

Claudio Weber Abramo

How Much Do Perceptions of Corruption Really Tell Us?

Comments on reviewers' comments to this paper

Firstly, I would like to thank the suggestions and criticism expressed by the two reviewers that examined the present paper. In the following, they will be identified as "Rev1" and "Rev2".

The text was made somewhat shorter by eliminating some of the analyses that detour from the main argument (Rev1) and doing away with the variables Media, Military, NGOs and Religions that are not explored in the paper. The explicit laying out of the original variables and the corresponding dummies was moved from an Annex to the first section (Rev1). I also eliminated the dependence analyses that detoured from the main argument.

Both Rev1 and Rev2 suggest comparing the experiential data with data from ICVS. I included a comparison of the GCB numbers on experience with the 2005 EU International Crime Survey, showing that the correlation between these surveys (the set of coincident countries is small, being only 14) is very high.

However, comparing the perceptions reported in GCB with experiences as reported in ICVS would steer away from the main motivation of using the GCB to perform the study in the first place. The interesting aspect here is that in GCB perceptions and experience (however limitedly) are assessed in the same samples, thus allowing questioning the basis upon which the opinions are formed. Using experience as measured in one survey to assess its relationship with opinions measured in another, unrelated, survey, is of course possible (as is done by several authors), but, since the samples are different it is not possible to explore the possible or presumable subjective link between them, which is the object of the present paper.

Rev2 argues that "[...] the survey does not ask about the respondents' assessment of the extent of corruption at institution A, but whether corruption is a big problem of institution A. Hence a respondent having paid a bribe may by *that fact* think that petty corruption is not a problem." Wouldn't it be "having not paid a bribe"? I will proceed under the assumption that Rev2 intended the negation here.

If someone thinks that corruption is (alternatively, isn't) a big problem of an institution, such opinion is an assessment of the extent of corruption in that institution. The assessment might be vague, but it is an assessment nevertheless. And even if a numerical assessment was asked for (as sometimes is done), by asking for the respondent to place the "amount" of corruption as practiced in an institution in a scale from 0 up to some number, this would be very vague as well – what would be the meaning of the reported numbers? How would one ascertain that a 5 given by one respondent means the same as a 5 given by another?

Anyway, I take the point that the possible unreliability of answers concerning experience might mar the analysis. This point was in fact broached by Treisman, who read one of the early versions of the paper. I try to address the matter in the final section.

Rev2 also expresses that the respondents were not asked about their expectations and if it did, the results could diminish the negativeness of the paper's conclusions. I'm afraid I didn't understand this point. What is meant by "expectation"? If it means a

respondent's outlook towards the future, the questionnaire in fact includes a question about it – however, this doesn't throw any light on the relationship between experiences and opinions, and so it cannot be what Rev2 refers to. So, I would like to further tax Rev2's patience and ask for a clarification here.

Rev2 misses the more recent discussions about the CPI and KK indicators, especially Kaufmann's. I am not aware of new original in-depth discussion on the CPI besides those already cited in the paper (I wasn't aware of the Donchev/Ujhelyi paper. I included a reference to it). Kaufmann et al., on the other hand, as usual wrote the last edition's "Governance Matters" paper (number VI) as an exposition of his methods. There is nothing in that paper to actually justify using the perceptual variable as a proxy of corruption. On the other hand, the criticism formulated by Arndt and Oman (2006) and Kaufmann et al. answer was referred to in the paper, although not discussed because it would depart from the argument. I did however point out to a recent discussion of mine about the use of perceptions as indicators of corruption, together with the other references along the same line that were already cited.

Rev1 suggests that sensitivity analyses are performed over the dummies. I am not quite sure that I fully understand the suggestion, since it refers, as examples, to answers from "respondents from the highest category" and to "answers of all respondents". Of course, all the variables always take all respondents. Otherwise, the same variable would be composed of answers of different kinds according to different groups – which would be a contradiction in terms.

Perhaps the suggestion would entail changing the dummies' definitions and testing the results arising from the altered dummies. For instance, the *Grand* dummy variable was built by pinpointing all answers "a very big problem" and "a fairly big problem" to the question

1. These days, citizens face a number of problems. In your opinion, how would you describe the following problems facing your country? For each of the problems that I read out would you say that it is a very big problem in your country, a fairly big problem, not a particularly big problem or not a problem at all, DK/DA?

[...]

1.b. [...] Grand or political corruption that is corruption at the highest levels of society, by leading political elites, major companies, etc.

An alternate dummy could be built by only taking (for instance) answers assessing Grand corruption as "a very big problem" and considering all the others as the negative for that. Obviously, this new sequence would be a subsequence of the previous sequence. However, I don't see the plausibility of doing that, because then the answers indicating that Grand corruption is "a fairly big problem" would be made undistinguishable from answers stating that Grand corruption is "not a particularly big problem" and "not a problem at all".

Rev2 suggests comparing the 2004 GCB survey used in the analysis with the 2005 and 2006 (and now 2007) surveys. Alas, I don't have access to the micro data from these surveys. (The overall percentages issued by TI are very similar from year to year, though.)

Both reviewers express reservations about the testing method used to examine the in-country coherence between variables. When first writing the paper, I was aware of the

fact that the method used to ascertain the in-country dependency of variables, being non-standard, possibly would be frowned upon. That's why the method was fully explained in an Annex. Rev1 asks for a published source where the method is used. As far as I know, there is no exact correspondent to it in the literature. However, the process originates from my Master's degree dissertation (on the foundations of probability and statistics), which is a bona fide public source (albeit admittedly difficult to access).

The procedure (which is fully explained in the text) does not require specialized statistical knowledge. It is of the same kind as the chi-square method, with the advantage of being more discriminative. In fringe situations, dependencies that are shown to be present (or not) according to the text's method are not detected by chi-square. This happens because chi-square uses the habitual binomial approximation to sampling procedures (a test is always a sampling performed over the observed data), whereas the method of the text keeps the hypergeometric distribution that governs samplings. For samples that are of the same order of magnitude of the universe (as is the case here), the binomial distribution is not always a good approximation to the actual distribution arising from the sampling. For those, the binomial approximation is too liberal. This is pointed out in the Annex's Example 4.

The method used in the text illuminates the nature of the dependency relations between variables in a way that chi-square (being just a number reached at by a procedure that remains hidden in the formalism) does not. Since I would like to retain the use of the method, in the text I pointed out how the process closely follows the chi-square method, signaling where it departs from it. Please see pages 22-23. I hope that presenting the link between chi-square and the method of the text will satisfy both the reviewers and readers at large.