

ANTI-CORRUPTION HELPDESK

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LITERATURE REVIEW: CORRUPTION AND ONE-PARTY DOMINANCE

QUERY

Could you outline the findings from the literature on the links between corruption and the dominance of one political party?

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SUMMARY

This answer provides a review of the main studies related to one-party dominance and corruption. Different conceptual and theoretical schools have studied the relationship between democracy, political competition and corruption, leading to rather diverse findings. A selection of key studies is presented below in an effort to provide a snapshot of the different strands of relevant research relating to this issue.

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1 CORRUPTION AND SINGLE PARTY DOMINANCE: OVERVIEW

Single party dominance can be defined as a situation in which a specific political party successively has won elections and whose future defeat is unlikely or cannot be envisaged in the foreseeable future (Suttner 2006). More nuanced definitions of party dominance include criteria such as threshold for dominance (for example, the number of seats in parliament), features of the opposition (for example, many small parties or highly divided opposition), the presence or absence of divided governments in presidential systems and the length of time the party has been in power (Bogaards 2004).

In general, the evidence regarding the impact of party dominance and corruption is mixed. This is due in part to the lack of consensus on the definition of a dominant party system and the corresponding characteristics of a country with a dominant party system. One strand of research focuses on party competition as a determinant of party dominance.

It is commonly thought that a competitive party system helps curb corruption since it enables opposition parties to inform the electorate about corruption and provide them with a viable alternative to the corrupt incumbent (Schleiter & Voznaya 2014).

However, situations of intense political competition can potentially increase or, at least, maintain levels of corruption as they negatively affect the ability of the electorate to clearly hold politicians to account in cases of high party fragmentation or party collusion (Schleiter & Voznaya 2014; Della Porta 2004). In addition, proportional representation systems can be seen to be more difficult to assign responsibility to a single party or a politician than single member district-based systems (Charron 2011). These conditions make it difficult for citizens to identify and punish any single politician or party.

In addition, multi-party systems, as opposed to a single party or a dictatorship, may bring about opportunities for corruption which were previously not there, such as corruption in elections and in political party financing (Della Porta 2004).

Studies that have focused on party competition suggest that countries characterised by a lack of party competition or a high level of collusion between parties and the dominant party are

expected to have higher levels of corruption (see section 2 below for references).

Another strand of research has focused on defining the different types of party dominance and their impact on democracy and corruption. Party dominant systems can be classified between liberal and non-liberal dominant party systems (Jager & Du Toit 2012) or, similarly, authoritarian dominant and democratic dominant countries (Lindberg & Jones 2010).

Liberal dominant systems, at one extreme, are those where there is, to some degree, respect for the rule of law, political competition, vertical accountability, civil and political freedoms (including media freedom and free civil society), (Jager & Du Toit 2012) and a party has stayed in power for a series of consecutive years. Some examples include Sweden or Japan (Nyblade 2004).

On the other hand, a non-liberal dominant system is one where the above characteristics are absent, such as in Zimbabwe. These two classifications are extremes in a continuum in which countries can be classified as they vary in the different dimensions of democracy.

Evidence shows that in sub-Saharan Africa non-liberal (authoritarian) dominant countries, on average, suffer from higher levels of corruption than liberal (democratic) dominant countries and non-dominant democratic countries (Lindberg & Jones 2010).

For example, countries that are classified as non-liberal (authoritarian) dominant countries, such as Cameroon, Ethiopia and Togo, on average score lower on the Corruption Perceptions Index (CPI). On the other hand, liberal (democratic) dominant countries perform better in the CPI such as Singapore, Botswana or South Africa.

Country	CPI Score (1998-2005 average) ¹	Party System ² (1998-2005)
Cameroon	1.9	Auth. Dominant
Zimbabwe	3.0	Auth. Dominant
Botswana	6.0	Dem. Dominant
South Africa	4.8	Dem. Dominant

Source: own elaboration with data from Transparency International and Lindberg & Jones 2010.

¹ CPI Score ranges from 1 (high perception of corruption) to 10 (low perception of corruption).

² Classification of party system obtained from Lindberg & Jones, 2010 page 17.

The relationship between corruption and liberal (democratic) dominant countries and non-dominant countries is, in effect, a study about different degrees of democracy and corruption.

A democracy is broadly defined as a country where the institutional arrangements allow citizens to express their preferences through elections and where there are civil liberties such as freedom of expression and association (Kolstad & Wigg 2011) and other characteristics, such as freedom of group opposition.

In theory, higher degrees of democracy should decrease corruption, given that citizens are better placed to replace their politicians if they find their representatives are corrupt. There are several empirical studies that support this theory.

However, some theories and evidence advance the idea that the relationship between democracy and corruption is not linear. This means that corruption may raise as democracy becomes consolidated in a country (Montinola & Jackman 2002). In this regard, it is posited that liberal (democratic) dominant countries provide a level of political stability that is conducive to economic growth, government efficiency and reduced corruption, especially in young democracies (Lindberg & Jones 2010).

Overall, studies have found that factors linked to higher degrees of democracy, such as length of democracy, press freedom and non-presidential countries have been linked to less corruption (Treisman 2007)³.

A selection of studies which elucidate the links between corruption and the dominance of one political party are presented below in an effort to provide a snapshot of the different strands of research relating to this issue.

2 CORRUPTION, PARTY DOMINANCE AND PARTY SYSTEMS

Studies examining the relationship between party systems and corruption vary in their focus. Some researchers have focused on the difference between electoral systems (Charron 2011), others on party system competitiveness and corruption (Schleiter & Voznaya 2014), and yet others focus on party dynamics, such as party fragmentation or collusion between parties (Della Porta 2004) and corruption.

The hypotheses behind these studies are based on the notion that party systems that allow citizens to identify and sanction corrupt politicians and provide a credible alternative will be less corrupt.

The studies point to the conclusion that strong party competition decreases corruption if certain conditions are maintained, such as low level of party fragmentation (too many parties), no collusion between parties and no bureaucratisation of parties. In sum, the evidence suggests that countries with one-party systems – characterised by no party competition or high level of collusion between parties and the dominant party – are expected to have higher levels of corruption.

Laying the Foundation for Democracy or Undermining It? Dominant Parties in Africa's Burgeoning Democracies.

Lindberg, S. and Jones, J. 2010. in Bogaards and Boucek (eds.) *Dominant Parties and Democracy*. Routledge, London.

The study tests whether dominant parties in democratic countries have generally positive effects on economic development and government effectiveness, and whether dominant parties are more prone to corruption and consequently economic mismanagement.

The sample used is constrained to 26 sub-Saharan African nations which are classified into categories of party dominance: authoritarian dominant, democratic dominant and non-dominant parties. Countries with no elections were excluded from the study.

The results reveal that democratic dominant parties are the least corrupt in Africa and tend to have more effective governments, followed by the non-dominant democratic countries and lastly the authoritarian dominant countries. The authors explain that due to the weakness of political opposition, dominant parties are able to pursue difficult policies more efficiently and resort less to various forms of corruption to sustain power.

Party System Competitiveness and Corruption

Schleiter, P. and Voznaya, A.M. 2014. *Party Politics* Vol. 20(5): 675-686. Also available at:

<http://users.ox.ac.uk/~schleite/paper1.pdf>

The authors of this study posit that, in democracies, party system competitiveness, which shapes the ability of voters to select and control their politicians, plays a critical role in curbing corruption.

³ See Lambsdorff, 2005 for a brief overview of this literature.

They test two hypotheses: firstly, that corruption initially improves as the effective number of parties rises, but this effect reverses at high levels of fragmentation. Party fragmentation is the number of effective numbers of parties. Countries with low party fragmentation are those that have very few choices for voters, while countries with high party fragmentation are those which offer voters extremely diverse choices. The second hypothesis tested is whether corruption is more pronounced in dominant party systems.

The results support the notion that, when party system competitiveness enhances the information available and effectiveness of the choices to the electorate, the scope for corruption is reduced. Nevertheless, the scope for corruption is increased with high levels of party system fragmentation and patterns of governing party dominance as the information available to voters and their ability to coordinate credible alternatives to the incumbent are reduced.

Political Parties and Corruption: Ten Hypotheses on Five Vicious Circles

Della Porta, D. 2004. *Crime, Law & Social Change*. Vol.42: 35-60

This paper explores and illustrates ten hypotheses about the connections between corruption and political parties, which is more complex than originally recognised. The study relies on cases from Italy, Japan and others.

The author states in the article that political corruption is affected by and affects the characteristics of the party system, in particular the competition between parties. The author posits that the development of collusive agreements between parties and party occupation of the public administration favours corruption.

All of the hypotheses are relevant to understanding the dynamics between corruption and party systems as they help understand the relationships between one-party dominance and corruption, as the hypotheses can be applied to this case as well as multi-party countries. The hypotheses are:

- H1: political corruption is favoured by the decline of party membership.
- H2: corruption produces hidden hierarchies within parties.
- H3: the decline of party identification favours corruption.
- H4: corruption facilitates the building of electoral clienteles.

- H5: the fragmentation of political parties and, therefore, internal competition between candidates of the same party favours corruption.
- H6: corruption triggers centrifugal tendencies in the parties.
- H7: the development of collusive agreements between parties favours corruption.
- H8: political corruption favours the development of connivance in the party system.
- H9: the party occupation of the public administration favours corruption.
- H10: when political corruption becomes systemic, the political parties select demands in order to bring in more bribes.

3 CORRUPTION AND DEMOCRACY

There are many studies about the relationship between democracy and corruption. Because democracy as a country characteristic is composed of several different factors, it is common to find studies that focus on different aspects of democracy. One of the challenges of this literature is untangling the effects of the different characteristics of democracy on corruption.

As previously stated, it is believed that democracy affects corruption negatively, that is, higher levels of democracy equates to lower levels of corruption. The theory tells us that, in democratic countries, citizens are able to sanction corrupt officials through elections, there is effective oversight and sanctions by public institutions, and civil rights are protected which allow citizens to identify and disseminate corruption through the media and civil society (Kolstad & Wigg 2011).

The list below is composed of studies that include party competition and/or autocracies as one of the variables examined. These studies mostly find that political/electoral competition matters, however, it is not clear if this characteristic is the most likely to affect corruption in comparison to other characteristics of a democracy.

What Have We Learned About the Causes of Corruption from Ten Years of Cross-National Empirical Research?

Treisman, D. 2007. *Annual Review of Political Science*, Vol. 2007.10: 211-244

This study reviews some of the most prominent explanations for cross-country variation in

corruption. It looks at the effect of political institutions, development and rents, and market competition on corruption.

The results on political institutions show that, while controlling for economic development, countries with greater political rights also have lower perceived corruption. In addition, the study finds that a small increase in freedom does not have a consistent effect on corruption perceptions among imperfect democracies or soft authoritarian states. In addition, the number of consecutive years a country has been an electoral democracy since 1930 is negatively correlated with corruption.

Sources of Corruption: A Cross-Country Study

Montinola, G. and Jackman, R. 2002. *British Journal of Political Science*, Vol. 32, 147-70

This study offers a systematic account for observed cross-country differences in corruption. One of the hypotheses tested whether more competitive political structures inhibit corruption given that political leaders are constantly at risk of being replaced. In addition, the authors test if the effect of political competition is heightened by the size of the selectorate – the population engaged in the process of selecting the leadership – given that the selectorate is greater in more democratic environments than in autocracies or other systems of personal rule.

The study finds that political competition matters; corruption is typically higher in countries with intermediate levels of political competition than less democratic countries. However, once countries pass a threshold to higher levels of democracy, competition is associated with considerably less corruption. In other words, in countries where political competition is limited, significant corruption is likely even in the case of relatively free and fair elections.

Corruption and Democracy

Rock, M. 2007. UN *Department of Economic and Social Affairs*, Working Paper No. 55
http://www.un.org/esa/desa/papers/2007/wp55_2007.pdf

In this study, the author sets out to test whether the relationship between democracy and corruption is non-linear (that is, in new democracies, whether public officials have greater opportunities for corruption until sufficient checks and balances are developed and if that leads to a decline in corruption) and which aspects of democracy matter: electoral competition, rule of law, effective

governance or the behaviour, attitudes and norms of political actors.

The results show that electoral competition does not capture the aspects of democracy most likely to affect corruption, such as government effectiveness and rule of law. Both government effectiveness and adherence to the rule of law were found to reduce corruption. This leads to the conclusion that countries with high quality electoral processes are unlikely to curb corruption if they do not have high degree of government effectiveness and rule of law. Lastly, the study finds that there is strong empirical support for the hypothesis that corruption rises in young democracies up to a point – 4 to 15 years – and then declines.

Corruption: Democracy, Autocracy and Political Stability

Nur-tegin, K. and Czap, H. 2012. *Economic Analysis & Policy*, Vol. 42, March: 51-66

The goal of this study is to analyse how countries with secure and lasting dictatorships compare, in terms of corruption, to countries with relatively recent democratic regimes.

The authors find strong empirical evidence that democracies, even if unstable (as may be in the case in changes in regime) have less corruption than stable dictatorships.

Does Democracy Have a Different Impact on Corruption in Africa?

Musila, J.W. 2013. *Journal of African Business*, Vol 14:3: 162-170

This study focuses on the African region and investigates the relationship between democracy and corruption.

The study finds that an increase in democracy reduces the level of corruption. The author adds that a well-functioning and efficient government can help reduce the levels of corruption by increasing the probability of detection and punishment of corruption activities. In addition, active political participation (such as political competition) also contributes to reducing corruption as it can help to push the government to formulate and implement anti-corruption programmes.

The author notes that, in the region, the functioning of government and political participation are, on average, rated very low compared to electoral process and pluralism, political culture and civil liberties. Thus, in Africa, democratic advances have

focused on the electoral process and pluralism, political culture and civil liberties rather than on the functioning of government and political competition, which may explain why corruption seems to remain prevalent in the region.

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