



CENTRE FOR ASIAN AND
TRANSCULTURAL STUDIES

SOUTH ASIA
INSTITUTE



UNIVERSITÄT
HEIDELBERG
ZUKUNFT
SEIT 1386

Lecture Series on Governance and Politics in South Asia

Department of Political Science

Special Lecture on

How Does Growth Affect Corruption? Exit, Empowerment, and Voice in Indian Public Services

by

Dr Amit Ahuja and Dr Aashish Mehta

In this lecture, the speakers ask why economic growth reduces corruption in some public services, but not others. Drawing upon India's recent experience, they model the effects of rising incomes on the economic and political incentives facing a corrupt, but consequence-averse bureaucracy charged with delivering a public service. Pecuniary incentives to seek bribes rise and fall with demand for the service. They are counteracted by the voice-pressure exercised by those citizens with a stake in the service. Growth has ambiguous effects on this voice, inducing higher income citizens to exit the public service, but empowering those still reliant on it. The effects of growth on corruption therefore depend upon whether it increases or reduces demand for the service, increases or reduces voice, and which of these effects is more powerful. The speakers show, across a range of public services in India, that the actual trajectory of bribery is the opposite of what one would have expected based on demand trends alone, and that growth primarily effects everyday corruption through the voice channel. They conclude that, unless policies are made to empower low-voice citizens or limit high-voice exit, growth is likely to relegate corruption to fewer services, but to make it function more as a "tax on the poor."



Dr Amit Ahuja is Associate Professor, Department of Political Science, University of California, Santa Barbara, and Faculty-in-Residence at the Manzanita Village and San Rafael Residence Halls. His research focuses on the processes of inclusion and exclusion in multiethnic societies. Dr Ahuja's book, *Mobilizing the Marginalized: Ethnic Parties without Ethnic Movements* (2019) won the 2020 New India Foundation Kamaladevi Chattopadhyay Book Prize.



Dr Aashish Mehta is Associate Professor at the Department of Global Studies, University of California, Santa Barbara, and has earlier been an economist with the Asian Development Bank. His research focuses on the connections between employment, education and inclusive development in structurally transforming societies. He has published widely in international journals and contributed numerous chapters to prestigious volumes.

Date: Monday, June 21, 2021

Time: 14:00 – 16:00, CEST

Online - Via Zoom

Meeting id: 812 5314 7896, Pass code: TheoryM21

Zoom link- <https://us02web.zoom.us/j/81253147896?pwd=RE1HUlFtYmRrczVkUW9Lbi9pS3E4Zz09>