In this study, we investigate the effects of corruption on mortality. Corruption affects mortality mostly via its effects on public policies including health care. As Gupta et al. (2002) argue, market failure in health care requires government intervention through public provision, financing, and regulation. Corruption negatively affects public provision of healthcare via several channels. First, it reduces government revenues. Second, it affects the composition of government expenditures. Corrupt governments spend less on health care and more on areas such as military (Mauro 1998 and Gupta et al. 2001). Corruption also affects the redistribution policies and causes the income inequality and poverty to increase (Apergis et al. 2010). As income inequality and poverty increase, the number of low income individuals who are dependent on services provided by government such as health care increases.

Several empirical studies using cross-country data find that corruption increases mortality (Gupta et al. 2002, Rajkumar and Swaroop 2008 and Factor and Kang 2015). We use annual data from Turkey covering the period between 1960 and 2010.

Our study contributes to the literature in several ways in terms of data and empirical methodology. First, we construct a news-based index of corruption for Turkey between the years 1960 and 2010. Our index is based on the corruption stories covered in the daily newspaper Cumhuriyet which is known as the ‘newspaper of record’ in Turkey. Using news stories to measure corruption is nothing new. Gentzkow, Glaeser and Goldin (2006) measure corruption in the U.S. at the national level using the New York Times. Following their methodology, we search for the words “corrupt” and “fraud” (and variants such as “corruption” or “fraudulent”) and count the appearance of news articles containing those words in each year. Second, because we have now time-series data on corruption covering a period long enough, we estimate the cointegrating relationship between corruption and mortality in Turkey using the Fully Modified OLS proposed by Phillips and Hansen (1990). Our data on mortality (infant mortality, neonatal mortality, and mortality under 5) are from the World Bank.

We find that corruption increases mortality in Turkey in the long-run.