

Corruption and economic favouritism in policymaking

Winter semester, AY 2023/2024

2 US credits (4 ECTS)

Convenors: Mihály Fazekas (Central European University, Austria), Dominik Brenner (Central European University), Cyril Benoit (SciencesPo, France) and Alex Beyleveld (University of the Witwatersrand, South Africa)

Course description

This course provides participants with analytical and methodological tools for the detection, measurement, and prevention of corruption and economic favouritism in the policy process. Throughout the six-week program, participants will gain a comprehensive understanding of the various forms of corruption and the impact of economic favouritism on policy formulation and implementation. This course adopts a broad comparative perspective, analysing corruption and favouritism across multiple countries and sectors. It offers participants access to rich and original large-scale micro-level data gathered by the instructors as part of their own research projects.

While the course predominantly focuses on themes related to corruption and favouritism, it also introduces essential concepts in political economy and legislative politics. As a result, it appeals to students interested in specialising in these domains.

Learning objectives

There are three main learning objectives attached to this course:

1. **Understanding the Nexus of Corruption and Favouritism:** The course aims to provide participants with a comprehensive understanding of the interplay between corruption, economic favouritism, and policymaking. Participants will explore the underlying factors and mechanisms that lead to corrupt practices and biased policymaking processes.
2. **Identifying Vulnerabilities in Policymaking:** One of the primary objectives is to equip participants with the ability to identify vulnerabilities and loopholes in the law-making process that may enable corruption and favouritism. By examining the stages of policymaking and distributive policies, attendees can recognize potential points of intervention and reform.
3. **Promoting Ethical Governance and Transparency:** The course seeks to empower participants to act upon and prevent favouritism in policymaking by advocating for ethical governance and transparency. Participants will gain insights into successful strategies employed in different countries and formulate

a policy agenda to foster accountable decision-making and promote public interest.

Assessment

- Attendance and class-room participation: 10 %
- In-class presentation (group work): 40 %
- Student project & final paper (group work): 50%

Prerequisites

Students should have completed an introductory course in political science or government to be familiar with basic political institutions, processes, and terminology. A basic understanding of microeconomics and macroeconomics will aid in comprehending the economic implications of corruption and favouritism.

Course structure

Each week is a double session: 2*100 mins, combining theoretical and practical elements, including groupwork in class. Classes will take place on Fridays at 13.30-17.20 CET in roughly 2 week intervals.

26/1/2024. Sessions 1-2: Political institutions and the law-making process (Cyril Benoit)

- A primer on executive-legislative relations and parliamentary politics
- Stages of the law-making process

Mandatory readings

Cannan, J. (2013) "A Legislative History of the Affordable Care Act: How Legislative Procedure Shapes Legislative History", *Law Library Journal*, 105(2): 131-173.

Russel, M. and Cowley, P. (2016) "The Policy Power of the Westminster Parliament: The "Parliamentary State" and the Empirical Evidence". *Governance*, 29(1): 121-137.

Optional readings

Salih, M, *African Parliaments: Between Governance and Government* (Springer 2005)

Karpen, U. & Xanthaki, H. (2020): *Legislation in Europe. A Country by Country Guide*, Hart Publishing: New York, chapter 1.

9/2/2024. Sessions 3-4: Distributive policymaking (Cyril Benoit)

- Pandering and pork-barrel politics
- The concept of legislative favouritism and corruption

Mandatory readings

Maskin, E. and Tirole, J. (2019) "Pandering and Pork-Barrel Politics", *Journal of Public Economics*, 176: 79-83.

Benoît, C. et al. (2023). "Data Science meets Political Economy: Applications to Legislative Favouritism around the World". In Giest et al. (eds.). *Handbook of Governance and Data Science*.

16/2/2024. Sessions 5-6: Data on legislative processes, outputs and outcomes (Dominik Brenner)

- Parliamentary websites and data sources
- Standard datasets on law making

Mandatory readings

Fazekas, M; Benoit, C; & Brenner, D. (2024) An Introduction to LegDat: The global dataset of legislative processes, outputs and outcomes.

Analytics portal to use: <https://globalcorruptionobservatory.com/>

Karpen, U. & Xanthaki, H. (2020): *Legislation in Europe. A Country by Country Guide*, Hart Publishing: New York.

23/2/2026. Sessions 7-8: Detecting and measuring legislative favouritism (Dominik Brenner)

- Origins of legislation: government versus legislators
- The politics of emergency procedures
- Types and shapes of 'favouristic' laws (monster bills and omnibus laws)

Mandatory readings

Waismel-Manor, I. et al. (2022) "Should I Stay (Open) or Should I Close? World Legislatures during the First Wave of Covid-19". *Political studies*: E-pub ahead of print.

Rozenberg, O. (2021) "When Rationalisation of Bureaucracy De-rationalizes Laws and Legislatures: 'Monster Bills' in France". In Bar-Siman-Tov, I. (ed.). *Comparative Multidisciplinary Perspectives on Omnibus Legislation*, Springer.

OECD Public Integrity Indicators: <https://oecd-public-integrity-indicators.org/indicators/1000097>

Analytics portal to use: <https://globalcorruptionobservatory.com/>

Optional readings

Dockendorff, A. (2021) "Why are some parliamentarians' bills more likely to progress? Sponsorship as a signal". *British Journal of Politics and International Relations*, 23(1): 139-157.

Krutz, G. (2001) "Tactical Manoeuvring on Omnibus Bills in Congress". *American Journal of Political Science*, 45(1): 210-223.

8/3/2024- Sessions 9-10: Analysing legislative favouritism and its outcomes (Mihály Fazekas)

- Patterns of legislative favouritism across countries
- Legislative favouritism and legislative (in)stability
- The distributive implications of legislative favouritism

Mandatory readings

Aizenman, J., & Marion, N. (1993) "Policy uncertainty, persistence and growth." *Review of International Economics*. 1(2), 145–163.

Bentley Coffey, Patrick A McLaughlin, and Pietro Peretto (2020) “The cumulative cost of regulations” *Review of Economic Dynamics*, 38, 1-21.

Analytics portal to use: <https://globalcorruptionobservatory.com/>

22/3/2023. Sessions 11-12: Acting upon and preventing legislative favouritism (Alex Beyleveld/Jonathan Klaaren)

- Anti-corruption tools: critical assessment of the evidence base
- Preventing corruption and favouritism through asset and interest disclosures, party finance regulations and transparency.

Mandatory readings

Saint-Martin, D. (2020) “The comparative institutional analysis of parliamentary ethics”. In Benoît, C. & Rozenberg, O. (Eds.). *Handbook of Parliamentary Studies*, Edward Elgar.

Smith, G. (2011) “Assessing the Effectiveness of Ethics Legislation in Influencing Parliamentary Attitudes Toward Corruption: A Cross National Comparison Between the UK and Ireland”. *Journal of Public Affairs*, 11 (2), 100–110.