Does Corruption Reduce Political Trust?

Testing Moderating Effects in Diverse Regime types with Multilevel SEM

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Corruption Reduces Political Trust

• Developed democracies (Anderson and Tverdova 2003, Della Porta 2000, Arnold et al 2012)
• Latin America (Seligson 2002), East Asia (Chang and Chu 2006, Kim and Voorhees 2011)
• Sub-Saharan Africa (Cho and Kirwin 2007, Lavallee et al 2008)
• 103 countries (Clausen et al 2012)
Economic Context

Economic growth, pocketbook or sociotropic evaluations of the economy are consistently among the strongest predictors of political trust on every continent.

Trade off Effect

- Rundquist, Strom and Peters (1977): voters tend to punish elected officials for corruption more often during economic downturns.
- Manzetti and Wilson's (2006) corruption erodes political trust in Argentina only in the presence of citizens' dissatisfaction with economic conditions.
- Zechmeister and Zizumbo-Colunga's (2013): People are less disapproving of the president in the presence of corruption in Latin America if their household financial situation has not recently suffered.
- Fernández-Vázquez et al (2014): corrupt Spanish mayors don’t lose as many votes if they share rents with citizens.
Is there a trade-off effect in authoritarian regimes?

- Azerbaijan's President Aliyev commissioned the construction of "five new airports...10 new bridges and 18 underpasses in the capital city of Baku, and 40 new bridges between Baku and the Russian border" in the run up to the 2008 election
- Kazakhstan's President Nazarbayev spent much more than legally permitted on his 2005 presidential campaign, and sent trains with medical supplies to provide healthcare to Kazakhstan's remote regions prior to the election
% GDP Growth 2006-2010 and Average Corruption Perceptions

%GDP Change  Mean of Corruption Perceptions
Hypotheses

• People will trust political institutions in the presence of corruption when they believe they have received gains to their material well-being and when they are confident about the general performance of the economy in their country.

• People living in authoritarian regimes will be more forgiving of corruption than those living in democracies.
Data

- Life in Transition II Survey (World Bank and EBRD) 2010
- 30 countries, average of 971 people per country, 33360 people
- 445 subnational regions, average of 66 people per region
- Regime Types: 4 autocracies (Azerbaijan, Belarus, Kazakhstan, Uzbekistan), 5 anocracies (Russia, Kyrgyzstan, Tajikistan, Bosnia, Armenia) and 21 democracies
Key Variables

• DV= Political Trust (1-100): “To what extent do you trust the following institutions?” Sum score of trust in government, parliament, local government and political parties

• Corruption (1-100): “In your opinion, how often do people like you have to make unofficial payments or gifts in these situations? Sum score:
  • Interacting with road police
  • Requesting official documents
  • Going to courts for a civil matter
  • Receiving public education
  • Receiving medical treatment in public health system
  • Requesting unemployment benefits
  • Requesting other social security benefits
Political Trust Latent Factor

Model 4

Political Trust

- Trust in Government
  - e1
- Trust in Parliament
  - e2
- Trust in Political Parties
  - e3
- Trust in Local Government
  - e4
Economic Sentiment

• Satisfaction with financial situation (pocketbook): “All things considered, I am satisfied with my financial situation as a whole” (Likert 1-5)
• Satisfaction with national economy (sociotropic): “On the whole, I am satisfied with the present state of the economy“ (Likert 1-5)
• Consumption as Income Proxy: “Approximately how much does your household spend on each of these items per month?
  • food, beverages and tobacco
  • utilities (electricity, water, gas, heating, fixed line phone)
  • transportation (public transportation, fuel for car)
Key Findings

• For those who perceive fairly low levels of corruption, people who are very satisfied (scoring 4 or 5 on a scale of 1-5) with their personal finances trust political institutions by 25 points more (on a scale of 1-100) than those who are very unsatisfied.

• For those who perceive low levels of corruption, people who are very satisfied with the national economy trust political institutions by 28 or 29 points more than those who are very unsatisfied.

• The same positive effect is not present for measures of wealth. Higher income individuals on average are not more or less trusting than lower income individuals.
Does economic stimulus dampen the corrosive effect of corruption on political trust?

• It is not the case in any model that satisfaction with either personal well-being or the national economy makes individuals less punitive of corruption.

• The same goes for levels of wealth: people in higher income quartiles are not more tolerant of corruption than those in lower income quartiles.

• In fact, a few models suggest the opposite effect. There is some evidence that people who express at least some satisfaction with their financial situation are significantly *more* punitive of corruption than those who express no satisfaction with their financial situation.
Are citizens of autocracies more forgiving of corruption?

• Dwellers of democracies or anocracies who perceive a high level of corruption are significantly less punitive of corruption than dwellers of autocracies.

• This is among the most significant and stable outcomes in all models. Including this regime effect eliminates practically all variation in the trust-corruption relationship across countries.

• It appears that citizens of autocracies do not lack notions of accountability even if they cannot affect outcomes through elections.
Does satisfaction with one’s financial situation moderate the trust-corruption relationship?

**DV= Political Trust (scaled 1-100)**

<table>
<thead>
<tr>
<th>Key Variables</th>
<th>Model 1 (OLS)</th>
<th>Model 2 (SEM)</th>
<th>Model 3 (Multilevel)</th>
<th>Model 4 (Multilevel SEM)</th>
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</thead>
<tbody>
<tr>
<td><strong>Corruption (ref=Low)</strong></td>
<td></td>
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<tr>
<td>High</td>
<td>-14.68***(.140)</td>
<td>-0.607*** (.058)</td>
<td>-5.28*** (1.93)</td>
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<tr>
<td><strong>Satisfaction with Financial Situation</strong></td>
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<tr>
<td>2</td>
<td>10.20***(.59)</td>
<td>0.431*** (.025)</td>
<td>8.97*** (.56)</td>
<td>0.371*** (.023)</td>
</tr>
<tr>
<td>3</td>
<td>15.62***(.60)</td>
<td>0.657*** (.025)</td>
<td>14.61*** (.58)</td>
<td>0.605*** (.024)</td>
</tr>
<tr>
<td>4</td>
<td>22.59***(.62)</td>
<td>0.948*** (.026)</td>
<td>19.28*** (.60)</td>
<td>0.803*** (.025)</td>
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<tr>
<td>5</td>
<td>25.69***(1.09)</td>
<td>1.083*** (.046)</td>
<td>21.85*** (1.03)</td>
<td>0.907*** (.043)</td>
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<tr>
<td>Corr x Sat2</td>
<td>-2.93***(.104)</td>
<td>-0.126*** (.043)</td>
<td>-2.13** (.98)</td>
<td>-0.080** (.040)</td>
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<tr>
<td>Corr x Sat3</td>
<td>-1.48 (1.04)</td>
<td>-0.068* (.044)</td>
<td>-1.45 (.99)</td>
<td>-0.057 (.041)</td>
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<tr>
<td>Corr x Sat4</td>
<td>0.42 (1.08)</td>
<td>0.014 (.045)</td>
<td>0.99 (1.04)</td>
<td>0.037 (.043)</td>
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<tr>
<td>Corr x Sat5</td>
<td>-1.05 (1.98)</td>
<td>-0.023 (.083)</td>
<td>-2.05 (1.87)</td>
<td>-0.046 (.077)</td>
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<td>-5.28*** (.193)</td>
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<td><strong>Country Level</strong></td>
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<tr>
<td>GDP Change</td>
<td>0.14*** (.01)</td>
<td>0.006** (.000)</td>
<td>0.13* (.08)</td>
<td>0.002 (.003)</td>
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<tr>
<td>Regime (ref=Autocracy)</td>
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<tr>
<td>Anocracy</td>
<td>-20.14*** (.88)</td>
<td>-0.830*** (.035)</td>
<td>-13.78** (.074)</td>
<td>-0.832*** (.312)</td>
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<tr>
<td>Democracy</td>
<td>-21.97*** (.80)</td>
<td>-1.000*** (.033)</td>
<td>-17.99*** (.684)</td>
<td>-1.166*** (.299)</td>
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<tr>
<td>Corr x Anoc</td>
<td>14.48*** (.25)</td>
<td>0.572*** (.051)</td>
<td>5.08** (2.18)</td>
<td>0.220*** (.082)</td>
</tr>
<tr>
<td>Corr x Dem</td>
<td>13.59*** (.64)</td>
<td>0.562*** (.043)</td>
<td>4.28** (.18)</td>
<td>0.210*** (.069)</td>
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</tbody>
</table>
Areas for Improvement

- Measurement equivalence of corruption perceptions
- Testing reciprocal effects
- Non-linear effects
- Long-term survey development: probing studies on corruption perceptions and political legitimacy across cultures
Multilevel Effect

The Varying Effects of Corruption on Trust in 30 Countries