

Institutional Capacity and Corruption: Evidence from Brazil

Authors : Dalson Figueiredo, Enivaldo Rocha, Ranulfo Paranhos, José Alexandre

Abstract : This paper analyzes the effects of institutional capacity on corruption. Methodologically, the research design combines both descriptive and multivariate statistics to examine two original datasets based on secondary data. In particular, we employ a principal component model to estimate an indicator of institutional capacity for both state audit institutions and subnational judiciary courts. Then, we estimate the effect of institutional capacity on two dependent variables: (1) incidence of administrative irregularities and (2) time elapsed to judge corruption cases. The preliminary results using ordinary least squares, negative binomial and Tobit models suggest the same conclusions: higher the institutional audit capacity, higher is the probability of detecting a corruption case. On the other hand, higher the institutional capacity of state judiciary, the lower is the time to judge corruption cases.

Keywords : institutional capacity, corruption, state level institutions, evidence from Brazil

Conference Title : ICAGGHR 2014 : International Conference on Anti-Corruption, Good Governance and Human Rights

Conference Location : Paris, France

Conference Dates : December 30-31, 2014