

Does Corruption Reduce Political Trust?

Testing Moderating Effects in Diverse
Regime types with Multilevel SEM

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July 28, 2016

Corruption Reduces Political Trust

- Eastern Europe and the Baltic states (Mishler Rose 1997, 2001, Rose, Mishler and Haerpher 1998, Catterberg and Moreno 2005, Luhiste 2006)
- 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

- Mishler and Rose 1997, 2001, Hetherington 1998, Anderson and Tverdova 2003, Tonoyan 2003, Catterberg and Moreno 2005, Luhiste 2006, Chang and Chu 2006, Cho and Kirwin 2007, Lewis-Beck and Stegmaier 2008, Lavalee 2008, Kim 2010, Yang and Tang 2010, Askvik and Ishtiaq 2013

Trade off Effect

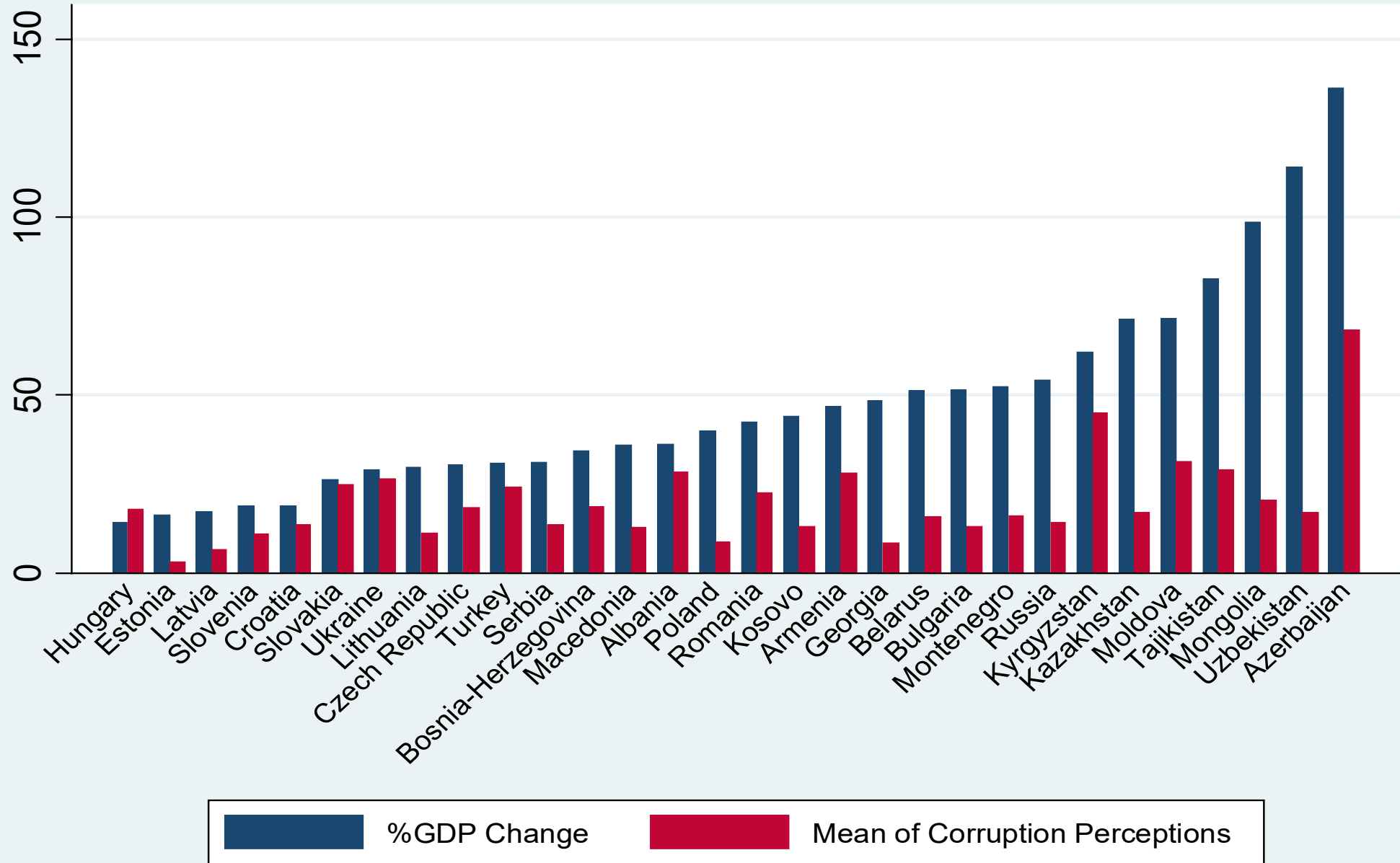
- Rundquist, Strom and Peters (1977): voters tend to punish elected officials for corruption more often during economic downturns
- Manzetti and Wilson's (2006) corruption erodes political trust in Argentina only in the presence of citizens' dissatisfaction with economic conditions
- Zechmeister and 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?

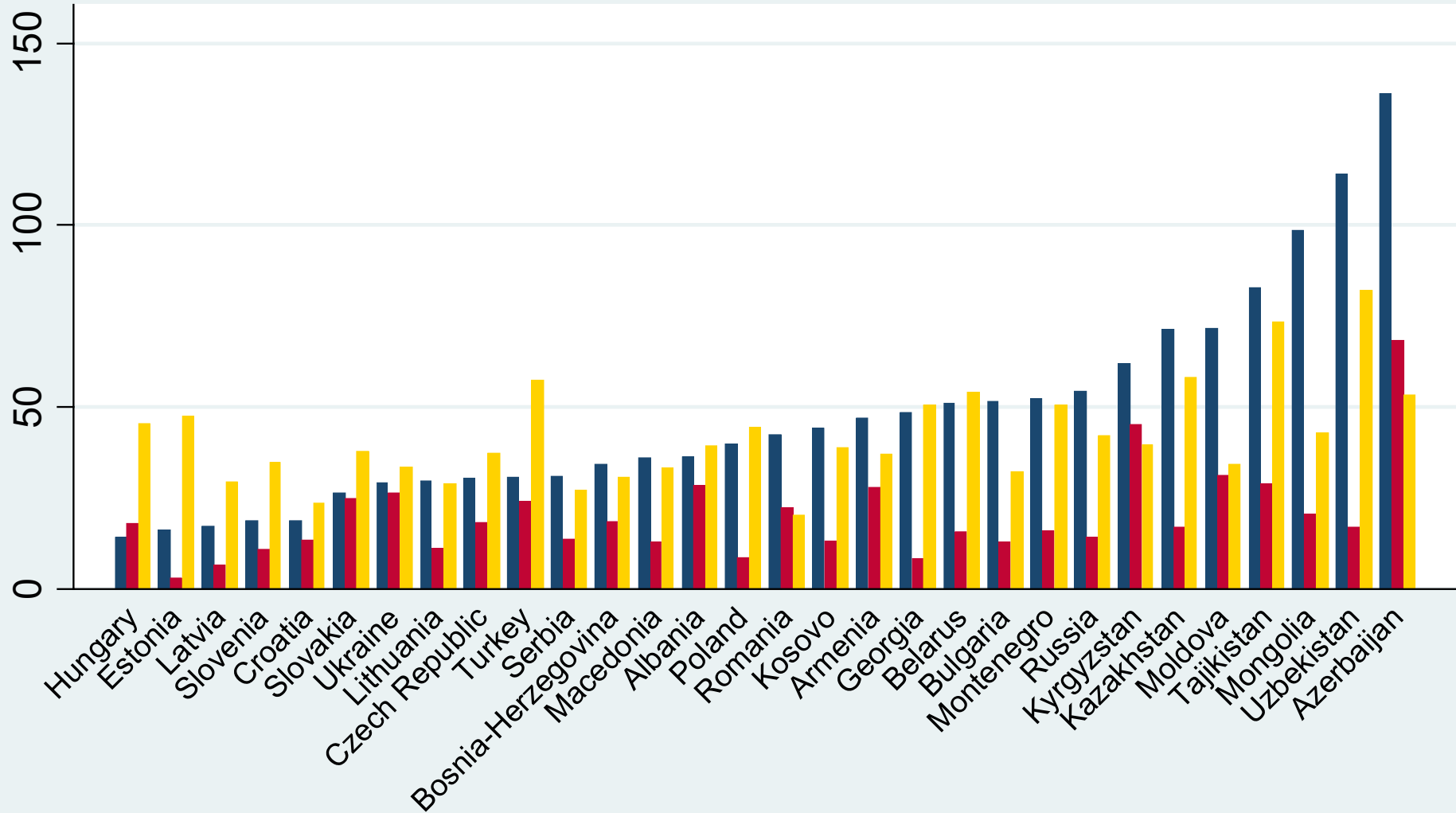
- Geddes (2006), Kendall-Taylor (2012)
- Azerbaijan's President Aliyev commissioned the construction of "five new airports...10 new bridges and 18 underpasses in the capital city of Baku, and 40 new bridges between Baku and the Russian border" in the run up to the 2008 election
- Kazakhstan's President 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
- Russian economic voting (Treisman 2011, 2014; McAllister and White 2007, Rose, Munro and Mishler 2004, Mishler and Willerton 2003)



% GDP Growth 2006-2010 and Average Corruption Perceptions



% GDP Growth 2006-2010, Average Corruption Perceptions, Average Political Trust



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

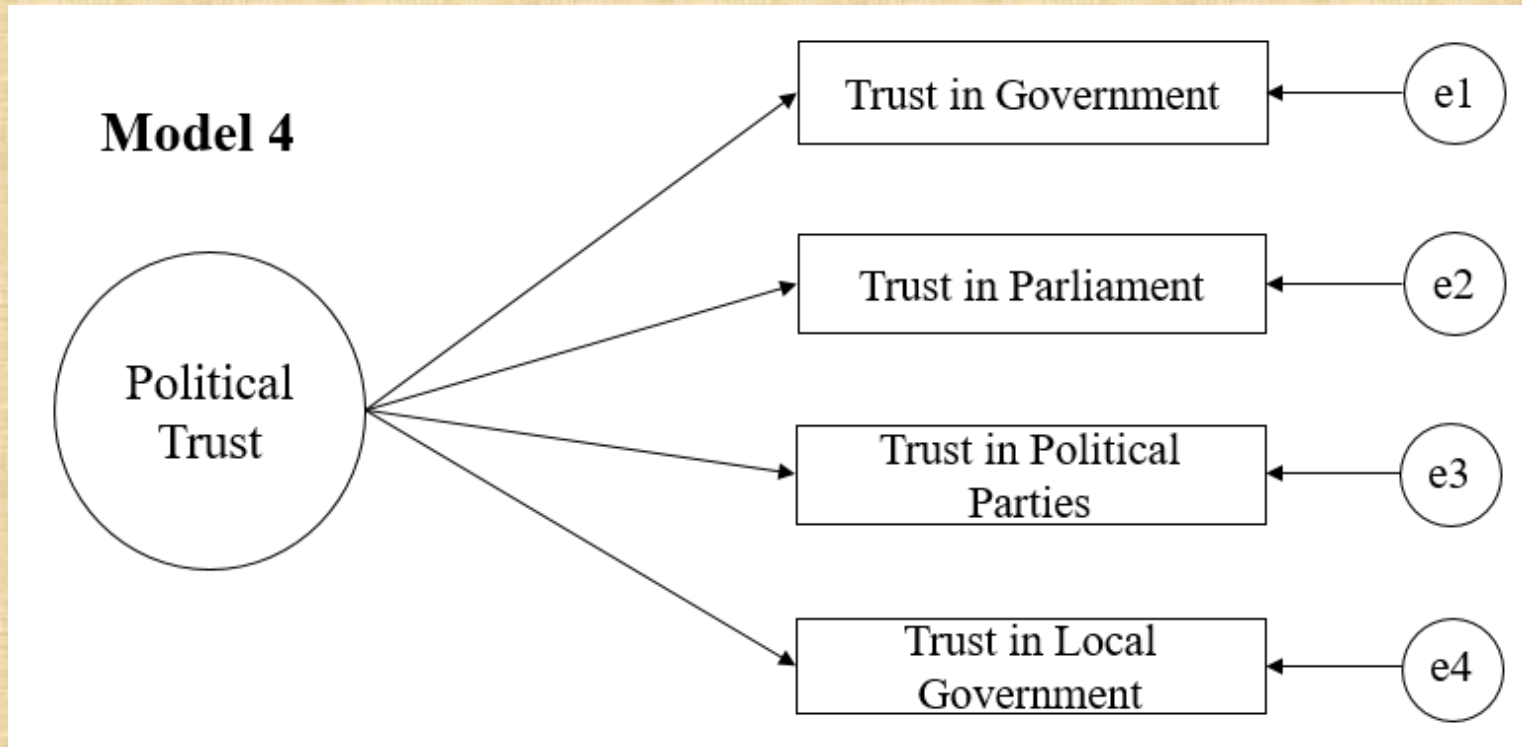
Data

- 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



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)

	Model 1 (OLS)	Model 2 (SEM)	Model 3 (Multilevel)	Model 4 (Multilevel SEM)
Key Variables				
Corruption (ref=Low)				
High	-14.68***(1.40)	-0.607*** (.058)	-5.28*** (1.93)	
Satisfaction with Financial Situation				
2	10.20***(.59)	0.431*** (.025)	8.97*** (.56)	0.371*** (.023)
3	15.62***(.60)	0.657*** (.025)	14.61*** (.58)	0.605*** (.024)
4	22.59***(.62)	0.948*** (.026)	19.28*** (.60)	0.803*** (.025)
5	25.69***(1.09)	1.083*** (.046)	21.85*** (1.03)	0.907*** (.043)
<u>Corr x Sat2</u>	-2.93***(1.04)	-0.126*** (.043)	-2.13** (.98)	-0.080** (.040)
<u>Corr x Sat3</u>	-1.48 (1.04)	-0.068* (.044)	-1.45 (.99)	-0.057 (.041)
<u>Corr x Sat4</u>	0.42 (1.08)	0.014 (.045)	0.99 (1.04)	0.037 (.043)
<u>Corr x Sat5</u>	-1.05 (1.98)	-0.023 (.083)	-2.05 (1.87)	-0.046 (.077)

	Model 1 (OLS)	Model 2 (SEM)	Model 3 (Multilevel)	Model 4 (Multilevel SEM)
Key Variables				
Corruption (ref=Low)				
High	-14.68*** (1.40)	-0.607*** (.058)	-5.28*** (1.93)	
Country Level				
GDP Change	0.14*** (.01)	0.006** (.000)	0.13* (.08)	0.002 (.003)
Regime (ref=Autocracy)				
<u>Anocracy</u>	-20.14*** (.88)	-0.830*** (.035)	-13.78** (7.04)	-0.832*** (.312)
Democracy	-21.97*** (.80)	-1.000*** (.033)	-17.99*** (6.84)	-1.166*** (.299)
<u>Corr x Anoc</u>	14.48*** (1.25)	0.572*** (.051)	5.08** (2.18)	0.220*** (.082)
<u>Corr x Dem</u>	13.59*** (1.64)	0.562*** (.043)	4.28** (1.82)	0.210*** (.069)

□

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

