

Measurement Issues and the Relationship Between Media Freedom and Corruption

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Abstract

Advocates for media freedom have consistently argued that corruption goes down when journalists operating in a free media environment are able to expose the excesses of governmental leaders. An evolving body of research finds evidence to support this assertion. Measurement of corruption is a complicated undertaking, and it has received little attention in this literature. This paper focuses on perceptual measures of corruption based on public opinion surveys. It attempts to replicate the finding of a negative relationship between media freedom and corruption using multiple measures of media freedom. The findings challenge the general argument that media freedom unambiguously is associated with lower levels of corruption.

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Measurement Issues and the Relationship Between Media Freedom and Corruption

Advocates for media freedom have consistently argued that corruption goes down when journalists operating in a free media environment are able to expose the excesses of governmental leaders. Indeed an evolving body of research finds evidence of a negative relationship between media freedom and level of corruption of a country even when controlling for several other political, social and economic characteristics of the country.

These findings are encouraging since corruption, that is, the use of entrusted power for private gain, is believed to pose a serious challenge to development. Corruption undermines good governance by flouting formal processes, reducing accountability, compromising rule of law and encouraging the inefficient provision of services. One limitation to the findings, however, is that the validity of the measures of corruption that have been used in the research has been challenged. In fact, measurement of corruption is a complicated undertaking.

Corruption generally is indexed by illegal, hidden activities that are hard to record. At present, several organizations measure corruption. Two distinct types of measures generally are used. One is perceptual, and the other is experiential. A perceptual measure relies either on the assessments by experts or by the public. An example of the former is the Corruption Perception Index of Transparency International, which includes expert assessments by country analysts and business leaders. This is the measure that has been used in most of the research on the relationship between media freedom and corruption. The second perceptual measure comes from the general public. The Gallup World Poll, for example, includes public assessments of corruption in a large number of countries around the world. Experiential indicators, by contrast,

directly consider a person's behavior of giving or accepting bribes. An example is the Global Corruption Barometer of Transparency International.

This paper focuses on perceptual measures of corruption based on public opinion surveys. It attempts to replicate the finding of a negative relationship between media freedom and corruption using multiple measures of media freedom. The findings challenge the general argument that media freedom unambiguously is associated with lower levels of corruption.

Literature on Media Freedom and Corruption

An emerging body of research suggests a negative relationship between media freedom and level of corruption of a country even when controlling for several other political and socio-economic country characteristics.

A World Bank Institute Report (Stapenhurst, 2000) used multiple case analyses all over the world to identify specific ways through which media can curb corruption. Corruption was defined as the abuse of public power for personal gain or for the benefit of a group to which one owes allegiance. The author argued that - though higher levels of corruption, as measured by the Transparency International Index, are correlated with lower press freedom - little is known about the best media strategies to fight corruption. The study, which focused mostly on governments' attempts to control the press, found that, in order to be effective in combating corruption, media have to be freed from political interference.

Ahrend (2002) did not use the Transparency International. Instead, he used a corruption perception index compiled by a private risk rating agency, Political Risk Services Group, published in the International Country Risk Guide. In addition, he used the Freedom House yearly reports on press freedom, World Bank enrollment data for countries' level of education,

and World Bank development indicators (GDP and trade openness). The study found that the impact of education on corruption depended on the capacities of civil society to oversee government representatives. If those capacities were high, education led to decrease of corruption. The data provided strong empirical evidence that lack of press freedom led to higher levels of corruption, but no evidence was found that corruption negatively affected press freedom.

Brunetti and Weder (2003) also used the Freedom House Press Freedom Index and the International Country Risk Guide corruption indicator to assess the relationship between media freedom and corruption and how much improvement in corruption levels can countries expect from more media freedom. The estimated coefficients ranged from -0.015 to -0.037. According to the authors, an improvement of one standard deviation in press freedom could reduce corruption between 0.4 and 0.9 points (on the scale from 0 to 6). The authors also found that low levels of freedom of the press are associated with high levels of corruption, even when controlling for other important determinants of corruption.

Norris (2004) used data from the Freedom House Press Freedom Survey and measured media access in 135 countries based on World Development Indicators monitoring the circulation of daily newspapers and the distribution of radio receivers and television sets per 1,000 population. The author concluded that societies that have both media freedom and widespread access to the mass media are characterized by many indicators of good governance and human development, as measured by the Human Development Index (UNDP Human Development Report, 2000), a combination of indicators based on longevity, educational achievement, and standard of living.

To test the effect of media freedom and democracy on corruption, Chowdhury (2004) used the Freedom House press freedom measures, the corruption perception index published annually by the Transparency International, and Vanhanen's democracy index. The latter has two components: competition (the success of parties in elections) and participation (the percentage of the population that actually voted). The results suggested that higher levels of democracy, and especially voters' participation in elections, and media freedom have an impact on curbing corruption.

Transparency International's Corruption Perception Index and the Freedom House Freedom of the Press three main indicators (legal, political and economic environments) were used by Freille, Haque and Kneller (2007) to examine the relationship between aggregate press freedom and corruption. The findings confirmed the conclusion of previous studies that restrictions in media freedom lead to higher corruption levels. The analysis also showed that political and economic pressure on the media is strongly related to corruption, while legal restrictions and regulations influencing the media are not strongly associated to higher corruption. The authors also found some evidence that the direction of causation runs from a freer press to lower corruption.

The Worldwide Governance Indicators (WGI) is a research project aimed to create cross-country indicators of governance. The WGI consist of six indicators of broad dimensions of governance covering over 200 countries since 1996: Voice and Accountability, Political Stability and Absence of Violence/Terrorism, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption. In their summary of the WGI methodology, Kaufmann, Kraay and Mastruzzi (2010) described Voice and Accountability as "capturing perceptions of the extent

to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media “(p. 4). In the list of the 31 data sources used to create the Worldwide Governance Indicators, three dealt specifically with media assessments: Freedom House (though the Press freedom index is not specifically mentioned), Reporters Without Borders Press Freedom index, and International Research and Exchanges Board Media Sustainability Index.

Camaj (2012) used Transparency International Corruption Perceptions Index data as the dependent variable and Freedom House Press Freedom data as the independent variable to measure the relationship between media freedom and corruption. She accounted for electoral competitiveness, civil society, voter turnout, judicial independence and political system. The results showed a significant strong association between media freedom and corruption in cross-sectional data from 133 countries around the world and suggested is that the direction was from more media freedom to less corruption. The author argued that the relationship between press freedom and corruption is stronger in countries with high levels of political accountability through institutions of checks and balances. The findings also showed that media freedom might have a greater impact on corruption in countries with a parliamentary system than in countries with presidential system.

Hypotheses

Corruption, the use of entrusted power for private gain, poses a serious development challenge. It undermines good governance by flouting formal processes, reduces accountability, compromises rule of law, and results in the inefficient provision of services. Proponents of media

assistance are among those arguing that good journalism, and investigative journalism in particular, are mechanisms of combating corruption (Kaplan, 2013; Sullivan, 2013).

The literature cited above is generally supportive of that argument. Both the media assistance proponents and the scholars rely on what may be thought of as a primitive theory of watchdog journalism. The view is that the media function as gatherers and disseminators of information about government and society more generally and serve to warn the public of abuses, involving government and other societal organizations, including business. Gleason (1990) has traced the origins of this primitive theory and argues that this interpretation of the media's role is based in U.S. common law and practice going back to the 19th century.

The practice of those involved in media assistance, the existing literature, and the primitive watchdog theory all argue that as media freedom increases, allowing the media to play their watchdog role, corruption should decrease. But, since the measure of corruption used most often is perceptual, a counter argument exists. Since, in a closed society, corruption is hidden from the public, and that corruption is only exposed by media attention, it could be that corruption as measured by perception would be positively related to media exposure of that corruption. And since media exposure of corruption should be higher when the media are free of restraint, one would expect that media freedom actually would be positively related to perceptions of corruption.

Most of the literature has relied on perceptual measures of corruption, but the measures are based most often on expert reports. Corruption Perception Index of Transparency International, for example, is based on expert assessments by country analysts and business leaders. The methodology for the CPI has varied over the years, but the 2012 index included data

from 13 different sources (Saisana & Saltelli, 2012). Included are the Economist Intelligence Unit, Freedom House, the World Bank, and the World Economic Forum.

These expert assessments also could be influenced by media coverage inside the countries. And it is possible that the general public, rather than the experts, might be better able to determine the level of corruption in their country. These uncertainties about the measurement of corruption make an analysis of the relationship between media freedom and perceptual measures of corruption based on the opinions of the general public worthy of exploration.

Methods

The best known and most widely used measure of the press freedom is that of Freedom House (Becker, Vlad & Nusser, 2007). Freedom House was founded in 1941 to promote democracy globally. Since 1978, Freedom House has published a global survey of freedom, known as *Freedom in the World*, now covering 195 countries and 14 related or disputed territories (Freedom House, 2012). This indicator is widely used by policy makers, academics, and journalists. In 1980, as a separate undertaking, Freedom House began conducting its media freedom survey—*Freedom of the Press: A Global Survey of Media Independence*—which in 2011 covered 196 countries and territories (Freedom House, 2011).

To measure the press freedom concept, Freedom House attempts to assess the political, legal, and economic environments of each country and evaluate whether the countries promote and do not restrict the free flow of information. In 2011, the research and ratings process involved several hundred analysts and senior-level advisers (Freedom House, 2011). These analysts and advisers gather information from professional contacts, staff and consultant travel, international visitors, the findings of human rights and press freedom organizations, specialists in

geographic and geopolitical areas, the reports of governments and multilateral bodies, and a variety of domestic and international news media. The ratings are reviewed individually and on a comparative basis in a series of six regional meetings with the analysts, ratings advisers with expertise in each region, other invited participants and Freedom House staff. Freedom House then compares the ratings with the previous year's findings. Major proposed numerical shifts or category changes are subjected to more intensive scrutiny. These reviews are followed by cross-regional assessments in which efforts are made to ensure comparability and consistency in the findings. Freedom House asks the raters to use 23 questions divided into three broad categories covering the legal environment, the political environment and the economic environment. Each country is rated in these three categories and assigned a value, with the higher numbers indicating less freedom.

Reporters Without Borders (RWB) has released annually since 2002 a Worldwide Press Freedom (RWB, 2002) report and ranking of individual nations. Based in Paris, RWB defends journalists and media outlets by condemning attacks on press freedom worldwide, by publishing a variety of annual and special reports on media freedom, and by appealing to governments and international organizations on behalf of journalists and media organizations.

RWB (2012) bases the score for each country on responses of its selected panelists to a questionnaire with 44 criteria. Included are measures of actions directly affecting journalists, such as murders, imprisonment, physical attacks and threats, and activities affecting news media, such as censorship, confiscation of newspaper issues, searches, and harassment. The questionnaire also measures the extent to which those who commit acts against the journalists and the media organizations are prosecuted, the amount of self-censorship, and the ability of the

media to investigate and criticize. It also assesses financial pressure imposed on journalists and the news media. It examines the legal framework for the media, including penalties for press offences, the existence of a state monopoly on certain kinds of media and how the media are regulated, and the level of independence of the public media. It also examines violations of the free flow of information on the Internet.

In 2012, the questionnaire was sent to 18 freedom of expression groups, to its network of 150 correspondents around the world, and to journalists, researchers, jurists and human rights activists. In 2012, RWB received completed questionnaires from a number of independent sources for 180 countries. RWB said some countries were not included because of a lack of reliable, confirmed data.

Detailed analyses of these two measures have shown that they rate most countries similarly (Becker, Schneider & Vlad, 2012). The Freedom House measures are more focused on institutional characteristics of journalism in the countries, while the RWB measures are focused more on the freedom of individual journalists. The RWB measures give more weight to attacks on the press.

These elite measures of media freedom are the primary independent variable in these analyses. They are treated as the “reality” measures of press freedom in the countries of the world.

Data from the Gallup World Poll were used to measure public perceptions of corruption as well as an alternative to the measures of media freedom from Freedom House and Reporters Without Borders of media freedom. The Gallup World Poll regularly surveys adult residents in more than 160 countries and areas, representing more than 98% of the world’s adult population.

In most cases, randomly selected, nationally representative samples of the entire civilian, non-institutionalized, age 15 and older population of each country are used. Exceptions include areas where the safety of interviewing staff is threatened, scarcely populated islands in some countries, and areas that interviewers can reach only by foot, animal, or small boat. Gallup typically surveys 1,000 individuals in each country, with at least 2,000 surveys being conducted in large countries like China and India.

Telephone surveys are used in countries where telephone coverage represents at least 80% of the population or is the customary survey methodology. In Central and Eastern Europe, as well as in the developing world, including much of Latin America, the former Soviet Union countries, nearly all of Asia, the Middle East, and Africa, an area frame design is used for face-to-face interviewing.

Once collected, the data set goes through a rigorous quality assurance process before being publicly released. After review by the regional directors, Gallup scientists perform additional validity reviews. The data are centrally aggregated and cleaned, ensuring correct variable codes and labels are applied. The data are then reviewed in detail for logical consistency and trends over time. Once the data are cleaned, weighted, and vetted, the final step is to calculate approximate study design effect and margin of error.

Gallup is entirely responsible for the management, design, and control of the Gallup World Poll and is not associated with any political orientation, party, or advocacy group and does not accept partisan entities as clients. Any individual, institution, or governmental agency may access the Gallup World Poll regardless of nationality.

In each country, a standard set of core questions is fielded in each of the major languages of the respective country. In 2010 a new item was added to the core: “Do the media in this country have a lot of freedom, or not?” Response categories were Yes and No, with Don’t Know and Refused coded. Again, the item cannot be asked in some of the countries in which the Gallup World Poll is fielded. The data were aggregated by country, and the percentage of people in a country saying Yes, i.e., that the media in the country were free, was computed for each country for which the measure was used. This characteristic of the country became an additional independent variable for the analysis. It is a non-elite measure of media freedom (Becker, English & Vlad, 2012).

The dependent variables for these analyses come from the Gallup World Poll as well. Two measures from the core deal with perceptions of corruption. The first of these asked: Is corruption widespread within businesses located in (country), or not? The second asked: Is corruption widespread through the government in (country) or not? In both cases, the data were aggregated by country, as was the case with the measure of media freedom. The variable used in this analysis is the percentage of respondents in the country saying that corruption was widespread. The two measures were kept distinct and analyzed separately to look for any difference between perception of business and government corruption. The measures, then, are country-level indications of corruption, based on public perceptions.

Findings

Table 1 shows the Pearson Product Moment Correlation Coefficients between the three measures of media freedom and the two perceptual measures of corruption across three different years, 2010 to 2012, for which Gallup World Poll data are available.

The first of the two elite measures of press freedom, that produced by Freedom House, is only slightly negatively related to the Gallup World Poll perceptual measures of corruption across each of the three years examined. In 2010, the Freedom House measure of press freedom shows only a $-.09$ correlation with the perception of business corruption and $-.16$ correlation with the perception of corruption in government. The relationship is even weaker in 2011, though it is slightly higher in 2012. In five of the six cases, the relationship suggests that as press freedom increases, corruption decreases, but the effect is slight. The correlations are consistently a little higher for government corruption than for business corruption. Because the sample of countries available for analysis is not a probabilistic subsample of the population of countries, no significant tests are reported in Table 1.

In general, the measure of media freedom produced by Reporters Without Borders is even slightly less correlated with the perceptual measures of press freedom from the Gallup World Poll than was the case for the Freedom House measures. And only in 2012 is there a suggestion that government corruption is a bit more strongly negatively related to media freedom than is business corruption. Five of the six correlations suggest that any effect of press freedom is in the direction of decreasing corruption.

Where the public opinion measure of media freedom is used in Table 1, the correlation between media freedom and corruption is stronger. Across all three years and across both perceptual measures of corruption, when the public sees its media as free, it also sees lower levels of corruption. There is no evidence of difference between the relationship for business and government corruption, and little variation across the years. Though the relationship is small, it is robust across time and across measures of corruption.

Conclusions

This study employs a measure of corruption based entirely on the perceptions of the general public. The findings suggest that media freedom is negatively related to corruption, at least as perceived by the general public. But the relationship is quite modest. In fact, if the measure of media freedom is one produced by the elite evaluators of Freedom House or Reporters Without Borders, the relationship is slight at best.

The findings raise challenges to the way corruption is measured and to the way that media freedom is measured. Are elite measures necessarily superior to those derived from surveys of the general public? That is, do elite evaluators know something that the general public does not? Or it is possible that the general public is actually better at assessing both media freedom and business and government corruption?

One challenge to the finding of a stronger relationship between the public opinion measure of media freedom and the public measures of corruption is that the public deceives itself into believing the argument of the media and of some government leaders that free media lead to lower levels of corruption. It also is possible that public simply misjudges both media freedom and corruption in such a way as to either exaggerate media freedom and underestimate corruption or the reverse.

The findings also challenge the argument of media leaders and others interested in promoting media freedom that increased media independence will result in significant decreases in corruption. At least some caution is in order, for with the measure of corruption based on citizen assessments, the relationship appears to be quite limited.

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Table 1. Correlations (Pearson) Between Media Freedom and Perceptions of Corruption

		Media Freedom Measures		
		Elite Assessments		Public Assessment
Year	Public Assessments of Corruption	Freedom House	Reporters Without Borders	Media Have Lot of Freedom
2010	Corruption Widespread in Business	-0.09 (116)	-0.06 (116)	-0.23 (110)
	Corruption Widespread in Government	-0.16 (110)	-0.08 (110)	-0.25 (105)
2011	Corruption Widespread in Business	-0.00 (131)	0.05 (131)	-0.22 (132)
	Corruption Widespread in Government	-0.10 (126)	-0.03 (126)	-0.23 (128)
2012	Corruption Widespread in Business	-0.10 (123)	-0.04 (123)	-0.29 (130)
	Corruption Widespread in Government	-0.21 (119)	-0.14 (119)	-0.30 (127)

All scores have been coded so that a high score indicates increased level of media freedom and an increased level of perceived corruption. Ns are in parentheses.