

What parking tickets tell us about political corruption

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It's probably not a good sign when a nation's leader is deflected from hosting a vast global summit to deny that his country is corrupt. But it underlined how far Boris Johnson's efforts to shield his disgraced ally Owen Paterson have backfired. Paterson has been forced to resign, Conservative MPs are furious and the media are on the hunt for further scandals.

"I genuinely believe that the UK is not remotely a corrupt country," insisted Johnson last week. Voters may need to be persuaded that the same is true of Conservative MPs.

The track record here is not wholly encouraging. Leave to one side Johnson's own breaches of parliamentary rules (the Commons Standards Commissioner found his repeated offences suggest "a lack of attention to or regard for the House's requirements"). There is a longer history.

In 2009, the American Political Science Review published a study of the earnings of former members of the UK parliament, covering the postwar period. Andrew Eggers and Jens Hainmueller compared MPs with candidates who had narrowly lost elections, and found "that serving in office almost doubled the wealth of Conservative MPs but had no discernible financial benefits for Labour MPs". These ex-MPs were typically being well paid for serving as directors of listed companies. The authors speculated that former Labour MPs were unable to take up these lucrative posts because trade unions frowned upon it.

There is nothing illegal about becoming a company director after leaving parliament, but it is interesting that companies greatly prefer politicians who served in parliament rather than those who just missed out. One might ask why these well-connected former politicians are so valuable?

Then there is the question of whether the post-Brexit shift in British politics has changed the calculus for a politician who wants to break the rules. From a Remainer viewpoint, it is tempting to note that there seems to be one rule for Johnson's Brexiter allies (Paterson, or Priti Patel, who was found to have breached the ministerial code by bullying civil servants) and another rule for everyone else.

But the point is not that Brexiter are corrupt and Remainers are saintly. It's that a highly polarised political system gives cover to the corrupt, the incompetent and the unfit for office on both sides. When parties are politically adjacent, voters may grumble that there isn't a real choice — but they do have the luxury of being able to reward character, competence and honesty.

If instead the choice is between, say, Corbyn or Johnson, or Biden or Trump, voters could be forgiven for turning a blind eye to corruption on their own team. The stakes just seem too high, whichever side you're on, to be switching allegiance over some trifling venality.

Corruption is a function of many things: political incentives, formal legal institutions and culture. One of my favourite studies, by the economists Raymond Fisman and Edward Miguel, teased apart these different factors by examining the behaviour of diplomats in New York City. With most consulates located near the UN building in midtown Manhattan, diplomats lived a daily parking nightmare. Or at least they did if they felt any obligation to pay parking fines — but diplomats faced no legal consequences for ignoring those fines. Since

all diplomats faced similar incentives, any difference in behaviour was most plausibly explained by a difference in cultural attitudes to breaking the rules.

This may seem petty, but as Fisman and Miguel note in their 2008 book *Economic Gangsters*, corruption is often defined as “the illegal use of public office for private gain” — which certainly includes parking illegally while hiding behind diplomatic immunity.

Fisman and Miguel studied parking violations between 1997 and 2002, finding a strong correlation between unpaid tickets and more general perceptions of corruption. The worst offenders were Kuwait, Egypt, Chad, Sudan and Bulgaria. One Kuwaiti diplomat managed to accumulate two unpaid parking fines every working day for a year.

In contrast, the entire consulates of Denmark, Norway and Sweden did not pick up a single unpaid parking ticket — not one — in the entire six-year period. Given the temptations, that is impressive.

But no less impressive were the British diplomats. They, too, accumulated no unpaid fines. So we must not despair. The recent outcry suggests that there is still a price to be paid for breaking the rules, or for trying to rewrite them when convenient. And the evidence from New York is that British civil servants are beyond reproach. The same may not be true for all British politicians. A certain Boris Johnson once worked as GQ magazine’s motoring correspondent. His editor noted that Johnson had cost GQ “£5,000 in parking tickets”, but he wouldn’t have him any other way.

Well, indeed. And if Johnson faced no consequences then, why would he expect consequences now?

There is a final lesson from the Fisman-Miguel study. Late in 2002, New York’s mayor Michael Bloomberg won the backing of the US state department to ruffle

some diplomatic feathers. New York revoked the nearly 200 diplomatic plates and threatened to go further. Parking violations immediately dropped by 95 per cent.

It is a reminder that while culture matters, rules matter too. Boris Johnson is no doubt right to insist that the UK is not a corrupt country. But if we want to keep it that way, punishing politicians who break their own rules would be a good start.

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