Literature Review on the Impact of Institutional Reforms on Electoral Corruption

Jose V. Abueva, head of the Citizen's Movement for a Federal Philippines (CMFP), is calling for change. "Our obsolete form of government and dysfunctional political parties sustain our politics of personality, patronage, cronyism and corruption without public accountability," he writes in Charter Change for Good Governance (Abueva 2005, 3). He and other supporters of a Philippine Charter Change (commonly referred to as "cha-cha"), assert that adopting a federal-parliamentary system in place of the traditional unitary-presidential system will help address the Philippines' fundamental problems (Abueva 2005, 33-38). But are they correct? Are cha-cha supporters justified in believing that overhauling their country's electoral system will solve its problems of corruption? I will explore the validity of their claim with particular focus on answering the question: to what extent can a country's electoral methods temper the effects of public office corruption?

I will center my analysis on the consequences of possible electoral reform in the Philippines—a switch from a majoritarian system to closed-list proportional representation—and its potential impact on vote buying. "Vote buying involves the individual immediate and private exchange of goods services, or cash for electoral support, usually in violation of legal norms" (Hicken, "How do Rules…, 51). Although corruption has many forms, I will focus on its manifestation in the political arena, public offices in particular. In the context of this paper, corruption is defined generally as "the misuse of public power, office or authority for private benefit—through bribery, extortion, influence, peddling, nepotism, fraud and embezzlement"(United Nations Development Programme, *Fighting Corruption to Improve Governance*). Although corruption is a serious and well known problem in the Philippines, and indeed in many countries around the world, measuring it is extremely challenging (Morató 2007,

personal email). Thus, in addition to the challenge of determining appropriate electoral, one must also investigate proper techniques of corruption measurement.

The literature on comparative parties and elections offers insights into the possible motivations for candidates to engage in vote buying strategies. Differing electoral systems promote contrasting tactics for candidates to win elections. In certain systems candidates rely mainly on personal reputation and individually focused campaigns to gain voter support. Such systems are often characterized by intra-party competition, which occurs when "members of the same party (copartisans) must campaign against each other within the same district" (Hicken, "How do Rules…, 49). In other systems, candidates depend on the label of their political party rather than their own status, opting to separate themselves from their competitors through partisan differences. These systems typically portray inter-party competition since "the party's label and reputation constitute the key currency for candidates" (Hicken, "How do Rules…, 48). Ultimately, the extent to which a country's electoral rules encourage inter versus intra party competition plays a large role in determining the incentives to engage in electoral corruption.

In his discussion of the effectiveness of institutional reforms on electoral corruption, Allen Hicken identifies strong incentives to cultivate a personal vote (a feature distinctive to intra-party competition) as a key factor in facilitating vote buying strategies (Hicken 2007, "How do Rules…", 48-49). Candidates adopt differing election tactics to suit their institutional and political environment. Because vote buying is a useful approach in garnering personal votes, it is more likely to occur "in countries with extremely personalized electoral and party systems and less likely in countries where parties are stronger and party labels are more valuable to voters and candidates" (Hicken 2007, "How Effective are…, 146). Systems that promote intra-party

competition and personal vote cultivation include single-non-transferable vote (SNTV) and open list proportional representation (Hicken 2007, "How Effective are…, 147).

In addition to vote buying, candidates may also cultivate personal votes by calling attention to policy or factional differences within their party. Such a strategy often leads to fighting between copartisans, which further "undermines party cohesion and dilutes the value of the party label" (Hicken, "How do Rules…, 50). In order to bypass this dilemma, party leaders "allow or encourage candidates to cultivate personal support networks by directing (or promising to direct) pork…to a candidate's constituents" (Hicken, "How do Rules…, 50). Pork barrel relates to the promise of "particularistic forms of government largesse to a candidate's constituents" (Hicken, "How do Rules…, 50). Though promises of pork are common in every democracy, they are especially prevalent in candidate-centered electoral systems. Pork barrel corruption is therefore an additional byproduct of systems lacking strong parties.

In summary, the strength of the party system, largely determined by a country's electoral methods, can influence the prevalence of corruption in the political arena. Candidate-centered electoral systems typically produce intra-party competition and increased incentives to shun party label in favor of personal vote cultivation. According to work conducted by Miriam Golden and Eric Chang, the resulting governments of candidate-centered electoral systems also tend to be more corrupt (Chang and Golden 2001, 61-62).

The current political environment in the Philippines is dominated by intra-party competition. "During elections, it is not so much the political parties that are the real mobilizing organizations but the candidate's machinery and other networks of relatives, friends, political associates and allies" (Rocamora 1998). Not surprisingly, "vote buying is rampant during elections, with many selling their votes to the highest bidder" (Coronel 2004).

The Philippine political system, established by the 1987 Constitution, consists of a bicameral national legislature. Its lower house is composed of 214 representatives elected through singe member district (SMD) plurality (ACE: The Electoral Knowledge Network). However, only 80% of the lower house representatives are elected through plurality; beginning in 1998, 20% of the house must be elected through party-list proportional representation (Holmes and Teehankee). The senate is composed of 24 members elected nationally for 6 year terms through simple plurality (ACE: The Electoral Knowledge Network). In addition to SNTV and open list PR, SMD plurality systems, which allow multiple candidates from the same party to run in a district, is known to promote intra-party competition (Hicken, "How Effective are…). Essentially, "the adversarial nature of Philippine politics and government is rooted in the fractured and personalistic nature of political contestation that has been abetted by predominant plurality systems" (Holmes and Teehankee).

Because a country's electoral system can influence the prevalence of vote buying, one should theoretically be able to reverse the process through electoral reform. How can the hyper-personalistic—when intraparty competition becomes more prominent than interparty competition—Philippine system be impacted by electoral reform (Shugart 2001, 176)? If incentives to cultivate personal vote exacerbate vote buying and other forms of corruption, how can it be remedied? Hicken suggests that intra-party competition may be eliminated (or at least diminished) through the adoption of a closed list proportional representation (PR) system. Multiple winner rules, such as closed-list PR, have many advantages over majoritarian, or winner take all systems. First, because PR rules allow for more than one winner, candidates have less compulsion to actively cultivate a personal vote; there's more than one available seat, thus making competition less intense. In a closed list PR system, voters can indicate preference for a

party list, but not for any single candidate; the list order is determined by party leaders. Because the list order is unknown to the candidates, their chances of victory are directly linked to their party's success. Candidates are more likely to promote the party label rather than themselves, thereby setting the foundation for strong parties (Hicken, "How do Rules..). Strong party labels will in turn diminish intra-party competition, thus shifting the favor away from personal vote cultivation toward party vote cultivation.

PR systems also impact voter turnout, typically increasing them (Hicken 2007, personal email). Because PR systems allow for more than one winner, voters have less incentive to vote strategically. They don't have to be concerned about wasting their vote by supporting a third, less prominent party since seats will be awarded based on the proportion of votes received. Voters are therefore more likely to have a party in the race that is closer to their ideal points, ultimately increasing their turnout at the polls (Hicken 2007, personal email).

Greater voter turnout may translate into a reduction in a candidate's motivation to vote buy. If a candidate is planning to buy his votes, higher voter turnouts would require him to buy more in order to win. An increase in voter turnout thus also increases the cost of vote buying, potentially making it too costly to be an effective strategy to win an election (Hicken 2007, "How do Rules…"). Candidates can either choose to spend more money, or if this is no longer a viable option, adopt an alternate strategy in order to gain the necessary support. However, politicians may be adapting by discovering new ways to purchase votes. Hicken, for example, has suggested that in addition to directly purchasing votes, politicians may now be using the construction of schools and universities as a new method to garner votes.

While there appears to be support from other authors in favor of closed-list PR systems, other authors have different views. Shugart's research on mixed electoral systems asserts that a

combination of majoritarian and proportional representation is the most efficient form of government in relation to corruption control. Although Shugart makes a valid argument, a mixed member system is not suitable for the Philippines. Mixed member systems (MMS) will not deter the current candidate centered electoral system since it maintains a tier composed of single member districts elected through plurality. Vote buying and corruption are directly linked to a candidate's incentive to cultivate personal vote, and MMS retains this drive.

Thailand underwent revisions to its political structure, and much can be learned from its experience. In 1997, it adopted a new constitution which reformed its electoral system, though its reforms did not apply until the 2001 elections. "While the drafters had many goals, it is fair to say that they designed the constitution chiefly to combat vote buying and money politics" (Hicken, "How Effective are…, 153). Prior to the 1997 reforms, Thailand employed a block-vote (BV), majoritarian system. Similar to the current state of the Philippines, Thailand was plagued with weak party labels, candidate centered-electoral systems and intra-party competition. The 1997 reforms replaced the BV method with a mixed member two tier system (Hicken, "Lessons from Thailand"). Under the new plan, the house consisted of 400 seats elected from single member districts via plurality rule, and 100 seats chosen from a single nationwide district via closed list PR (Hicken, "Lessons from Thailand").

The reforms had a dramatic impact on the number of parties. **Table 1** illustrates how the effective number of parties (ENP) was markedly reduced from a national, pre-reform average of 7.2 to 2.1 in the 2005 election. Significant party realignment occurred due to the new electoral system.

Table 1: Pre and Post Reform Effective Number of Political Parties (ENPP)

	1986-1996 Elections	2001 Election	2005 Election

Average ENP Locally	3.2	2.7	NA
ENP Nationally	7.2	3.8	2.1

Source: Hicken 2005, "Lessons from Thailand: The Constitution of 1997"

Croissant and Pojar best describe the impact of the 1997 reforms on the Thai Party system:

> The trend is from a highly fragmented albeit low ideologically polarized party system with shallow programmatic profiles of, and thus only rudimentary policy differences between, individual political parties towards deepening polarization between two large political parties with different political platforms and clearly distinguished groups of voters. While the 2001 election intensified this development, the 2005 election has consolidated it (2006, "Quo Vadis Thailand…").

The impact of the reforms on vote buying was somewhat ambiguous, however. Hicken and others argue that there was an overall reduction in the amount of vote buying, yet none can point to a proper method to quantify these levels (Hicken, "How effective are…).

Because party numbers were clearly reduced, the reforms ushered in a party-centered electoral system. "The [2005] election strengthened the recent trend towards a highly concentrated party system" (Croissant and Pojar). Indeed, the newly established strong party labels also induced "sharper policy profile of the parties" (Croissant and Pojar). Intra-party competition began to disappear in the 2001 elections (Hicken, "How do Rules…). "For the first time in recent Thai electoral history, political parties…put significant effort into developing coordinated party-centered electoral strategies" (Hicken, "How do Rules…). The party fragmentation that characterized pre-reform elections was replaced with a clear domination of the newly formed Thai Rak Thai (TRT) party (Hicken, "How do Rule…) . For the first time since 1957 a single party (the TRT) nearly captured a majority of the seats; "it later gained a majority after a smaller party disbanded and joined its ranks" (Hicken, "How do Rule…). As illustrated in **Table 2,** the TRT party secured clear majority in the 2005 elections. Also, note that

smaller parties disbanded, and joined the dominant TRT party to further reduce party fragmentation.

Table 2: Results of the parliamentary election in Thailand, 2001 and 2005

	Party-list votes (%)		Seats in parliament (%) (*N*)	
	2001	**2005**	**2001**	**2005**
Thai Rak Thai	38.9	61.1	49.6 (248)	75.2 (376)
Democrats	25.4	23.3	24.6 (128)	19.2 (96)
Chart Thai	5.1	6.6	8.2 (41)	5.2 (26)
New Aspiration Party	6.7	[a]	7.4 (36)	[a]
Chart Pattana	5.9	[a]	5.8 (29)	[a]
Mahachon	[b]	4.4	[b]	0.2 (2)
Others	6.3	4.6	4.4	0.0
Effective number of parties	4.4	2.3	3.0	1.6

Source: Croissant and Pojar's calculations based on data compiled from Election Commission of Thailand: http://202.149.97.25/ect48/ReportScorePartylist.aspx; http://202.149.97.25; http://www.ect.go.th/english/national/mp/mp1.htm. Accessed 24 March 2005.
[a] Party merged into *Thai Rak Thai*.
[b] Party did not stand in 2001 election.

Voter turnout was also greatly affected by the reforms, as shown in **Table 3**. The 2001 and 2005 elections marked record highs in voter registration and turnout. For example, there is a 6.4% jump in voter turnout between the 1996 and the 2001 parliamentary elections. This trend continued during the 2005 election, with a 6.9% jump from 1996.

Table 3: Electoral Body 1933–2005

Year	Type of election[a]	Population[b]	Registered voters		Ballots cast		
			Total number	% pop.	Total number	% reg. voters	% pop.
1933	R	10,875,069	4,278,231	39.3	1,773,532	41.5	16.3

1937	R	14,467,105	6,123,239	42.3	2,462,535	40.2	17.0
1938	R	15,243,931	6,310,172	44.5	2,210,332	35.0	14.5
1946	R	14,464,105	6,431,827	44.5	2,091,788	32.5	12.1
1948	R	17,310,371	7,176,891	41.5	2,117,464	29.5	12.2
1952	R	19,785,819	7,602,591	38.4	2,961,291	39.0	15.0
1957	R (I)	21,275,000	9,859,039	43.2	5,668,566	57.5[c]	24.9
1957	R (II)	21,275,000	9,917,417	43.5	4,370,589	44.1	19.2
1969	R	34,523,122	14,820,180	44.2	7,285,832	49.2	21.7
1975	R	42,391,454	20,243,791	47.8	9,549,924	47.2	22.5
1976	R	43,213,711	20,623,430	47.7	9,072,629	44.0	21.0
1979	R	46,113,756	21,283,790	46.2	9,344,145	43.9	20.3
1983	R	49,515,074	24,224,470	48.9	12,295,339	50.8	24.8
1986	R	52,969,204	26,160,100	49.4	16,070,957	61.4	30.3
1988	R	54,960,917	26,658,638	48.5	16,944,931	63.6	30.8
1992	R (I)	57,788,965	32,436,170	56.1	19,216,670	59.2	33.3
1992	R (II)	57,788,965	31,860,156	55.9	19,622,332	61.6	34.0
1995	R	59,095,419	37,817,983	64.0	23,462,746	62.0	39.7
1996	R	59,460,382	38,564,593	64.9	24,070,750	62.4	40.5
2000	S	61,466,178	42,567,111[d]	69.3	30,684,040	72.1[f]	49.9
2001	R	61,661,701	42,875,036[d]	69.5	29,925,432	69.8[f]	48.5
2005	R	62,452,587	44,846,472	71.8	33,693,624	75.3	53.9

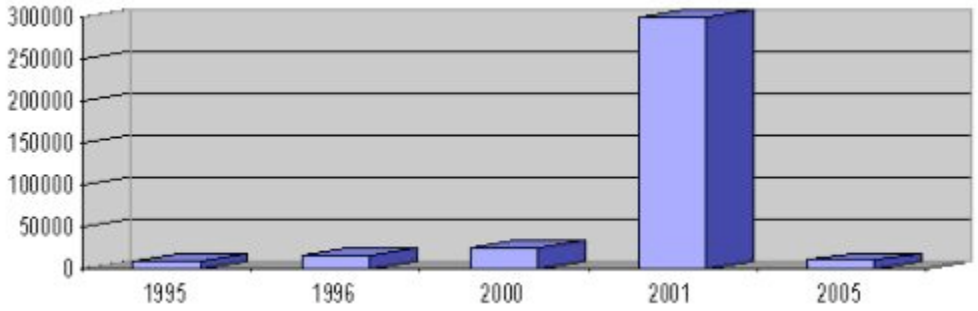
[a] R = House of Representatives (Lower Chamber of Parliament); S = Senate.
[b] The population data are given according to official statistical yearbooks and abridged annual statistical reports. Figures are based on censuses, demographic surveys or data provided by the Registration Division, Local Administration Department, Ministry of the Interior. For some years, Sunantha/ Siriwan/ Wichien (1997: 30) list slightly different population figures. Population data for the 2000 and 2001 elections are taken from publications of the Election Commission of Thailand.
[c] This unusually high turnout is an indicator of the heavy fraud that plagued this election.
[d] The numbers of registered voters and ballots cast refer to the "original polls" only. Repeat elections are not included.
[f] Voting was compulsory at both elections.
*Source 1933-2001: Nelson, 2007
*Source 2005: Inter Parliamentary Union

As the table indicates, voter registration and turnout were higher during the post reform elections. At first glance, these results seem to indicate that a switch to PR increased voter turnout. However, the Thai case is more complicated. Amongst the reforms established by the 1997 Constitution was a stipulation that made voting compulsory (Croissant and Pojar 2006,

"Quo Vadis Thailand…"). The cause for increased voter turnout during the 2001 and 2005 elections is therefore unclear. While it is still possible that PR was responsible more investigation needs to be conducted in order to separate the impact of these two reforms.

The data concerning the overall impact of the reforms on vote buying are mixed, sometimes even conflicting. According to data gathered by Croissant and Pojar, shown in figure 1, there appears to be a spike in vote buying during the 2001 election then a sudden reduction to typical levels in the 2005 races. These results indicate that electoral reform had, if anything, a negative impact on vote buying.

Figure 1: Estimated Amount of Money Spent in Vote Buying, 1995-2005, Billion Baht[47]



*Source: Croissant and Pojar, 2005

These results indicate either of two conclusions. First that the 1997 reforms produced their desired effect. Political corruption went down, as evidenced by the reduction in the number of disqualified MPs. But because "none of the disqualifications was on the grounds of vote buying, intimidation, violence, illegal promises, or other chicanery," there is reason to be dubious of the EC in 2005 (The Nation 2005). In fact, The Poll Watch Foundation, Thailand's most prominent election monitor, stated that vote buying in the 2005 election was more serious than in the 2001 election (Croissant and Pojar 2005, "Quo Vadis Thailand…"). The second conclusion is that the spike in vote buying and increased numbers of invalidated MPs indicates

(contrary to logic) that the 1997 reforms were actually working. The establishment of stronger parties and the diminishment of personal vote cultivation helped increased vigilance for corruption. Perhaps the reason why previous numbers appeared lower was because there was less stringent monitoring over corruption practices.

In contrast to the Poll Watch Foundation's findings, other studies claim that *less* cash was involved in the 2005 elections than in previous years. According to Croissant and Pojar:

> A survey conducted among 13,836 community leaders in all 400 constituencies throughout the country between January 24 and February 2, 2005, discovered widespread vote buying, totaling almost 10 billion Baht (approximately US $250 million), which would constitute a large decrease in the amount of money spent for vote-buying compared with previous elections (Croissant and Pojar 2005, "Quo Vadis Thailand…").

Furthermore, some Thai political scientists also support the belief that vote buying was reduced in 2005 (Croissant and Pojar).

These conflicting analyses on corruption levels in post-reform Thailand testify to the difficulty involved in measuring political corruption. In order to properly assess whether or not reforms to governmental structures can impact the prevalence of political corruption, one must first identify a reliable method of corruption measurement.

Allen Hicken has begun investigating this problem, suggesting that perhaps corruption could be measured through the construction of schools. He is currently conducting a study to investigate whether schools and universities are being formed during election times in the Philippines as a new method of garnering votes. His theory is interesting and I propose looking into the locations of the schools in addition to the timing of their construction. For example, if politicians are indeed building schools to attain votes, communities with lesser populations and which are further away from major highways should not be of interest. Politicians will get more for their money by building in highly populated areas, and these communities should therefore

be less likely to have universities or schools built in their areas. I also propose extending this concept beyond schools.

In addition to the construction of schools, politicians may also utilize healthcare as an additional incentive for votes. It should therefore also be worthwhile to investigate the construction of hospitals and clinics as well as the number of public health workers and supplies (e.g. ambulances) allotted during election times.

While PR reforms appear to have introduced significant changes to the governmental structure, its impact on corruption is still unclear. While various authors have shown the impact of PR reforms on party systems, they have yet to demonstrate that corruption really did diminish. Thus, prior to answering the question of whether electoral reforms can impact corruption, we must first address how corruption can be properly measured and tracked. Once reliable indicators are established, one can truly determine how electoral reforms can reduce political corruption.