

Corrupted Perceptions: The Effect of Corruption on Political Support in Latin American Democracies

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Abstract. The extent to which corruption may affect the functioning and prospects of new democracies is a question that has begun to attract scholarly attention. In contrast with the traditional view that stressed the “functional” character of political corruption for the political regimes of the developing world, a recent stream of research indicates that corruption may erode the links between citizens and governments in new democracies. Using data on national levels of corruption (Transparency International-1997 CPI index) and individual-level opinion data (1995-1997 World Values Survey) we first examine the extent to which the mass public accurately perceives the extent of corruption in their respective nations. If citizens are to hold leaders accountable for political corruption, then the initial step for them is to recognize the severity of the problem. We find that Latin Americans are quite aware of the seriousness of corruption in their countries. The ensuing question is whether they are able to connect their views about corruption to appraisals of their authorities and institutions, and of democracy more generally. Collectively, our findings suggest that the necessary ingredients for accountability are present in Latin America. Citizens perceive corruption, and they connect those perceptions to their judgments regarding incumbent leaders and political institutions. The possible dark side of mass opinion regarding corruption is that pervasive, and often burgeoning misconduct, may lead public sentiment to be poisoned toward democratic politics in general. On this score, our analyses speak somewhat to the vitality of democracy in the region, at least in the short term. Although many Latin American systems are rife with corruption, this situation only seems to affect support for specific administrations and institutions. We identified no evidence that perceptions of corruption have soured mass opinion on democracy as a form of government. Unfortunately, it would be perilous to assume that this state of affairs can continue indefinitely.

Political corruption is a severe problem facing many democratic nations. At its most basic level, political corruption involves the abuse of public power for some private benefit. Its existence may distort government outputs because actors involved in corrupt practices gain disproportionate benefits from government. This may in turn distort democratic procedures because policies result not from an open clash of ideas in the marketplace, but instead from back-alley deals. Although political corruption is a serious matter in many democratic nations, it is an especially significant problem in Latin America.

Throughout the 1990s, major corruption scandals tarnished the governments of many Latin American countries. In Brazil, a chain of scandals involving the existence of an influence-peddling ring during the electoral campaign, deviation of public funds by his wife, and reports of a lavish private life ultimately forced the resignation of President Collor de Mello. In Venezuela, Carlos Andrés Pérez resigned in the midst of impeachment proceedings that were initiated following news of Pérez's misappropriation of funds and obscure financial dealings preceding policies of exchange control. In Ecuador, the media uncovered that President Abdalá Bucaram stashed away for himself money that had been raised during a Christmas telethon to help the poor, triggering a political process that ended with his removal by congress for "mental incapacity." (Stapenhurts 2000).

Much of the research conducted on corruption and its political impact thus far has examined matters such as the factors that lead corruption to take root in a nation's political system, its systemic negative consequences such as clientelism and cronyism (e.g., Banfield 1958; Johnston 1979; Etzioni-Halevy 1985), its systemic positive consequences such as political stability (e.g., Huntington 1969; Waterbury 1976; Becquart-Leclerq 1989; Heidenheimer, Johnston and LeVine 1989) and the consequences of corruption for policy making, and

especially for economic policy (e.g., Tulchin and Espach 2000). Our focus, in contrast, is on the link between corruption and the perceptions and attitudes of a nation's citizens. In exploring the significance of corruption for mass politics, we follow a path that thus far has been traveled by only a relative handful of scholars (e.g., Morris 1991; Shin 1999; Camp, Coleman and Davis 2000; Della Porta 2000; Pharr 2000; Seligson 2002).¹

Political corruption raises several issues regarding the relationship between citizens and their governments. At one level, when the highest authorities are frequently implicated in electoral manipulation, financial scandals, or the abuse of public resources to achieve personal benefits, their principle of authority and legitimacy may be seriously undermined. At another level, corruption constitutes a violation of the contract between citizen and public official. Political corruption "distorts public demands, increases the cost, reduces quality, and delays the completion of public works, delays access to public administration for those people who do not pay bribes and reduces the productivity" of all those involved with the state (Della Porta 2000). Thus, it is no surprise that some view corruption as a "common and profound obstacle to the consolidation of new democracies" (Diamond, Plattner and Schedler 1999:1).

A vital step in combating political corruption is for citizens to be able to hold leaders accountable when they engage in malfeasance. For this "vertical accountability" (O'Donnell 1999) to exist, citizens need to be able to hold political leaders to some standard and punish them when they violate that standard. Accountability of this sort entails two additional requirements. First, citizens must accurately perceive corruption when it does exist. If citizens simply believe that all politicians are corrupt, this would most likely bode poorly for the fate of democracy, as none of the electoral alternatives would appeal to citizens. Additionally, there would be nothing

¹ For an excellent review on the economic and political literature on corruption see Seligson (2002).

left to explain if citizens from all countries viewed their democratic leaders as either all being corrupt or not corrupt at all. We find that possibility unlikely.

Second, citizens need to adjust their opinions of the relevant leaders (and/or institutions) accordingly. Thus, when citizens accurately perceive corruption and they adjust their opinions of the leader, they will be better able to hold that leader accountable through democratic processes (elections, judicial procedures, protest, and so on). Positive consequences can result when citizens identify certain leaders or political institutions as corrupt and they are able to hold them accountable through various forms of sanction. When political leaders are thought to be corrupt and the legislature or citizens hold the leader accountable, this is an example of democracy in action. However, if citizens misplace blame, it is possible that corruption can have a destabilizing affect on democratic political systems. For instance, if citizens believe that corruption is an inherent component of a democratic regime and not an individual political leader or institution, this may weaken support for democracy as a form of governance, thereby increasing the risk that an alternate regime will emerge. Therefore, it is critically important to identify whether citizens can accurately assess the level of corruption in their nation and whether perceptions of corruption affect their support for the incumbent government, the political system and democracy as a system of governance.

In this paper, we try to disentangle the relationship between political corruption and public opinion in several Latin American nations using data from the 1995-1997 World Values Survey. Specifically, we assess the characteristics of citizens' perceptions of corruption, and we consider whether those perceptions affect support for incumbent political officials, political institutions, and support for democracy broadly speaking. Our analyses begin with a brief review of the nature of corruption in Latin America.

The Significance of Corruption in Latin America

Over the last several years, political events in both the North and the South have brought to the forefront a renewed vigor in the study of political corruption. In the advanced industrial democracies, corruption scandals have brought down several prominent political figures in Italy (“clean hands” investigation), Germany (Helmut Kohl), the United States (Rep. James Traficant, D-Ohio) and Great Britain (Peter Mandelson). Although these events have no doubt undermined citizen trust and confidence in the advanced democracies, accusations and incidents of political corruption in the global south have shaken many of these new democratic regimes to their core.

Recent history in Latin America illustrates both the extent to which corruption exists at the national level and the difficulties that arise in taking action to combat that corruption. Since the early 1990s, nine Latin American presidents or former presidents have faced judicial proceedings or been impeached on corruption charges. These include Alan Garcia (1985-1990) in Peru, Fernando Collor de Mello (1990-1992) in Brazil, Carlos Salinas de Gotari (1988-1994) in Mexico, Abdalá Bucaram (1996-1997), Fabián Alarcón (1997-1998), and Jamil Mahuad (1998-2000) in Ecuador, Ernesto Samper (1994-1998) in Colombia, Carlos Menem (1989-1999) in Argentina and Alberto Fujimori (1990-2000) in Peru.

One indicator of the severity of corruption in Latin America is provided by Transparency International’s Corruption Perception Index (CPI). Table 1 depicts CPI scores from 1997 and 2002 for all available Latin American nations and advanced democracies. We include data from 2002 as these are the most recent indicators available. Data from 1997 are included for two reasons. First, comparison of scores for 1997 and 2002 reveals that CPI scores for a given nation typically vary little in the short run. Second, we will make use of the 1997 data below as part of multivariate analyses involving the 1995-1997 World Values Survey.

[Insert Table 1]

Scores on the CPI range from zero (least corrupt) to ten (most corrupt). In the advanced democracies, the mean CPI score in both years is under 2.0. Although moderately high corruption is indicated in nations such as Belgium and Italy, the news in the advanced democracies is quite good overall. A starkly different story emerges in Latin America. Among Latin American nations, the mean CPI value exceeds 6.0 in both 1997 and 2002, and only Chile receives CPI scores that would be inconspicuous in advanced democracies.

A few words are in order concerning the measure of corruption we use in Table 1 and throughout the following analyses. The Corruption Perception Index (CPI) is a joint initiative of Göttingen University and Transparency International and has become the popular measure in cross-national statistical analyses over the last several years. The CPI measure is an attempt to assess the level of corruption within a country by compiling a “poll of polls” based upon the perceptions of business people and risk analysts working for multinational firms and institutions in each country. Transparency International defines corruption as the “misuse of public power for private benefits, e.g., the bribing of public officials, taking kickbacks in public procurement or embezzling public funds.”² It uses this definition of corruption to seek out polls asking comparable questions in countries around the world. Transparency International calculates CPI scores for a nation provided that data from a minimum of four surveys are available.

Although there is no purely objective measure of corruption, we feel that the CPI scores provided by Transparency International offer a relatively accurate depiction of the level of corruption in each country. The measure is created through surveys of business people and risk

² For conceptual and methodological issues on the CPI index see www.transparency.de/documents/cpi/cpi_framework.html

analysts, people whose job it is to take into consideration the level of corruption in a country before deciding whether and how much to invest in the country's markets. Therefore, the measure is mostly a result of informed elite-based surveys. The CPI index is widely used by economists assessing the effect of corruption on macroeconomic variables, and "it is no doubt the best overall indicator of national levels of corruption worldwide." (Seligson 2002, 415). Indeed, we believe this is a more accurate measure of corruption than other potential sources. Corruption measures based upon news stories or judicial proceedings are in many ways more a reflection of investigative journalism, freedom of the press, and an effective and independent judiciary than indicative of the level of corruption. Although CPI scores do retain an element of subjectivity, they are the best available indicators for our purposes.³

The CPI data reported in Table 1 support the contention that political corruption is widespread in most Latin American nations, particularly when we view those nations in the context of advanced democracies. This claim will be unsurprising for even casual observers of the region. But what connection exists between corruption in Latin America and citizens' political perceptions? Two central questions must be considered. First, do mass perceptions of corruption share the critical tone reflected in the CPI data? Second, to the extent that citizens do perceive some level of corruption in Latin America, whom do they hold accountable? Most significantly, do they blame the various institutions and leaders of the state or do they blame democracy itself?

Perceptions of Corruption

If citizens are to hold leaders accountable for political corruption, the initial step is for them to recognize the severity of the problem. Before citizens decide to engage in popular protest

³ For additional discussion of the strengths and limitations of the CPI, see Seligson (2002). We share many of Seligson's concerns regarding use of CPI data in individual-level analyses. However, like Seligson, we also feel that

or to punish corrupt leaders and institutions at the ballot box, they first must characterize the degree of corruption in their nations accurately. CPI data indicate that the expert view holds that corruption is relatively high in most Latin American nations, although corruption is of only moderate severity in Costa Rica and Uruguay and it is a comparatively minor matter in Chile. In exploring the relationship between corruption and mass opinion, we initially are interested in the extent to which mass perceptions of corruption mirror the elite view indicated by the CPI. We answer this question with data from the 1995-1997 World Values Survey (WVS) and the 1997 Transparency International Corruption Perception Index (CPI).

The WVS includes respondents from seven Latin American nations covering Argentina, Brazil, Chile, Colombia, Mexico, Uruguay and Venezuela. Collectively, 1997 CPI scores from these countries encompass nearly 40 percent of the CPI's theoretical range. In 1997, corruption as reported on the CPI was moderately low in Chile (3.9), moderate to moderately high in Uruguay and Brazil, and high in Argentina, Venezuela, Mexico and especially Colombia (7.8). Thus, if citizens' perceptions resemble those of the experts whose views contribute to CPI scores, then opinion regarding the severity of corruption should vary noticeably across the seven available nations.

We can assess the nature of citizens' perceptions at both the aggregate level and the individual level using the CPI scores as the basis of comparison. At the aggregate level, we include CPI and WVS data from both the seven Latin American nations and eight advanced democracies. If aggregate mass perceptions are accurate, then the advanced democracies should have low mean levels of perceived corruption, medium levels of perceived corruption should be found in Chile and Uruguay, and high levels of perceived corruption should be found in the other five Latin American nations.

these data offer a barometer against which to gauge the alternate measures we devise.

Perceived corruption is measured on the WVS with data from the item “How widespread do you think bribe taking and corruption is in this country?” Respondents were presented four choice options, ranging from “almost no public officials are engaged in it” to “almost all public officials are engaged in it.” We retain the original coding scheme, with scale values ranging from 1 (low perceived corruption) to 4.

[Insert Figure 1]

In Figure 1, we see that aggregate perceived corruption does indeed align closely with the expert view as represented by the CPI.⁴ The correlation between CPI values and mean perceived corruption scores is 0.91, suggesting a high level of aggregate perceptual accuracy. Among the Latin American cases, those citizens living in the low to moderate range of corruption according to the CPI (Chile and Uruguay) also collectively perceive the level of corruption to be in the same range. On the other hand, those countries that scored more poorly on the CPI measure (Argentina, Brazil, Colombia, Mexico, and Venezuela) were perceived as quite corrupt by the average citizen. These results provide evidence that there is a great deal of commonality between citizens’ perceived levels of corruption and the elite-level depiction of corruption provided by the CPI scale.

We also can investigate the distribution of responses on the perceived corruption item at the individual level. Of interest is what portion of respondents makes what we might hesitantly label as perceptual errors. For instance, we might reasonably conclude that Chileans are off-base if they report that virtually all public officials in their nation are engaged in corrupt practices, and, likewise, we might look askance at Colombians who believe that almost no public officials there have experienced the taint of corruption. Table 2 depicts the relevant data. Although few

respondents see almost no corruption in their respective nations, responses are divided relatively evenly among the other three response categories. In no country did the percentage of respondents who claimed that “almost no public officials are engaged in it” rise above 5 percent. In fact, in only Chile and Uruguay, two of Latin America’s three most corruption-free countries, did the percentage of respondents finding that few or no public officials are engaged in corruption eclipse 50 percent. On the other hand, over 70 percent of the citizens in Argentina, Brazil, Colombia, Mexico and Venezuela believe that most or almost all public officials are corrupt. As for perceptual errors, only a relative handful of respondents are too generous in their assessments. On the flip-side, the question of whether respondents are too critical, we see that some people in Uruguay, and especially Chile, perceive the situation in their respective nations as being much worse than indicated by the CPI.

[Insert Table 2]

What explains the variance in the range of perceived corruption seen in Table 2? Three paths warrant consideration. First, individual-level characteristics of WVS respondents may be associated with the predisposition to view corruption as high or low. We include variables to account for age, sex, education, life satisfaction, interpersonal trust, interest in politics, the perception that the country is run for the good of the many or only a few, and opinion regarding whether accepting bribes is ever justifiable. Second, variance in the actual conditions within each nation may affect respondents’ perceptions. Thus, using CPI data as a surrogate to capture cross-national variance in corruption, we are interested in whether Latin Americans’ individual-level judgments correspond with the CPI. Third, if a link between CPI scores and mass perceptions of

⁴ Seligson (2002, 421) examines the relationship between Transparency International data and survey data on corruption *experienced* by survey respondents in Bolivia, El Salvador, Nicaragua, and Paraguay, and, like us, finds a very high level of correspondence between the CPI and survey-based indicators.

corruption is identified at the individual level, we expect that the strength of this connection will be variable. Given that the CPI is an elite-level indicator, we surmise that the correspondence between CPI scores and mass perceptions will be greatest for those respondents who are highly interested in politics and who have the highest levels of education.

Because our dependent variable is a four-category ordinal indicator, we assess the determinants of perceived corruption using ordered logistic regression. Two models are reported in Table 3.⁵ The first includes all individual-level predictors, along with the CPI scores for each nation. The second adds a CPI x political interest interaction to test whether the similarity between CPI scores and mass perceptions of corruption peaks for respondents with high levels of political interest. In pooled, cross-national analyses such as this, data are inherently clustered by nation in that they are gathered in separate surveys conducted within each of several countries. Failure to account for this clustering can result in unduly small standard errors, and produce too liberal of significance tests for coefficient estimates. To avoid this problem, we estimate these and subsequent models using robust standard errors that account for the national-level clustering in our data.

[Insert Table 3]

Results in Table 3's initial model reveal that several individual-level variables correspond with the perception of corruption. Specifically, women, older respondents, respondents who lack interpersonal trust and political interest, and respondents who view their nation as run for the benefit of a few and who view bribe-taking as justifiable all tend to perceive higher rather than lower levels of political corruption. Even after controlling for the impact of these variables, though, an extremely strong effect is found for the CPI variable. The coefficient on the

⁵ These models include data from only six nations because the items that we use for two of the independent variables were not asked in Colombia.

Transparency International indicator is more than seven times the size of its standard error, reaching the highest level of statistical significance. Citizens' views of corruption in Latin America apparently are neither unfocused nor unfounded. To the contrary, there exists a high degree of correspondence between expert judgments and the views of the person on the street.

To be clear, it is not our claim that the typical citizen learns of the CPI and uses those data to inform perceptions regarding levels of corruption. Instead, we use CPI scores to approximate variance in actual levels of corruption in the six nations under consideration. From this perspective, the large and statistically significant coefficient on the CPI variable suggests that the "reality" of political conditions (as captured by elite perceptions) in these nations resonates with the mass public. Students of political behavior often are concerned about the consequences that emerge when citizens are less than fully informed about politics. Although it is an admitted stretch to argue that the CPI data measure actual levels of political corruption, these data do at least indicate corruption as perceived by attentive, well-informed observers. From this perspective, the significant effect for the CPI variable reveals that mass opinion about corruption is neither haphazard nor baseless.

Although the initial model in Table 3 demonstrates that mass judgments regarding levels of corruption vary in response to levels of corruption as indicated by the CPI, a limitation of this specification is that it fails to recognize possible variance among mass judgments. We have speculated that the connection between CPI data and mass perceptions should be strongest for those citizens who have the resources and capacity to monitor the political scene most closely. In other words, some citizens may be better positioned than others to perceive corruption accurately. We test this hypothesis by determining whether the impact of corruption as indicated by CPI data is moderated by two factors critical to political engagement, education and interest

in politics. Statistically significant positive coefficients on the interaction terms CPI x education and CPI x political interest would establish the existence of the hypothesized conditional effects.

In column two of Table 3, we see a strong and statistically significant interaction for interest, although not for education. Consistent with expectations, the interest effect suggests that citizens who are most attuned to politics are most capable of gauging the extent to which corruption pervades the political system. In Figure 2, we graph the substantive impact of the political interest and CPI interaction. Specifically, the figure displays the estimated likelihood that a respondent perceives all or most public officials, as opposed to only a few or almost none, to be corrupt; variables other than the CPI score and political interest are held constant. What we see is that where corruption is high, at least as indicated by high values on the CPI, all respondents perceive it as such irrespective of variance in their levels of interest in politics. This is a plausible result. In nations that are absolutely rife with political corruption, the signs will be visible even to citizens who follow politics only sporadically.

It is in Latin American nations where corruption is relatively light—nations such as Chile and Uruguay—that variance in political interest appears to matter the most. Respondents who are uninterested in politics have a 50-50 chance of saying that all or most leaders are corrupt, versus a mark of less than 20 percent for respondents who are highly interested in politics. What this suggests is that political interest functions to permit incumbent officials from standing falsely accused. To take one example, Chileans with high levels of political interest are much more likely than their politically disinterested counterparts to recognize that Chile is not suffering from a widespread epidemic of political corruption.

[Insert Figure 2]

Collectively, these results demonstrate that Latin Americans do indeed recognize corruption in their nations' political systems. If anything, corruption is overstated by politically disinterested respondents in nations where corruption is not so severe. The important point here is that corrupt leaders aren't fooling anyone. Citizens of these nations see the problem. This is the first step toward accountability. The second step is for citizens to link their perceptions of corruption to appraisals regarding incumbent officials and the political system. Whether this second step occurs is the next question we examine.

Perceived Corruption as a Determinant of Support for Incumbents and Institutions

In this paper, we adopt a hierarchical approach to the study of political support in which each level of support represents a higher level of generalization than its immediate predecessor (Canache 2002b). We view political support as a multidimensional construct incorporating components at three different levels of generalization. At the least general level, citizens assess the performance of incumbent officials, whereas at the most general evaluations center on the type of regime operating in the nation—democracy in the case of the nations currently under consideration. Finally, at the intermediate level, citizens form opinions regarding the political institutions of the regime such as the courts, the military, police, bureaucracy, and so on.

Perceptions of corruption may influence any or all of the three levels of political support. However, the wisdom of linking views on corruption to other political evaluations arguably varies depending on the judgment at hand. If incumbent officials are corrupt, it makes perfect sense for citizens to evaluate them negatively. Likewise, if a nation's government institutions are riddled with corruption or if the country's political procedures facilitate corrupt practices, citizens are right to take a critical view. However, matters differ when we come to the question of regime support. High levels of political corruption are not endemic to democracy. After all,

corruption is much less severe in Chile, Costa Rica and Uruguay than in Colombia, Mexico and Venezuela, and corruption is virtually nonexistent in nations such as Finland and New Zealand. If the perception of high levels of corruption leads citizens to form negative views of democracy itself, then we would have something of a “baby with the bath water” phenomenon. Corruption would impose a severe cost if it leads citizens to view democratic governance with indifference or hostility.

We begin assessment of the political consequences of corruption by exploring whether the perceptions discussed in the previous section influence levels of support for incumbent officials and a nation’s political system. Some evidence already exists indicating that citizens do link corruption to opinion about political actors. Specifically, Morris (1991) found evidence of a strong link between Mexicans’ perceptions of corruption and their levels of trust in government. Seligson (2002), using a measure of actual experience with corruption, reports strong relationships between the corruption variable and system support in Bolivia, El Salvador, Nicaragua, and Paraguay.

In our analyses, citizen support for the incumbent government is measured with data from a four-category ordinal item that asked respondents to indicate how satisfied they are with the way the national government is addressing the country’s affairs. Citizen support for the political system is operationalized using a 15-point scale constructed with data from a series of questions on which respondents were asked to rate their confidence in several political institutions: the legal system, the government, the police, the parliament, and the civil service. Support for the incumbent government is modeled using ordered logistic regression, whereas an OLS model is estimated for system support.

Our primary independent variable is the four-point indicator of perceived political corruption. However, our models also include several additional predictors. Among these are various sociodemographic indicators (sex, age, education, and class), sociocultural orientations (life satisfaction and financial satisfaction), political orientations (political interest, views on paternalism and government liability), and perspectives on democracy (democratic values). The items used to construct these variables are reported in Appendix A, along with each variable's descriptive statistics.

The regression results depicted in Table 4 reveal that several of the control variables exert significant effects on political support. Our primary, of course, is the impact of perceived corruption. Statistically significant coefficients are obtained for the corruption variable in both models. These results establish that the second half of the accountability equation is in place. When citizens in Latin American nations perceive rampant political corruption, those views translate directly into a downgrading of opinion for both incumbent officials and political institutions. When elected officials engage in corrupt practices, they do so at their own political peril.

[Insert Table 4]

Results for our indicator of commitment to democratic values also warrant comment. This variable captures the extent to which respondents value freedom and liberty. Interestingly, this variable produced statistically significant *negative* coefficients in both models in Table 4. What this suggests is that citizens perceive a gap between their nations' political systems and the ideal democratic government. Those respondents who most value freedom apparently think that the status quo is not delivering. What these effects signal is that people differentiate between democracy as an ideal form of government and democracy as operationalized within a given

nation. At least for the moment, we take this as a positive sign, as it may follow that the taint of corruption sours mass opinion only on incumbent officials and institutions, not on democracy as a form of government. We can consider this point more directly, though, by running a new model comparable to those reported in Table 4, but this time using an indicator of support for democracy as the dependent variable.

Again, it is all to the good if people correctly perceive corruption, and then transfer those perceptions into negative evaluations of incumbent officials and even features of a nation's political system. However, it would be troubling if views on corruption caused citizens to turn their backs on democracy. All of the countries in our sample can be characterized to a certain extent as "fragile democracies" (Canache 2002b). While corruption in advanced democracies is unlikely to severely erode public support for democracy as the most desirable form of government, there is less reason to expect the same unwavering commitment to democracy in these Latin American countries. In Latin America, we are dealing mainly with fragile democracies where "formal democratic systems have been implemented but in which democratic roots are sufficiently tenuous to cause a high level of uncertainty about the sustainability of those systems" (Canache 2002b: 6). We know that more and more Latin Americans are ambivalent or outright hostile to democracy as a form of government. For instance, data from the 2002 Latinbarometer show that support for democracy overall was only 56 percent (Press Report 2002). We also know that opposition to democracy as a form of government is associated with both support for political violence (Canache 2002b) and with support for radical leadership alternatives (Canache 2002a). Thus, there exists the very real possibility that political corruption in Latin American poses a tangible threat to democratic stability.

Data from two items are combined to form an indicator of support for democracy, yielding a scale with values ranging from 2 (low support) to 8. We use this scale as our dependent variable in Table 5. The OLS regression results reveal no evidence that perceptions of corruption undermine support for democracy as a form of government. This important null result speaks to an element of rationality in citizens' political appraisals, especially when we view this finding in the context of the significant effects reported in Table 4 for this same variable. In Latin America, citizens make a critical evaluative distinction. When they perceive political corruption to be widespread, they lash out at both incumbent officials and national political institutions, but that is where they draw the line. Perceptions of political corruption apparently do not undermine support for democracy as a form of government.

[Insert Table 5]

Conclusions

That political corruption constitutes a severe and pervasive problem in most Latin American nations is quite clear. However, the many possible implications of such corruption for democratization in the region are not yet fully understood. Most research on corruption has sought to identify the scope of political malfeasance, and to shed light on the impact of corruption for institutional performance. Our focus, in contrast, has centered on the possible effects of political corruption on public opinion. Mass opinion potentially offers one check on corruption in that a nation's citizens could demand higher standards of integrity from public officials. For this sort of accountability to occur, however, citizens must recognize corruption when it exists, and evidence of corruption must influence citizens' judgments regarding the culpable parties. Our central objective in this paper has been to determine whether accountability of this form does indeed take place. A secondary objective involved ascertaining whether

perceptions of corruption causes citizens to look critically on all aspects of democratic politics, thereby contributing to an erosion in support for democracy as a form of government.

Drawing on Transparency International's corruption index (CPI) and World Values survey data from several Latin American nations, we have tested a series of empirical relationships. Our analyses reveal, first, that there is a strong degree of correspondence between levels of corruption as indicated by the CPI and as perceived by mass publics. This correspondence exists at both the aggregate level and the individual level. The lesson here is that public officials who engage in corrupt practices are fooling no one. Second, we explored the possible impact of perceptions of corruption on support for incumbent officials, support for the political system, and support for democracy as a form of government. Perceived corruption was found to erode the first two levels of support, but not the third.

Collectively, our findings suggest that the necessary ingredients for accountability are present in Latin America. Citizens perceive corruption, and they connect those perceptions to their judgments regarding incumbent leaders and political institutions. Whether mass opinion alone can offer a sufficient check on corruption is, of course, highly questionable. At a minimum, however, it surely is better to have accountability of the sort we have identified than for corruption to flourish in a manner unhampered by public criticism.

The possible dark side of mass opinion regarding corruption is that pervasive, and often burgeoning misconduct, may lead public sentiment to be poisoned toward democratic politics in general. On this score, our analyses speak somewhat to the vitality of democracy in the region, at least in the short term. Although many Latin American systems are rife with corruption, this situation only seems to affect support for specific administrations and institutions. We identified no evidence that perceptions of corruption have soured mass opinion on democracy as a form of

government. Unfortunately, it would be perilous to assume that this state of affairs can continue indefinitely. Like Seligson (2002), we have found that corruption undermines the legitimacy of governments in Latin America, and like Seligson we suspect that democracy in the region may be racing against the clock as a consequence. Citizens in the region apparently do not currently view corruption as an inherent feature of democratic governance, but there is no guaranty that this perceptual link will not emerge in future years if corruption continues unabated. Given that democracy already is on unsure footing in many Latin American nations, concern is warranted that the persistence of corruption eventually may add to the allure of alternate regimes.

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TABLE 1. Levels of Corruption in Advanced and Latin American Democracies, 1997 and 2002

<i>Advanced Democracies</i>			<i>Latin American Democracies</i>		
Country	1997	2002	Country	1997	2002
Austria	2.4	2.2	Argentina	7.2	7.2
Australia	1.1	1.4	Bolivia	8.0	7.8
Belgium	4.8	2.9	Brazil	6.4	6.0
Canada	0.9	1.0	Chile	3.9	2.5
Denmark	0.1	0.5	Colombia	7.8	6.4
Finland	0.5	0.3	Costa Rica	3.5	5.5
France	3.3	3.7	Ecuador	-	7.8
Germany	1.8	2.7	El Salvador	-	6.6
Italy	5.0	4.8	Guatemala	-	7.5
Japan	3.4	2.9	Honduras	-	7.3
Luxembourg	1.4	1.0	Mexico	7.3	6.4
Netherlands	1.0	1.0	Nicaragua	-	7.5
New Zealand	0.8	0.5	Panama	-	7.0
Norway	1.1	1.5	Paraguay	-	8.3
Sweden	0.6	0.7	Peru	-	6.0
Switzerland	1.4	1.5	Uruguay	5.6	4.9
United Kingdom	1.8	1.3	Venezuela	7.2	7.5
United States	2.2	1.3			
Average	1.9	1.7	Average	6.3	6.6

Table 2. Distribution of Perception of Corruption in Six Latin American Countries

Perception of the Extent of Corruption (percentages)

	Almost all public officials are engaged in it	Most public officials are engaged in it	A few public officials are engaged in it	Almost no public officials are engaged in it
Argentina (N=1,032)	37.27	41.18	18.50	3.07
Brazil (N=1,096)	58.94	23.54	16.79	0.73
Chile (N=949)	17.24	27.47	50.91	4.38
Colombia (N=2,910)	44.40	32.96	19.79	2.85
Mexico (N=1,396)	44.13	30.87	20.63	4.37
Uruguay (N=906)	14.37	30.07	52.34	3.23
Venezuela (N=1,106)	44.03	30.74	22.88	2.85

Source: 1995-1997 World Values Survey

Table 3. Factors Affecting the Level of Perceived Corruption in Six Latin American Countries (Ordered Logistic Estimates)

	Coefficient	Robust Standard Error Adjusted for Clustering on country	Coefficient	Robust Standard Error Adjusted for Clustering on country
Sex	0.151*	0.062	0.152*	0.061
Age	-0.010***	0.003	-0.010***	0.003
Education	0.029	0.025	0.072	0.136
Social class	-0.084#	0.043	-0.088*	0.043
Satisfaction with life	0.003	0.005	0.003	0.005
Interpersonal trust	-0.475**	0.154	-0.473**	0.155
Political Interest	-0.201***	0.048	-0.808***	0.186
Country run for the benefit of few or for the benefit of all the people	-0.423**	0.148	-0.427**	0.147
Accepting bribes	0.069*	0.032	0.069*	0.032
Transparency International Score (Nation's corruption level)	0.408***	0.055	0.269*	0.113
Transparency International Score*Education			-0.007	0.022
Transparency International Score*Political Interest			0.095***	0.029
Number of Observations	5,573		5,573	
Model χ^2	713.60		728.64	

Source: 1995-1997 World Values Survey (data are from six Latin American countries: Argentina, Brazil, Chile, Mexico, Uruguay, and Venezuela); Transparency International.

Note: The dependent variable is "Level of perceived corruption," which is a four-category ordinal measure. See Appendix A for wording and descriptive statistics.

*** p < .001 ** p < .01 * p < .05 # < .10

Table 4. Effect of Perceived Corruption on Political Support for the Incumbent Government and for the Political System

	Incumbent Government (Ordered Logit Estimates)		Political System (OLS Regression Estimates)	
	Coefficient	Robust Standard Error Adjusted for Clustering on country	Coefficient	Robust Standard Error Adjusted for Clustering on country
Sex	-0.074	0.121	0.054	0.183
Age	0.007***	0.002	0.008	0.063
Education	-0.002	0.032	-0.010*	0.033
Class	0.135	0.086	0.122	0.074
Satisfaction with life	0.007	0.006	0.008	0.006
Satisfaction with financial situation	0.077***	0.023	0.151*	0.039
Political interest	0.136	0.110	0.582**	0.109
Views on Paternalism	-0.037	0.033	-0.044*	0.016
Evaluation of poverty situation in the country	-0.637***	0.119	-0.316	0.180
Evaluation of government action toward poverty	0.750***	0.146	0.968**	0.216
Democratic values	-0.183***	0.047	-0.400**	0.096
Perceived corruption	-0.261*	0.123	-0.829**	0.183
Number of observations	5,245		5,127	
Model χ^2	1,078.44			
Model R ²			0.155	

Source: 1995-1997 World Values Survey (data are from six Latin American countries: Argentina, Brazil, Chile, Mexico, Uruguay, and Venezuela); Transparency International.

Note: The dependent variables are “Support for the incumbent government,” which is a four-category ordinal measurement; and “Support for the political system,” which is an interval measurement. See Appendix A for wording and descriptive statistics.

*** p < .001 ** p < .01 * p < .05 # < .10

**Table 5. The Effect of Perceived Corruption on Support for Democracy
(OLS Regression Estimates)**

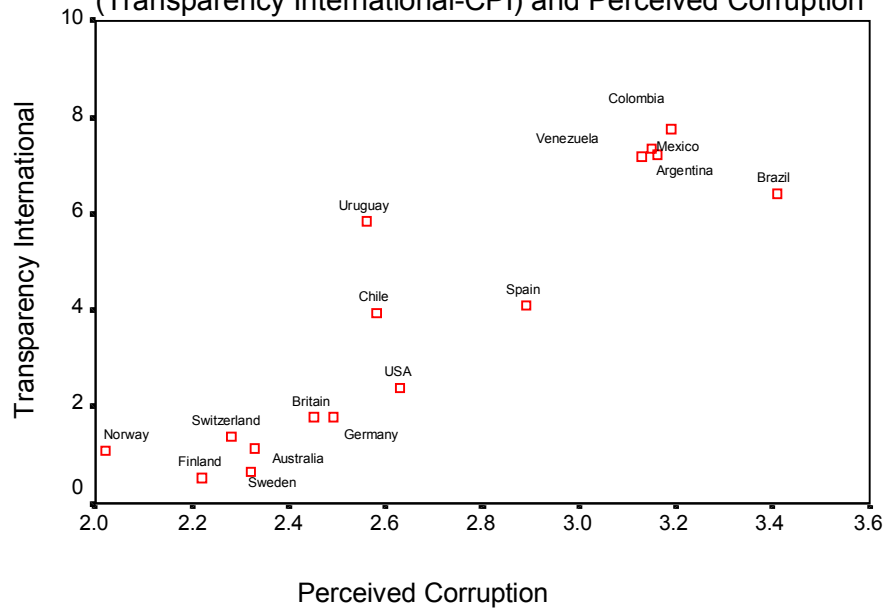
	Coefficient	Robust Standard Error Adjusted for Clustering on country
Sex	-0.035	0.033
Age	-0.008*	0.003
Education	-0.044#	0.018
Class	-0.022	0.048
Satisfaction with life	0.001	0.007
Satisfaction with financial situation	0.011	0.012
Political interest	-0.071	0.041
Views on Paternalism	-0.003	0.008
Evaluation of poverty situation in the country	-0.063	0.071
Evaluation of government action toward poverty	0.183**	0.056
Democratic values	-0.108#	0.058
Perceived corruption	0.025	0.033
Number of Observations	4,932	
Model R ²	0.035	

Source: 1995-1997 World Values Survey (data are from six Latin American countries: Argentina, Brazil, Chile, Mexico, Uruguay, and Venezuela); Transparency International.

Note: The dependent variable is “Support for democracy,” which is an interval measurement. See Appendix A for wording and descriptive statistics.

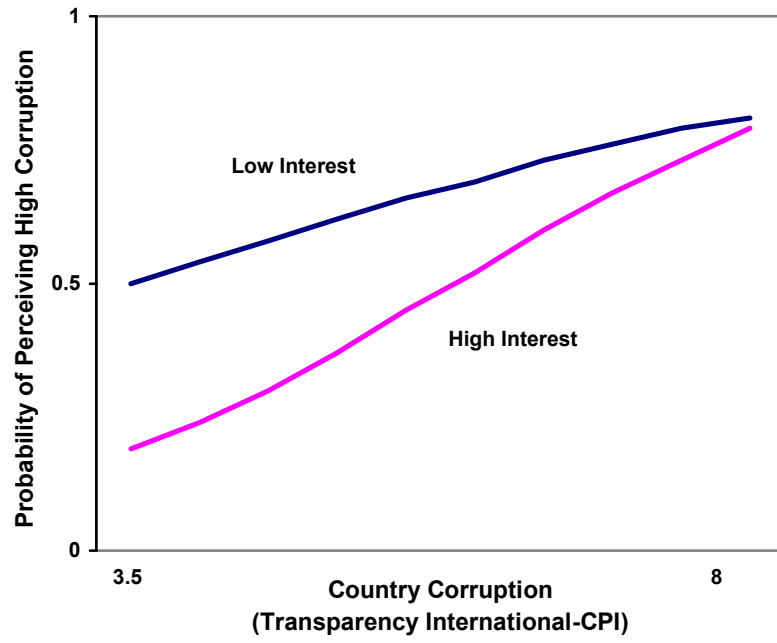
*** p < .001 ** p < .01 * p < .05 # < .10

Fig. 1. Correlation between Country Level Corruption (Transparency International-CPI) and Perceived Corruption



Source: Transparency International; World Values Survey 1995-1997

Fig. 2. The Moderating Impact of Political Interest on the Perception of Corruption



APPENDIX A. WORDING AND DESCRIPTIVE STATISTICS

Variable	Scale	Statistics
Sex	1 = male; 2 = female	Mode=2
Age	Years (18-91)	Mean=39.01 SD=15.03
Education “What is the highest educational level that you have attained?”	1 = no formal education to 9 = University level education, with degree	Mean=5.04 SD=2.26
Social Class “People sometimes describe themselves as belonging to the working class, the middle class, or the upper or lower class. Would you describe yourself as belonging to?”	1 = lower class to 5 = upper class	Mean=2.55 SD=0.88
Satisfaction with life “All things considered, how satisfied are you with your life as a whole these days?”	1 = completely dissatisfied to 10 = completely satisfied	Mean=7.24 SD=2.48
Satisfaction with financial situation “How satisfied are you with the financial situation in your household?”	1 = completely dissatisfied to 10 = completely satisfied	Mean=5.89 SD=2.77
Political Interest “How interested would you say you are in politics?”	1 = not at all interested to 4 = very interested	Mean=1.98 SD=0.98
Interpersonal Trust “Generally Speaking, would you say that most people can be trusted or that you can't be too careful in dealing with people?”	0 = Can't be too careful 1= Most people can be trusted	Mode=0
Views on paternalism	1 = people should take more responsibility to provide for themselves to 10 = the government should take more responsibility to ensure everyone is provided for	Mean=6.07 SD=3.13
Evaluation of poverty situation in the country “Would you say that today a larger share, about the same, or a smaller share of the people in this country are living in poverty than were ten years ago?”	1 = a smaller share to 3 = s larger share	Mean=2.62 SD=0.65
Evaluation of the government action toward poverty “Do you think that what the government is doing for people in poverty in this country is the right amount, too much, or too little?”	1 = too little to 3= too much	Mean=1.29 SD=0.54

APPENDIX A. WORDING AND DESCRIPTIVE STATISTICS

Variable	Scale	Statistics
<p>Democratic Values This is a scale combining the following items:</p> <p>“Which of the following things is the most important? a) maintaining order; b) giving people more say in important government decisions; c) fighting rising prices; or d) protecting freedom of the speech”</p> <p>“Which of the following things is the next most important? a) maintaining order; b) giving people more say in important government decisions; c) fighting rising prices; or d) protecting freedom of the speech”</p> <p>“If you have to choose, which would you say is the most important responsibility of government? a) to maintain order in society; b) to respect freedom of individuals”</p> <p>For each item, the choices: giving people more say in important government decisions, protecting freedom of speech, and the belief that government most important responsibility is to respect freedom of individuals, were coded as 1 (democratic values); all other choices were codes as 0 (non democratic values)</p>	<p>0 = respondent did not choose a democratic value category in any of the three items to 3 = respondent chose democratic value categories in all three items</p>	<p>Mean=1.35 SD=0.89</p>
<p>Country run for the benefit of few or for the benefit of all the people “Generally speaking, would you say that this country is run by a few big interests looking out for themselves, or that it is run for the benefit of all the people?”</p>	<p>1 = run by a few big interests 2 = run for all the people</p>	<p>Mean=1.23 SD=0.42</p>
<p>Accepting bribes “ Someone accepting a bribe in the course of their duties can always be justified, never be justified, or something in between?”</p>	<p>1 = never justifiable to 10 = always justifiable</p>	<p>Mean=2.08 SD= 2.29</p>
<p>Transparency International Score (CPI index)</p>	<p>0 = low level corruption to 10 = high level of corruption</p>	<p>Mean=6.54 SD=1.21</p>

Continued

Continued

APPENDIX A. WORDING AND DESCRIPTIVE STATISTICS		
Variable	Scale	Statistics
Perceived Corruption “How widespread do you think that bribe taking and corruption is in this country?”	1 = almost no public official are engaged in it to 4 = almost all public officials are engaged in it	Mean=3.02 SD=0.88
Support for the Incumbent Government “How satisfied are you with the way the people in national office are handling the country’s affairs?”	1 = very dissatisfied to 4 = very satisfied	Mean=2.12 SD=0.90
Support for the political system This is a scale that combining items gauging the level of confidence in the following institutions: the legal system, the government, the police, the parliament, and the civil service	5 = low level of confidence to 20 = high level of confidence	Mean=10.99 SD=3.67
Support for Democracy This is a scale combining the following items: “Having a democratic system is a very good, fairly good, fairly bad, or a very bad way of governing this country? (1= very bad to 4= very good)” “Democracy may have problems but it’s better than any other form of government (1=disagree to 4= agree)”	2 =low support for democracy to 8= high support for democracy	Mean=3.52 SD=1.25
Source: 1995-1997 World Values Survey; Transparency International.		