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## **Corruption and Effort Among Political Agents: Analysing Incentives and Evidence From the UK and Italy**

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### **Abstract**

This paper provides an economic analysis of the effects of immunity laws on the behaviour of politicians. To do so, it formulates a model of the principal-agent relationship between voters and their representatives which notes links between the scope for corruption and the effort exerted by politicians in pursuance of outcomes demanded by voters. Inferences will be drawn from the outcomes produced by the model, and they will be used to help explain case studies of corruption in Italy and the UK.

Overall, the paper takes up the challenge of investigating the principal-agent problems of low effort and corruption together, allowing a better understanding of the behaviour of politicians than is possible when examining the two separately. This facilitates a more accurate analysis of how this political principal-agent problem manifests itself under varying legal conditions.

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