political coalitions believed they could dominate the other and could not be made to abide by electoral rules. Across their support bases, there were too few powerful and productive actors with an interest in enforcing rules to protect their own activities.

Although economic growth from the 1980s had created new productive actors with a potential interest in enforcing rules, there was an even greater mobilisation of clientelist forces demanding access to political rents. Political parties strengthened their position by accommodating clientelist demands, so support for rule-following was consistently outpaced by the growth of interests whose dominant strategy was to break rules to accumulate power and resources.

This political settlement problem would not be addressed by removing and replacing the leadership of the two main clientelist parties, as 1-11 attempted, nor by radical enforcement tactics, neither of which were realistic strategies given the distribution of power and productive capabilities.

Given the political settlement, a more feasible strategy to manage the crisis would have been to focus narrowly on enforcing core electoral rules to enable a credible election. Over the longer term, strengthening horizontal checks around productive activities could gradually shift the distribution of power in favour of actors with an interest in rule enforcement, making more durable anti-corruption reform possible.

The 2026 elections open up a critical juncture

The 2024 mass uprising removed one pillar of the concentrated power structure by ending the Awami League's political control. The 2026 elections returned the BNP – the party whose failure to organise an acceptable election in 2006 triggered the 1-11 events — to power. Despite its two-thirds majority in parliament, just like the Awami League in 2009, the BNP is unlikely to immediately deploy this power to suppress the opposition in the way the Awami League did.

However, the other pillar — the concentration of economic power and the clientelist networks controlled by oligarchs — remains largely intact, as do the networks of individuals within the state and military bureaucracy. Over the last 15 years, the middle segments of the economy have become significantly weaker, while state institutions became increasingly responsive to oligarchic interests as networks of public officials within the state developed collusive relationships with powerful businesses. Unless the power of large politically connected business houses can be addressed, options for incremental reform will remain limited. The danger of power consolidating around a single party once again cannot be ignored, particularly if new political leaders strike deals with entrenched oligarchs to protect their assets and influence.

The experience of 1–11 shows that Bangladesh's future governance and economic trajectory will depend critically on how the distribution of power evolves in the coming years.

One plank of any inclusive development strategy must therefore involve rebalancing the distribution of economic power. Many oligarchs accumulated wealth by misusing their access to political authority, particularly through bank fraud and by ensuring the award of inflated public contracts. Targeted anti-corruption prosecutions to recover stolen assets can help correct this imbalance — but only if they are carefully designed with strong horizontal checks to ensure that the selected cases succeed.

The second — and more difficult — plank is to rebalance the distribution of political power so that no single party can dominate institutions or exclude rivals by manipulating or violating laws and rules. Strengthening political competition and supporting organised social and economic actors to exercise horizontal checks will be essential to prevent a renewed concentration of power.

Box 3: Designing feasible anti-corruption strategies in high-corruption contexts

In countries where informality and corruption are widespread, anti-corruption strategies must be targeted and incremental. Attempting to address all forms of corruption at once is unlikely to succeed and may reinforce impunity. Priority should be given to corruption that:

- has a high negative impact on development, and
- is feasible to address, given the distribution of power, capabilities and interests in the relevant sector or activity.

Step 1: distinguish between different forms of corruption

Forms of corruption such as:

- **Collusion between powerful businesses, politicians and bureaucrats** to extract large rents — for example through overpriced public contracts, fraudulent lending using fake collateral, or blocking loan recovery for politically connected firms
- **Bureaucratic corruption** that diverts public resources and undermines outcomes in sectors such as health and education

Need to be distinguished from:

- **Compelled corruption**, where individuals or small firms engage in corruption because they have no practical way of accessing legitimate rights. In these cases, bribe-payers are often closer to victims than perpetrators.

Box 3: Designing feasible anti-corruption strategies in high-corruption contexts (continued)

Step 2: select feasible approaches

From among the most damaging forms of corruption, select cases that are most feasible to address. Anti-corruption approaches can be broadly divided into two types:

- **Preventative approaches** (generally more effective): Identify entry points in public resource flows or institutional processes where horizontal checks already exist, or can be feasibly created, so that actors with sufficient power have an interest in blocking corruption. SOAS-ACE research identifies many such opportunities. The reformers of 1–11 did not follow this path.
- **Prosecutorial approaches** (more challenging): In contexts where rule of law is weak and violations are widespread, broad prosecution strategies are unlikely to succeed. However, prosecutions can be effective if selected cases are supported by sufficiently powerful horizontal actors to ensure proper investigation and legal processes.

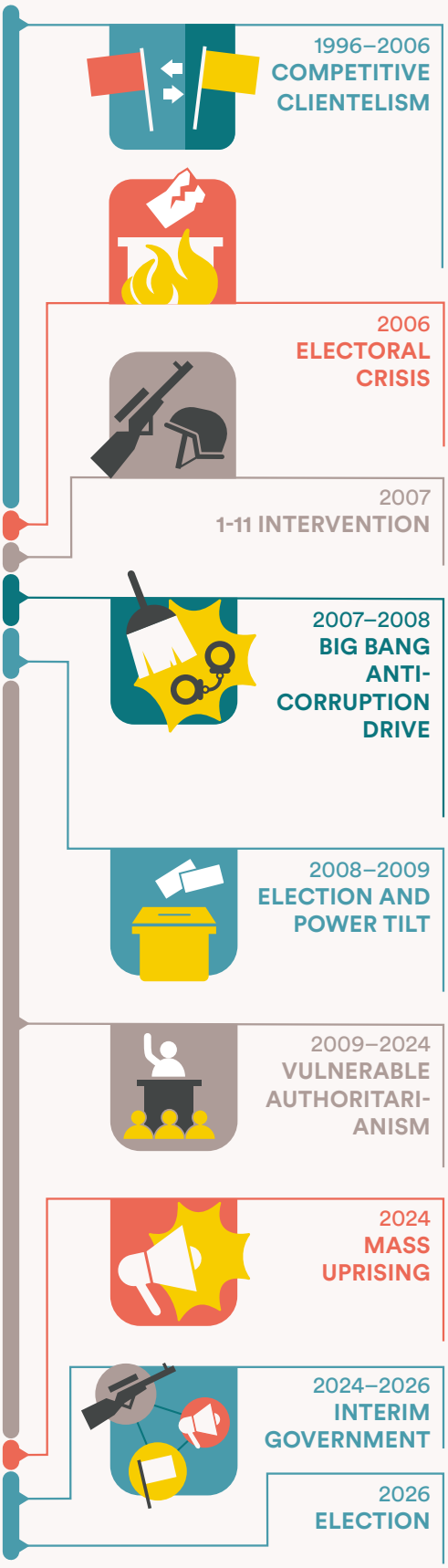
The 1–11 experience shows that overly broad prosecutorial strategies fail without such support. In these conditions, cases are easily blocked or reversed, and investigators, judges and witnesses are vulnerable to intimidation or bribery. By contrast, success in even a small number of carefully selected cases can send a powerful signal that impunity does not exist (Khan and Roy, 2022).

Implications and recommendations for domestic and international actors

Lesson	Implications and recommendations
‘Big bang’ anti-corruption strategies are not feasible in high-corruption contexts because enforcement on this scale is not credible in these political settlements.	Anti-corruption strategies should primarily seek to incrementally prevent corruption by setting up horizontal checks in high-value processes to support formal monitoring and enforcement processes.
Mass prosecutions unite victims and perpetrators into blocking coalitions in high corruption contexts.	Support selective, targeted cases against most egregious abuses, where horizontal checks can be built into investigation and prosecution processes, prioritising feasibility and enforceability over ambition and speed.
The deepest damage of 1-11 was its effect in further concentrating the distribution of power, not the failed prosecutions. The disruption of political organisations without a viable strategy for the day after allowed one party to emerge dominant and destroy others over the next 17 years. The political imbalance was justified by a development discourse, and an anti-corruption and anti-terrorism rhetoric against the opposition. The destruction of horizontal checks at the political level had devastating consequences not only for corruption but also for broader governance and human rights.	Treat political competition and opposition capacity as critical governance priorities setting high-level horizontal checks on political power.
The scale and types of corruption are shaped by the political settlement: the distribution of power, productive capabilities and interests at the national and sectoral level. Weak enforcement in high-corruption countries is usually a consequence of an adverse configuration of power and interests, not a primary cause that can be directly addressed by strengthening enforcement capacities.	Instead of top-down enforcement strategies, design anti-corruption reforms where powerful actors at different levels of society have an interest in blocking corruption in ways that are enforceable given existing power relations, and change incentives gradually, not overnight.
Replacing corrupt parties and party leaders will not necessarily reduce corruption and clientelist politics. Replacing individuals and organisations may sometimes work to change the distribution of power in adverse ways and at other times reproduce the same distribution of power and interests with new actors.	Keep an eye on how changes in parties and leaders affect the actual distribution of power, productive capabilities and interests (the political settlement) at the national and sectoral levels. Focus on strategies that sustain or increase productive capabilities and competition between economic and political organisations.
2026 is a critical juncture. Political power has changed hands, but economic power, oligarchic networks and most clientelist networks within the state remain intact from the pre-2024 Uprising period. Clientelist parties remain dominant.	The overthrow of the Awami League in the Uprising of July 2024 means Bangladesh is unlikely to immediately revert to the extreme Awami League authoritarianism brought about by 1-11. This authoritarianism was based on all important networks of oligarchic and bureaucratic power working through the party. This is unlikely to be fully re-established very rapidly under a new party. However, the economic and bureaucratic networks of the old regime have remained intact and are likely to seek new patrons within a new party. Reformers within and outside the BNP should be assisted to accelerate the creation of new productive capabilities, continue feasible and well-supported anti-corruption cases against major offenders, enhance political and economic competition, and strengthen feasible anti-corruption strategies based on developing effective horizontal checks at the sectoral level.

Bangladesh 1996–2026

Key political events and shifts in the political settlement



BNP & Awami League alternate in power with caretaker governments organising elections

Corruption was high, but power alternated between the BNP and the Awami League. Elections organised by a non-party caretaker system that limited rigging.

Politics operated through patronage networks and weak rule enforcement. But rivalry between the two parties constrained power concentration and allowed economic growth under “competitive clientelism”.

The political settlement remained fragile, however, as parties sought to block rivals’ return to power, often triggering violence.

Dispute over caretaker appointments leads to violent protests

As the BNP’s term ended, they were accused of manipulating the appointment of the caretaker government and the Awami League refused to participate in elections.

Protests and violence escalated. Rule-following ceased to be credible, and political competition tipped into crisis.

A military-backed emergency caretaker government took power

Planned elections were cancelled, a state of emergency was declared, and a military-backed caretaker government took power. This event was subsequently known as 1-11.

The 1-11 caretaker government leads major political reforms

The 1–11 government did not simply seek to oversee elections. It launched a ‘big bang’ anti-corruption drive, arresting tens of thousands of people.

A ‘minus two’ strategy sought to remove leaders of the two parties and clean up politics from the top down with strong civil society and international backing.

The emergency weakened both parties, but unevenly, with the Awami League gaining international support, and making deals with the army and bureaucracy. The balance between the parties was upset.

Awami League landslide, caretaker system abolition

December 2008 elections resulted in a landslide for the Awami League. The new government amended the constitution, abolished the caretaker system and established party control over state institutions.

With the abolition of the caretaker system, the opposition could not return to power through elections.

Awami League rule, repressive regime and state capture

Over the next fifteen years, elections lacked genuine competition and state institutions were politicised. Politically connected businesses captured banks and public contracts.

Political and economic power reinforced each other, transforming corruption into systematic state capture and reshaping the economy itself.

Student uprising leads to regime collapse

Years of repression, corruption, and uncompetitive elections culminated in a mass uprising, led by students and supported by opposition forces.

Security forces responded with lethal violence. The Awami League government collapsed, its senior leaders fled the country. One party rule was removed.

Preparation for elections

An interim government was installed with the support of protesters, opposition parties, and the military.

BNP wins

While political control changed hands, the concentrated economic power and clientelist networks built during authoritarian rule remained largely intact. The political settlement was disrupted but not transformed.

ACE SOAS Consortium **Anti-Corruption Evidence**
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About the Anti-Corruption Evidence (ACE) Research Consortium:

ACE takes an innovative approach to anti-corruption policy and practice. Funded by UK Intenational Development, ACE is responding to the serious challenges facing people and economies affected by corruption by generating evidence that makes anti-corruption real, and using those findings to help policymakers, business and civil society adopt new, feasible, high-impact strategies to tackle corruption.

ACE is a partnership of highly experienced research and policy institutes based in Bangladesh, Nigeria, Tanzania, the United Kingdom and the USA. The lead institution is SOAS University of London. Other consortium partners are:

- Aspire to Innovate
- Bayero University
- BRAC Institute of Governance and Development (BIGD)
- BRAC James P. Grant School of Public Health (JPGSPH)
- Change Initiative Ltd
- Centre for Democracy and Development (CDD)
- Danish Institute for International Studies (DIIS)
- Economic and Social Research Foundation (ESRF)
- EMRC Ltd
- Health Policy Research Group (HPRG), University of Nigeria Nsukka (UNN)
- Ifakara Health Institute (IHI)
- London School of Hygiene and Tropical Medicine (LSHTM)
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ACE also has a well established network of leading research collaborators and policy/uptake experts.

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