Populism and corruption

This Helpdesk Answer looks at how corruption and populism interlink. First, it provides an overview of the different definitions of populism, all of which point to the fact that populism, as a political ideology and as a style of political communication, divides society into two groups: the people and the “elites”. Second, it explains how corruption becomes an inherent part of populist rhetoric and policies: populist leaders stress the message that the elites works against the interest of the people and denounce corruption in government in order to stylize themselves as outsiders and the only true representatives of the people’s interest. While the denunciations of corruption can often be considered valid, populist leaders rather than effectively fighting corruption use the populist rhetoric as a smoke screen to redistribute the spoils of corruption amongst their allies. In many cases populism even facilitate new forms of corruption. Finally, the answer uses examples from Hungary, the Philippines and the USA to show how corruption and populism relate to one another.
Query

Please provide an overview of how populist and authoritarian politicians have taken advantage of anti-corruption sentiment in their country. How might public anger over corruption scandals embolden politicians who are not committed to an anti-corruption agenda? How have politicians used anti-corruption as an empty promise or smoke screen for repressive policies?

Contents

1. Introduction
2. Defining populism
3. Corruption facilitating populism
4. Populism facilitating corruption
5. Orbán’s Hungary
6. Duterte’s Philippines
7. Trump’s USA
8. Concluding remarks
9. References

Introduction

Populism is not a new phenomenon. It has played a role in politics for generations and is often associated with the rise of authoritarian leaders (De La Torre, Wejnert and Woods 2014). In recent years, however, the topic has received an increasing amount of attention, as new political movements have employed populist tactics to ascend to power and the elected leaders of a number of countries around the world have been classified as populists by the national and international media.

The election of Donald Trump as US president explains the increased interest on the topic seen in recent years, given that a populist rhetoric constituted a cornerstone of his political campaign in 2016. Many political movements around the world, however, have also been associated with populism. There is, for example, talk of a populism emerging as an electoral force in Europe, affecting countries like the Czech Republic, Hungary, Italy and Poland (see Henley 2018), but the phenomenon is also present in other regions, such as Latin America, where Brazil and Mexico more recently elected populist governments, and Asia.

Main points

— In most definitions of populism, the contrast between corrupt political elites and outsiders representing the interests of the people is inherent.
— Corruption thus helps to facilitate populism as it supports the very grievances that populists appeal to.
— Once in power, populists generally do not effectively fight corruption, rather they have been advancing new forms of corruption.
— Examples from Brazil, Hungary, the Philippines and the USA give credence to these hypotheses, but are of course non-exhaustive.
where Rodrigo Duterte, a tough-talking ex-lawyer and mayor with a law-and-order platform that included threats to kill drug dealers (Reed 2018), was elected president of the Philippines.

In many of these countries, corruption and populism feed one another. On the one hand, populist leaders use corruption to rally support for their political agenda. In this context, corruption serves as a justification for populist politics. On the other hand, a populist rhetoric is then used by the leaders to mask corrupt acts perpetrated by them or their collaborators, thus weakening the effectiveness of anti-corruption policies. In many cases, populism also uses corruption as a pretext to dismantle democratic institutions and propagate authoritarian policies (Kaltwasser and Mudde 2012; Curini 2017).

In light of these developments, this report analyses the relationship between corruption and populism, by both looking at how populist leaders are using corruption for their purposes and how populism is undermining anti-corruption efforts. The next section, however, starts by briefly looking at different definitions of populism.

Defining populism

Perspectives on populism are manifold, and have taken form based on “political, economic, social, and discursive features” (Gidron and Bonikowski 2013). Despite the many different definitions, the concept is often used in and unprecise manner, also since perspectives on populism can depend on the theoretical lens that is employed. Recently, however, several scholars have helped advance the definition of populism in a way that makes it applicable to several contemporary political actors and movements and goes beyond individual aspects of this political phenomenon.

Prominently among these is the Dutch political scientist Cas Mudde (2004). He defines populism as a political ideology dividing society into two groups: the people on one side, and the elite on the other. Populists claim to represent the will of the “pure people” against the “corrupt elites” (Mudde and Kaltwasser 2017) and base political legitimacy on this representation. The idea of two homogenous units contrasting the “elite” with the “people” is also put forward by De La Torre, Wejnert and Woods (2014) in their introduction to an edited volume looking at different perspectives on populism. They identify four core elements of populism:

- the assumption of the existence of two homogeneous units: the elite and the people
- the postulation of an antagonistic relationship between these two entities
- the celebration of the idea of popular sovereignty
- the positive moral valorisation of the people and denigration of the elite

The antagonism between the people and the elite was also advanced by Jan-Werner Müller’s definition of populism (Müller 2017). He defines populism as the negation of pluralism, since populist leaders will claim that it is they alone who represent the will of the people, as opposed to the existing elites. By doing so, populist leaders can actively undermine democracy as, in their view, it is only them who can legitimately represent the people. This negates one of the key premises of democracy, that majorities can change and that interests of political minorities need to be protected. The logic of populism, by dividing the political sphere into an “us” versus “them” denies the validity of other political positions. Populism thus stands in direct opposition to pluralism. Müller
describes populist governance as manifesting three main features:

1. attempts to hijack the state apparatus
2. corruption and “mass clientelism”
3. efforts to systematically suppress civil society (Müller 2017)

Benjamin Moffitt (2016) also stresses this dichotomy within the populist political logic. As he explains, populists claim to represent the will of the people by opposing the political elite which represents the existing system of government. He also notes that populist leaders tend to display certain behaviours, such as:

- being bad mannered and not behaving differently from stereotypical politicians
- making many political promises which they are unlikely to keep, but which they stress are vital for the people
- perpetuating a state of political crises that keeps them on the offensive

Urbinati (2013) sees populism as inherent, but also harmful to representative democracy. Similar to Müller, she argues that populism simplifies and polarises political debates to unify the “people” against the elite. She thus sees an inherit vertical logic in populism, typically resulting in a top-down, hierarchical style of government. In doing so, Urbinati highlights the inherent contradiction of populism, which results in the attainment of strong authority by an elite despite appealing to the opposition of the common people to political elites.

While these definitions of populism are far from complete, they offer a good understanding of the phenomenon: a political ideology or a system in which political legitimacy comes from the claim that the leader represents the people in opposition to political elites who stand against the peoples’ interests. Populism uses several sentiments in this context. Nationalism plays in an important part, as it is used to delineate what Mudde (2004) refers to as the “pure people”. Populists thus often toy with racism and xenophobia, suggesting they are needed to defend the people from outsiders and that current elites are looking to undermine the purity of the people. However, corruption also plays an important role here: by pointing to potential acts of corruption perpetrated by the reigning elites, populist leaders delegitimise not only them but also the institutions that failed to prevent or sanction said acts of corruption. In a democracy, this can greatly undermine the existing democratic institutions and checks and balances, opening the door for facilitating acts of corruption from the newly formed populist elite.

The following section analyses the relationship between corruption and populism, more specifically, how corruption facilitates populism and how corruption can be fuelled by populism.

**Corruption facilitating populism**

As seen in the definitions of populism, the idea of a corrupt elite, or corrupt politicians working against the interests of the people, is inherent to the political communication of populist leaders. Cas Mudde (2004) is the most explicit in this context, recognising the “pure people” in contrast to the “corrupt elite” in the ideology advanced by populists. When looking at cases of populism around the world, corruption indeed emerges as a key element in the rhetoric and communication of populist candidates.

Perhaps the most salient example is Donald Trump who, during his presidential campaign in 2016, promised to “drain the swamp”, meaning to
eradicate corruption in Washington DC and fight against a political elite he portrayed to be corrupt. While it falls beyond the scope of this paper to determine how corrupt the political elite in Washington DC really is or was, what is worth highlighting is precisely how Donald Trump, as a presidential candidate relied on the narrative of the corrupt elite working against the interest of the people. In fact, in a later statement, the then US presidential candidate showed himself surprised by how well "drain the swamp" worked as a campaign slogan, interlinking with his portrayal of Hillary Clinton as the system candidate and himself as the outsider (Arnsdorff, Dawsey and Lippmann 2016).

The focus on the political establishment in the capital can also be seen in the rhetoric used by Philippine President Rodrigo Duterte who, as a former mayor in the southern Philippines, campaigned on a promise to end the political domination of Manila, the country’s capital (Balisacan 2017). In office, Duterte ran a campaign to crack down on several corrupt officials and fired many of them. Yet, the success of this campaign remains questionable, and some of the fired officials were re-hired, thus suggesting that the campaign was less serious and more driven by the appearance of fighting corruption (Calonzo 2018).

Similarly to the situation in the US, the newly elected Brazilian President, Jair Bolsonaro, campaigned on an anti-corruption platform: he stood in opposition to candidates from a political system engulfed in corruption (Kirby 2018). Bolsonaro made promises to sweep politics of corruption and clean up the administration (Boadle and Stargardter 2018). His campaign can thus be linked to Moffit’s (2016) note that populists are often quick to make promises they are unlikely to keep. Yet, Bolsonaro made Sérgio Moro, the judge who led the Lava Jato investigations, his minister of justice.

The appointment of Moro highlights the importance that anti-corruption discourse played in securing the success of Bolsonaro’s presidential bid. Brazilian politics were dominated for years by corruption scandals that outraged the population. *Operação Lava Jato* (Operation Car Wash), for example, started as an investigation into money laundering, but quickly turned into a corruption investigation. It uncovered high-ranking executives at the Brazilian state oil company Petrobras accepting bribes as a reward for awarding overpriced construction contracts. As the investigation widened, it began to involve senior politicians from all major political parties, including senators, federal deputies, mayors, party leaders and former president Lula da Silva.

Corruption in Brazil remains an entrenched problem to the political system: Brazil scores 35/100 and is ranked 105/180 in the 2018 Corruption Perceptions Index, and had declined 8 points since 2012 (Transparency International 2019). Yet, the scale of the scandal and the number of people involved fundamentally shifted Brazilian politics and created fertile ground for the anti-establishment message of Jair Bolsonaro to win the election (Felter and Cara Labrador 2018).

Other recent examples of populism come from Eastern Europe, a region which has also faced many problems with corrupt officials. A notable case is Viktor Orbán, who has ruled Hungary as prime minister since 2010. When he came to power, the fight against the corrupt system represented by the socialist-liberal governments that ruled between 2002 and 2010 was a policy priority. Standing up against this system was a
major claim when Orbán was elected in 2010 (Mong and Jancsics 2016).

As research shows, this is not atypical in Eastern Europe. Several papers argue that voting against corruption served as a major motivation for voters in several Eastern European countries. Xezonakis, Kosmidis and Dahlberg (2015) argue, based on survey data, that corruption influences voters’ decisions on who to cast their ballot for.

Hanley and Sikk (2013) also find that high or rising corruption is a significant factor in explaining the success of “anti-establishment” parties in Eastern Europe. Engler (2015) finds that corruption negatively affects trust in political elites and thus supports the rise of new political competitors. A loss of trust due to corruption and bad governance is also highlighted in a report by Mungiu-Pippidi et al. (2015), which looks at trust in EU institutions as well as national institutions of EU member states. It finds that the lack of good governance can explain a loss of trust to a good degree in both settings.

Examples from Eastern Europe show that corruption certainly has an impact on voting behaviour. This does not only include Hungary but the Czech Republic and Slovenia, which showed similar patterns in elections in recent years, where corruption as an issue helped to get votes for anti-establishment reform parties (Hanley and Sikk 2016).

Looking at countries around the world, we also see the importance of anti-corruption rhetoric in populist electoral campaigns. Corruption gives credence to the idea that political elites are just serving themselves and working against the people. This, in turn, strengthens the populist narrative and allows for populists to stylese themselves as the defenders of the people against the elites. The populist message of a corrupt elite responsible for a system that harms the people falls then on fertile ground when corruption is perceived to be a problem in the country. This makes it easier to sell the message that many elected politicians do indeed work against the best interests of the people. Moreover, since corruption is also strongly linked to social inequality (see Uslaner 2008; Loveless and Whitefield 2011; Rothstein 2011), it is easy for populist leaders to fit that into their narrative of a divided world where the “pure people” suffer at the hands of the “corrupt elite” (Mudde 2004). It is thus easy for populists to use corruption as a bridge to appeal to grievances caused by social inequality.

What is questionable, however, is how effective populist leaders are in actually fighting corruption. The following section presents examples and evidence showing that, while anti-corruption promises serve to propel populists into office, these promises are often forgotten once these leaders get into power and that their divisive discourse then serves as a mantle to cover up their corrupt deals and sometimes even some new types of corruption.

Populism facilitating corruption

Fighting corruption is thus often advanced as a policy priority by populist or anti-establishment parties. There is strong evidence, however, that these parties by and large fail to counter corruption, and often even increase it (Müller 2017). Populism can serve as a corrective for democracy. It can shake up politics to focus attention on voters’ grievances that had previously been overlooked. It can bring back groups of voters to the polling both who previously abstained from voting. In doing so, populists might even give a voice to those who did not feel represented in
previous elections. Yet, more often, populist leaders work on dismantling key democratic institutions once they are elected to office, and in doing so undermine democratic values (see Mudde and Kaltwasser 2012). By doing so, they advance corruption and simply replace those political figures who reap the spoils of corrupt politics.

**Orbán’s Hungary**

The best example of this is the evolution of the political regime advanced by Viktor Orbán in Hungary. In power since 2010, the prime minister is seen by many as a role-model populist. He pushes his own political agenda and ideology, taking advantage of public fears of migration and arguing that he is protecting the Hungarian people from outside threats and other politicians who want to weaken the country (Mudde 2016; Müller 2017; Barigazzi and Bayer 2018; Rice-Oxley and Kalia 2018). 

Orbán took power after a series of governments had benefitted from widespread corruption. Yet, by 2011, only one year after Orbán assumed the office of prime minister, several observers noted a situation in Hungary they described as state capture by elites surrounding Orbán and his party (Mong and Jancsics 2016). Fazekas and Tóth (2016) analysed Hungarian public procurement data. By measuring corruption risks in public tenders, they show how state capture was centralised to a narrow elite following the 2010 election in Hungary. The companies and power networks that benefitted from public contracts changed and became more closely linked to a narrow elite surrounding the Fidesz party and Viktor Orbán. 

At the same time, Orbán’s government has dismantled democratic safeguards since 2010. Following the notion of “illiberal democracy”, Hungary saw a curtailing of judicial independence, media freedom and the rights of non-governmental organisations, all vital institutions for a functioning democracy (Kornai 2016; Ágh 2016). This removed the regulating effect that democracy, in some cases, can have on corruption and cemented Orbán’s hold on Hungary. As a case of state capture, several observers noted that EU financial support fuelled the corruption in Hungary after 2010 (Fazekas and King 2017). Overall, this led some scholars to classify Hungary as a kleptocracy (Tóth and Hajdu 2018) or even a “mafia state” (Magyar 2016).

Viktor Orbán and his populist rhetoric and politics did not only fail to fight systemic corruption in Hungary but changed the logic of corruption, resulting in state capture through a narrow elite. The slow dismantling of democratic institutions is a key part of the Orbán and Fidesz agenda. It does not only serve to secure their power but also facilitates corruption, as safeguards are removed and the state can be remodelled to serve the interests of a narrow elite. Yet, the Fidesz party remains popular and managed to retain its majority at the most recent Hungarian elections.

**Duterte’s Philippines**

Rodrigo Duterte was elected president of the Philippines in May 2016 and assumed office a month later. His electoral success was very much founded on messages which can be classified as populist: Duterte stylised himself as an outsider, standing up against Manila elites. He pushed an image loaded with masculinity and often issued vitriolic statements against various minorities. His central campaign promise was to be tough on crime and corruption. At the same time, his key campaign slogan was “one voice, one nation”,...
positioning him in opposition to Manila politics and as the representative of the people let down by the political elite. He was very skilled in using the media and mass events for his campaign, seen by many as a reason for his electoral success (McCargo 2016).

Duterte’s government record, so far, is internationally known for its human rights violations in his ruthless campaign to fight crimes and drug trafficking: extra-judicial killings resulted in over 12,000 victims since 2016. President Duterte has been a fierce critic of the media, and watchdogs noted that the Philippines is a dangerous country for journalists to operate in (Freedom House 2018).

Duterte’s advocacy against corruption was not matched by his actions as president. Already during his electoral campaign, it became known that he had several bank accounts which he failed to declare in his asset declarations as a presidential candidate (Santos Jr. 2016). After several officials, including the minister of the interior, were fired on corruption charges, at least a quarter of them were re-hired shortly after (Calonzo 2018).

Overall, despite the president’s rhetoric, corruption in the Philippines has increased, rather than decreased (Mourdoukoutas 2017). While there are investigations into potentially illegitimate wealth amassed by Duterte and his family during his time as mayor, these were hindered by the sacking of officials involved in the investigation (Reuters 2018). Anti-corruption institutions remain ineffective, human rights have less respect, and extra-judicial killings have become a daily occurrence (Freedom House 2018).

**Trump’s USA**

As highlighted above, Donald Trump’s 2016 electoral campaign advanced the message of the now US president as being an outsider to politics. He presented himself as “a self-made billionaire leading an insurgency movement on behalf of ordinary Americans disgusted with the corrupt establishment” (Inglehart and Norris 2016, p. 5). Combatting corruption was thus not just a part of the political message of the Trump campaign, it is in inherent part of Donald Trump’s version of populism.

Analysing both historical data, campaign speeches and original survey data, Oliver and Rahn (2016) find that Trump used populism as a mechanism of political mobilization throughout the 2016 campaign. His voters are distinctively anti-elitist and pro-nationalist. The rhetoric he used was one that claimed to defend the people from the elites, from the influence of globalisation and from migration. Similar to Rodrigo Duterte, Trump is adept at using the media and stylising himself as the defender of the people. In another parallel, Trump regularly attacks individual media outlets and journalists, claiming they are biased against him.

The question of whether Donald Trump really helped to “drain the swamp”, as he put it during the campaign, has occupied many political commentators since he took office. The president continues to claim that he is working on ridding Washington DC of political elites and insiders (Samuels 2018). Yet, two years into his term, this claim bears little resemblance to reality. His cabinet features several prominent business people and lobbyists, who all show conflicts of interest. The most prominent example in this context was Scott Pruitt who became head of the Environmental Protection Agency under Trump. Having received several campaign contributions from the fossil fuel industry, Pruitt was seen as particularly unfit to head an agency charged with securing the protection of the environment. In
office, Pruitt was criticised for using his office to afford himself a lavish lifestyle. While he had to resign in July 2018, Trump nevertheless continued to back him (Smith 2018; Feldmann 2018). The US CPI score has declined by 4 points since last year, from 75 to 71 (Transparency International 2019). Similarly, in 2017, the Global Corruption Barometer, a public opinion survey published by Transparency International, showed that nearly six in ten Americans believed that the US was more corrupt than the previous year, with the White House considered the most corrupt institution in the US (Transparency International 2017).

Another controversial figure is commerce secretary Wilbur Ross, a former banker with strong business interests. Ross, still in office, failed to declare all his interests in his financial disclosure forms prior to his confirmation. He also was supposed to divest from several business interests, but as of 2018 has failed to do so (Olen 2018).

Donald Trump’s personal business interests are also a cause for concern. Having failed to hand over the control of his business to a trust, Donald Trump and his family continue to benefit from foreign dignitaries and others staying at their hotels. The Trump corporation and the company owned by Jared Kushner, Trump’s son-in-law who is involved in the day-to-day business of the White House, continue to secure investments from foreign nationals. In both cases, there is evidence that investors were wooed with prospects of political access. Cabinet members in the Trump administration are said to make unethical investments, while friends and donors get political perks (Leonhardt and Philibrick 2018).

As highlighted by the list of conflicts of interest, allegations of corruption, questionable deals in connection to the Trump presidency and the recent four-point decline in the CPI score, the new US administration is far from fulfilling the campaign promise of “draining the swamp”.

Concluding remarks

Populism and corruption are inherently interlinked. Corruption and the lack of good governance are fuelling mistrust in public institutions and the grievances that populist can use for their electoral campaigns. It supports the dichotomy of the “true people” standing against the “corrupt elites” that is inherent in populism as a political ideology and in populist rhetoric. Grievances about corruption played a major part in propelling populists to power in Europe, the Philippines, the US and Brazil.

At the same time, the populists’ track record of countering corruption is bad. In all cases considered in this report, populists advanced new forms of corruption and were ineffective in fighting old ones, despite promises made during their campaigns.

Jair Bolsonaro, the president of Brazil, only took office on 1 January 2019. It is thus too early to tell if he will be able to counter the corruption inherent to Brazilian politics today. The first indications do not look good: in December 2018, Bolsonaro was already questioned about payments made to his family, including his son who became a senator in 2019 (France24 2018).

Similarly, Mexican president Andrés Manuel López Obrador assumed office on 1 December 2018. His campaign was based largely on an anti-corruption platform and he toyed with anti-elitism. As such, López Obrador can be classed as populist, but it remains uncertain if he will manage to counter corruption in the Mexican system (Bloomberg 2018; Sieff 2018).
While the fate of Bolsonaro’s government and corruption in Brazil are still unknown, one thing is clear at the beginning of 2019: populism continues to gain ground and it remains linked with the issue of corruption.
References

Ágh, A. 2016. The Decline of Democracy in East-Central Europe: Hungary as the worst-case scenario. Problems of Post-Communism, 63(5-6), 277-287.


“Anti-Corruption Helpdesk Answers provide practitioners around the world with rapid on-demand briefings on corruption. Drawing on publicly available information, the briefings present an overview of a particular issue and do not necessarily reflect Transparency International’s official position.”

Transparency International
International Secretariat
Alt-Moabit 96
10559 Berlin
Germany

Phone: +49 - 30 - 34 38 200
Fax: +49 - 30 - 34 70 39 12

tihelpdesk@transparency.org
www.transparency.org

blog.transparency.org
facebook.com/transparencyinternational
twitter.com/anticorruption