

Press freedom and regulatory quality: How do they relate to public-sector corruption?

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Key Words

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Abstract

How much does the presence of press freedom and regulatory quality influence the level corruption when economic factors are simultaneously considered? Controlling for economic factors such as GDP per capita, public sector wage level, and openness to international trade, this paper tests the effect of press freedom and regulatory quality on public-sector corruption. The paper presents two propositions about corruption. First, the freedom enjoyed by the press is a very important determinant of the level of corruption. In particular, countries with free press and freedom of speech policies and laws are less likely to be corrupt than countries with tight controls over the press. Second, the quality of regulation also has an impact on the level of corruption. For example, countries with high quality regulatory laws provide the legal structure and law-enforcement systems that discourage corruption. Overall, the empirical investigation carried out in this paper suggests that press freedom and regulatory quality have a significant impact on public-sector corruption. Implications for practice and research are provided.