



UNIVERSITÀ DEGLI STUDI DI PADOVA

Dipartimento di Scienze Economiche “Marco Fanno”

STORIES ON CORRUPTION.
HOW MEDIA AND PROSECUTORS
INFLUENCE ELECTIONS

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October 2011

“MARCO FANNO” WORKING PAPER N.140

Stories on corruption. How media and prosecutors influence elections. *

by

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Abstract

I analyse whether Attorney Generals try to influence elections by adjusting the *tempo* of their investigations to the electoral calendar, and whether mass media have a partisan bias and hide corruption activities of their preferred parties. For doing so, I have coded the number of articles containing the word “corruption” of the two main Spanish newspapers, finding significant evidence of both behaviours.

Key words: Mass media, prosecutor, political economy, corruption, newspaper, Spain

JEL codes: H11, P16, L82

* This paper build upon my Master Thesis written at the Copenhagen University. The thesis was written under the supervision of David Dreyer Lassen to whom I am really thankful for his support during the entire Master. I would also like to thank Marco Piovesan, Paolo Roberti, Leonardo García, James Taverner and Mathias Krichner for their help and comments.

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1. Introduction:

Prosecutors are the legal party responsible for presenting and directing the criminal cases in countries ruled by inquisitorial or adversarial law systems. Although their position may be obtained by public contest, their chief, the Attorney General, is often appointed by the party in government.

In many countries, e.g. USA or Spain, the political independence of Attorney Generals is questioned by opposition parties. This notion is supported by different empirical studies (Gordon, S. 2009 or Alt, J. and Lassen, D. 2010) which seem to indicate that American prosecutors have shown signs of partisan bias.

Furthermore, there is a growing literature about the existence of media bias¹. Such media, e.g. newspapers, are often used by citizens to gather the information required for making their political decisions. Hence, it is not surprising that, among others, Della Vigna S. and Kaplan E. 2007, Gerber, A., et al. 2006 and Lim, C. et al. 2010 have found that media can influence political outcomes.

In this paper I will try to show whether both political actors, i.e. mass media and the Attorney General, manoeuvre in order to influence elections:

Firstly, attorneys could adjust the *tempo* of their investigations on corruption to the electoral calendar by accelerating or slowing them down. .

Secondly, mass media, as explained by Besley, T. and Prat, A. 2006, may decide not to publish corruption news about cases or trials investigated by the Attorney General's office when this would negatively affect their preferred political party.

This is the first paper, to my knowledge, that will consider both actors simultaneously. Another contribution of this paper will be the study of a young democracy, namely Spain.

I have structured this paper as follows: In section 2 I show the empirical strategy; then in section 3 I explain the econometric technique used. In section 4 I present the results, and at the end I discuss their political meaning and their econometric validity.

¹ See, for instance, Groseclose, T. and Milyo, F. 2005, or for a more comprehensive view D'alessio, D. and Allen, M. 2000

2. Empirical strategy

The general idea of the empirical model is the following: If a given party A governs a given region X then only A can extract rents in X. If there are elections in X, the Attorney General, appointed by party B, can speed up or slow down the investigations in X in order to present the case to the media at a time when most of the citizens are deciding on their vote, which is usually around four weeks before elections take place (CIS, 2008). Then the mass media must decide whether to publish those reports or not. If a media group is biased towards A, then it can decide to hide those cases from its readers. On the contrary, a newspaper with a bias towards B will publish those stories, thereby increasing the number of news about corruption before the elections when A is the incumbent.

The Attorney General can also postpone the investigations on corruption of its preferred party (B) just before the elections when B is the incumbent. If that is the case, both newspapers will show a significant decrease in the publication of articles about corruption before elections.

To find statistical evidence of this theory I will examine the quantitative relationship between stories on corruption published by two ideologically-opposed newspapers and the proximity to elections. This relationship will crucially depend on whether incumbent party has appointed the Attorney General or not.

As the ideology of the Attorney General and the political preferences of media groups are both important, I will run four different regressions: One regression for each of the two newspapers analysed and for each of the last two Attorney Generals in office. This will help us to disentangle the possible partisan bias of the different actors.

3. Econometric technique.

The two newspapers analysed are those with the largest number of readers, “El País” with a Social Democrat ideology and “El Mundo”, that is conservative.

I have created the endogenous variables by counting how many articles with the word

“corruption”² were weekly published³ in these newspapers from January 1999 to May 2011. The endogenous variable is therefore a count-variable and it requires the use of a Poisson-like function. Concretely, I utilized a heterogeneous negative binomial regression that allows for the control of the over-dispersion and the heteroskedasticity existing in the data (Cameron, A.C. and Trivedi, P.K. 1998). The dispersion parameters are the endogenous variable, a year indicator variable and a constant term.

In order to control for over-dispersion a heterogeneous negative binomial regression modifies the coefficients of a Poisson distribution function. Notably, the coefficients of a Poisson distribution satisfy:

$$\sum_{t=a}^A (y_{t,n} \exp(x_{t,n}' \beta_n)) x_{t,n}' = 0 \quad (1)$$

The X s represent the exogenous variables that in this case I have divided into two groups, temporal and political:

For the temporal exogenous variables, I have considered lagged variables of the number of stories about corruption published, a dummy variable for the weeks belonging to August, and due to the increase of corruption in Spain in the last years (Villoria, M. et al. 2011), I have also included a yearly indicator variable. The coefficients of these variables are not presented in the result tables.

The political variables are the variables of interest. There are three of them, one for each main political party: “Partido Socialista Obrero Español” (PSOE), social democratic, “Partido Popular” (PP), conservative, and another one (OTHERS) that groups the smaller parties that have governed only at a regional level.

2 The use of the word “corruption” can be seen as controversial in some cultures. To qualify a person as “corrupt” or to judge some actions as “corrupt activities” can be unusual in some countries. In Spain it is not the case.

Newspapers use the word “corruption” often and mainly to reflect political rent extraction.

3 I used searches in Google for the case of “El Mundo” and the internal search engine of “El País”, The definitive database has been made during June 2011.

4 Where:

t is the week indicator

a indicates the first week of study for given Attorney General. 1 for Mr. Cardenal and 276 for Mr. Conde-Pumpido

A is the last week of study for given Attorney General. 275 for Mr. Cardenal and 644 for Mr. Conde-Pumpido

n refers the newspaper: “El País” or “El mundo”

y represents the number of articles about corruption published

x is the vector of political and temporal variables

β is the vector of parameters

A given political variable, e.g. PSOE, will be equal to the number of seats at stake four weeks prior to an election if PSOE is the incumbent, and zero otherwise⁵. In case of several elections occurring at the same time, seats are added⁶.

4. Results

The first table shows the results of the regressions for the two newspapers when the Attorney General was José Cardenal, appointed by the conservative party. The next one shows the coefficients for the period when Cándido Gómez Conde-Pumpido, appointed by PSOE, was in office.

Table 1. *Results with conservative Attorney General*

Heterogeneous negative binomial regression

	Conservative Attorney General	
	<u>El País</u>	<u>El Mundo</u>
PP	0,0012 (0,53)	0,0039 (0,37)
PSOE	-0,0011 (-0,12)	-0,016 (-0,37)
OTHERS	-0,0013 (-0,90)	-0,0013 (-0,06)
Dispersion parameters, significant at 5%?	Yes	No
Regression Characteristics		
N. Obs.	272	272
Pseudo R2	0,08	0,2

Note: Entries are heterogeneous negative binomial coefficients with t-values in parentheses. *** p < .01; ** p < .05; * p < .10 for two-tailed tests.

5 For instance imagine that in the week 245 of the study there are elections in Galicia (a Spanish region). If Galicia is governed by PSOE, then the variable PSOE would be equal to the number of seats in the Galician parliament during the weeks 242, 243, 244, 245 and the variables PP and OTHERS would be zero during those weeks.

6 Due to the ambiguity that could arise in the European elections, I did not consider any of them.

Table 2. Results with social democratic Attorney General
Heterogeneous negative binomial regression

	Social democratic Attorney General	
	<u>El País</u>	<u>El Mundo</u>
PP	0,0029 (3,39) ***	0,0011 (0,94)
PSOE	-0,0013 (-2,01)**	-0,0022 (-1,99) **
OTHERS	-0,0056 (-2,34)**	0,0035 (1,07)
Dispersion parameters Significant at 5%?	Yes	Yes
Regression Characteristics		
N. Obs.	369	369
Pseudo R2	0,09	0,09

Note: Entries are heterogeneous negative binomial coefficients with t-values in parentheses. *** p < .01; ** p < .05; * p < .10 for two-tailed tests.

As we can see in Table 1 there is no significant correlation between the political variables for the first set of regressions.

If we observe Table 2 we see that once the Attorney General was appointed by the PSOE, there is a significant change in the results. PP suffers a highly significant increase of news in “El País” when this party is the incumbent, and PSOE and OTHERS a significant decrease. If we compare it with “El Mundo”, the conservative newspaper, we see how PP and OTHERS' variables become insignificant. The coefficient for PSOE in “El Mundo” is not significantly different from the coefficient of “El País” for the same party. These are the results predicted for a conservative biased media and a biased Attorney General.

From a quantitative perspective and with a given election for a Parliament with 100 seats at stake, “El País” would write 30% more articles about corruption if PP is the incumbent, and 10,8% less if PSOE is the incumbent⁷.

The dispersion parameters are significant for all the regressions but for the case of “El Mundo” in Table 1. Consequently, we know that in case of excluding them we would face over-dispersion problems and the t-values would not be valid.

⁷ Once calculated the average marginal effect for both variables as explained by Hilbe, J.M. 2007

5. Discussion.

From the results presented in Table 1 we cannot say that the conservative Attorney General did not have a partisan bias. Before the arrival to power of PP, the previous social democratic government created a special prosecution office for corruption cases. His head, Carlos Jiménez Villarejo, was appointed by the PSOE. He was finally dismissed by the PP in 2003. This duality could have eliminated a potential partisan bias when investigating corruption. The lack of significant coefficients can also be explained due to the bad quality of the data as the digital versions of both newspapers had just been launched.

The results of Table 2 are in line with the theoretical prediction: First, with a social democratic Attorney General the social democratic party is likely to face less news about corruption when it is the incumbent. Second, when the conservatives are the incumbent more news about corruption may be published in the social democrat media groups but not in the conservative ones⁸.

Before coming to the conclusions, and in an attempt to strengthen the validity of these results, I will explain some measures that I have taken:

Firstly, it could be argued that there is a double causality problem: a large amount of articles about corruption could lead to anticipated elections. In the period studied, only in two occasions there were anticipated elections, and none of them were anticipated due to a high level of corruption⁹.

During the time of study the amount of articles published online has increased manifold. Thus, I have adjusted the data to control for this fact¹⁰.

8 The explanation of the coefficient of the variable OTHERS is more difficult to explain. It has a negative coefficient for “El País” in the second period but a non-significant in the case of “El Mundo”. It can be the case that “El País” publishes less news about other parties in the second period of study due to the support that they brought to PSOE during several years. In any case, their situation is still unclear mainly due to the fact that these parties act as hinge parties.

9 The first case is the elections of October 2003. In the region of Madrid after the election of May 2003, none of the parties was able to obtain a majority in the regional parliament and new elections were convoked three months later. The second case is the regional elections in Catalonia of November 2006. Catalonia after a long negotiation process had a new “Estatuto de Autonomía”. This is the main law of the region only preceded by the Constitution. The approval of the Estatuto broke up the coalition that governed Catalonia and new elections took place.

10 “El País” and “El Mundo” changed many times during these ten years. To account for the successive increase of importance of their digital edition I counted how many times a neutral set of words [Tarde, Sombra, Partido, Mañana, Cien, Navidad, Semana, Día] was written each year in the newspaper and I divided the endogenous variables for the average of the use of that set of words.

It is also possible to argue that the national sections increase their number of articles before an election in order to better inform their readers. This would, exogenously, increase the chances of the word corruption to appear in newspaper articles. I also took this into consideration¹¹.

It could be argued that the different levels of diffusion of the newspapers in the different regions can change their behaviour across elections which could lead to omitted-variable bias problems. This has also been studied¹² and it is not the case here.

Finally, another possible interpretation could be that voters of PSOE (usually readers of “El País”) are more interested in stories of corruption when deciding on their vote. But we must discard this possibility because it has been shown that a similar amount of voters of both parties (4,3% of PSOE voters and 4,1% of PP voters) considered corruption as one of the three main problems of Spain in 2008 (CIS, 2008).

6. Conclusions

The main results of this paper are:

1) Since the appointment of Conde-Pumpido as Spanish Attorney General it seems that there has been a significant political use of the public prosecution.

2) The newspaper “El Mundo” shows, in principle, a partisan bias by hiding corruption reports on conservative politicians.

Therefore, in order to improve the quality of the Spanish Democratic system, political measures should be taken to avoid partisan behaviour of Attorney Generals.

11 I made more than one hundred week-observations to count the number of articles for both “El País” and “El Mundo” during and outside the electoral campaign in their national sections. I excluded, for obvious reasons, the weeks of the terrorist attack of March the 11th (occurred in electoral campaign). “El País” writes 1.56 times more articles in the national section in electoral campaign and “El Mundo” writes 1.5 times more. The endogenous variables have been dividing accordingly

12 I have created a variable for each newspaper equal to the percentage of people who use that newspaper for getting informed about politics (according to CIS 2010) in each region when the region faces elections. For instance in the previous example of Galicia, the value for diffusion of the regression of “El País” is equal to 0,037 for the weeks 242, 243, 244 and 245. For “El Mundo” it would be 0,013. Both variables came to be insignificant when addign them to their respective regressions.

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