

## Corruption and Reform in India

This book asks why some governments improve public services more effectively than others. Through the investigation of a new era of administrative reform, in which digital technologies may be used to facilitate citizens' access to the state, Jennifer Bussell's analysis provides unanticipated insights into this fundamental question. In contrast to factors such as economic development or electoral competition, this study highlights the importance of access to rents, which can dramatically shape the opportunities and threats of reform to political elites. Drawing on a subnational analysis of twenty Indian states; a field experiment; statistical modeling; case studies; interviews of citizens, bureaucrats, and politicians; and comparative data from South Africa and Brazil, Bussell shows that the extent to which politicians rely on income from petty and grand corruption is closely linked to variation in the timing, management, and comprehensiveness of reforms. The book also illuminates the importance of political constituencies and coalition politics in shaping policy outcomes.

Jennifer Bussell is an assistant professor of public affairs in the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin. Her research focuses on comparative politics, the political economy of development, and technology policy. Her work has appeared in journals including *Comparative Political Studies*, *International Studies Quarterly*, and *Studies in Comparative International Development*.

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*Public Services in the Digital Age*

JENNIFER BUSSELL

*University of Texas at Austin*



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## Preface and Acknowledgments

The seeds of this project germinated long before graduate school, when, during my first job out of college, I had the opportunity to live in Johannesburg. At the time, few people I knew in the United States had mobile phones, but it seemed that everyone I met in South Africa did. In poorer areas, where fewer individuals could afford phones, entrepreneurs rented out “talk time” at street corner stands. Simultaneously, the business world was feeling the tremors of a major shift in business strategy due to the emergence of the Internet. This confluence of events, which perplexed me at the time, also made it seem inevitable that, somehow, these new technologies would change the lives not only of Western business executives and their customers in developed countries, but also of the poorest individuals in developing countries. How this would happen in practice, and what role governments of developing countries might play in the process, remained a wide-open question.

In hindsight, it is perhaps obvious that information and communication technologies have changed the lives of individuals and communities around the world, but these changes are not necessarily those that were predicted in the 1990s. Indeed, prophecies of borderless commerce and government have, for the most part, gone the way of landline telephones. Bricks-and-mortar businesses continue to exist and thrive, albeit typically with an integrated online counterpart; and governments, with territorial boundaries and predominant power structures, endure. Even as digital technologies are credited with fomenting revolutions, national governments exert control, through technical means, to retain their domestic authority. The world has changed, but in ways profoundly shaped by what existed before.

In graduate school, as a part of a National Science Foundation–supported initiative to study the use of information and communication technologies in developing countries, I had the opportunity to visit India and explore these topics. It was in India that the power of preexisting institutions to influence the effects of new technologies became particularly evident to me.



I was struck by the contrast between a burgeoning domestic information technology industry, strong enough to influence domestic politics debates as far afield as the United States, and a populace that was only beginning to utilize mobile phones and the Internet. If average individuals were benefiting from the “digital revolution,” it was most often the result of *government* initiatives to introduce new technologies into service delivery. Even more striking, as I discovered on visits to multiple Indian states, was that these benefits were highly varied, with programs, if they existed, differing quite dramatically in the actual services they provided to citizens.

An explanation for this policy variation was not immediately obvious, and understanding these differences became a goal of my graduate research. It was only through a subsequent analysis of government technology adoption across India that I came to understand how deeply variations in the institutions of governance – in particular, patterns of rent seeking – had shaped the transformative power of new technologies. It is this relationship between political institutions, corruption, and technology-enabled reform that is the central subject of the research presented here.

This book, then, serves as my contribution to our understanding of how digital information and communication technologies can dramatically affect the character of everyday life. I do not evaluate individual use of technology, or government efforts to support growth in the information technology sector itself, but rather the use of digital technologies in the provision of public services to citizens. I chose to focus on this nexus of citizen-government interaction because it is where I posit some of the most important effects of new technologies for citizens in developing countries can emerge, but it is also here that politics – and the incentives of political elites – play a primary role in affecting the nature of outcomes.

In formal terms, this project began as a dissertation in the Department of Political Science at the University of California, Berkeley, and evolved into a book during a postdoctoral fellowship at the Center for Asian Democracy at the University of Louisville and my first year as an assistant professor in the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin. I am grateful to each of these institutions for their support during this process.

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Fieldwork in all of its inspiring and eye-opening glory is also often a lonely and isolating experience – I owe sincere thanks to those who helped me get there, who helped me meet the right people, and who became friends along the way. In India, I am indebted to Professor Ashok Jhunjhunwala, who provided much appreciated research advice and a home at the Indian Institute of Technology, Madras, during the early stages of this project. Lloyd, Susanne, and Matthew Rudolph facilitated my research in Rajasthan and elsewhere. Rohit Singh provided many important insights into Rajasthani political and bureaucratic practices and, with his wife Nina, offered even more impressive evidence of Indian hospitality. In Karnataka, Ram Manohar offered generous time, local contacts, and a firsthand view of Bangalore political history. Both academic inspiration and a welcomed social introduction to Bangalore were found with Indrani Medhi, Udai Pawar, Aishwarya Ratan, and Nimmi Rangaswamy – all, currently or formerly, of Microsoft Research India. Special thanks are due to Kentaro Toyama, who provided in-kind support for this project, worked tirelessly to foster a wide range of research on information technologies in developing countries, and always had something interesting to say. In South Africa, Nhlanhla Mabaso, on multiple occasions, provided intellectual guidance and new insights into the amazing city that is Johannesburg. My research in Brazil was expertly facilitated by Aaron Shaw, and I am grateful to Sérgio Amadeu for perspectives on Brazil's technology-enabled reforms. I am particularly thankful for all those public- and private-sector representatives who graciously agreed to be interviewed for this project but will, for current purposes, remain nameless.

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