

Forms of Civic Engagement and Corruption

Disentangling the role of associations, elite-challenging mass activities and the type of trust within networks

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Outline

- 1. Background and Motivation**
- 2. Theory and Hypotheses**
- 3. Data and Methods**
- 4. Empirical Findings**
- 5. Implications and Limitations**



1. Background

- **Corruption – i.e. the misuse of public office for private gain - recently attracted considerable attention**

→ **Costs of corruption:**

- Causes bureaucratic inefficiency
- Causes market failures
- Deters private investment
- Misaligns public policies and expenditures
- Raises income inequality
- Disincentives innovation
- Reduces foreign investment

(e.g. Mauro 1995; Tanzi and Davoodi 1998; Jain 2001; Gupta et al. 2002)

- **Fighting corruption necessitates identification of elements that facilitate corruption, or assist its prevention**



1. Background and Motivation

- **Potential Importance of Voluntary Associations**

- **Formal networks of civic engagement** (or **voluntary associations**) are widely considered to play an important part in society
- Some assign them pivotal roles in promoting civic virtues, reciprocity and cooperation
- Others argue that social networks might predominantly pursue their own narrow interest and facilitate social harms

Main Research Focus

What are the effects of formal networks of civic engagement on corruption?



1. Background and Motivation

- **Main Aspects and Contributions**

- Main focus on cross-country relationship between civic involvement and corruption
- Takes into the role of social networks and associations may strongly depend on the type of trust (broad vs. narrow) that is dominant within the network
- Extends focus from formal forms of civic engagement to also include more informal, situation-specific ones (i.e. participation in non-violent protest actions)
- Addresses potential connection between associations and elite-challenging actions and its implication for the effect on corruption

2. Theory and Hypotheses

- **Associations and Corruption (Tocqueville view)**

- Associations provide platform for intense and repeated horizontal interactions; Organizational structures help to internalise social values and rules concerning mutual cooperation

(see e.g. Putnam 1993; Paxton 2007; Freitag et al. 2009; Griesshaber and Geys 2012)

→ Members develop values of solidarity and civicism, social responsibility for collective endeavours, civic skills and social trust

- Associations allow to become part of the political process (increase political awareness; provide structure to monitor officials)

→ Citizens are monitoring political sphere through association

Hypothesis

- ***Societies with high civic engagement in voluntary associations experience lower levels of corruption.***



2. Theory and Hypotheses

- **Associations and Corruption (Olson view)**

- Distinct groups are unlikely to have homogenous preferences
 - ➔ Civic engagement may become possibility or tool to lobby policymakers (Knack and Keefer 1997)
- Specialized interest groups have a much stronger incentive to engage in costly and inefficient rent-seeking compared to their incentive to work toward the 'common good' (Olson 1982)

Hypothesis

- ***Societies with high civic engagement in voluntary associations experience higher levels of corruption.***



2. Theory and Hypotheses

- **The role of trust within associations**

- All forms of association depend on certain forms of trust and reciprocity
 - ➔ **type of trust on which associations are based crucial** (Warren 2004)
- **Wide-reaching trust** - likely to enforce broader identities, inclusiveness, civic orientations and interest in the common good (see also Grieshaber and Geys 2012)
- **Narrow trust** - rather enforces exclusiveness, in-group cohesion and particularized reciprocity (Warren 2004; Harris 2007)
 - ➔ **“Cultural foundation of corruption”** (Fukuyama 2000: 8)

Hypotheses

- ***Societies with high civic engagement in associations that are based on a broad reach of trust experience lower corruption.***
- ***Societies with high civic engagement in associations that are based on a narrow reach of trust experience higher corruption.***



2. Theory and Hypotheses

- **Participation in Elite-Challenging Actions**

- Other, more informal and situation-specific types of engagement (i.e. participation in elite-challenging or protest actions) may bear similar societal relevance
- Connects people to overcome collective action problems and collaborate for common aim (Welzel et al. 2005)
 - loosely-knit and informal structure more capable of bridging group-specific networks and creating inclusiveness
 - presents challenging forces from below (confronting political elites and decision makers, holding them accountable)

Hypothesis

- ***Societies with high civic engagement in elite-challenging actions experience lower levels of corruption***



3. Data and Methods

Data

- Main analysis carried out at country level
- Cross-sectional data for 47 countries from around the world
- Selection of countries mainly based on participation in 5th round of the World Values Survey (WVS) – major source on civic engagement

Estimation

- Linear OLS regression estimations across 47 countries



3. Data and Methods

Dependent Variable – Corruption Perceptions Index (CPI)

- Source: Transparency International (CPI 2008)
- Composite index aggregating information from various sources
- Standardized index annually available since 1998
- Index ranges from 0 (highly corrupt) to 10 (highly clean)

Independent Variables – Civic Engagement

- Data taken from 5th round of World Values Survey (WVS) 2004 – 2008
- Voluntary associations: % of respondents that are an active or inactive member of any of 10 different association types (Questions V24-V33 in the WVS)
- Elite-challenging actions: % of respondents that have already participated in a petition, a boycott or a demonstration (V96-V98 in the WVS)



3. Data and Methods

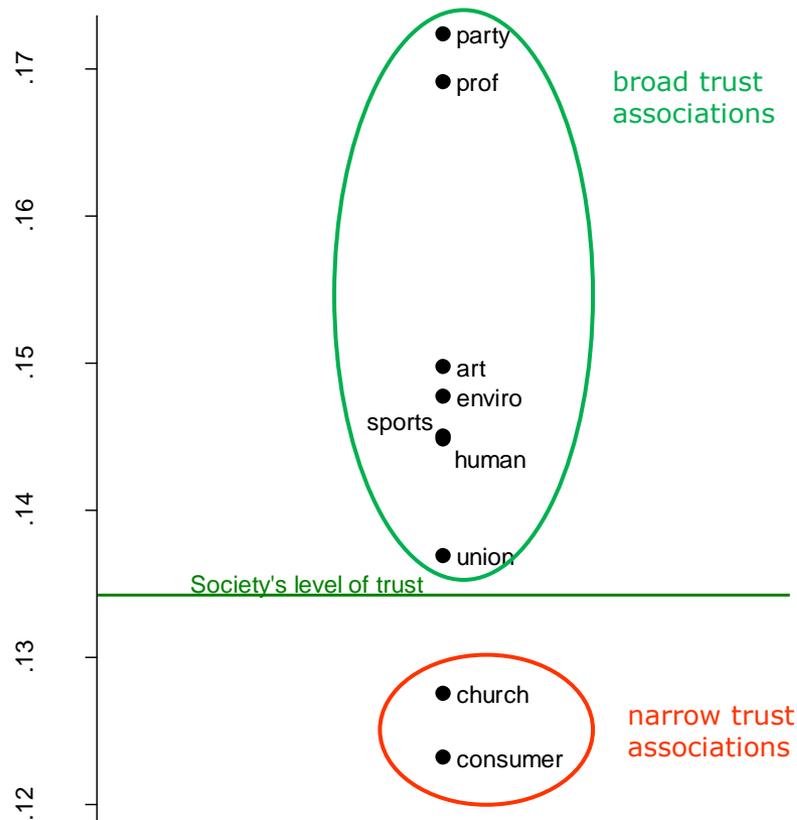
- **Broad vs. Narrow Trust Associations**

- Distinction based on share of members of an association type that say most people can be trusted (Question V23 of the WVS)
- Figure is adjusted for radius of trust in association – i.e. degree to which answer to generalized trust question reflects orientation towards generalized others over a specific in-group (closely following Delhey et al. 2011)

- **Broad Trust Association:** Level of radius-adj. generalized trust lies above level of generalized trust in society
- **Narrow Trust Association:** Level of radius-adj. generalized trust lies below level of generalized trust in society

3. Data and Methods

- **Example: Russia**





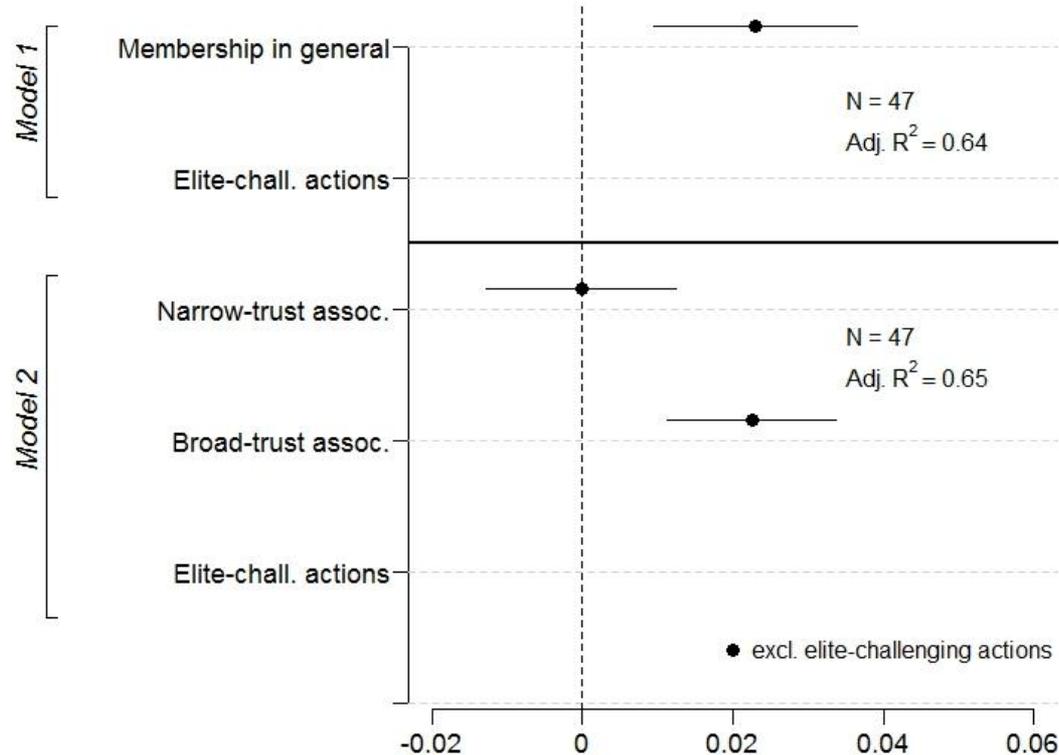
3. Data and Methods

- **Control Factors**

- Human Development Index 2005 (GDP per capita as alternative)
- Level of generalized trust (radius-adjusted, taken from WVS)
- Additional controls considered one at a time
 - Average Freedom House/Polity measure
 - Ethno-linguistic fractionalization (from Alesina et al. 2003)
 - Percentage of Protestant population (La Porta et al. 1999, from Teorell et al. 2012)

4. Findings I – Civic engagement and Corruption

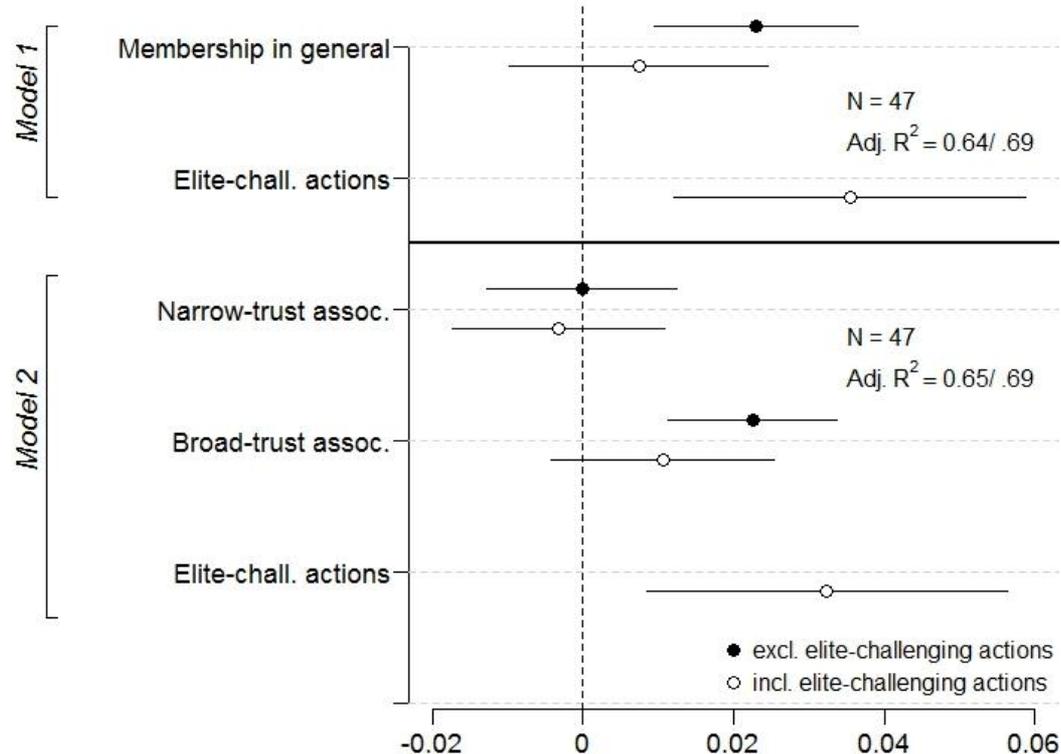
- OLS Regression Results – CPI (2008) as dependent variable**



Graph displays OLS regression coefficients (with 95% confidence intervals);
 All models control for HDI and level of radius adj. generalized trust

4. Findings I – Civic engagement and Corruption

- OLS Regression Results – CPI (2008) as dependent variable**



Graph displays OLS regression coefficients (with 95% confidence intervals); All models control for HDI and level of radius adj. generalized trust

4. Findings II – Associations and Protest Behaviour

Hierarchical Logistic Random-Intercept Models

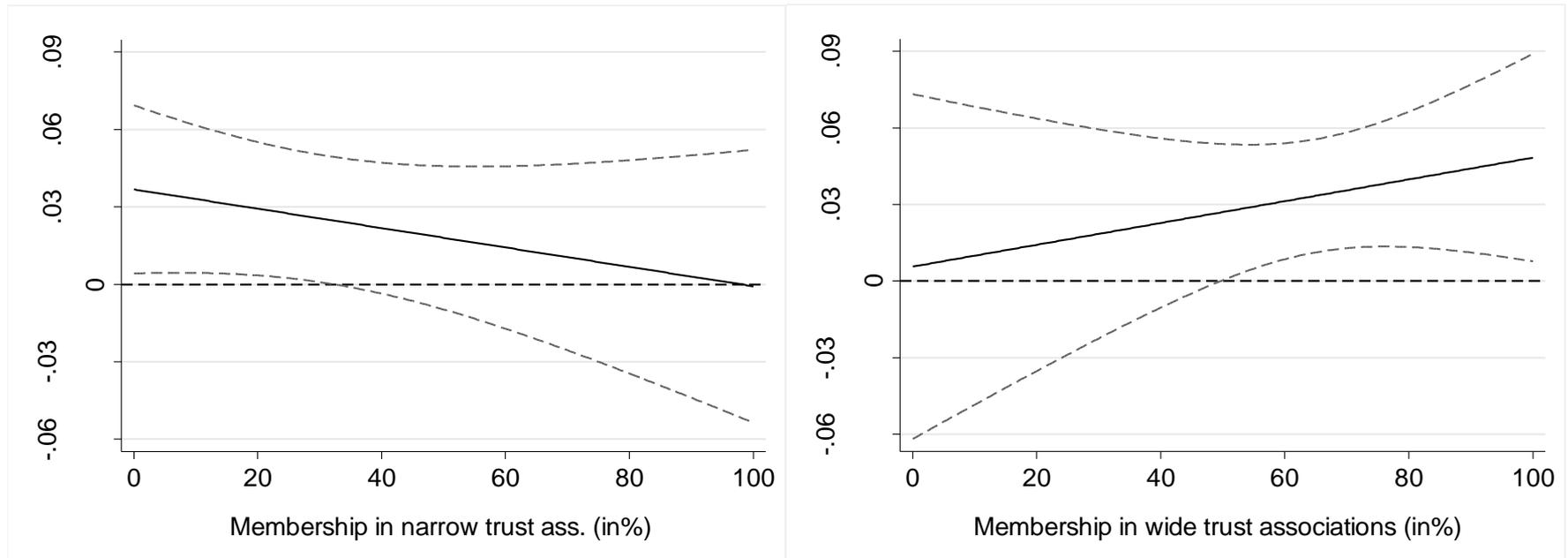
Participation in non-violent protest actions as dependent variable

- Odds ratios reported (Standard errors in parentheses)
- Significance levels:
*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$
- ^a Reference category is no membership
- Various controls included but not reported (i.e. gender, age, education, income, life satisfaction, democratic values, HDI, democracy score)

	(1)	(2)	(3)
Membership in general ^a	1.955*** (0.047)		
Membership in narrow trust associations		1.519*** (0.045)	1.517*** (0.045)
Membership in broad trust associations (in %)		1.806*** (0.044)	1.802*** (0.044)
Level of associational membership (in %)			1.014** (0.005)
Number of respondents	62,812	62,812	62,812
Number of countries	47	47	47
ICC	0.174	0.178	0.156

4. Findings III – Conditional Effect

- Effect of elite challenging actions on corruption with changing levels of associational participation**



Marginal effect of participation in elite-challenging actions (with 95% confidence intervals) given certain level of associational membership; Results based on OLS estimation across 47 countries using CPI of 2008 as dependent variable; Illustration based on Brambor et al. (2006)



5. Conclusion - Implications and Limitations

Main Results

- Participation in elite-challenging actions seems connected to lower levels of corruption
- Indirect effect of associations through facilitating non-violent movements
- Effectiveness of elite-challenging actions in reducing corruptions seems to depend on type of organizational networks that are facilitating them

Limitations and open questions

- Causality
- Role of associations may differ depending on the institutional environment and the existing corruption regime

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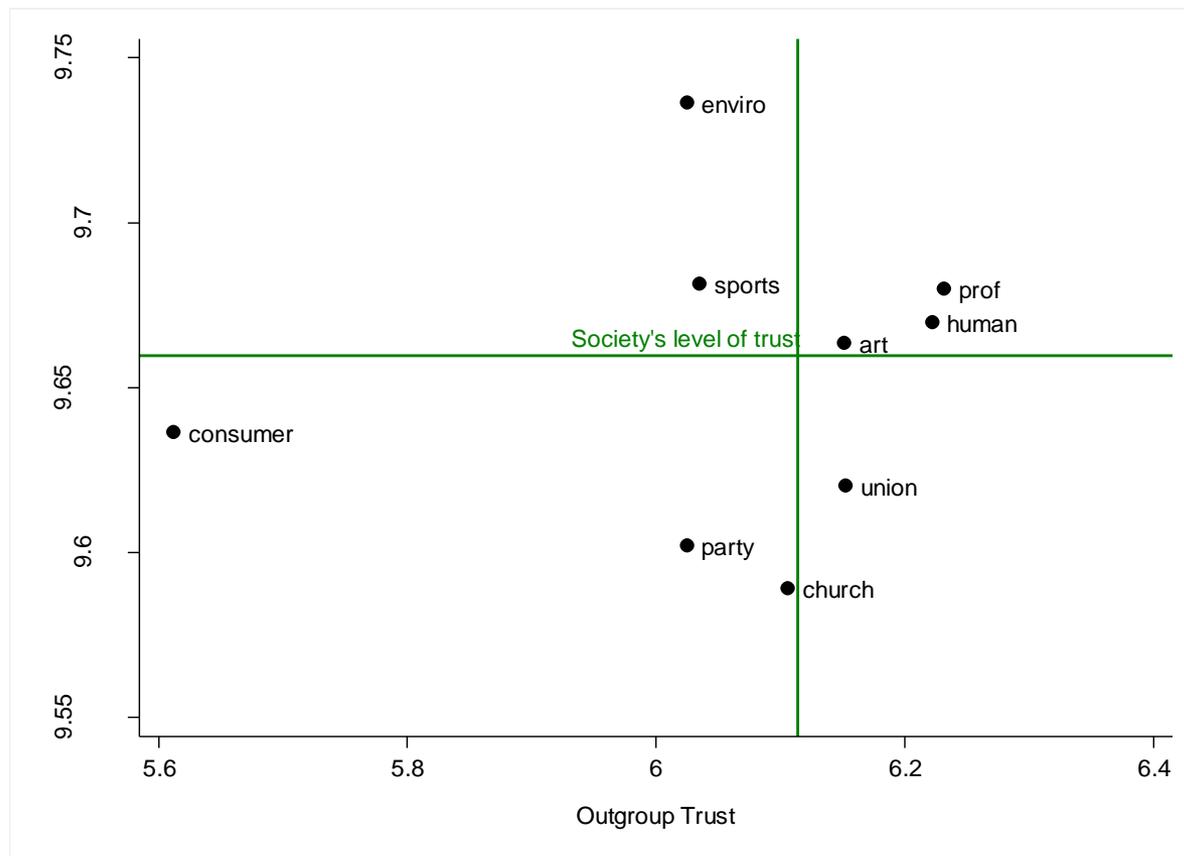


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Appendix

- Alternative Associational Distinction – Russian Example



Appendix

- Alternative Associational Distinction – Russian Example

