Social Accountability: Persuasion and Debate to Contain Corruption

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Abstract: In this paper, we investigate the properties of simple rules for reappointment aimed at holding a public official accountable and monitor his activity. The public official allocates budget resources to various activities which results in the delivery of public services to citizens. He has discretion over the use of resource so he can divert some of them for private ends. Because of a liability constraint, zero diversion can never be secured in all states. The optimal reappointment mechanism under complete information is shown to exhibit some leniency thus departing from the zero tolerance principle. Under asymmetric information (about the state), a rule with random verification in a pre-announced subset is shown to be optimal in a class of common rules. Surprisingly, those common rules make little use of hard information about service delivery when available. Similarly, PO's claim about his record is of no value to improve the performance of the examined rules. In contrast requesting that the PO defends his records publicly can be very useful if the service users are given the chance to refute false claims with cheap talk complaints: the first best complete information outcome can be approached in the absence of any observation by the manager of the accountability mechanism.

Keywords: accountability, corruption, persuasion, debate

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