7 The curse among citizens

Corruption, democracy, and citizen participation in the Andean region

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Introduction

This chapter focuses on the relationship between the boom–post-boom cycles typical for resource-based economies, corruption, and citizens' perceptions on democratic institutions in Andean countries. I concentrate particularly on how corruption, as an informal institution that seems to be intrinsic to economic booms related to resource extraction (Dadasov et al., 2017), erodes citizen support for formal democratic institutions. This erosion can find a way of expression through declarative statements about democratic governance, but can also be expressed by a tendency among dissatisfied citizens to avoid forms of political participation that are channeled through formal democratic institutions.

While there is ample literature showing that corruption has a detrimental effect on the quality of democracy and on the legitimacy of political institutions, this subject has not been thoroughly studied under the specific dynamics of an economic boom in resource-rich nations driven by exports of extracted resources. This chapter aims to examine how the particular characteristics of a boom and post-boom cycle can set the conditions for corruption to have its perverse effect on democratic institutions. By doing so, the chapter starts a dialogue between two different and rarely interacting research agendas, one focused on the institutional legitimacy of democracy and the second on the *curse* of resources. Bridging these two research agendas should be useful for better understanding setbacks in democratic institutionalization as one of the less visible facets of the complex relationship between democratic institutions and a model of development based on resource exploitation.

Using recent public opinion data for Bolivia, Ecuador, Colombia, Peru, Argentina, and Chile, this chapter explores hypotheses that explain the negative effect of corruption on citizens' attitudes towards democracy, focusing on beliefs in democracy and their willingness to use its formal mechanisms—or alternative and less formal institutions—to participate. The first section presents a theoretical framework based on relevant literature on support for democracy and corruption, while the second illustrates data from on these concepts for Latin America and the Andean region for the last 15 years. The research strategy includes the statistical analyses of the relationship between perceptions of

corruption and democratic institutions for both the individual country cases and the regional pooled database. The chapter concludes discussing how the specific characteristics of boom and, particularly, post-boom contexts could be enhancing the effect of corruption on democratic legitimacy and political participation.

Support for democracy and corruption

Democracy and citizen support

One of the main concerns of contemporary political science has to do with citizens' willingness to support democratic regimes. Scholars from different lines of research have concentrated for decades on popular support for democracy and its implications (Almond & Verba, 1963; Easton, 1975; Inglehart & Welzel, 2005; Welzel & Inglehart, 2007). In order to work and to become fully consolidated, a democracy needs citizens to support it; this means that the people have to believe in democracy as the only possible way of disputing power and organizing society (Linz & Stepan, 1996). It seems clear that democratic government requires democratic citizens, and while there is ample evidence supporting this claim (Diamond, 1999; Inglehart, 1988; Inglehart & Welzel, 2005), there is also a wide body of research that discusses if and under what conditions support for democracy can guarantee that democracy thrives (Fuchs, 2007; Przeworski, 1991; Seligson, 2002b).

Support for democracy has different levels, arranged along a continuum that ranges from the most specific to the most diffuse. Diffuse support relates to values that intrinsically allow democracy to exist and function in a given society; in other words, democratic government requires that citizens share some basic values related to a few basic concepts, such as freedom, equality, and rule of law. This is the most indirect form of support for democracy, and has been named intrinsic support (Booth & Seligson, 2009; Bratton & Mattes, 2001). Values are likely to stay relatively stable across time, and while several factors affect them (including education, conflict, and regime performance), they change gradually and as part of larger societal processes (Inglehart & Welzel, 2005).

On an intermediate point in the diffuse-to-specific continuum is support for the democratic regime. Regime support has to do with the acceptance that democracy might have some problems, but is still the best possible way of government. This *Churchillian* understanding of democracy as imperfect but superior to any other form of government is at the core of consolidation of democracy *as the only game in town*, or the restriction of the political field to only democratic principles.

Much more dependent on the context, and thus more variable across time, are the more specific forms of support for democracy. The focus of this support, rather than being the underlying democracy or the abstract idea of democracy itself, is on the people and the institutions that manage a democracy. This form of support can also include satisfaction with the way democracy works in the

country, which is a straight-forward evaluation of regime performance. Trust in electoral authorities and trust in elections are part of these specific forms of support for democracy (Booth & Seligson, 2009).

Participation via the formal channels that democracy offers to citizens is perhaps the most direct form of institutional acceptance. Participating in the meetings of a political party implies acceptance of this form of political participation; this implies the recognition of political parties as valid institutions for channeling participation, and the implicit assumption that representative democracy is appealing enough to engage citizens. In addition, voting in an election has value not only as a mechanism of expressing interests and deciding, but also as an almost ritualistic form of participation in the fundamental institution of democracy (Dalton, 2006).

Besides these formal mechanisms for participation, individuals can participate using informal channels. Informal political institutions are understood as the usually unwritten rules that are known by actors, guiding their behavior. Informal institutions coexist with formal rules and can shape the way in which they work (Helmke & Levitsky, 2004), and are particularly visible in countries with low levels of democratic institutionalization (Börzel & Risse, 2015).

It is important to keep in mind that informal mechanisms of participation are not the same as informal institutions, in the sense that they are not actual informal *rules* but opportunities to participate derived from such rules. Thus, using informal participatory mechanisms depends on the existence and practical relevance of set of rules that give sense to them.

Engaging in informal or alternative forms of political participation implies, at least to some extent, the acceptance of a *parallel* set of rules that can be as important as the formal and legally prescribed institutions. In other words, participating through informal channels means that the formal and procedural rules and mechanisms of participation are insufficient for channeling the political energy of a society. This participation is not necessarily detrimental to the formal set of participatory rules; in fact, informal rules can have a positive effect on the performance of formal institutions (Stokes, 2006).

Informal channels of participation are diverse, and they range from traditional forms of organization based on local and indigenous culture to global movements based on post-materialist demands. Many of these forms of participation are on the rise around the world, suggesting to some researchers the emergence of new forms of doing politics (Calderón, 2011). And they are in part fueled by the communication capabilities derived from the social networking applications of the Internet (what has been dubbed *mass self-communication* (Castells, 2009).

Corruption and democratic institutions

The relationship between corruption and democratic institutions has attracted the attention of political researchers for quite some time now (Della Porta & Vannucci, 2012; Mungiu-Pippidi, 2006; Rose-Ackerman, 1996b), in particular with regard to developing and consolidating democracies (Della Porta &

Vannucci, 1999; Linz & Stepan, 1996). Research has shown that corruption has a negative effect on the quality of democracy. Widespread corruption distorts formal institutions of democracy, producing a series of effects that result in less functional institutions and, thus, in a democracy of poorer quality (Mungiu-Pippidi, 2006; Rose-Ackerman, 1996a, 1996b).

On the other hand, corruption affects citizens' support for democracy.² The problem seems to be related not with the existence of corruption per se, but with the magnitude of corruption as perceived by citizens.³ The literature distinguishes between large-scale or grand corruption where politicians engage in collusion and petty corruption. While the dimension of the first is generally a matter of citizen perception dependent upon the availability of information (for instance provided by investigative journalism), petty corruption is the actual experience of corruption that citizens can have while interacting with public officials. In this form, citizens are *victimised* by a request to give a bribe in order to satisfactorily conclude some interaction with formal institutions (Seligson, 2006).

Support for democracy and corruption in Latin America

Citizen support for democracy has been declining around the world during the last decades (Norris, 1999; Pharr et al., 2000). Citizens are becoming more aware of the limitations and problems that are intrinsic to democratic regimes, and are growing more critical of the political system and its institutions. And this dissatisfaction often leads to the questioning of not only the individual politicians in office, but of the political system as a whole (Dalton, 2004).

For the case of Latin America, information available from different sources suggests that average support for democracy has experienced an important decline during the last few years (Cohen et al., 2017; Corporación Latinobarómetro, 2018; Zechmeister & Lupu, 2019). Likewise, during the last decades, corruption has become a central feature of politics mainly because of its increased visibility in large-scale corruption scandals. All over the continent, former presidents and visible political leaders are facing judicial processes related to alleged—or already confirmed—corruption cases. Research has documented extensively the negative effect of these scandals on the quality of democracy and on the perceptions that citizens have about democratic institutions (Canache & Allison, 2005; Seligson, 2002a, 2006).

The Andean region has witnessed some of the most visible corruption scandals within Latin America, with deep implications for national politics in several countries. Peru is perhaps the most noticeable example, with most of this nation's living ex-presidents facing corruption allegations and judicial processes. Also, the Maduro administration in Venezuela and the government of Evo Morales in Bolivia, former president Rafael Correa in Ecuador, and Cristina Fernandez in Argentina are implicated in serious acts of corruption. As a consequence, in the Andean nations the perception of corruption as widely spread has reached a historical majority of the population.

But the most relevant piece of information has to do with the synchronicity in the variation of support for democracy and the perception of generalized corruption. Figure 7.1 shows this relationship for the pooled database, which includes six countries in the Andean region, illustrating the change in the percentage of people that are satisfied with democracy and the percentage of the population that think that corruption is widespread in their countries.⁴

The cycle of the most recent boom for resource-based economies in the Andean region has seen a very particular pattern in the relationship between citizens and the state. The boom has brought along both a decline in the perception of corruption and also an increase in the satisfaction with the way democracy actually works. But this lasted only until 2012; since 2014, the perception of corruption increases, and the satisfaction with democracy decreases sharply. In 2019, the majority of individuals in the Andes are dissatisfied with democracy and think that corruption is very common among politicians in their country. Most importantly, the graph reveals that the trend for all three regions coincides with the commodities export boom cycle: Perceived corruption is lowest right when the boom reaches its peak, and then starts increasing as the bonanza period recedes.

*Widespread corruption question not asked in 2017

Figure 7.1 Percentage of people who feel satisfied with how democracy works in their country and percentage who think corruption is very common among politicians in the Andean region, 2004–2019

Source: The AmericasBarometer by the Latin American Public Opinion Project (LAPOP), www.LAPOPSurveys.org. 2004–2019

Research strategy

The perception of corruption in Andean countries has increased significantly as the commodity-export boom cycle ended. What is the effect that perceived corruption has on citizens' beliefs in democratic institutions in the Andean region?

The empirical analysis focuses on the more specific forms of support for democracy: regime support, satisfaction with democracy, and trust in elections.⁵ Participation through formal and informal institutions is also considered, assuming that they are more likely to be affected by corruption perceptions or experience than actual democratic values.⁶

Given this, this work attempts to contribute with answers to three specific empirical questions, with a focus on the Andean region marked by a generalized perception of corruption coinciding with the post-boom: First, does corruption affect democratic legitimacy? Second, does corruption affect the chance that a person engages in both formal and informal ways of political participation? And third, can we speak of new or emerging forms of relationship between citizens and the state that are less formal as a result of corruption?

The hypotheses guiding this work are based on the understanding that democracy is sensitive to the performance of the political regime, and that the consolidation of corruption as a stable yet dysfunctional relationship between society, the market and the state will have an effect on both citizens' beliefs and practices towards democracy.

The former can be translated into three different specific hypotheses:

- 1 Corruption should have a detrimental effect on support for democracy, with individuals who perceive that corruption is generalized among politicians less willing to support a democratic regime.
- 2 Individuals who perceive that corruption is more generalized are likely to be less eager to engage in the formal ways of political participation offered by the political system.
- 3 Individuals who perceive more corruption engage more commonly in less formal ways of participation, such as protests and public demonstrations as alternative means of expressing their dissatisfaction with the system.

This project uses survey data from the *Latin American Public Opinion Project* (LAPOP) and specifically from their 2018–2019 round of surveys within the *AmericasBarometer*.⁷

Data from six countries are employed in analyses both for each individual country and using a multi-country pooled database with a total of 9,565 observations. Individual country samples are representative of the national population in voting age, and range from 1,521 to 1,683 observations collected in national surveys conducted between 2018 and 2019. The countries included are Argentina, Bolivia, Colombia, Chile, Ecuador, and Peru. Chile and Argentina add variability and contrast to the four Andean countries, allowing for a wider test of the hypotheses, without losing the capability of identifying particular context-specific aspects of each country in the discussion of the findings.⁸

A series of multivariate statistical models were fitted on the data in order to estimate the independent effect of corruption.⁹ The methodological strategy includes the fitting of the models both using the multi-country pooled database, which allows to identify effects that could be deemed as general for the Andean region, and the specific individual country datasets, in the attempt to identify particular trends for each country.

Variable operationalization

Democratic legitimacy is understood with a theoretical approach that distinguishes between different levels of citizens' support for democracy along a continuum that ranges from diffuse to specific. Three different measures of support for democracy are employed as dependent variables in the analyses: One focuses on support for the democratic regime; the second measure taps more into regime performance, which is operationalized through the standard question of satisfaction with democracy; and the third variable employed in the study is trust in elections.

Participation via formal institutional mechanisms is operationalized with two items: whether the person sympathizes with a political party and if the person does intend to vote in the next national elections. Engagement in informal mechanisms of political participation is measured with two different variables: one that registers whether the person participated lately in a public protest or demonstration; a second one that asks whether the person engages in community based voluntary activities.

Corruption, the main independent variable, is measured by two variables that tap into different dimensions of corruption. First, the perception of how generalized corruption is in the country;¹⁰ and second, the actual experience of corruption that the person has had during the last year (whether the person was a victim of a bribe request by a public official during the last 12 months).¹¹ The actual wording of the questions employed for all dependent and the main independent variables is included in the annex.

Additional independent variables included in the models as statistical controls are: the individual's approval of the president,¹² an index for general support for the political system,¹³ level of education, trust in the media, the socioeconomic level measured in quintiles defined by the availability of capital goods in the household, the highest level of education attained by the person, the retrospective perception of the individual's personal economy, and the person's sense of physical insecurity at their neighborhood or community.

Results

H1. Corruption reduces support for democracy

The first hypothesis suggests that perceived corruption decreases citizens' support for democratic rule. As mentioned before, the three different dependent variables defined for measuring support for democracy are regime support, satisfaction with democracy, and trust in elections. Table 7.1 presents the independent effects for each of these variables.

Table 7.1 Summary of independent effects from regression models for regime support

Variable/Country	Colombia	Ecuador	Bolivia	Peru	Chile	Argentina	Pooled DB
Corruption perception					— — —	— — —	— — —
Corruption victimization							
Presidential approval	+	+	+	+		+	+
Trust in the media	+	+	+	+	+		+
Education	+		+	+		+	+
Gender (female)	—		—				—
Wealth quintiles	+			+		+	+
Personal economy perc.					—		—
Insecurity				—	—		—
	772	704	761	701	745	718	4,401

Source: Lapop AB 2018–9; + + +/— — — $p < .01$; + +/— — — $p < .05$; +/— — — $p < .1$

Table 7.2 Summary of independent effects from regression models for satisfaction with democracy

Variable/Country	Colombia	Ecuador	Bolivia	Peru	Chile	Argentina	Pooled DB
Corruption perception	—	— — —			— — —	— — —	— — —
Corruption victimization	—						
System support	+	+	+	+	+	+	+
Presidential approval	+	+	+	+		+	+
Trust in the media							
Education		— — —	— — —				— — —
Gender (female)	—		— — —				— — —
Wealth quintiles			—	—			
Personal economy perc.					—		— — —
Insecurity				— — —	—	—	— — —
N	769	698	752	693	754	717	4,383

Source: Lapop AB 2018–9; + + +/— — — $p < .01$; + +/— — — $p < .05$; +/— — — $p < .1$

Corruption is found to have a negative effect on support for a democratic regime, though this effect is limited. While its negative effect is highly significant in the pooled database (representing the combined population of the Andean region) and in Chile and Argentina, perception of corruption is not significant in the other four countries, once all other factors are controlled for.

Table 7.3 Summary of independent effects from regression models for trust in elections

Variable/Country	Colombia	Ecuador	Bolivia	Peru	Chile	Argentina	Pooled DB
Corruption perception	- - -	- - -			- - -	- - -	- - -
Corruption victimization							
System support	+	+	+	+	+	+	+
Presidential approval	+	+	+	+	+	+	+
Trust in the media	+	+	+	+	+	+	+
Education		- - -	- - -	+		+	
Gender (female)	- - -	- - -		- - -		- - -	- - -
Wealth quintiles					+	+	+
Personal economy perc.			- - -	-			
Insecurity							
N	774	707	768	703	786	717	4,437

Source: Lapop AB 2018–9; + + +/– – –p<.01; + + /– – –p<.05; +/– – –p<.1

In addition, having been a victim of corruption by a public official has no effect whatsoever on regime support.

When a more contextually dependent variable such as satisfaction with democracy is considered, the perception of the generalization of corruption among politicians has a clearer negative effect. Not only the pooled database with its larger number of observations shows a significant effect, but also four out of six of the individual countries included share this result. In fact, satisfaction with democracy (measured in a 0 to 100 scale) is 20 points lower for those who believe that all politicians are involved with corruption when compared to those who believe that only a few are. Only in Bolivia and Peru are corruption perceptions not related with lower levels of satisfaction with democracy. And again, corruption victimization has no effect on satisfaction with democracy, other than a minor mild effect in Colombia.

When trust in elections is considered as the dependent variable, results are very similar to when satisfaction with democracy is the focus. Perception of generalized corruption has a strong statistical effect when the pooled data are considered (on average in the region there is a 22-point gap between those who believe that corruption affects only a few politicians versus those who think it involves most or all), but corruption victimization does not affect confidence in elections. But this does not happen in Bolivia nor Peru, where confidence in elections does not seem to depend at all on corruption.

H2. Corruption reduces engagement in formal participation mechanisms

The second hypothesis posits that high levels of perceived corruption should have a negative effect on the likelihood that a person participates using the formal mechanisms available in a democracy. The two formal participation mechanisms considered here are sympathizing with a political party and abstaining

from voting in the next national elections. Tables 7.4 and 7.5 present results from logistic regression models fitted on the data for these two items.

Having a sympathetic relationship with a political party seems to be the variable least affected by corruption among all dependent variables considered here. Only in Argentina does the perception of corruption decrease the chance

Table 7.4 Summary of independent effects from logistic regression models for sympathizing with a political party

Variable/Country	Colombia	Ecuador	Bolivia	Peru	Chile	Argentina	Pooled DB
Corruption perception						- - -	- - -
Corruption victimization				+			+ +
Regime support	+ + +				+ + +	+ + +	+ + +
Presidential approval			+ + +			- - -	
Trust in the media							
Education				- - -			-
Gender (female)	- - -	-					- - -
Wealth quintiles					+ + +	+ +	+
Personal economy perc.							
Insecurity		- - -		-			-
N	769	700	758	700	744	718	4,437

Source: Lapop AB 2018–9; + + +/– – –p<.01; + +/– – –p<.05; +/– – –p<.1

Table 7.5 Summary of independent effects from logistic regression models for willingness to vote

Variable/Country	Colombia	Ecuador	Bolivia	Peru	Chile	Argentina	Pooled DB
Corruption perception					- - -	- - -	- - -
Corruption victimization							
Regime support			+		+ +		
Presidential approval							
Trust in the media							
Education		+ +		+ + +		+ + +	+ + +
Gender (female)				+ +			
Wealth quintiles		- - -					
Personal economy perc.							
Insecurity					-		-
N	744	696	685	679	703	673	4,180

Source: Lapop AB 2018–9; + + +/– – –p<.01; + +/– – –p<.05; +/– – –p<.1

that a person sympathizes with a political party, and having been a victim of corruption only has a mild positive effect in Peru.

Willingness to vote in the next national election (if they were held this coming weekend, as opposed to abstaining from voting) is negatively affected by the perception of corruption in Chile and in Argentina, as well as in the six-country pooled database. The decision of whether to vote or not does not seem to be affected by either the perception of corruption or the practical experience with it in the Andean region.

H3. Corruption increases engagement in informal participation mechanisms

The third hypothesis argues that the effects of corruption on political institutions go beyond formal institutions and fuel participation in informal institutions. The final analyses, thus, explore whether corruption has any effect on voluntary engagement in community activities and on participation in public protests and demonstrations. Tables 7.6 and 7.7 present summarized results for these analyses.

Once other factors are controlled for, perception of corruption was found to have a mild and partial negative effect on the probability that a person engages in community activities (it is only significant in Argentina, Bolivia, and Peru). But having been a victim of corruption surprisingly increases this probability, with a significant positive effect in all six countries considered individually and in the pooled database.

Similar to community activities, those who have been requested a bribe by a public official are more likely to engage in protests and public demonstrations

Table 7.6 Summary of independent effects from logistic regression models for voluntary engagement in community activities

Variable/Country	Colombia	Ecuador	Bolivia	Peru	Chile	Argentina	Pooled DB
Corruption perception			–	–		– – –	– – –
Corruption victimization	+	++ +	++ +	+	++ +	++ +	++ +
Regime support						–	
Presidential approval	++		++		++ +		++ +
Trust in the media	+	+		++		++	++ +
Education			–	– – –			– – –
Gender (female)	++	++	++	++ +	++ +	++ +	++ +
Wealth quintiles	– – –					– – –	– – –
Personal economy perc.		– – –	+	++			++
Insecurity							
N	744	696	685	679	703	673	4,180

Source: Lapop AB 2018–9; ++ +/– – –p<.01; ++ /– – –p<.05; +/– – –p<.1

Table 7.7 Summary of independent effects from logistic regression models for protest participation

Variable/Country	Colombia	Ecuador	Bolivia	Peru	Chile	Argentina	Pooled DB
Corruption perception						— — —	
Corruption victimization	++	++	+++	+++	+++	++	+++
Regime support						++	+++
Presidential approval	---				---	---	---
Trust in the media					---	—	
Education	+++				+++	+++	+++
Gender (female)						++	
Wealth quintiles			+	+			++
Personal economy perc.							
Insecurity							
N	771	701	760	701	745	717	4,395

Source: Lapop AB 2018–9; ++ +/+ – – –p<.01; ++ /– – –p<.05; +/- – –p<.1

than individuals that have not been exposed to this form of corruption. And perceiving that corruption is generalized fails to have an effect on protest participation anywhere except Argentina.

Discussion

The results presented in this study offer an ample array of implications about the effects of corruption on democratic institutions and participation under economies that are booming as a result of an international market avid of commodities. First, it is important to point out that both support for the political system and perceptions of corruption change during the post-boom period. During the *good times*, average levels of democratic legitimacy in the Andean region not only remained high but kept increasing until reaching a peak in 2012. Conversely, the share of the population in the six-country aggregate sample who believed that corruption was widespread reached its lowest in 2012, after a continuous decline during the previous years. After that the trend reversed, and citizens began to feel less satisfied with democracy and more convinced that corruption was institutionalized since 2014, and by 2019 showed historically extreme values.

Is there a causal relationship between the loss in system support and the receding of the resource-export cycle? The information presented here suggests that this is at least a plausible hypothesis, identifying a correlation between the moments in which system support declines and the resource cycle ebbs. Corruption seems to be an intervening variable associated with both the end of the economic cycle and the erosion of democratic legitimacy, but it is not self-evident how this works.

The following paragraphs discuss possible answers for these questions, considering both evidence that confirms the hypotheses and that raises questions about them.

The results of the analyses presented here show that corruption has a relevant effect on the more specific forms of support for democracy: both satisfaction with the way democracy works and trust in elections depend significantly on the perception of how generalized corruption is among politicians. The more widespread corruption is to the eyes of citizens, the less legitimate a democracy is when its most distinctive institution (elections) is considered.

However, there is an interesting variation in the effect of corruption on support for the democratic regime. While the effect is evident and statistically robust in Chile and Argentina (and the pooled six-country database that represents the combined population of the Andean region), it is far less definitive in the other four countries considered individually, where the basic belief that democracy is the best form of government does not depend on the perception of corruption once all other factors are controlled for.

As part of the same variation, the effect of perceived corruption on support for democracy is clear across the region, but it fails to have an independent effect on any of the variables that measure this support in Bolivia and in Peru. Societies in these two Andean countries seem to be more impervious to corruption, and neither its perception or its actual experience affects the evaluation they make of the political system. It is not clear at this point why corruption fails to affect support for democracy in these two countries at the same time that it has such a significant effect elsewhere. Perhaps it has to do with the fact that corruption victimization is higher in these countries than in the other countries included in the analyses (though Ecuador has similar figures as Peru, with Bolivia leading by far with more than twice the percentage of people victimized by corruption in Argentina and six times the percentage in Chile). This could mean that societies are more used to corruption and thus less affected by it.

The other way in which corruption is measured here, whether the person was recently a victim of a bribe request from a public official, does not seem to have any significant independent effect on support for democracy. Citizens' evaluations of democracy do not depend on their actual experience with corruption expressed as bribery, but on their perceptions of corruption among politicians. In that sense, it is large-scale corruption, with their prime-time media diffusion, that affects democracy, not the form of corruption to which citizens are directly exposed to (petty corruption).

The second hypothesis discussed in this paper suggests that corruption should have a detrimental effect on the probability that a person opts to participate in formal institutional politics through the formal mechanisms available within a democracy. Exercising the right to vote and participating in (or at least sympathizing with) a political party are the indicators used for the analyses. This hypothesis finds weak support in the cases studied here; with the exception of Argentina, where the data show the expected relationships, and partially in Chile, corruption does not affect engagement in formal institutions.

The lack of a significant effect, however, might have to do with particular characteristics of the dependent variables, and not necessarily with the actual

effect of corruption on institutions: Voting is compulsory in Bolivia, Ecuador, Peru, and Argentina, so the “might not vote” has a less clear meaning.¹⁴ Under a context of compulsory voting, this variable does not seem to be the best measure of support for democratic institutions. It is relevant, however, that perceived corruption has a negative effect in Chile, precisely one of the two countries in which voting is optional.

Sympathizing with a political party is not deterred by the perception of corruption, despite the fact that this is a voluntary activity in all countries. Only in Argentina does the probability of sympathizing with a party decrease with perceived corruption. A plausible explanation would point at the possibility that individuals do not see engagement with a political party as an act of faith in the democratic system, and conceive it more in practical terms as a means of attaining some particular goals or interests. This is almost the exact definition of a clientelistic linkage between parties and voters (Kitschelt, 2000).

It is more interesting to observe the results of this research related with the effect that corruption has on citizens’ participation in informal institutions. In contrast with what happens with support for democracy, what mobilizes participation through informal mechanisms is not the perception of how generalized corruption is, but actual personal experience with it through bribe solicitation. While perception of large-scale corruption affects the legitimacy of the democratic system and its institutions, the actual practices of petty corruption increase participation in protests and in community activities (with the exception of Argentina). Corruption victimization increases the probability that a person participates in protests and in community activities, once every other factor is held constant.

There are two possible explanations for this. First, the experience of corruption causes a sense of malaise among people and that leads them to react against formal institutions, engaging in contentious forms of participation. This is a plausible explanation, particularly for the variable that measures participation in protests and demonstrations, and is consistent with an explanation of participation in protests as a form of dissatisfaction with the political system (Christensen, 2016; Morlino & Tarchi, 1996).

But the explanation that points at a sense of malaise with the political system seems to have less capacity to explain the second form of participation through informal institutions, which is engagement in community activities. Why would people who have suffered a bribe solicitation engage more in community activities? Because they have lost faith and confidence in formal institutions? That does not necessarily have to be the case. It is also possible that there are some individuals that are simply more active and get in contact with different institutions, and that is why they engage more in community activities and are more exposed to corruption (so both variables depend on some other factor not considered in the equation).

Conclusion

The resource curse theory predicts an increase of corruption in booming economies dependent upon the export of natural resources. Increased corruption affects the quality of democracy, by reducing citizen support and political

participation, as an ample body of literature demonstrates. This chapter shows that there is strong empirical evidence from the Andean region supporting these claims over time, suggesting that the malaise brought aside by corruption is installed among citizens in form of negative feelings towards the political system.

Support for democracy and its institutions has seen important declines during the last few years in Latin America. Citizens throughout the region are growing warier of the political system and of those in charge of it, with a sense of dissatisfaction that exceeds discontent with individual politicians and reaches the core of democratic support. While support for democracy has been declining around the world during the last decade, in Latin America the pattern suggests a reversion of a trend that showed an increase in support during the *good years* of the export-boom cycle. A similar but inverse trend can be found in the perception of corruption, which has increased significantly across the region as soon as the commodity-export tide started retreating.

This raises a relevant new angle for research on the resource curse: The decline in political support and the increase of perceived corruption take place when the export-boom cycle starts to ebb and recede, not during its peak as it could be expected from the extant literature. This implies that the negative institutional effects of the resource curse are a by-product and aftereffect of a boom cycle, and not a direct part of it. This seems to be the case at least in the Andean region during the latest cycle and might be explained by different factors, including a likely shrinking of the benefits distributed via both corrupt and legal practices.

The data analyzed here suggest that corruption acts on the way citizens relate with democratic institutions in at least two different ways: First, the perception of corruption as a common attribute among politicians reduces support for the political system, affecting both trust in elections and satisfaction with how the political system is currently working in the country. Second, actual experience with corruption increases the chances that a person participates in a public demonstration or engages with other citizens in order to solve problems in the community or doing other community-based activities.

While large-scale corruption is different than the petty corruption to which citizens are directly exposed to, they both reflect a problematic way in which politicians and bureaucrats can take advantage of their position in the state. If both forms of corruption are large in magnitude and perceived as such by the majority of citizens, then support for democracy and its institutions can be expected to decrease, while informal ways of participating can be expected to increase.

While this study does not prove that there is a causal link between the end of an economic commodity-export cycle, an increase in perceived corruption and a decrease in support for democratic institutions, the information analyzed in this chapter shows that this is a plausible relationship. Further research focusing specifically on this question could add valuable knowledge on this issue. What the data clearly shows is that corruption and system support are strongly related to each other. Thus, corruption might be seen as an economic boom's curse on democratic legitimacy in resource-dependent contexts.

Appendix 1

Variable operationalization: questions used for main variables

<i>Variable</i>	<i>Question</i>	<i>Coding treatment</i>
Dependent variables (support for democracy)		
Support for the democratic regime	Democracy may have problems, but it is better than any other form of government. To what extent do you agree or disagree with this statement?	1 thru 7 original scale recoded into 0 to 100 scale for analyses
Satisfaction with democracy	In general, would you say that you are very satisfied, satisfied, dissatisfied or very dissatisfied with the way democracy works in (Country)?	Recoded into a 0 to 100 scale for multivariate analysis and in satisfied/dissatisfied dichotomous for graphs
Trust in elections	To what extent do you trust elections in this country?	1 thru 7 original scale recoded into 0 to 100 scale for analysis
Sympathy for political party	Do you currently identify with a political party?	Original dichotomous yes/no
Willingness to vote	If the next general elections were being held this week, what would you do? (1) Wouldn't vote (2) Would vote for the current (incumbent) candidate or party (3) Would vote for a candidate or party different from the current administration (4) Would go to vote but would leave the ballot blank or would purposely cancel my vote	All options other than wouldn't vote coded positively in dichotomous variable
Participation in public protests	In the last 12 months, have you participated in a demonstration or protest march?	Original dichotomous yes/no

(Continued)

(Continued)

<i>Variable</i>	<i>Question</i>	<i>Coding treatment</i>
Engagement in community activities	I am going to read you a list of groups and organizations. Please tell me if you attend meetings of these organizations at least once a week, once or twice a month, once or twice a year, or never. Meetings of a community improvement committee or association?	At least once a week and once or twice a month coded positively in dichotomous variable
Independent variables (corruption)		
Generalization of corruption	Taking into account your own experience or what you have heard, corruption among public officials is: (1) Very common (2) Common (3) Uncommon or (4) Very uncommon?	Recoded into a 0 to 100 scale for multivariate analysis and in very common vs other options dichotomous for graphs
Corruption victimization	During the last 12 months has been asked for a bribe by: a government employee, a police officer, the military, municipality, at work, at the courts, at a public health service, at a public school	Dichotomous variable coded positively if any bribe solicitation took place

Source: The AmericasBarometer by the Latin American Public Opinion Project (LAPOP), www.LapopSurveys.org, 2004–2019

Notes

- 1 This chapter benefitted from valuable and patient comments by Gerardo Damonte, Bettina Schorr, and Paul Talcott. Errors and omissions are only the author's responsibility. Part of this research was conducted during a post-doctoral research fellowship granted by trAndeS at PUCP in Lima, during 2019.
- 2 While corruption usually reduces the legitimacy of a political system, it does not always work that way. For instance, in countries with weak institutions and clientelistic governments, citizens can tend to support corrupt government because it offers some predictability (Manzetti & Wilson, 2007). It has also been shown that corruption can sometimes work as *oil* for moving a slow and ineffective bureaucracy (Kaufmann, 1997), but despite these facts, corruption has a negative general balance for democracy.
- 3 If corruption is widespread but no one is aware of it, support for the political system is unlikely to decline as a direct result of it.
- 4 Lines represent the percentage of people who a) feel satisfied with democracy and b) perceive that corruption is very widespread, averaging results for six countries: Colombia, Ecuador, Peru, Bolivia, Argentina, and Chile, between 2004 and 2019.
- 5 While the perception of corruption also has consequences for trust in the rule of law and for the broader perspective of democratic rule (Heidenheimer, 2002; Lapalombara, 1994), this chapter limits its analysis to more-specific democratic institutions.
- 6 The analyses consider two different yet related informal channels of participation for which data are available. One is participation in community-based activities, and the other

is participation in public protests or demonstrations. Both have to do with the strength of civil society and its capacity to mobilize and act on an institutional basis that is not stated-based and is not formal, and they are both relevant to this paper in that they reflect a logic of participation that takes place outside the realm of the formal democratic institutions. Both are part of a cluster of attitudes that is based on informal institutions as opposed to those formal mechanisms provided as means of participation by the political system.

- 7 LAPOP is a project well-known for producing high-quality comparative survey data from most countries in the Americas, and its *AmericasBarometer* is a survey conducted approximately every two years on nationally representative probabilistic samples in each country across the region. The 2018–9 round is the latest available dataset at their repository. All the data employed here are publicly and freely available at LAPOP's website (www.lapopsurveys.org), which also includes different studies and additional information on the data. I thank LAPOP and its major donors for making these data available.
- 8 Venezuela was excluded from the study as the latest round of LAPOP's *AmericasBarometer* could not be conducted in this country due to the political instability and current social conditions in this country.
- 9 All models employ robust standard errors that account for the effect of sampling design (Kish & Frankel, 1974; Knott, 1991; Rust, 1985).
- 10 The 2018–2019 round of the *AmericasBarometer* included two slightly different questions for measuring perception of corruption in a split-sample setting. Assuming that the differences in the wording of the questions were insubstantial to the results, I used both questions for the analyses with almost identical results, but reported only one of them.
- 11 While a high correlation between these variables could be expected in theory, the correlation is in fact strikingly low (.09). This means that the two variables are found to be in fact independent; in other words, corruption among politicians is independent of the actual victimization that citizens experience during their exchanges with the state.
- 12 Approval of the president is a usual control variable for the individual's personal evaluation of the government. While it is negatively correlated with perception of corruption (–.24), the relationship is low enough to avoid a multicollinearity problem in the statistical models.
- 13 This variable is included as a statistical control in an attempt to control for the fact that some individuals tend to have a more positive view of the political system in general, which might explain some of their support for democracy, particularly at the most specific level. This statistical control was included in the models for satisfaction with democracy and trust in elections.
- 14 In fact, 70% of all respondents in the pooled database that say that they will not vote in the next elections are in either Chile or Colombia, the two countries where voting is not compulsory. The proportion of people that say that they will not vote in Bolivia or Ecuador is minimal (less than 5% in each case). However, the relationship between compulsory voting laws and voter turnout in Latin America has demonstrated to be less straight-forward than expected (Carreras, 2016; Fornos et al., 2004; Haime, 2017).

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