

Municipal Corruption: From Politics to People

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In *Municipal Corruption: From Policies to People*, authors Kimberly L. Nelson and Whitney B. Afonso (2024) research why some U.S. cities are more likely to fall victim to corruption than others. Their work is both timely and important as fraud in government is more prevalent than most people likely realize, resulting in negative consequences for the impacted jurisdictions. These consequences may include misallocation of resources, increased costs of services, reduction in service quality, erosion of public trust, political instability, decreases in public safety, and increases in social inequality. According to the Association of Fraud Examiners (ACFE), there are three categories of fraud: (1) misappropriation of assets, (2) financial reporting fraud, and (3) corruption. Corruption alone, combined with other types of fraud, is the most prevalent type to occur overall and within government (ACFE, 2024). Therefore, understanding the possible causes of fraud and corruption is important for practitioners, academics, and public administration students.

The book is well written and not a difficult read in terms of length and style of writing. It should be approachable to all the groups mentioned above. The book can be viewed as having two halves. The first half (Chapters 1 through 5) is organized like a research paper with an introduction (Chapter 1), discussion of theory and presentation of hypotheses (Chapter 2), and description of the model, including an explanation of the dependent, independent, and control variables (Chapter 3), and the methods employed and their results (Chapters 4 and 5). The second half of the book, beginning with Chapter 6 and ending with Chapter 11, presents cases selected by the authors and centered around four themes: form of government, institutional features, municipal demographics, and state oversight. In Chapter 12, the authors provide their concluding thoughts based on their work and offer potential avenues for future research. The rest of this review will present summaries of the chapters (without spoiling all of the authors' findings), a general summary of outcomes, and concluding thoughts on the contribution of the

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work to the field of public finance, as well as suggestions on how readers might want to approach reading the book.

In Chapter 1, the authors describe three objectives for writing the book. First, they seek to identify which factors contribute to the likelihood of corruption in municipalities. Second, they examine earlier theories explaining municipal corruption, and third, they use case studies to identify factors that may not have shown up in the statistical tests they performed. In Chapter 2, the authors examine the theory and prior research on government corruption. As a result of their analysis of earlier literature, they identify three types of factors they consider in their testing: (1) community demographics such as population size, diversity, and poverty levels, (2) forms of government, specifically mayor-council versus council-manager, and (3) institutional factors that equate to internal controls, power distribution, and checks and balances between branches of government.

In Chapter 3, the authors explain their model, data sources, and variables used to study the relationship between corruption and the various factors they identified through their examination of existing theory and prior research discussed in Chapter 2. In addition, they explain how each of the variables is measured. The dependent variable they use is the corruption incidence rate measured using documented cases of corruption that resulted in either a conviction or a guilty plea. The primary independent variables they include are a form of government (either Mayor-Council or Council-Manager), state monitoring, state audit requirements, and state early warning mechanisms. Additional control variables include population density, poverty rate, unemployment, education, race, ideology, and industry.

In Chapters 4 and 5, the authors describe their statistical analysis and results in detail. The authors used a two-stage statistical analysis of fixed effects and rare events logit to identify significant associations (Chapter 4). They followed this up using propensity scores (Chapter 5) to establish whether the associations included causality. Without spoiling all the outcomes, the authors' analysis offered insight into whether the reform movement's council-manager form of government offered the benefits of reduced incidence of corruption, which plagued mayor-council and commission forms through the early 20th Century. Their results also shed light on the importance of transparency, institutional arrangements affecting individual discretion of elected leaders and public employees, certain demographic features of municipalities outside the control of government but none-the-less important in predicting the risk of corruption, and finally, the type and degree of oversight performed by state government over the local governments within their charge.

The book's second half, encompassing Chapters 6 through 11, offers readers a series of qualitative case studies. These cases, involving cities such as Dixon, Illinois; Bell, California; and Camden, New Jersey, are examined considering the results of the statistical analysis and offer readers an in-depth look into the corruption that impacted these municipalities and how the details of each case aligned with the results of the authors' statistical analysis. Again, without playing the role of spoiler, the authors successfully combine quantitative and qualitative methods to offer the readers a comprehensive explanation of the risk of corruption in municipal government. In their concluding chapter (Chapter 12), the authors offer insights into mechanisms to combat corruption and suggestions for further research.

As noted by the authors, corruption (and fraud in general) is a complex phenomenon to study. Because perpetrators attempt to conceal their behavior, it is not always easy to discover or study. We learn about fraud and corruption based on those cases discovered and reported. It is difficult to estimate the true incidence rate of the different types of fraud because it is covert and

deceptive. The value of the authors' analysis lies in our understanding of the opportunities affording perpetrators' efforts to commit and conceal their activities. This fits with the traditional study of fraud using the fraud triangle (Wells, 2011, p. 8), which consists of the pressure or incentives for an individual or group to attempt fraud, the opportunities present in their environment allowing them to do so, and the subsequent rationalization of their actions once discovered and investigated.

The book offers readers a comprehensive explanation of why the risk of corruption is higher in some municipalities than in others. No municipality is completely safe from bad actors and their attempts to benefit themselves at the expense of the citizens they are serving; however, a better understanding of the factors that make it possible can result in identifying stronger internal controls to help prevent, detect, and correct the incidence of corruption. This is part of the value of reading this book. For the practitioner or student who intends to pursue a career in public service, the book offers a window into the world they presently serve or are about to enter. Anyone working in the public sector should be aware of the risks within their areas of responsibility and try to mitigate them. For the academic or aspiring academic, the book offers a foundation for a research agenda that can contribute to theory and educate practitioners in combatting corruption.

While the early discussion of methods may be intimidating to some who are more oriented to practice than research, it should not dissuade individuals from tackling this book. While the data, model, and methods are particularly important to the academic community, the theory, results, and detailed case studies provide ample value to the practitioner community. For those wishing to read the book for its intended value but not to tackle the methods, a reading of the first three chapters and the conclusions to the statistical analysis chapters would likely suffice. This would still allow the reader to fully benefit from the qualitative case analysis and the authors' suggestions based on their findings for addressing the risk of corruption. The book is an excellent resource, highly informative, easy to read, and not overly long at about 200 pages.

Disclosure Statement

The author declares that no conflicts of interest relate to the research, authorship, or publication of this article.

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