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Polarization and Policy Reform: Anti-Corruption Policymaking in Sub-Saharan Africa*

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The ability of political systems to adopt policy reforms contributes to their internal stability. This article analyses 29 anti-corruption reforms in seven sub-Saharan countries. It seeks to explain the level of adopted reform in these countries from conflicts of interests between policy actors. Two groups of policy actors are distinguished: veto-players (endowed with an exercisable veto) and stakeholders (with an interest in policy reforms). A veto-player model is applied and extended with effects of (a) policy polarization between all policy actors and (b) institutional fractionalization between veto-players and stakeholders. The authors hypothesize a negative (interaction) effect of these variables with the win-set on the level of reform. As expected, the core variable of the veto-player model, size of the win-set of the status quo, significantly and positively affects the level of adopted reform. Unexpectedly, the number of veto-players has a significant and positive effect on the level of reform, whereas polarization among veto-players does not affect the level of reform. In contrast, fractionalization between veto-players and stakeholders has a significant negative direct effect on the level of anti-corruption reform and a weak interaction effect with size of the win-set. Thus, even when veto-players agree on the desirability of anti-corruption reforms, the adoption of reforms is obstructed by a high level of fractionalization between veto-players and stakeholders.

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Introduction

The prosperity of nations highly depends on the ability of their governments to adopt reforms in the political-economic and administrative system (Geddes, 1991; Krueger, 1993; Rodrik, 1993, 1996; Treisman, 2007). Reforms are obstructed by social and political conflict (Cox & McCubbins, 2001; Tsebelis, 2002). For example, Alesina & Drazen (1991) show that high-level distributional conflicts delay the adoption of reforms.

In the present article, we study the level of reform expressed in anti-corruption helpful comments and suggestions. The authors acknowledge financial support from the World Bank Institute. Data used in this article and appendices with interview logs, a list of background documents, and a description of the dataset can be found at http://www.prio.no/irp/datasets. Correspondence: r.torenvlied@uu.nl or c.m.kleinhaarhuis@uu.n.
decisionmaking in seven sub-Saharan African countries and explain these reforms from conflicts of interests within the political system. In the year 2000, for example, Kenya formulated a ‘National Action Plan’ for anti-corruption reforms. Indeed, some extensive reforms were put on the agenda: the creation of a fully independent Kenyan Anti Corruption Agency (KACA), full control over parliamentary resources, the inclusion of the private sector in the legal definition of corruption, the adoption of a ‘list of shame’, and the strict prosecution of (early) suspects of corruption. However, the powerful government aimed to preserve the status quo, supported by president Daniel Arap Moi, the judiciary, the ruling party (the Kenya African National Union, KANU), the Finance Department and the anti-corruption agency. The parliamentary opposition, civil society and the donor community (notably the IMF and the World Bank) formed a reform-oriented coalition. After a long debate, the Kenyan authorities decided to grant full control only over parliamentary resources. Apparently, powerful ‘vested interests’ blocked the other reform proposals (see Krueger, 1993; Rodrik, 1993; Geddes, 1991; Rose-Ackerman, 1999; Bueno de Mesquita et al., 2003).

The literature on reforms primarily focuses on democratic institutions to explain the translation of societal conflict into the peaceful adoption of policy reforms. However, in relatively ‘weak states’ – such as sub-Saharan African countries – political institutions do not stimulate the building of political constituencies or the promotion of political competition (La Ferrara & Bates, 2001). The parliamentary opposition, civil society and the donor community (notably the IMF and the World Bank) formed a reform-oriented coalition. After a long debate, the Kenyan authorities decided to grant full control only over parliamentary resources. Apparently, powerful ‘vested interests’ blocked the other reform proposals (see Krueger, 1993; Rodrik, 1993; Geddes, 1991; Rose-Ackerman, 1999; Bueno de Mesquita et al., 2003).

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The strength of the veto-player argument for comparative analysis brings with it one disadvantage: it does not take into account the richer and broader constellation of preferences in the policy process. For example, anti-corruption policymaking in sub-Saharan Africa involves other stakeholders from civil society (churches, voluntary organizations, nongovernmental institutions) and donor actors (bilateral donor countries and multilateral organizations, such as the International Monetary Fund and the World Bank). These organizations would strongly benefit from a change from the status quo, but they have no formal power to veto proposals that aim to preserve the status quo.

In this article, we argue that the presence of these stakeholders affects the choice of veto-players to exercise their veto. We hypothesize that two indicators for conflict reduce the (positive) effect of the size of the win-set of the status quo on the level of reform: (a) the level of polarization among all actors and (b) the level of institutional fractionalization between stakeholders and veto-players. The concept of polarization builds upon two mechanisms: (a) identification between members of different groups in reform policymaking and (b) alienation between members of these groups (Esteban & Ray, 1994). Polarization research combines these two mechanisms and relates them to societal conflict. In the context of reforms, we define policy polarization as the extent to which
groups of actors are homogenous with respect to the positions within their reference group and heterogeneous with respect to positions across groups. The reference group could contain all actors sharing a common policy position, but could also be defined by exogenous variables. When we study polarization between two groups (veto-players and stakeholders), the measure of polarization reduces to a weighted measure of (institutional) fractionalization.

A highly polarized or fractionalized policy debate reflects the difficulty for actors to make concessions beyond group boundaries. Within-group identification between contesting groups could fuel polarization, causing discontent and conflict (Esteban & Ray, 1994). McCarty, Poole & Rosenthal (2006: 176–183) observe that polarization negatively affects policy change and law production. Thus, even when veto-players agree to adopt reforms (Tsebelis, 2002), policy polarization would negatively affect the level of policy reform.

We test hypotheses on a pooled dataset of 29 anti-corruption reforms adopted in seven sub-Saharan African countries: Bénin, Ethiopia, Ghana, Kenya, Malawi, Tanzania and Uganda. At the start of this millennium, these were the countries that publicly debated anti-corruption reforms (Haarhuis, 2005). Anti-corruption reforms are especially suitable for this study because the serious reduction of pervasive corruption unavoidably entails significant changes in the administrative structure of a nation. After introducing variables derived from veto-player theory, we add direct effects and interaction effects of policy polarization and institutional fractionalization. A generalization of findings beyond these countries is not the aim of this article.

Spatial Model of Reform

In each country, reform policymaking revolves around substantive reform issues, which represent specific facets of reform. We assume that a policy space \( r_m \) exists for each separate reform issue, with \( m = 1 \) dimensions, so that each reform issue is represented by a one-dimensional reform scale \( r \). A variable \( x_r \in [0, 100] \) is the reform scale variable, which represents the substantive values of alternative policies relative to two extreme policies with values of 0 and 100, respectively. For matters of simplification, we assume that the reform scale \( x_r \) reflects more substantial reforms when moving from left to right. In addition, we assume that the status quo \( x_r^{SQ} \) reflects the situation of ‘no reform’, so that \( x_r^{SQ} = 0 \). Actors, \( a \in A \), hold a policy position on reform issue \( r \), denoted by \( x_{ar} \), which is their ideal point on the one-dimensional policy scale. We assume that actors have single-peaked preference functions, monotonically decreasing from the policy position. Thus, the higher the value of the policy position, the more reform-oriented the actor is. Likewise, the value of the reform policy \( x_r^* \in P \), reflects the level of reform.

The Veto-Player Model of Policy Reform

We assume that policy reforms are the outcome of collective decisionmaking between self-interested veto-players (Tsebelis, 1999). Veto players – denoted by \( v \), where \( v \in V \) – have power over domestic agenda-setting and decisionmaking, according to the existing formal and informal rules. Examples of these interest organizations are

Spatial Model of Reform

In each country, reform policymaking revolves around substantive reform issues,
organizations from civil society, bilateral donor countries and multilateral donor institutions, such as the World Bank and the International Monetary Fund. The groups of veto-players and stakeholders are mutually exclusive subsets of the set of actors $A$, so that $S \cap V = \emptyset$ and $S \cup V = A$. For each reform issue $r$, veto players have a most preferred reform policy $x_{vr}$.

In veto-player theory, the main determinant of policy change is the size of the win-set of the status quo among veto-players. The preference function of a veto-player defines his set of alternative reform policies $P_{vr}(x_{vr})$, which he strictly prefers over the status quo $x_{r}^{SQ}$ he win-set of the status quo $W_r x_{r}^{SQ}$ is the intersection of all the preference functions of veto-players in decisive coalitions. If the win-set of the status quo is empty, no alternative reform policy is able to beat the status quo. Because unanimity requires the consent of all veto-players, the win-set of the status quo is fully determined by the most conservative veto-player $L$, who holds a policy position $x_{vr}^{L}$. If the most conservative veto-player holds a policy position that supports at least some level of reform ($x_{r}^{L} > x_{r}^{SQ}$), the size of the win-set is $2x_{r}^{L}$. Under the condition $2x_{r}^{L} > 0$, the gates of decisionmaking will be opened with the consent of all veto-players. Subsequently, a policy reform of the size $x_{r}^{*}$ is adopted, where $x_{r}^{*} \in [0, \ldots, 2x_{r}^{L}]$. Thus, the size of the win-set of the status quo positively affects the level of reform, although the existence of a non-empty win-set is a necessary, but not sufficient condition for policy reform (Tsebelis, 2002: 32). We formulate the veto-player hypothesis:

$H1A$ (Win-Set of the Status Quo): The size of the win-set of the status quo positively affects the level of policy reform.

Cox & McCubbins (2001) discuss the effect of the number of veto-players. They assume that an increase in the number of veto-players raises the transaction costs of decisionmaking and reduces the marginal utility of reforms, thus making reforms less likely. Moreover, an increase in the number of veto-players would increase the likelihood that some veto-player has a policy position most close to the status quo (that is, outside the ‘unanimity core’ of the win-set of the status quo). According to the ‘absorption rule’ (Tsebelis, 2002: 28), only these veto-players are essential. Hence, the presence of more veto-players will be associated with smaller sizes of the win-set of the status quo. Although the latter effect of the number of veto-players will disappear when controlling for the size of the win-set of the status quo, the former remains. Thus, we obtain the following hypothesis:

$H1B$ (Number of veto-players): The number of veto-players negatively affects the level of policy reform.

Effects of Policy Polarization and Institutional Fractionalization

In the previous section, we discussed that the existence of a non-empty win-set is a necessary, but not sufficient, condition for reform. Within the subset of policy positions, $[0, \ldots, 2x_{r}^{L}]$, the adopted reform $x_{r}^{*}$ is undetermined. Hence, even when the win-set of the status quo is non-empty – all veto-players agreeing to adopt reforms – additional conflict will (negatively) affect the level of reform adopted. Thus, we need to consider conflict in the political system beyond the subset of veto-players and include a broader set of stakeholders into our analysis. Although these stakeholders have no formal veto power over agenda-setting and decisionmaking, they do express an interest in reform policymaking with a preference $x_{sr}$. For example, although the World Bank and other international donor organizations or countries express a strong preference for domestic anti-corruption reforms, they cannot exercise any veto, however strong their threat may be to withdraw international aid. The
same could be argued for organizations in
civil society, such as churches, who lobby for
substantive policy reforms.

Political conflict between stakeholders and v

veto-players is likely to interact with the size
of the win-set: it would reduce the level of
reform even if all veto-players agree that some
level of reform is desirable. The theory of
polarization offers two mechanisms that,
when combined, offer a theoretical under-
pinning for this conflict. The first mechanism
intragroup identification, the second inter-
group alienation (Esteban & Ray, 1994).
Polarization captures the effective
antagonisms between groups: polarization becomes larger
when group members become more similar
and when distances between groups increase.
Because polarization crucially depends upon
the definition of groups, we develop two meas-
ures of polarization – each based upon a dis-
tinct definition of groups of policy actors. The
first measure captures policy polarization
between coalitions of policy actors with iden-
tical policy positions. The second measure
captures institutional fractionalization between
veto-players and stakeholders.

Policy polarization captures the effective
antagonisms between coalitions \( c \) of policy
actors with similar preferences, where
\( c \in \{c, d, \ldots, C\} \). A policy coalition \( c \) has two
properties: (a) a policy position \( x_c \) on the
reform scale and (b) a relative proportion \( \pi_c \)
of all policy actors \( i \) who hold this position on
the reform issue. Thus, we obtain as many
policy coalitions as there exist policy positions
with policy position \( x_c \) and relative group
sizes \( \pi_c \), where \( \sum \pi_c = 1 \). Equation (1) displays
the measure of policy polarization \( P_\alpha \) adapted
from Esteban & Ray (1994), who show that
this measure satisfies three basic axioms of
polarization and is invariant to population size.

\[
P_\alpha(\pi, x) = K \sum_{c=d}^{C} \sum_{d=1}^{d} \pi_c^{1+\alpha} \pi_d |x_c - x_d|
\]  

(1)

where: \( 0 \leq \pi, \pi_d \leq 1; 0 \leq \alpha \leq 1.6. \)

Parameter \( \alpha \) adjusts for the level of identifi-
cation within the policy coalitions and can
be interpreted as the ‘polarization sensitivity’
of the measure (Esteban & Ray, 1994: 834).
It ranges between 0 and 1.6 to satisfy the three
axioms and the requirement of invariance to
population size. For \( \alpha = 0 \), the polarization
measure equals the Gini index of inequality.

If policy polarization is high, different
coalitions of policy actors (with mixed com-
binations of veto-players and stakeholders)
will strongly identify with highly different
reform policies. This will fuel policy conflict,
even when veto-players all agree that reforms
are desirable and the win-set of the status
quo is considerable. In highly polarized set-
tings, strong within-coalition identification
makes it highly difficult to reach agreement
with homogenous and distant other coali-
tions. The adopted policy could reflect a
lower level of reform than implied by the size
of the win-set of the status positions. Conse-
quently, we expect a negative interaction effect
between policy polarization and size of the
win-set of the status quo on the level of
policy reform.

\( H2 \) (Policy polarization): The effect of size of
the win-set of the status quo on the level
of policy reform is negatively affected by
policy polarization.

Institutional polarization captures the effective
antagonisms between the institutionally
defined groups of veto players \( V \) and stake-
holders \( S \). The groups have two properties:
(a) a group policy position \( \bar{x}_v \) and \( \bar{x}_s \) for
veto-players and stakeholders, respectively,
on the reform scale, and (b) a group proportion
\( \pi_v \) and \( \pi_s \) for veto-players and stakeholders,
respectively. We assume, rather crudely, that
the group policy position is the average
policy position of group members. Equation
(2) displays the measure of policy polarization
\( P_\alpha \) for a two-point distribution (see
\[ P_\alpha = (\pi_v^{1+\alpha}(1-\pi_s) + (1-\pi_v)^{1+\alpha}\pi_s)x_v - x_s \]  
(2)

Because we have a two-point distribution, the value of institutional polarization depends much less on polarization sensitivity parameter \( \alpha \). For some values, the polarization scale even becomes invariant for different values of \( \alpha \). This result has two important implications. First, the measure reduces to a weighted measure of policy fractionalization \( F \) rather than polarization (with the weights being intergroup differences). Second, we can select \( \alpha = 0 \) and further simplify the measure of institutional fractionalization as shown in Equation (3).

\[ F = 2\pi_v(1-\pi_s)|x_v - x_s| \]  
(3)

For \( \alpha = 0 \), institutional fractionalization \( F \) is equivalent to a distance-weighted inverse Hirschman–Herfindahl concentration index (see Schneider & Balz, 2005). Esteban & Ray (1994: 842) verify that, for a two-point distribution and any given \( |x_v - x_s| \), polarization is maximized at \( \pi_v = \frac{1}{2} \). It follows, ceteris paribus, that when the number of veto-players perfectly balances the number of stakeholders, the level of policy fractionalization is maximized. This follows intuition, because neither veto-players nor stakeholders could counter the other group in terms of relative group sizes.

Index \( F \) is different from the measure of number of veto-players because it takes into account both the distance between veto-players and stakeholders, as an indicator for the conservatism of veto-players, and the leverage of veto-players to counterbalance stakeholders. In highly fractionalized settings, we expect that strong identification among veto-players and stakeholders fuels conflict between the two groups. This conflict would reduce chances for policy reforms, even if veto-players would consent to some degree of reform. Hence, we expect a negative interaction effect between institutional fractionalization and size of the win-set of the status quo on the level of policy reform.

**H3 (Institutional fractionalization):** The effect of size of the win-set of the status quo on the level of policy reform is negatively affected by institutional fractionalization.

### Design and Empirical Data

The reforms under study in the present article are anti-corruption policies and provide a ‘litmus test’ for the models of policy reform. Anti-corruption policies instigate significant changes in the administrative system of a country and challenge existing ‘vested interests’ (Geddes, 1991; Haarhuis & Torenvlied, 2006). Thus, the issues selected for this study reflect core issues of domestic policy reform. We selected seven sub-Saharan African countries for our study, because a large number of substantive anti-corruption issues were presented in National Action Plans in these countries in the period after the year 2000. The foundation for these reform issues was a World Bank anti-corruption programme, running from 1999 onwards (World Bank, 1999b). The seven countries that voluntarily participated in this programme formulated National Action Plans that contain a variety of substantive anti-corruption issues to be debated on the national level. Representatives of the countries (from government, NGOs, research institutes and civil society) discussed the National Action Plans during meetings at the World Bank in Washington, DC.
Over the past decade, the curbing of corruption has become a key objective of development reforms in Third and Second World countries (World Bank, 1999a,b; Stapenhurst & Kpundeh, 1999). In its widest definition, corruption refers to the abuse of public power for private gain (see Klitgaard, 1988). To effectively curb corruption, the World Bank programme promotes a multifaceted approach, combining civil empowerment from the bottom-up (e.g. civil society and media freedoms) with top-down, institutional reforms, to enhance the transparency and accountability of the state (e.g. administrative reforms or the strengthening of the judiciary). The civil empowerment of stakeholders aims to counterweigh powerful vested interests and, indeed, the reform issues included in National Action Plans cover a wide range of topics that, directly or indirectly, are believed to reduce corruption. Appendix A to this article offers a summary of the issues debated between 1999 and 2001 in the seven countries.

According to World Bank experts (interviews 2000, Washington, DC), these seven countries participated in the World Bank programme because their state leaders indicated a willingness to formulate a comprehensive anti-corruption programme. All the seven African countries, with the exception of Ethiopia, are presidential systems, so that we are able to roughly keep constant the institutional characteristics of the political system (see Shugart & Haggard, 2001: 71–80). Moreover, all the selected countries have shown episodes of liberalization that were not followed by a civil war (Bussmann, Schneider & Wiesehomeier, 2005).

**Data Collection**

Data on the anti-corruption reforms were collected in the period between April and September 2001, by means of a combination of content analysis of policy documents and 45 interviews with key informants. In order to collect the precise, but sensitive, data on the reform proposals and stakeholder preferences in these countries, we applied a specific methodological approach: we conducted highly structured face-to-face interviews with multiple key informants in Washington (informants from all countries), in Kenya and in Tanzania. In addition, we conducted telephone interviews with multiple key informants for all countries. We cross-validated the data from these interviews with the results from a desk research of policy-relevant documents. The key-informant approach to data collection on collective decisionmaking has proven to be very valuable in previous studies of, for example, international politics (Bueno de Mesquita, 2003), European policymaking (Bueno de Mesquita & Stokman, 1994) and policymaking in Western democracies (Torenvlied, 2000). Key informants are asked to assess the substantive reform issues and their alternative outcomes. These outcomes are mapped to one-dimensional issue scales, where the distance between alternative outcomes reflects their substantive differences. Subsequently, the informants are asked to locate stakeholders on the issue scale, indicate the relative salience of stakeholders for the various reform proposals, and provide an estimate of their bargaining power. Key informants are essential for a proper assessment of these data, because decisionmaking processes in general (and in developing countries in particular) often have a secretive and informal nature. For this reason, anonymity was guaranteed, and neither data nor conclusions can be traced down to informants.

The World Bank assisted in our efforts to find knowledgeable and independent key

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3 The selection of these countries could potentially bias the data towards countries that support anti-corruption reforms. However, one should realize that, at the time of data collection, these seven African countries were actually the whole population of aid-receiving countries that were formulating national anti-corruption reforms.
informants for the various countries. The World Bank offered the names of participants in anti-corruption courses held in Washington, DC. Moreover, World Bank country-experts supplied the names of potential additional key informants based in the African countries. From these participants and additional contacts, a final list of key informants was obtained. Key informants were selected on the basis of: (a) their knowledge regarding anti-corruption decisionmaking, (b) their independence from stakeholders involved in the reform debate and decisionmaking, (c) their willingness to make relative judgements about anti-corruption reforms and (d) their ability to translate qualitative judgments into numerical estimates. Of course, there exists a trade-off between a key informant's access to information and her involvement in policymaking (Toorenvlied, 2000: 109–110). Our key informants appeared to have various backgrounds: members of the scientific community, editors of nationwide independent newspapers, high-rank administrators (staff of anti-corruption agencies), representatives of national nongovernmental organizations and interest groups in the field of anti-corruption, and, incidentally, members of parliament.

We held 45 well-structured telephone interviews and interviewed about three specialists in the particular domain of anti-corruption policymaking per country. Interviews were held in the period between April and September 2001. On average, about two 40-minute interviews were held with each key informant, addressing about five anti-corruption issues. The key informants have been interviewed by telephone, which has several advantages over written or e-mail surveys (see Bailey & Chang, 2001: 479–480). The first, obvious advantage is the combination of a long distance with a personal interview. Second, telephone interviews facilitate the questioning of key informants on a larger range of issues. Third, key informants can be encouraged to come up with substantive arguments for their estimates (see also Conklin, 1999: 423; Dillman, 1978). A final advantage of telephone interviews is the higher response rate and completeness of the data.

To improve the reliability of the information provided by the key informants, we scrutinized the quality of each informant’s argumentation. As long as there were inconsistencies or questionable arguments, new informants were approached for cross-validation. On average, two to three key informants were interviewed per issue. The most reliable estimations of policy preferences and bargaining power were then included in the dataset. For Tanzania and Kenya, the data gathered by telephone interviews were validated with data gathered in face-to-face interviews during field research in both countries in November 2000 and June and July 2002. To further improve the reliability of the information provided by the key informants, we scrutinized policy documents, texts of laws and law proposals, amendments, minutes of meetings, evaluation reports and government dossiers. Results of these content analyses were subsequently used to confront key informants with possible inconsistencies during the interview (see Toorenvlied, 2000). A potential problem in key-informant research is retrospective bias: informants’ knowledge of past events is distorted by present information (Himmelweit, Biberian & Stockdale, 1978). We expect that this bias is relatively small, because the investigated decisionmaking processes were relatively recent.

Selection of Anti-Corruption Reform Proposals

The selection of reform proposals was a comprehensive process, in the sense that this selection determines the main events in anti-corruption policymaking in a country (see Laumann & Knoke, 1987). An inventory was made of all reform proposals in the national anti-corruption programmes. Subsequently, the most controversial reform
issues were selected for further analysis. The main reason for this selection was to provide a clearcut description of interest cleavages and stakeholder alignments which was not distorted by uncontroversial or symbolic policy statements. This resulted in a final selection of 33 reform issues in the seven African countries. Appendix A shows that these reform issues cover a wide range of topics. Some recurring examples of highly debated reform issues are: ‘To what extent should the legal definition of corruption be extended?’, ‘Should the media be granted legal access to governmental information?’ and ‘Should the anti-corruption bureau be granted formal prosecution powers, or not?’.

Identification of Veto-Players and Stakeholders

Studies of political decisionmaking among veto-players often focus on democratic institutions, such as the interactions within and between US Congress and the president, or between the European Commission, the European Council and the European Parliament (Tsebelis, 2002). In these contexts, veto-players can be clearly defined through their legal-institutional position. Fewer studies are available on domestic (reform) policymaking in developing countries, with some notable exceptions for Latin America (Geddes, 1991; Shugart & Haggard, 2001). Most of these states have an absent or, at most, weakly developed democratic system. To better understand the nature of veto-players and the alignment of their preferences for reform, we cannot simply rely on the legal context of (democratic) institutions. To obtain information about the involvement of veto-players, the donor community and other stakeholders, we combined information from three sources: (a) policy-relevant documents, (b) key-informants and participants in domestic decisionmaking, and (c) country-experts at the World Bank.

In the seven sub-Saharan African countries under study, we observe the involvement of a number of powerful policy actors: (1) a ruling party and (2) a strong leader – most often a president – dominate in all the political systems under study; (3) government institutions, including ministries and administrative bureaucracy; and (4) anti-corruption institutions, including anti-corruption agencies, the judiciary, audit offices and the auditor-general. The first three categories most often benefit from maintaining the status quo in corruption and survive by protecting special interest groups (Haarhuis & Torenvlied, 2006). In order to identify the veto-players from the list of policy actors, we applied two operational criteria (Cox & McCubbins, 2001: 24–25). The first criterion is that the veto-player must be either an individual (a president) or a collective actor with an organizational basis for collective action with recognized membership and leadership, so that the actor has an unequivocal policy preference (see Laumann & Knoke, 1987). The second criterion is that the veto-player must have an exercisable veto, implying that formal power is delegated to the actor. These criteria were applied to all reform issues separately (see Tsebelis, 1995: 295) in the analysis of policy-relevant documents and in interviews with key informants.

Furthermore, we observe the involvement of three categories of policy actors that are not veto-players but stakeholders: (1) reform-oriented spokesmen of the media, (2) representatives from civil society, including churches, small businesses and voluntary organizations, and (3) the international donor community. The donor community is not a veto-player, as it lacks a formal mandate to set the agenda or co-decide with domestic institutions (Haarhuis & Torenvlied, 2006).

Measurement of Policy Positions and Outcomes

The variable policy position was measured using a combination of well-structured interviews with the key informant and close inspection of policy documents. The measurement
procedure has been proven to yield informative and interpretable results (e.g. Bueno de Mesquita & Stokman, 1994; Torenvlied, 2000; Thomson, Stokman & Torenvlied, 2003). Each key informant was asked to reconstruct the debate on different anti-corruption reform issues. Using the structured-interview procedure, issues were transformed into policy scales, and policy positions of policy actors, as well as the location of the status quo, were mapped onto a position somewhere in the range between 0 and 100. For the position of the most conservative veto-player, we took the most extreme-left veto-player. His position multiplied by two was computed as the size of the win-set. For the polarization measure \( P \) we applied the commonly used value of \( \frac{2}{H100} \), as well as \( \frac{K}{H100} \), so that to measure the level of reform reflected by an adopted policy, the outcome of decisionmaking was scaled on the reform scale in the same way as the policy positions and the status quo. The dependent variable level of reform was calculated as the distance between the status quo and the outcome on the policy scale. The comparability of level of reform across policy scales is a necessary and defendable assumption in our analyses. It is true that the difference between the extreme alternatives on one policy scale may be much larger than the difference between the extreme alternatives on another policy scale in terms of ‘objective’ measures of reform. However, in the present article, we are interested more in the level of reform relative to the distribution of policy positions and the location of the status quo on the reform scale, and less in the substantive interpretation and qualification of the level of reform.

**Results**

In total, we collected data on 33 anti-corruption reform issues in the seven African countries (see Appendix A). For two reform issues (the powers of Kenya’s ‘Anti-Corruption Authority’ and the extension of prosecution power of the Malawi anti-corruption bureau), we were not able to determine the status quo. For two other issues (procurement procedures and the privatization of state companies in Tanzania), we were not able to determine the final reform policy, so that 29 valid cases remain for analysis. Table I shows summary statistics for the main independent variables in our analysis and the dependent variable, the level of reform. We find significant differences between the seven countries in terms of institutional fractionalization of reform, but not in terms of policy polarization. The debate on corruption was most fractionalized in Ethiopia and least fractionalized in Bénin and Kenya. Apparently, the institutional distinction between veto-players and stakeholders generates variation between issues and between countries. For example, in Ethiopia, the government faced opposition from stakeholders (opposition parties, media, legal profession), but faced very little opposition from other veto-players. By contrast, in Kenya, both veto-players and stakeholders hold varying positions, so that the reforms are highly debated within and between the groups of veto-players and stakeholders.

There exists no empirical relation between fractionalization and polarization in the data (Pearson’s rho = 0.05, \( N = 30, p = .81 \)). The variables size of the win-set and number of veto-players show considerable variation between the seven sub-Saharan African countries. Variation between countries is also found in the level of reform. Ethiopia, Malawi and Uganda adopted hardly any anticorruption reforms, while the other countries – particularly Tanzania and Bénin – show higher levels of reform. Nevertheless, differences in level of reform between the seven countries are not significant.

To test the hypotheses, we performed ordinary least square (OLS) regressions, with the level of reform as the dependent variable.
Table I. Summary Statistics for Independent and Dependent Variables Regarding Anti-Corruption Reforms in the Seven African Countries

<table>
<thead>
<tr>
<th></th>
<th>Polarization</th>
<th>Fractionalization</th>
<th>Size W(SQ)</th>
<th># veto-players</th>
<th>Level of reform</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Mean</td>
<td>SD</td>
<td>Mean</td>
<td>SD</td>
</tr>
<tr>
<td>Bénin</td>
<td>3</td>
<td>5.33</td>
<td>1.91</td>
<td>0.36</td>
<td>0.11</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>5</td>
<td>10.33</td>
<td>2.59</td>
<td>0.74</td>
<td>0.05</td>
</tr>
<tr>
<td>Ghana</td>
<td>6</td>
<td>9.84</td>
<td>2.76</td>
<td>0.66</td>
<td>0.19</td>
</tr>
<tr>
<td>Kenya</td>
<td>4</td>
<td>10.32</td>
<td>1.72</td>
<td>0.32</td>
<td>0.27</td>
</tr>
<tr>
<td>Malawi</td>
<td>3</td>
<td>7.44</td>
<td>3.66</td>
<td>0.64</td>
<td>0.11</td>
</tr>
<tr>
<td>Tanzania</td>
<td>3</td>
<td>9.24</td>
<td>2.39</td>
<td>0.58</td>
<td>0.17</td>
</tr>
<tr>
<td>Uganda</td>
<td>5</td>
<td>8.84</td>
<td>3.57</td>
<td>0.66</td>
<td>0.15</td>
</tr>
<tr>
<td>Total</td>
<td>29</td>
<td>9.04</td>
<td>2.92</td>
<td>0.56</td>
<td>0.21</td>
</tr>
</tbody>
</table>

$F_{(6,22)} = 1.47; p = .24$  
$F_{(6,22)} = 3.70; p < .05$  
$F_{(6,22)} = 4.44; p < .01$  
$F_{(6,22)} = 3.02; p < .05$  
$F_{(6,22)} = 2.09; p = .10$
We pooled the data from the seven countries in one dataset, because the numbers of cases within countries are too small to be applicable in a multilevel design. Indeed, we found no significant multilevel structure in the data. Thus, we have some minimal statistical power that enables us to statistically test for strength and direction of effects. We note, however, that the relevance of multivariate statistical techniques for the present article lies in testing for strength and direction, rather than in generalizing to a broad population of reform issues or countries.

Table II shows the results of our analyses. The dependent variable is the level of reform exhibited by the adopted anti-corruption policies. We tested the veto-player model first and subsequently added (interaction) effects of policy polarization and institutional fractionalization, respectively. In addition to the variables discussed in the previous sections, we included a control dummy variable that captures whether a reform issue has been discussed at the stage of decisionmaking (1) or agenda-setting (0). We did not simultaneously estimate (interaction) effects of polarization and fractionalization, because of the low number of cases.

Model 1 is the veto-player model. As expected, the size of the win-set of the status quo positively and significantly affects the level of reform in the cases under study. The core Hypothesis 1A of the veto-player model is therefore corroborated. The number of veto-players also positively and significantly affects the level of reform, but this effect is quite unexpected. We derived the opposite hypothesis and expected a negative effect of the number of veto-players on the level of reform. Thus, Hypothesis 1B must be rejected. The result implies that increasing transaction costs apparently do not discourage veto-players from arriving at reforms. The effect of our control variable is very strong, although the two variables from the veto-player model significantly contribute to the explained variance of the model (the adjusted $R^2$ of the bivariate model, including only the control variable, is 0.38). Overall, the results confirm that the theoretical-empirical study of veto-players indeed provides a fruitful explanation for reforms in the cases under study.

Model 2 is the policy-polarization model and adds the main effect of polarization and the interaction effect between size of the win-set of the status quo and policy polarization. Neither the main effect of policy polarization nor its interaction effect with size of the win-set is significant. Hence, we must reject Hypothesis 2. Apparently, the level of polarization between different policy coalitions does not affect the level of reform. This result points at a grouping of policy actors with similar policy positions that could be questionable for the reform issues under study. Policy actors involved in the anti-corruption reforms apparently identify along other cleavage lines than their substantive preferences for reform. Note that the inclusion of the polarization variables does not change the estimates for the veto-player model, but that the adjusted $R^2$ (obviously) goes down.

Finally, Model 3 is the institutional-fractionalization model and adds the main effect of fractionalization and the interaction effect between size of the win-set of the status quo and fractionalization. The main effect of fractionalization...
Table II. OLS-Regressions for Level of Reform Exhibited by 29 Anti-Corruption Policies (Beta-coefficients; t-values within parentheses)

<table>
<thead>
<tr>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Size win-set status quo, W(SQ)</strong></td>
<td>0.30**</td>
<td>0.33**</td>
</tr>
<tr>
<td>(2.29)</td>
<td>(2.28)</td>
<td>(3.04)</td>
</tr>
<tr>
<td><strong>Number of veto-players</strong></td>
<td>0.41***</td>
<td>0.42**</td>
</tr>
<tr>
<td>(2.89)</td>
<td>(2.64)</td>
<td>(3.69)</td>
</tr>
<tr>
<td><strong>Polarization P₁</strong></td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.21)</td>
<td></td>
</tr>
<tr>
<td><strong>Interaction P₁ x W(SQ)</strong></td>
<td>0.09</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.66)</td>
<td></td>
</tr>
<tr>
<td><strong>Fractionalization F</strong></td>
<td></td>
<td>-0.28**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(−2.44)</td>
</tr>
<tr>
<td><strong>Interaction F x W(SQ)</strong></td>
<td></td>
<td>−0.22*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(−1.68)</td>
</tr>
<tr>
<td><strong>Decisionmaking (1 = Yes)</strong></td>
<td>0.76***</td>
<td>0.75***</td>
</tr>
<tr>
<td></td>
<td>(5.38)</td>
<td>(5.10)</td>
</tr>
<tr>
<td><strong>T-value of constant</strong></td>
<td>−2.86***</td>
<td>−1.80*</td>
</tr>
<tr>
<td></td>
<td>(−5.10)</td>
<td>(−1.68)</td>
</tr>
<tr>
<td><strong>R² adj</strong></td>
<td>0.53</td>
<td>0.49</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>29</td>
<td>29</td>
</tr>
</tbody>
</table>

Two-tailed *p < 0.10; **p < 0.05; ***p < 0.01.

Institutional fractionalization is negative and significant, and the interaction effect with size of the win-set of the status quo is negative and significant at a level of p < 0.10. Hence, Hypothesis 3 is confirmed: the more the groups of veto-players and stakeholders are balanced and the more they differ in policy position, the lower the level of reform. Moreover, the institutional fractionalization between veto-players and stakeholders reduces the level of reform that we would expect on the basis of the size of the win-set of the status quo. These results indicate that the introduction of conflict between veto-players and stakeholders – in terms of an interaction effect with the win-set of the status quo – is a fruitful extension of the veto-player model, at least for the cases under study. This is confirmed by the increase in the adjusted $R^2$ from 0.53 in Model 1 to 0.62 in Model 3.

**Conclusion and Discussion**

We analysed policymaking about 29 anti-corruption reform issues in seven sub-Saharan African countries for the years 2000–01. Anti-corruption reforms provide a ‘litmus test’ for policy reforms, since they have far-reaching consequences for the political–administrative structure of ‘weak states’, and consequently for their political stability. We applied a spatial model of policy reforms based on the theory of veto-players, which defines a specific subset of policy actors endowed with the formal power to block proposals for reform. In our application to anti-corruption policy, these actors often include the president and ruling party, and sometimes government agencies. We extended this model by incorporating conflict with a broader range of policy actors, such as representatives from the media, civil society and the international donor community.

We tested whether the core variable of veto-player theory – size of the win-set of the status quo – predicts the level of reform (Tsebelis, 2002). As expected, this variable positively and significantly affects reforms. Hence, for the anti-corruption reforms under study, the consent of all veto-players with the
adoption of higher levels of reform (partly) determines how strong the reforms will be. Indeed, veto-player theory provides a meaningful explanation for the anti-corruption reforms under study and clearly contributes to our understanding of delicate policymaking in so-called weak states.

In addition, we studied the effect of the number of veto-players. We found that the number of veto-players significantly and positively affects the level of reform. Thus, if more veto-players are involved in policymaking, the adopted anti-corruption reform will represent a larger change from the status quo. This effect is the reverse of what we would expect from theory: an increase in the number of veto-players will never increase the size of the win-set (Tsebelis, 2002) but will, instead, raise transaction costs (Cox & McCubbins, 2001). Hence, the number of veto-players is expected to have either no effect or a negative effect on the level of reform – but never a positive effect. An explanation for the positive effect we find is that veto-players engage in (cooperative) bargaining rather than non-cooperative unanimity voting, so that the adopted reform reflects the positions of all veto-players rather than the left-extreme. Another explanation could be that the motive of re-election is important to veto-players, even in the countries under study here (with the exception of Ethiopia, elections were held in all sub-Saharan countries we studied). Thus, the addition of institutional veto-players will likely expand the set of bargaining alternatives towards higher levels of reform.

Subsequently, we added political conflict with the broader range of policy actors (stakeholders) to the veto-player model. Because the existence of a non-empty win-set of the status quo is a necessary but not sufficient condition for reforms, there is no guarantee that reforms will be adopted. We hypothesized that: (a) the polarization of policy coalitions that include both veto-players and stakeholders with similar preferences for reform or (b) the institutional fractionalization of the groups of veto-players and stakeholders will negatively affect the effect of the win-set of the status quo on the level of reform. Policy polarization and institutional fractionalization will fuel policy conflict when either there are few policy coalitions or the groups of veto-players and stakeholders are in balance, but have quite distant preferences for policy reform.

These effects of policy polarization and institutional fractionalization will appear as interaction effects with the size of the win-set. In our analyses, we find no evidence for the existence of an (interaction) effect of policy polarization in our data on anti-corruption reforms. Instead, we do find a significant negative direct effect of institutional fractionalization, and a relatively strong negative interaction effect between fractionalization and size of the win-set. Apparently, the identification mechanism that fuels conflict in polarized settings affects reform policymaking through the institutionally defined groups of veto-players and stakeholders, and not through coalitions of policy actors with similar preferences for reform. Therefore, our study shows that – at least for the anti-corruption reforms under study – it makes sense to include political conflict with veto-players into the analysis of reforms, and not confine the analysis to conflict within the subset of veto-players.

The inclusion of a broader set of actors is particularly relevant when evaluating policy programmes, such as the World Bank’s, that aim to empower stakeholders, such as parliamentarians, civil society and the media, in anti-corruption policymaking. Such efforts result in an increasingly fractionalized anti-corruption debate. Our analyses show that fractionalization negatively affects the level of anti-corruption reform. This would suggest that the empowerment of societal stakeholders
has an unintended negative effect on reforms. It may have motivated veto-players to hold their own positions more strongly, as the slightly significant interaction effect with size of the win-set suggests. This casts some doubts on the use of ‘civic empowerment’ as an effective instrument to stimulate reforms in the short run.

The use of key informants for data collection could potentially have biased our results, even though we have put considerable effort into checking the data. This is an unavoidable problem for research into the ‘black box’ of collective decision making (Bueno de Mesquita, 2003; Thomson, Stokman & Torenvlied, 2003). We emphasize that our study is limited with respect to the selection of countries, the selection of anti-corruption issues and the number of observations. This is mainly due to the fact that data collection for this type of analysis is highly intensive. Therefore, the analyses in this article aim at illustrating the effects of polarization and fractionalization when integrated in a veto-player model on a narrowly defined dataset, rather than a comprehensive study of anti-corruption reforms in aid-receiving countries. We should, therefore, be careful not to extend our interpretations beyond the controversial anti-corruption reforms in the seven sub-Saharan African countries under study.

References


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Appendix A. Selected Reform Issues

Bénin

1. ‘Loi de Règlement’: parliamentary control over the government budget (no control – full control) (2000)
2. Chair of anti-corruption agency (government official – independent ‘technical committee’) (2000)

Ethiopia

1. Who should draft the ‘code of conduct’ for the media? (government – media) (2001)
2. Who should lead the new ‘Anti-Corruption Commission’? (government – independent stakeholders) (2001)
3. Who prosecutes the corrupt? (government – independent prosecutor) (2000–01)
4. Legal enforcement of the access to government information (no enforced access – access to be legally enforced) (2000–01)

Ghana

1. Access to government information (no access – full access) (2001)
2. Repeal of criminal libel laws (no repeal – full repeal) (2001)
5. Adoption of ‘whistleblower’ legislation to protect people reporting corruption (no adoption – adoption) (2001)
6. The declaration by leaders of their personal belongings (no declaration – full declaration) (2001)

Kenya

2. Control over parliamentary resources (no extension – full control) (2001)
3. Legal definition of corruption (exclude private sector – include private sector) (2000)
5. The amnesty issue: prosecute those who were corrupt in the past? (grant amnesty – prosecute past suspects) (2000)

Malawi

1. Extension of the legal definition of corruption (no extension – include ‘any irregularity’) (2000–01)
4. Who should have the burden of proof in corruption cases? (the anti-corruption bureau – the suspect) (2001)

Tanzania

1. The declaration by leaders of their personal belongings (not obliged – obliged) (2000–01)
2. Openness of procurement procedures (no tenders – open tender procedures) (2001)
3. Installation of a ‘tax identification system’ (no system – install proposed system) (2001)
4. Privatization of state companies (maintain state companies – dispose of state companies) (recurring)
Uganda

2. The declaration by leaders of their personal belongings (not obliged – obliged to declare in public) (2000–01)
3. Wage level in the public sector (no rise – raise wages to reduce corruption incentives) (recurring)