

Corruption and Political Stability: Does the Youth Bulge Matter?

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Abstract:

This study shows that the relative size of the youth bulge matters for how corruption affects the internal stability of a political system. Using panel data covering the 1984-2012 period for more than 100 countries, we find that the effect of corruption on political stability depends on youth bulge. Corruption is a destabilizing factor for political systems when the share of the youth population in the adult population exceeds a critical level of approximately 20%. The negative interaction term is robust, controlling for country and year fixed effects, a set of control variables that may affect internal political stability, an alternative operationalization of youth bulge, corruption and a dynamic panel estimation method.