

Intermediaries increase corruption

May 27 2014



An experimental study in which the Universidad Carlos III (UC3M) took part analysed the interaction between public officials and citizens and found that the presence of intermediaries significantly increases corruption. Credit: Carlos III University of Madrid

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In reality, an intermediary participates in many, if not most, cases of

[corruption](#). However there has been very scarce [empirical evidence](#) that illuminates their role in these situations. This is what a researcher at UC3M has analyzed in collaboration with scientists from Florida State University and Southern Methodist University, in Texas (both in the United States). The results of their study, recently published in *Experimental Economics*, confirm their suspicions: "Our work showed that the number of persons involved in cases of corruption increases significantly when there are intermediaries," states one of its authors, Mikhail Drugov, a professor in the UC3M Department of Economics.

To carry out the study, the researchers designed a laboratory experiment, given that analyzing these situations in real life is impossible. "Corrupt individuals, particularly, the officials would never participate, because it would be potentially dangerous for them," remarked the experts. For this reason, what they did was to recreate a minor case of corruption in which a citizen must decide whether to offer a public official a bribe in exchange for moving up a hospital stay or receiving preferential treatment when arranging an appointment, while the public official decides whether or not to accept this dishonest proposal and the amount for which they would do it. What the researchers did afterwards was to compare the results that are obtained when this negotiation is direct and when there is an intermediary who plays a passive role of simply passing the information and money. "Sincerely," disclosed Drugov, "we did not expect that this type of intermediary would have any influence, but our results are there: their mere presence increases corruption."

This might happen, among other reasons, because responsibility for actions is diluted. Even in countries with high rates of corruption, individuals normally have an ethic which makes them reluctant to participate in this sort of immoral action. However, note the researchers, in different contexts, it has been found that the existence of intermediaries reduces the feeling of guilt caused by bad actions. "Even in the case of intermediaries that are completely passive, negative

feelings associated with corruption are reduced, which contributes towards more corruption," they note.

The results of the study might be useful for designing policies related to the use of intermediaries in the supply of goods and public services.

"Should the figure of the intermediary even be prohibited in these contexts? It is necessary to carefully examine the advantages and disadvantages of such a measure, because there are still many things to clarify in this respect," said Drugov. For example, it would also be necessary to analyze the benefits that the use of honest [intermediaries](#) brings to the system.

More information: Intermediaries in corruption: an experiment.
Authors: Drugov, Mikhail; Hamman, John; Serra, Danila. Source:
EXPERIMENTAL ECONOMICS, 17 (1):78-99;
10.1007/s10683-013-9358-8 MAR 2014.

Provided by Carlos III University of Madrid

Citation: Intermediaries increase corruption (2014, May 27) retrieved 24 April 2024 from <https://phys.org/news/2014-05-intermediaries-corruption.html>

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