Chapter 19
Is the Internet Mightier than the Sword:
An Anti-Corruption Perspective

Russell Lidman
Seattle University, USA

ABSTRACT
This paper considers how to reduce corruption and improve governance, with particular attention to the impacts of information and communication technology. The media and the press in particular have played an important role in opposing corruption. The Internet and related tools are both supplementing and supplanting the traditional roles of the press in opposing corruption. A regression model with a sample of 164 countries demonstrates that, controlling for the independent variables commonly employed in empirical work on corruption, greater access to the Internet explains reduced corruption. The effect is statistically significant albeit modest. It is possible that the social media will have a growing impact on reducing corruption and improving governance. A number of examples of current uses of these media are provided. Recent insight and experience suggest how the newer information and communication technologies are somewhat tipping the balance toward those opposing corruption.

INTRODUCTION
It is in the nature of effective governance that public goods and services are available by virtue of one’s domicile. In contrast, it is the nature of public corruption that public resources are provided on the basis of quid pro quo. Corruption represents the substitution of self-serving for more democratic criteria in public decision making. The role of the information and communication technologies in reducing corruption and improving governance is considered in this chapter.

Corruption is durable where the public is unaware of what it might be entitled to or, even
where there is an understanding of rights and entitlements, when the public has no way to assert its claim effectively. Shah (2007) observes, “Public sector corruption is a symptom of failed governance” (p.234). Citizen voice is among the list of concerns Shah considers in defining governance.

This chapter examines the role played by the Internet in particular, and other information and communication technologies, in reducing corruption. There is a literature demonstrating and describing how corruption has been reduced through interventions of print and other traditional media. The capacity of the traditional media to devote resources to fight corruption and promote more transparent government appears to be increasingly limited. This study seeks to broaden the perspective on the role of the media on reducing corruption by explicitly considering the role of the Internet, and more specifically by providing empirical support for that role. Using both statistical analysis and case material, this chapter argues that greater access to the Internet explains, significantly but modestly, a reduced level of corruption. It is quite possible that there will be a greater impact on corruption of the Internet and the social media as access to the information and communication technologies grows.

BACKGROUND

Transparency is a precursor to the functioning of democratic governance, and the impact of the press is clearly an illustration. Glaeser and Goldin (2006) and Menes (2006) provide empirical evidence for the role of the press in reducing corruption in the US, albeit over a period of many years. The use of the print media to control corruption can produce results in a relatively brief time, as Reinikka and Svensson (2003, 2005) demonstrate in their work on Uganda.

One of the significant issues in corruption control is who comprises the foundation of the opposition to corruption. Klitgaard et. al. observe that, “Because the benefits of preventing corruption are … widespread, the logic of collection action predicts that an effective interest group will be hard to mobilize and sustain” (2000, p. 12). Others disagree, pointing to the foundation for groups in opposition to corruption. One perspective, see Levy (1966), is that those with qualifications and skills who would benefit from a meritocratic system and would lose their opportunities in the presence of corruption, form the basis of an opposition to corruption. Similar arguments about groups that will stand in opposition to corruption are found in Myrdal (1968), Golden and Picci (2006) and Holmes (2006). The behavioral economics literature has provided useful insights into the inclination or the disinclination toward corrupt practice. See, for example, Gintis et. al. (2005), Henrich et.al. (2004) and Kahan (2005). Ostrom (2005) observes, based upon the behavioral literature, that about two-thirds of individuals exhibit some levels of trust and reciprocity, and this is largely independent of location. The literature taken together suggests a role for the internet and the social media in reducing corruption. The information and communication technologies in general lower the costs of individuals communicating with one another locally, and globally for that matter. There are many stakeholders in opposition to corruption, and with technology their collective action is easier and less costly to sustain.

The chapter examines empirically the impact of information and communication technology on corruption. A review of the empirical literature is found in Lambsdorff (1999). Two later articles of interest are Treisman (2000) and You and Khagram (2004). None of this earlier literature examined the role of information and communication technology in controlling corruption. The other independent variables used in the models reported here are those most commonly used in the empirical literature and the results are consistent with that literature.