It would be hard to imagine a more general title than that presented by Yadav. Political parties and business groups – what else is needed when addressing the problem of corruption in the context of developing countries? Yet the author manages to compile an original and thought-provoking study on this topic, which is of paramount importance not only in the developing world, but in developed countries as well. Despite its importance, the topic of political corruption is often avoided, approached rather delicately in general terms, or simply treated as a taboo. Yadav resolves this confrontation of delicacy and urgency with the help of strong quantitative analysis. The author applies sophisticated quantitative methodologies of regression analysis, presents text rich in figures and tables, and uses a lot of data to substantiate her argument. She focuses on case studies of the two largest emerging democracies, Brazil and India, and supplements these cases with a sample of other developing nations, some of which are rapidly growing, while others are stagnating. The data span a two-decade period from 1984 to 2004 in analysis supported by interviews and surveys.

Yadav presents one of the first systematic comparative studies of the relationship between lobbying and political corruption. Lobbying, as an instrument of agenda-setting, access to decision-making politicians, and direct influence on the decision-making process in exchange for monetary benefits, is sometimes referred to as legalized corruption, but its mechanisms and implications in different procedural systems had not been properly researched. Nevertheless, only a handful of countries, and most of them developed democracies, implemented proper lobbying laws. Lobbying “refers to all actions, legal and illegal, taken by groups in their efforts to persuade any political and policy actors of their goals” (p. 7). Thus, lobbying may be both ethical and unethical. The author points out that “parties leveraged their legislative influence to create a valuable new influence product for a business market that was willing to pay for it” (p. 192). Apparently, when it comes to distinguishing between pro-party behavior and proprietary behavior, the dividing wall between lobbying and political corruption is especially thin.

Yadav formulates three major research questions: “Why do some developing country democracies experience much higher levels of corruption than others? How is the behavior of business interest groups related to corruption? How do legislative institutions promote or restrain corruption through the rules of engagement they provide to political and business actors?” (p. 7). The author delineates party-focused and individual-focused systems in order to address such fundamental issues of modern-day politics as lobbying and corruption. Addressing the institutional design of the legislative system explains the choice of India as a good example of the party-focused system, while Brazil represents individual-focused systems. One of her major hypotheses, tested in the analysis, suggests that political parties should be lobbied in India and legislators should be lobbied in Brazil. Cross-section analysis of a large sample of developing countries and the comparative context of the research help the author substantiate her claim that the major empirical findings have a great potential for generalization.

Following the issue of the impact of corruption on businesses, the author conducts a survey asking questions about political patronage, bribes given to public officials, sale of arbitration court decisions to litigating parties, and illegal
higher by 11.2 per cent; when parties control the agenda-setting, corruption is presents is that when legislative rules allow parties to control the policymaking process, corruption is higher by 9 per cent; and when legislative rules allow parties to strip dissident voters of their legislative mandate, corruption goes up by 10.5 per cent (p. 191). Why is this important? Apparently, it is significant because the adoption of these three legislative rules alone can cause corruption to increase by almost one-third. In party-focused lobbying systems, elected legislators have to be more responsive to their party’s needs than to their voters. This raises the question of the vector of their accountability: they are responsible before their party bosses or before their electorates. Furthermore, if party bosses decide to influence policy outcomes in order to favor their donors rather than their broad constituencies, legislators have less capacity to prevent such behavior. It is also interesting that the author mentions accumulation of human capital at the higher levels of policymaking and the ability of party-directed lobbying to discourage this process of accumulation, thus depriving the electorate of advocates arguing for the needs of their communities and locales.

For future research, the author suggests developing a more unified theory that would incorporate incentives generated by both electoral and legislative institutions. It would also be interesting to learn how the different lobbying activities influence political corruption in transition countries, such as Russia, where lobbying has been debated for years, but the proper laws have yet to be introduced and implemented. According to Taylor (2011: 168), “the gargantuan costs of campaigns encourage a fierce search for both licit and illicit sources of funding, but the electoral courts have proven unable to reliably audit even the officially registered campaign expenditures in real time (or any other time)”. Taylor’s (2011) analysis of the role of the federal judiciary and electoral courts in Brazil would support further exploration of the links between lobbying, corruption, and electoral campaigns.

Further, the author draws specific policy implications and suggestions for improving the existing systems. These suggestions are far more detailed and well-elaborated than the standard set of generally acknowledged transparency, accountability, and free media, commonly met in the anti-corruption literature. They are derived from empirical findings that support theoretical framing and hypotheses set by the author. Thus, this book will be of interest not only to those who specialize in politics in developing nations, issues related to corruption, and political process in such large countries as India and Brazil, but also to legislators and policymakers in their effort to devise lobbying...
structures that would minimize political corruption. Whether this effort will be genuine or otherwise will depend on each particular developing country and the will of its electorate.

Reference


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