INTERNATIONAL ANTI-CORRUPTION ACADEMY

MASTER IN ANTI-CORRUPTION STUDIES (MACS) PROGRAMME

The Role of Status in Corruption

Master's Thesis

Michel Levien González

Supervisor: Dr. Bonnie Palifka

MACS IACA MASTER PROGRAMMES

October 2022

I pledge on my honour that I have not plagiarized, used unauthorized materials, given and/or received illegitimate help on this assignment, and hold myself accountable to the academic standards binding upon students of the MACS programme.

Signature: Date: 9 October, 2022

Table of Contents

The Role of Status in Corruption

Abstract

Over the course of the second half of the XX century several studies and methodologies have been developed to measure corruption at the country level. Similarly, studies to hypothesising about the causes, origins and nature of corruption abound. Surprisingly few, however, hypothesise about the influence of social status on corruption. More surprisingly, no reputable studies have been developed to measure the degree to which societies value status. We undertook the adaptation of existing measurements to document status-centricity at the country level in order to analyse its relationship with corruption. Our work employs ordinary least squares methodology to analyse and interpret discernible relationships between (A) the importance certain countries give to values and social institutions associated with social status; and (B) their documented levels of perceived corruption. The study comes to the limited yet firm conclusions that societies that place greater emphasis on social structures and status tend to have higher levels of corruption. Further we find that, among those societies with high levels of corruption, changes to status-centricity have little effect on corruption levels. Finally, we find that further studies are required to (i) devise a dedicated study on status-centricity; and (ii) experiment with organizational policies that address corruption via status-centricity.

Keywords: Corruption, social status, Status-Centricity, Status-Centric, Status-Cognizant, Status-Indifferent, Hofstede, values, culture, Power Distance, Individualism, Collectivism, Long-Term Orientation, Short-Term Orientation, Indulgence, Restraint, Ordinary Least Squares, Regression.

A. Acknowledgments

A special debt of gratitude is owed to Bonnie Palifka who went well beyond her duties as advisor and provided meticulous help, insightful guidance, and great friendship. Thank you, Bonnie!

Esto existe gracias a mi mamá, a Deborah; a Uba; a Mar; a Karen; a Mafe; a Alejo; a Pulpa; y a Gioia.

Esto lo hice para mi mamá, para Deborah, para Anne Marie, para Tufic, para Erika, para Ana Paola, para Abel, para Isaías, para Camilo, para Ángeles, para Karem y para Rosa.

B. List of Figures/Tables

The Role of Status in Corruption

1. Introduction

Rajat Gupta — former managing director of McKinsey & Company — was convicted of insider trading in 2012. Under the laws of the United States, the crime of insider trading is broadly understood as making investments — and profiting from them — using "material and non-public" information to which one has access by virtue of having a position of trust (or "fiduciary duty", (Cornell University School of Law, n.d.). Gupta had such a position of trust in several companies; most notably he was a member of the board of Goldman Sachs from 2006 to 2010. During this period Gupta befriended, among others, Raj Rajaratnam and Amil Kumar, both convicted of insider trading. At the time of his conviction, Gupta, age 64, had had a successful career in business and the world of high finance. His net worth at the time was close to USD $100 million and his reputation was stellar. Over the course of his trial, his attorney was quoted as saying "Having lived a lifetime of honesty and integrity, [Rajat Gupta] didn't turn into a criminal in the seventh decade of an otherwise praiseworthy life" (Lattman & Ahmed, 2012). Regardless, Gupta's apparent desire to "raise his profile in the lucrative world of money management" (Lattman & Ahmed, 2012), and be accepted into a cadre of billionaires drove his actions to criminality. In a documented conversation between Rajaratnam and Kumar about Gupta's ambitions, Rajaratnam is quoted as saying "I think he wants to be in that circle […]. That's a billionaire circle, right?" (Lattman & Ahmed, 2012).

In the study of economics, as well as of other social sciences, a widely-held — and widely-contested — tenet is rational choice theory; the notion that "all action is fundamentally 'rational' in character and that people calculate the likely costs and benefits of any action before deciding what to do" (Scott, 2000). As we will outline, unethical choices that appear unseemly, uncharacteristic, or even inexplicable — in essence, *irrational* — often can be ascribed to a discrete sentiment: the desire to attain or retain social status. In light of cases like that of Mr. Gupta, it would appear that, in addition to rationality, other considerations are often at play when deciding whether to behave unethically. This study delves into a specific type of unethical behaviour: corruption.

In the study of criminal activity, cost-benefit analysis was first broached by Becker (Becker, 1968) in his seminal paper *Crime and punishment: an economic approach*, where Becker discusses the considerations that inform illicit conduct and concludes that would-be wrongdoers must weigh *potential* benefits of improper behaviour against its *potential* costs. Since Becker, cost-benefit analysis as an element of improper acts has been used widely. As we will further explore, a criminal must weigh benefits of committing a crime versus the cost of being caught and may even be pressed to assume that her personal sense of ethics must be treated as *one more* cost. If true, then this must mean that the elements of cost-benefit analysis need not be palpable, quantifiable notions. Assuming that this, in turn, is true, then naturally it would follow that benefits can just as easily be embodied in ethereal or abstract notions. Can this idea apply to *any* abstract notion? Specifically, can it apply to the desire to obtain social status?

Studies on status-centricity — the degree of importance afforded to social status — are so scarce that <u>the main shortcomings of the field have yet to be identified</u>. To state it differently, we don't know *what* we don't know.

However, if findings of this study support the theory that abstract considerations other than ethics — more specifically, status at the societal level — can be assumed as a cost, the ramifications are potentially ground-breaking; incentives and stimuli that reduce status obtained from behaving corruptly could, *themselves*, curb corruption.

1.1. Research Questions

As most academic work often does, this study is the result of a peculiar question by the researcher that emerged over the course of a lesson. The lesson was on the origins and nature of corruption at the individual level, as well as the factors that lead a country to have higher reported indices of corruption. As we will see below (see section 2.1), various hypotheses exist on the origins of corruption, and some are even more well-established than others; greed, necessity, opportunity, impunity, and a long *etcetera*. However, notably absent from these hypotheses was the issue of status; "What about status; do you think that the desire for status motivates corruption?" From this simple question, multiple others followed. This study aims to answer the following questions:

- Per available metrics, how do countries value status?
- Do countries which statistically place higher value on social status have higher or lower levels of corruption?
- If so, can one derive reliable conclusions from the findings which could then be used to aid in developing —public or private— measures to deter corrupt behaviour?

Certain of the research questions posed above cannot be answered by this study alone for reasons of scope and resources, among others. They are considered, however, because they further fuelled the researcher's curiosity into the topic and because, hopefully, this study will arrive at concrete and solid conclusions and

insights that can provide a solid and stable foundation for future — theoretical, empirical, qualitative and quantitative — research work that may serve to better address them.

1.2. Hypotheses

Several scenarios were hypothesized as possible outcomes or conclusions of this study. Evidently, the research questions stated in the preceding section are deliberately phrased as queries that, for the most part, admit simple yes/no answers. This decision was made because the field of study of status and its intersection with the phenomenon of corruption is not yet narrow enough to allow for questions that beg more nuanced answers.

As will be abundantly explained further on (see section 3) we elected to broach the phenomena that underlie our research questions from a quantitative perspective of observing statistical interactions between a dependent (or "response") variable and independent (or "explanatory") variables. From a study of the interaction between explanatory variable (a) the importance that societies place on status; and dependent variable (b) the levels of corruption in each society, it is feasible to reach one or more of the following conclusions (or variations thereof):

- **H0.** Regardless of how high a society values status, available data does not suggest any relationship to levels of corruption (null hypothesis).
- **H1.** There is a direct and proportional correlation between levels of status-centricity and corruption.
- **H2.** Countries which do not place high value on status appear to have higher corruption rates.

There is great value in expanding topics that, to date, have only been approached partially and/or from a different research perspective (Bryman, 2016, pp. 393-394).

When reviewing the literature on the state of the art concerning the intersection between status and corruption, we found that minor research had been conducted into the matter and, for the most part, this research was theoretical and of a qualitative nature. The findings of our study will attempt to provide insights produced from empirical and quantitative analysis which insights may assist the important research objective of gaining in-depth understanding of the relation between status and corruption.

Because the question of whether the value of social status informs decisions to act corruptly is not without its complexities, we must aim to understand the two variables — corruption and social status — and to compare the available empirical evidence thereon. We will use a purely quantitative analysis which will employ basic descriptive statistics and ordinary least squares regression to find salient relationships.

To carry out the necessary analysis we will first examine the established notions of "corruption" and "social status". Having observed these notions, we will delve into the available data used to quantify the persistence and prevalence of these variables within different societies. This information can then be compared and contrasted via the use of ordinary least squares regression and analysis to establish the degree to which the two variables are related —if at all — and draw further conclusions on those findings.

The relevance of this study lies mainly in the novelty of its subject matter; the relationship between status and corruption has not been sufficiently studied before and insights of this study may help in guiding and informing anti-corruption measures and policy, both in the private and public arenas.

Further, the study's time-efficiency and relative ease, compared to its potential outcomes is viewed as a great advantage of this work; the methodology is not exceptionally complex, the data and foundational literature is abundant and readily available, and the potential insights resulting from it greatly justify its value. Moreover, because of the nature of the data used, the study —and its findings— can easily be updated and, if appropriate, can inform permanent, periodic indicators. Finally, as the methodology has been executed rigorously and our findings of the study are adequately produced and articulated, the study has the potential to produce its own data and to inform further academic works.

We will find that there appears to be a significant direct correlation between status-centricity and corruption, when taken at "face value". However, when other criteria are applied to the datasets employed, the resulting data appears to display more nuanced relationships and trends, which may, in turn, lead to more tempered and/or diverging conclusions.

Anecdotal evidence — such as the account from the Rajat Gupta case — seems to provide strong support to the notion that status plays a part in corruption or, at least, corrupt decision-making processes. If the former is true, then it would not be unreasonable to ask ourselves if levels of corruption can be reduced by devising and inserting adequate stimuli and incentives that address the relationship between corruption, values, and — of note here — social status.

To achieve our purposes, we will provide a short conceptual framework and a state of the art on corruption and status. We will then examine pre-existing statistical data on both phenomena (at the country level) and perform a statistical analysis on said data. Lastly, we will outline patterns and insights gleaned from the data and opine on their relevance to the field of anti-corruption and anti-corruption policies and measures at the organizational level.

2. Literary Review

Regardless of the subject matter, no serious study can properly address its research questions and hypotheses without first presenting the reader with an adequate measure of background information on the context of the phenomena being studied. Here we will provide a succinct framework composed of the most notable studies and theories into the fields of social status and of corruption.

Addressing social phenomena properly requires —by necessity— understanding and, if at all possible, measuring them. In addition to this, it is not nearly enough to have some degree of understanding on the phenomena studied because these phenomena tend to evolve with their respective disciplines of reference; this is especially true of subjects of study of the social sciences. For these reasons, in the spirit of gaining some purchase on our field of study —corruption and social status—, we must first put forth a sincere effort to understand some main tenets of our subject matter in their most current and relevant form.

2.1. Conceptual Framework on Corruption

Corruption has proven particularly resistant to definition. Myriad definitions have been proposed, but there is no singular and orthodox one to date. Pozsgai-Alvarez (2020) famously noted that the core of any definition of corruption must reflect the existence of a principal-agent relationship in which the principal entrusts the agent with certain powers, which powers the latter uses self-servingly instead of in the interest of the principal (or the collective, as the case may be). The most widely-accepted definition —the "(deliberate) mis/abuse of entrusted power for private gain" (Kubbe, 2020, p. 19) (Mungiu-Pippidi & Fazekas, 2020) (Transparency International, n.d.)— was popularized by Transparency International. Because this definition fits the Pozsgai-Alvarez criteria, and because this study will cite data from the same source, it is adequate to adopt it for the purposes of this study.

Similarly, corruption has proven difficult to measure. This is not only true because corruption is currently devoid of an orthodox and widely-accepted definition, but also because the improper nature of corruption itself incentivizes its proponents to keep it hidden: "researchers and anti-corruption enforcers [...] aim to document something that, if done right, is invisible to outsiders" (Fisman & Golden, 2017, p. 30). In addition, it has not been uncommon for social students to attempt to measure corruption by equating objective parameters —such as rates of conviction for corrupt crimes— with *actual* levels of corruption. Because of this, prominent authorities on the topic have been met with widespread approval when they have proposed that corruption cannot be measured directly, and must be measured by proxy; through *subjective* measurements (Graf Lambsdorff, 1995). Though different indices and measurements about levels of corruption currently exist, this study will refer to the Corruption Perceptions Index (Transparency International, 2022) because the CPI provides credible data spanning several years and for a considerable number of countries; this temporal transversality, in turn, enhances the reliability of any conclusions concerning countries' levels of corruption over time.

Several theories propose that corruption —as a complex social phenomenon— can be defined, understood, or approached from the viewpoint of its elements, its factors, its characteristics, its consequences, etc. Jancsics, for instance, narrates that corruption has been studied from a handful of perspectives, one of which is the rational-actor model; "[Under the] rational-actor approach, corruption is treated as if it is a strict market transaction" wherein individuals perform a cost/benefit analysis and opt for corruption when it "seems to be the most rational decision that will maximize their personal profit" (Jancsics, 2014). Jancsics is not alone; Gary Becker (1968) —explained by Rose-Ackerman and Palifka (Rose-Ackerman & Palifka, 2016)— conceives corruption results from a cost/benefit analysis weighing (A) gains

expected from corruption, against (B) probability of detection, ensuing conviction, and ensuing punishment. All cited authors conclude that if corrupt gains loom larger the *rational* actor will opt for corruption, and if the cost is higher, she will behave honestly.

When studying the role of ethics and morality Fisman and Golden (2017) conclude that ethics, morality, and emotions do not act as impregnable bulwarks negating the mere possibility of corruption; rather these ethical considerations —values— become *one more* cost to be included in the above. Jurkiewicz (Jurkiewicz, 2020) agrees, and —citing Gorsira *et al.* (Gorsira, et al., 2018) and Gino *et al* (Gino, et al., 2013)— observes that ethicality *can* be warped and even neglected when it competes with the desire to fit in; obtaining or maintaining social status —we will argue— is the core of "fitting in". A key finding of the literature review by Baez Camargo, of the Basel Institute on Governance (2017) highlights that behavioural factors have demonstrable influence over the "attitudes that fuel and perpetuate corruption", however the extant literature is notably silent on the issue of status (or its pursuit) as an identified cause of corruption.

Of note is the exercise of literature review performed by Dimant & Tosato in their article "*Causes and effects of corruption: what has past decade's empirical research taught us? A survey*", wherein they identify 28 conventional and novel factors causing corruption; the authors list the following, from which —notably— social status is missing.

Below, we will provide a brief description of each of the causes identified in the aforementioned article. With this description, we aim — as did Dimant & Tosato — to provide the reader with valuable context on the causes of corruption that have been hypothesised and addressed for empirical academic study to date. In addition,

we wish to draw the reader's attention to the fact that these studies notably do not address social status.

To perform this analysis, we closely follow Dimant & Tosato, providing a summary definition of each identified cause, and interpreting and paraphrasing as needed to summarise (i) the findings of authorities *they* studied; and (ii) the inferences — if any — that Dimant & Tosato are bringing to our attention. This Analysis will serve to further emphasize the breadth and diversity of the causes studied previously, as well as the degree to which the notion of social status is of a similar nature and relevance to society as the other causes.

We refer to "Conventional Causes" and "Novel Causes" to mirror the distinction made by Dimant & Tosato, yet aid the reader in clarity, as the cited authors make reference to "causes" and "new developments in causes", which may present some ambiguities.

2.1.1. Conventional Causes of Corruption

The "conventional" category encompasses hypotheses and theories that have been raised repeatedly in academic circles and are common themes in anti-corruption literature, as follows:

2.1.1.1. Bureaucracy and Inefficient Administrative and Political Structure

By "bureaucracy and inefficient administrative and political structure" we refer to the inefficiencies brought on as a result of overregulation and lengthy processes within government.

Intricate bureaucracy and an inefficient political and administrative structure concentrate power and control in the hands of few public officials. These officials must then interact more frequently with the public. The frequency of these

interactions coupled with this concentration of power and control may increase the likelihood of, and be conducive to corrupt behaviour. Further, inefficient structures increase opacity, and concentrate the power to issue certain authorizations in the hands of few individuals, which, to no surprise, result in increased instances of corruption. All of the above results in findings consistent with the conclusion that corruption is directly correlated with the degree to which the government intervenes in the economy by way of regulation (Tanzi, 1998; and Goel & Nelson, 2010; as explained by Dimant & Tosato, 2018).

2.1.1.2 Civil Participation/Press Freedom

By "civil participation and press freedom" we refer to the degree to which citizens are able to participate in government and policy-making, as well as to the degree to which law-abiding press is factually unencumbered by the government and its institutions.

Increased participation in public life, politics and policymaking by civil participation in democratic exercises reduce corruption. Likewise regular elections and other democratic institutions provide constituencies with the power to remove corrupt actors from elected office. Further freedom of the press promotes an environment in which the media can help to raise public awareness of anti-corruption rules and to deter corruption by raising the probability that corrupt actors may be "named and shamed" publicly for their crimes. These theories have been confirmed by empirical studies that show corruption to be inversely correlated with a long exposure to democracy, to *democratization*, and to media freedom (Treisman, 2000; and Bhattacharyya & Hodler, 2015; as explained by Dimant & Tosato, 2018).

2.1.1.3 Economic Freedom

By "economic freedom" we refer to the possibility of participating in business and economic life with few limitations and encumbrances.

Economic freedom tends to be associated with lower corruption levels. Official processes and control mechanisms implemented by the government and imposed on businesses are often directly correlated with levels of corruption. In the same vein, lower requirements and, in general, a lower intervention in businesses by public officials decreases the probability that corrupt payments are perceived as a requirement to engage in business. In sum, economic freedom has been found to be inversely related with corruption (Paldam, 2002; and Saha, et al., 2009; as explained by Dimant & Tosato, 2018).

2.1.1.4 Economic Growth

By "economic growth" we refer to the extent and speed of expansion of a country's economy and finances.

It is widely understood that corruption has a negative effect on a country's economic growth, on its private sector, and on the quality of its institutions and of its policy-makers. However, the opposite — the effect that economic growth has on corruption — had not been studied in depth. Moreover, evidence suggested that there was no statistical relationship between economic growth and levels of corruption. This was the case until studies found strong evidence to conclude that economic growth, when coupled with strong and stable state institutions, can reduce a country's levels of corruption. The caveat to this finding, however, appears to be that economic growth levels are largely irrelevant to country-level corruption when the country's institutions are weak (Pellegrini & Gerlagh, 2004; and Aidt, et al., 2008; as explained by Dimant & Tosato, 2018)

2.1.1.5 Ethnic Diversity

By "ethnic diversity" we refer to the degree of ethnic and ethno-linguistic homogeneity in a particular country.

The effects of ethnic division is largely correlated with increases in levels of corruption. This is largely owed to in-group favouritism, as in ethnically divided societies, even the most corrupt officials (a) will not be removed from office by the people who belong to the same ethnic group as her; and, as a result, (b) the official will give favourable or preferential treatment to members of his own ethnic group. In sum, there appears to be a direct relationship between ethnic homogeneity and levels of corruption (Treisman, 2000; and Dincer, 2008; as explained by Dimant & Tosato, 2018)

2.1.1.6 Gender

By "gender" we refer to the conventionally identified genders: men and women. We note that empirical studies that address the connections and relationships between corruption and the *contemporary* evolution of the notions of gender were not found. This is likely to change in the near future in line with the ever-expanding field of gender studies, At the present time, however, extant literature assessing the relationship between corruption and gender only focuses on the conventional definition.

The hypothesis that women tend to be less selfish and, therefore, less prone to corrupt behaviour than men has been studied at length. Modern studies have found an inverse correlation between representation of women in parliaments and levels of corruption. In addition to this, it has been found that higher levels of female representation in the workplace — in both the public and private arenas — tend to have lower levels of corruption. Findings on this issue have been consistent, even

when conducting experiments that introduce controls for extraneous factors. In sum, statistical data and scientific studies tend to conclude that women display less corrupt behaviour than men (Dollar, et al., 2001; Swamy, et al., 2001;; and Frank, et al., 2011; as explained by Dimant & Tosato, 2018).

2.1.1.7 Globalization

By "globalization" we refer to the degree to which a country is integrated into the international system of commerce, information, communications, and collaboration.

Sparked by hypotheses that countries with a higher level of globalization tend to have lower levels of corruption, empirical studies have found that international and especially relations — whether they manifest politically, via intergovernmental collaboration, or socially, through the media — promote a better quality of government and result in better anti-corruption norms. In addition, it has been found that, in general, countries with lower levels of international integration, display higher levels of corruption. In sum, globalization has a significant positive effect in lowering countries' levels of corruption (Charron, 2009; Sandholtz & Koetzle, 2000; and Badinger & Nindl, 2014; as explained by Dimant & Tosato, 2018).

2.1.1.8 Government Size

By "government size" we refer to the amount of government employees within the administrative of a country.

Several studies have approached the relationship between the size of a government and corruption; most theorizing that larger governments increase levels of corruption as they entail more bureaucracy, less accountability, and more intervention in economic affairs. Studies analysing this relationship have yielded

differing — and seemingly contradictory — results. However, the consensus at present seems to be that the relationship between size of government and levels of corruption largely hinges upon degrees of democratization; countries with larger governments (a) tend to have lower levels of corruption when they also display a high degree of democratization; and (b) tend to have higher levels of corruption when they have a significantly low level of democracy (Goel & Nelson, 2010; Arvate, et al., 2010; and Kotera, et al., 2012; as explained by Dimant & Tosato, 2018).

2.1.1.9 Governmental Structure

By "governmental structure" we refer to the *form* of government employed by a country, particularly as regards financial, political and physical decentralization.

Governmental structure has a discernible impact on levels of country corruption. Empirical studies have reached conclusions that indicate that reducing centralization also reduces corruption levels; as a result of decentralization financial competition between regions increases, distortions ascribable to government intervention decrease, and the public has more alternatives to corrupt action. Further, it has been found that countries in which government spending is decentralized, present lower levels of corruption. Lastly, it has been observed that governments presenting (a) higher numbers of governmental tiers; and (b) large subnational bureaucracies exhibit higher levels of corruption (Fisman & Gatti, 2002; Dell'Anno & Teobaldelli, 2015; and Fan, et al., 2009; as explained by Dimant & Tosato, 2018).

2.1.1.10 Government System

By "government system" we refer to the s*ystem* employed by a country to elect and remove its leaders, especially as regards levels — and duration — of democracy and democratization, Empirical evidence suggests that levels of corruption are inversely

proportional to the strength of country democratic norms and institutions. Further, countries with a more prolonged and continuous exposure to democratic institutions and processes exhibited lower levels of corruption (Sandholtz & Koetzle, 2000; and Pellegrini, 2008; as explained by Dimant & Tosato, 2018).

2.1.1.11 Historical Drivers

By "historical drivers" we refer to the historical antecedents of a nation, especially whether it was colonised at a given moment.

Historical factors of influence in modern society appear to play an important role in present levels of corruption. Antecedents of colonialism — for example — have been found to be closely correlated with observed levels of corruption in *certain* countries. Nations that were formerly colonised by the British display lower levels of corruption at present, while countries that were formerly colonised by other nations (namely France, Portugal, and Spain) display correlations inconsistent with the former. On that regard, it has been found that countries with a history of European (non-British) colonialism display higher levels of corruption at present. In sum, it appears that former British colonies have lower corruption levels, while former European colonies have higher corruption levels (Treisman, 2000; Swamy, et al., 2001; and Ángeles & Neanidis, 2015; as explained by Dimant & Tosato, 2018).

2.1.1.12 Legal System

By "legal system" we refer to current of law implemented by a country, particularly to the two currents of jurisprudence ordinarily referred to as "common law", and "civil law".

In line with prior examinations, the legal system implemented by a country appears to also have influence on levels of corruption. Present evidence indicates that, when

controlling for extraneous factors, countries that follow the common law system display lower levels of corruption, while those that follow the civil law system tend to have higher levels of corruption (Treisman, 2000; and Goel & Nelson, 2010; as explained by Dimant & Tosato, 2018).

2.1.1.13 Market and Political Competition

By "market and political competition" we refer to the degrees of freedom of competition — both political and commercial — present in a country.

Market and political competition have been observed to have an effect on levels of certain *types* of corruption. Studies show that stronger levels of political competition reduce some types of corruption. Similarly, there is significant evidence to suggest that stronger market competition can increase levels of corruption. In sum, while political competition appears to be inversely correlated with corruption, commercial competition and corruption appear to have a direct correlation (Montinolla & Jackman, 2002; Sharafutdinova, 2010; and Alexeev & Song, 2013; as explained by Dimant & Tosato, 2018).

2.1.1.14 Natural Resource Endowment

By "natural resource endowment" we refer to the wealth of natural resources that are owned, possessed, or controlled by a given country.

The common conception that higher concentrations of natural resources directly correlate with levels of corruption has been grounded in empirical evidence. Studies have found that, while abundance of resources *is* correlated with corruption, this relationship is tempered by different factors, such as the strength of democratic institutions and the *type* of resources (Sachs & Warner, 1997; Leite & Weidman,

1999; Bhattacharyya & Hodler, 2010; and Korhonen, 2004; as explained by Dimant & Tosato, 2018).

2.1.1.15 Political Instability

By "political instability" we refer to the degree to which a country's government or the institutions to appoint its public officials, are lawfully and orderly maintained over time.

In a unique manifestation, studies have found that the levels of political stability displayed by a country are not linearly related with the levels of corruption. Though it would appear logical to assume that stronger political stability should equal lower levels of corruption, studies have found that (A) while lower political stability *does* translate into higher levels of corruption; (B) higher political stability can also present with higher levels of corruption. The latter, however, hinges on factors like levels of democratization. In sum, corruption is higher in countries with low political stability as well as in those with high political stability but low levels of democracy; corruption levels appear to be lower in countries that display high political stability as well as higher levels of democracy (Lederman, et al., 2005; and Campante, et al., 2009; as explained by Dimant & Tosato, 2018).

2.1.1.16 Poverty

By "poverty" we refer to the lack of wealth, resources, and access to goods and services at the country level as well as at the individual level.

Levels of poverty tend to have a correlation with levels of corruption. Not only is it true that poorer nations have fewer resources to allocate to building strong and effective legal institutions. But empirical studies have also found that, in poorer nations where access to basic goods and services is often controlled by government

officials, citizens often find themselves in the position of having to pay a bribe to access these basic necessities (Justesen & Bjørnskov, 2014; and Mauro, 1998; as explained by Dimant & Tosato, 2018).

2.1.1.17 Property Rights

By "property rights" we refer to the legal institutions and mechanisms that exist in a country to guarantee that the lawful ownership and possession of private property is respected by the public and defended by the state.

Weak legal institutions and law enforcement concerning property rights appear to also be closely related to country levels of corruption. Studies have found that developing countries with higher levels of corruption, often display lower levels of property rights. Further, the inverse has been found to be supported by the evidence; legal systems that implement stronger institutions concerning property rights experience reduced corruption. In sum, strength of property rights is inversely proportional to corruption levels (Acemoglu & Verdier, 1998; and Dong & Torgler, 2011; as explained by Dimant & Tosato, 2018).

2.1.1.18 Religion

By "religion" we refer to the religious beliefs widely held by the population of a given country, both in the past and present.

Certain studies have suggested that religious culture and institutions can affect levels of corruption. The evidence suggests that religion can influence societies' relationship with power hierarchies, and that the historical religious background of nations appear to have a direct impact on present levels of corruption. Notably, the studies show that nations with a background of reformed Christianity display lower levels of corruption, while nations with a background of orthodox Christianity and

of Islam tend to display increased levels of corruption (La Porta, et al., 1999; Treisman, 2000; Paldam, 2001; and North, et al., 2013; as explained by Dimant & Tosato, 2018).

2.1.1.19 Trade Openness

By "trade openness" we refer to the degree to which a country is open to external commerce, and integrated into the world economy.

Studies examining evidence that spans several countries and extends over different and long periods of time have found a significant relationship between corruption and trade openness. Increased levels of economic integration and reduced levels of economic controls have been found to result in lower levels of corruption. This relationship also appears to remain not only for the *extent* of countries' openness to trade, but also for the *quality* of said openness. Lastly, gross national product per capita has been found to be inversely correlated with corruption. This last finding, however, only appears to be true for nations with open economies, but no correlation appears when measured in closed economies. In sum, better and broader openness to trade and integration with the world economy tends to correspond with lower levels of corruption (Sandholtz & Koetzle, 2000; Gokcekus & Knörich, 2006; and Neeman, et al., 2008; as explained by Dimant & Tosato, 2018).

2.1.1.20 Transparency

By "transparency" we refer to the degree to which the public of a given country has access to information, particularly to information generated by, or in possession of, the government.

The common notion that levels of transparency are inversely proportional to levels of corruption has also been explored and studied in empirical research. The

evidence suggests that, while *indicators* of transparency — such as free press — remain important, transparency only has an impact on corruption when it observed in nations that also have (i) a political system that guarantees free and fair elections; and (ii) strong law enforcement institutions that allow sanctioning corrupt individuals (Brunetti & Weder, 2003; and Lindstedt & Naurin, 2010; as explained by Dimant & Tosato, 2018).

2.1.1.21 Urbanization

By "urbanization" we refer to the degree and extent to which the population of a country is largely concentrated in cities and other urban centres.

Empirical studies on the connection between urbanization and corruption show evidence that it is easier to detect corruption and to stigmatize it within urban populations than it is in rural areas. We note here that the studies elaborate on the "ease" of detecting and stigmatizing corruption, however they do not directly opine on country levels of corruption. Nevertheless, the evidence appears to display an inverse correlation between urbanization and corruption (Goel & Nelson, 2010; as explained by Dimant & Tosato, 2018).

2.1.1.22 Wages

By "wages" we refer to official compensation effectively paid to public officials.

The notion that wages of public officials are connected to levels of corruption has been examined and the empirical evidence appears to show that raising wages of public officials — especially in developing countries — has the effect of reducing levels of corruption. We note that studies on this regard also warn that, in order to positively impact levels of corruption, increases to wages must be significant (Van

Rijckeghem & Weder, 2001; and Azfar & Nelson, 2007; as explained by Dimant & Tosato, 2018).

2.1.2. Novel Causes of Corruption

The "novel" category encompasses hypotheses and theories that have been raised relatively recently and continue to be studied presently, as follows:

2.1.2.1 Contagion Effect

By "contagion effect" we refer to the notion that levels of corruption in a given country are related to the levels of corruption of neighbouring countries.

The existing studies on the matter appear to show that the contagion effect theory appears to be true. The data suggest that increased levels of corruption in one nation correlate with later increases in corruption levels of its neighbours. Further, decreases in corruption in one country appear to be correlated with later decreases in corruption by its neighbours (Goel & Nelson, 2007; and Becker, et al., 2009; as explained by Dimant & Tosato, 2018).

2.1.2.2 Economic Prosperity

By "economic prosperity" we refer to the overall income and financial wealth of a country and its population.

Several theories have posited that there is a direct relationship between economic prosperity and corruption. The evidence suggests that, broadly, richer nations tend to have lower levels of corruption, that decreases in corruption levels tend to lead to increases in economic prosperity in the short term, and that these *increases* in economic prosperity tend to lead to further decreases in corruption in the long term. In sum, there appears to be a bi-directional relationship of causality between

economic prosperity and levels of corruption (Serra, 2006; and Paldam & Gundlach, 2008; as explained by Dimant & Tosato, 2018).

2.1.2.3 *Education*

By "education" we refer to the overall levels of academic instruction of a given country's population.

At present, empirical research appears to conclude that a higher level of education tends to result in a more profound commitment with civil liberties and an intolerance of repression. Further, higher education usually translates to a deeper awareness of international standards on corruption. In sum, the evidence suggests that higher overall levels of education are inversely correlated with levels of corruption (Truex, 2011; and Glaeser & Saks, 2006; as explained by Dimant & Tosato, 2018).

2.1.2.4 eGovernment

By "eGovernment" we refer to electronic systems and tools implemented by the government of a given country to provide the public access to governmental processes, services, and information.

The notion that eGovernment increases efficiency, transparency, and accountability and, therefore, reduces corruption, appears to be true. Empirical evidence suggests that implementation of eGovernment measures has an inverse effect on levels of corruption. We note that this relationship of causality appears to be unidirectional. In sum, implementing eGovernment can help reduce corruption, however reduced corruption does not impact the implementation of eGovernment (Andersen, 2009; and Elbahnasawy, 2014; as explained by Dimant & Tosato, 2018).

2.1.2.5 Immigration

By "immigration" we refer to the relocation to, and establishment in, a different country or geographical demarcation.

The theory that immigration entails some corrupt individuals relocating from one country to another and engaging in corrupt practices in the new country has been studied recently. The evidence suggests this is partially true. However, the evidence also suggests that (i) it is immigration from *highly corrupt countries* that can increase corruption levels in the destination countries; and (ii) these increased levels of corruption tend to return to normalcy after a few years (Dimant, et al., 2015; as explained by Dimant & Tosato, 2018).

2.1.2.6 *Internet*

By "Internet" we refer to widespread access to, and use of the Internet in a given country.

The theory that broader Internet access can decrease levels of corruption has found some grounding in empirical work. The evidence appears to indicate that broader dissemination of information concerning corrupt acts via the Internet tends to lead to a decrease in corruption levels. Likewise, levels of availability of, and access to the Internet have been found to be correlated with lower levels of corruption (Goel, et al., 2012; and Andersen, et al., 2011; as explained by (Dimant & Tosato, 2018).

Table 1 below condenses each of the categories and causes identified.

Table 1 Causes of Corruption

Causes of Corruption	
Conventional	Novel

• Bureaucracy and Inefficient Administrative and Political Structure • Civil Participation/Press Freedom • Economic Freedom	• Economic Growth Ethnic Diversity Gender • Globalization • Government Size • Governmental Structure	• Historical Drivers Legal System • Market and Political Competition • Natural Resource Endowment • Political Instability	• Poverty • Property Rights Religion • Trade (Openness) • Transparency • Urbanization • Wages	• Contagion Effects • Economic Prosperity • Education • Internet access and eGovernment • Immigration • Internet

Source: Based on Dimant & Tosato (2018)

We do not purport to hold Dimant & Tosato's collection of causes of corruption as seminal, authoritative, nor comprehensive. Nevertheless, the nature of this study is empirical, and we do note that Dimant & Tosato themselves describe their work as an attempt to "provide the status quo of the research on corruption", in terms of survey studies; empirical work. Though no opinion is issued on this claim, their recollection and description of causes does appear to be an apt radiography of frontier studies on corruption and an indication that, overall, authorities in the field of anti-corruption simply have not delved deeply into the connections that may exist — if any — between corruption and social status.

2.1.2. Typical Manifestations of Corruption

It is important to note that corruption — understood as the deliberate misuse or abuse of entrusted power for private gain — is not, by itself, criminal conduct. We do not purport to hold that corruption is not *illegal*; we merely clarify that corruption is a "genus" of conduct which can be subdivided in multiple "species", and that each of these species *is* commonly an unlawful and/or criminalised conduct.

We note that the definition of corruption employed for the purposes of this research is composed of the following essential elements:

A. Entrusted power;

B. Deliberate abuse/misuse of said power;

C. Private gain;

It is important to make clear that corruption, *per se*, is seldom a formally criminalised conduct. Rather, individual criminal offences can be classified as forms of corruption if the *actus reus* — the voluntary material actions that "comprise the physical elements of a crime as required by statute" (Cornell University School of Law, n.d.) — contains the three essential elements listed above. Certainly, innumerable conducts meet these criteria. Therefore, identifying *all* of the different conducts by which corruption can manifest is surely beyond the scope of this research effort. We will, however, list some of the more salient and important conducts identified by world authorities on the topic. Further, we will identify those conducts that are taken into account when measuring levels corruption and assigning countries numerical scores (see section 3.2.); this is to provide the reader some insight as to what real-world conducts are represented by these scores. For ease of reference, these elements will be identified by means of summary tables, each of which will identify which element of the criminalised conduct is consistent with the three essential elements of corruption identified above.

The United Nations Convention Against Corruption (UNCAC) — signed in Merida, Yucatán, Mexico on December 9, 2003 — is the sole anti-corruption instrument with worldwide validity and application. The UNCAC aims to address the phenomenon of globalised corruption by (i) promoting measures to prevent and fight corruption; (ii) enhance international cooperation on the prevention of, and fight against corruption; and (iii) enhancing integrity, accountability and adequate public management and policy (United Nations, 2004). We chose to focus on the

provisions of the convention that seek to promote measures to prevent and fight corruption: Chapter III "Criminalization and Law Enforcement" because of the breadth and importance of the convention, and because UNCAC has 189 states parties while the measure employed for corruption evaluates a similar number of nations (see section 3.2.).

One of the main commitments acquired by the states parties to the UNCAC is the implementation of the provisions of the convention into their domestic legal regimes. In essence this means that each country signatory to the convention must enact the provisions necessary to ensure that the goals of UNCAC are fulfilled. One of the most important goals is the criminalisation of certain conducts. Chapter III of UNCAC sets forth the conducts to be criminalised, as follows:

2.1.2.1. Bribery of National Public Officials

The offence of "bribery of national public officials" — more commonly, "bribery" — consists of providing an undue advantage to a public official in order for the public official to act. Note that "providing" also includes —directly or indirectly — promising, offering or giving; that "public official" also includes the official herself or another person or entity; and that "act" also includes an action or omission in exercise of her official duties (United Nations, 2004).

Moreover, the offence can also be the solicitation by a public official of an undue advantage in order for the public official to act. Note that "solicitation" also includes —directly or indirectly — soliciting or accepting; that "public official" also includes the official herself or another person or entity; and that "act" also includes an action or omission in exercise of her official duties (United Nations, 2004).

Table 2 Elements of Bribery of National Public Officials

Essential Elements of Corruption	Elements of the Offence of Bribery of National Public Officials
A. Entrusted power;	The position "public official".
B. Deliberate abuse/misuse of said power;	The act of the official in *quid pro quo* of the undue advantage.
C. Private gain;	The undue advantage itself.

Lastly, note that bribery is one of the 5 corrupt conducts taken into account when measuring levels corruption, falling into the category of the same name (see section 3.2.).

2.1.2.2. Bribery of Foreign Public Officials and Officials of Public International Organizations

The offence of Bribery of foreign public officials and officials of public international organizations — also commonly known as "foreign bribery" — consists of intentionally providing an undue advantage to a foreign public official or to an official of an international organization in order for the public official to act and with the goal of obtaining or retaining business, or undue international business advantages. Note that "providing" also includes —directly or indirectly — promising, offering or giving; that "public official" and "official of public international organizations" also include the official herself or another person or entity; and that "act" also includes an action or omission in exercise of her official duties (United Nations, 2004).

Table 3 Elements of Foreign Bribery

Essential Elements of Corruption	Elements of the Offence of Foreign Bribery
A. Entrusted power;	The position of the public official / official of an international organization.

B. Deliberate abuse/misuse of said power;	The act of the official in *quid pro quo* of the undue advantage.
C. Private gain;	The undue advantage itself.

Lastly, note that foreign bribery is one of the 5 corrupt conducts taken into account when measuring levels corruption, falling into the category of "bribery" (see section 3.2.).

2.1.2.3. Embezzlement, Misappropriation or Other Diversion of Property by a Public Official

The offence of "embezzlement, misappropriation or other diversion of property by a public official" (Public Embezzlement) consists of the intentional misappropriation by a public official for her own benefit of anything of value entrusted to her by virtue of her position. Note that "misappropriation" also includes embezzlement or other forms of diversion; and that "anything of value" also includes property and funds or securities — whether public or private (United Nations, 2004).

Table 4 Elements of Public Embezzlement

Essential Elements of Corruption	Elements of the Offence of Public Embezzlement
A. Entrusted power;	The position of "public official".
B. Deliberate abuse/misuse of said power;	The misappropriation of entrusted things of value.
C. Private gain;	The thing of value itself.

Lastly, note that public embezzlement is one of the 5 corrupt conducts taken into account when measuring levels corruption, falling into the category of "diversion of public funds" (see section 3.2.).

2.1.2.4. Trading in Influence

The offence of "trading in influence" consists of providing to a public official an undue advantage in order that the official abuse her influence in order to obtain from the government an undue advantage for the original instigator of the act. Note that "providing" also includes —directly or indirectly — promising, offering or giving; that "public official" also includes the official herself or another person; that "influence" also includes real or supposed influence; that "government" also includes an administration or an authority of the country; and that "original instigator" also includes the instigator herself or another person (United Nations, 2004).

Moreover, the offence can also be the solicitation by a public official of an undue advantage in order for the public official to abuse her influence in order to obtain from the government an undue advantage. Note that "solicitation" also includes —directly or indirectly — soliciting or accepting; that "public official" also includes the official herself or another person; and that "influence" also includes real or supposed influence; that "government" also includes an administration or an authority of the country (United Nations, 2004).

Table 5 Elements of Trading in Influence

Essential Elements of Corruption	Elements of the Offence of Trading in Influence
A. Entrusted power;	The position of "public official"
B. Deliberate abuse/misuse of said power;	The abuse of influence of the official in *quid pro quo* of the undue advantage.
C. Private gain;	The undue advantage itself.

Lastly, note that trading in influence is one of the 5 corrupt conducts taken into account when measuring levels corruption, falling into the category of "use of public office for private gain" (see section 3.2.).

2.1.2.5. Abuse of Functions

The offence of "abuse of functions" consists of the intentional abuse of functions by a public official in the discharge of her functions and for the purpose of obtaining an undue advantage. Note that "abuse -of functions" also includes the performance of, or failure to perform an act in violation of laws; that "public official" also includes the official herself or any other person or entity; and that "functions" also includes position (United Nations, 2004).

Table 6 Elements of Abuse of Functions

Essential Elements of Corruption	Elements of the Offence of Abuse of Functions
A. Entrusted power;	The position "public official"
B. Deliberate abuse/misuse of said power;	The act of the official in abuse of her functions in *quid pro quo* of the undue advantage.
C. Private gain;	The undue advantage itself.

Lastly, note that abuse of functions is one of the 5 corrupt conducts taken into account when measuring levels corruption, falling into the category of "use of public functions for private gain" (see section 3.2.).

2.1.2.6. Illicit Enrichment

The offence of "illicit enrichment" consists of the intentional significant increase in the assets of a public official that she cannot reasonably explain in relation to her lawful income (United Nations, 2004).

Table 7 Elements of Illicit Enrichment

Essential Elements of Corruption	Elements of the Offence of Illicit Enrichment
A. Entrusted power;	The position of "public official".
B. Deliberate abuse/misuse of said power;	The *assumed* abuse of her functions resulting in unexplained assets.
C. Private gain;	The unexplained assets themselves.

Lastly, note that illicit enrichment is one of the 5 corrupt conducts taken into account when measuring levels corruption, falling into the categories of "use of public office for private gain", and "diversion of public funds" (see section 3.2.).

2.1.2.7. Bribery in the Private Sector

The offence of "bribery in the private sector" — also commonly known as "commercial bribery" — consists of providing an undue advantage to a person who works for a private sector entity, for the person, and in order for her to act. Note that "providing" also includes —directly or indirectly — promising, offering or giving; that "person who works for a private sector entity" also includes any person who directs such an entity or works for it in any capacity; that "for the person" also includes for the person herself or for another person; and that "act" also includes an action or omission in breach of her duties (United Nations, 2004).

Moreover, the offence can also be the solicitation by any person who works for a private sector entity of an undue advantage for that person, in order for her to act. Note that "solicitation" also includes —directly or indirectly — soliciting or accepting; that "person who works for a private sector entity" also includes any person who directs such an entity or works for it in any capacity; that "for the person" also includes for the person herself or for another person; and that "act" also includes an action or omission in breach of her duties (United Nations, 2004).

Table 8 Elements of Commercial Bribery

Essential Elements of Corruption	Elements of the Offence of Commercial Bribery
A. Entrusted power;	The position of the person within the private sector entity.
B. Deliberate abuse/misuse of said power;	The act of the person in *quid pro quo* of the undue advantage.
C. Private gain;	The undue advantage itself.

Lastly, note that commercial bribery is not one of the 5 corrupt conducts taken into account when measuring levels corruption, as the CPI focuses on public sector corruption (see section 3.2.).

2.1.2.8. Embezzlement of Property in the Private Sector

The offence of "embezzlement of property in the private sector" consists of the intentional misappropriation by a person who works for a private sector entity for her own benefit of anything of value entrusted to her by virtue of her position. Note that "misappropriation" also includes embezzlement or other forms of diversion; that "person who works for a private sector entity" includes any person who directs such an entity or works for it in any capacity; and that "anything of value" also includes property and private funds or securities (United Nations, 2004).

Table 9 Elements of Embezzlement of Property in the Private Sector

Essential Elements of Corruption	Elements of the Offence of Embezzlement of Property in the Private Sector
A. Entrusted power;	The position of the person within the private sector entity.
B. Deliberate abuse/misuse of said power;	The misappropriation of entrusted things of value.
C. Private gain;	The thing of value itself.

Lastly, note that embezzlement of property in the private sector is not one of the 5 corrupt conducts taken into account when measuring levels corruption, as the CPI focuses on public sector corruption (see section 3.2.).

2.1.2.9. Laundering of Proceeds of Crime

The offence of "laundering of proceeds of crime" — commonly known as "money laundering" consists of intentionally and knowingly engaging in (i) converting the proceeds of crime to conceal their illicit origin or to aid the evasion of legal consequences; (ii) concealing the proceeds of crime; and/or (iii) acquiring the proceeds of crime (United Nations, 2004).

Note that "engaging" also includes associating with, conspiring, with, attempting, aiding, abetting, facilitating and/or counselling any person; that "converting" also includes transferring; that "conceal" also includes disguising the nature, source, location, disposition, movement or ownership of property or of rights on said property; and that "acquisition" also includes possession and use (United Nations, 2004).

Table 10 Elements of Money Laundering

Essential Elements of Corruption	Elements of the Offence of Money Laundering
A. Entrusted power;	Not applicable
B. Deliberate abuse/misuse of said power;	Not applicable
C. Private gain;	Not applicable

Note that this offence does not satisfy any of the essential elements of corruption, however it has been included here (i) because it is included in the convention; and (ii) because other acts of corruption are often predicate offences to ii (i.e., it often occurs in connection with and as a result of other corruption offences).

Lastly, note that money laundering is not one of the 5 corrupt conducts taken into account when measuring levels corruption, as it does not fall into any of the categories employed by the CPI to measure public sector corruption (see section 3.2.).

2.1.2.10. Concealment

The offence of "concealment" consists of intentionally and knowingly concealing the proceeds of any of the above offences when carried out by a person who did not participate in the commission of said offences (United Nations, 2004).

Note that "concealing" also includes continued retention of property (United Nations, 2004).

Table 11 Elements of Concealment

Essential Elements of Corruption	Elements of the Offence of Concealment
A. Entrusted power;	Not applicable
B. Deliberate abuse/misuse of said power;	Not applicable
C. Private gain;	Not applicable

Note that this offence does not satisfy any of the essential elements of corruption, however it has been included here (i) because it is included in the convention; and (ii) because other acts of corruption are considered predicate offences to it (i.e., it must occur in connection with and as a result of other corruption offences).

Lastly, note that concealment is not one of the 5 corrupt conducts taken into account when measuring levels corruption, as it does not fall into any of the categories employed by the CPI to measure public sector corruption (see section 3.2.).

2.1.2.11. Obstruction of Justice

The offence of "obstruction of justice" consists of intentionally and unduly influencing (i) proceedings in relation to the commission of any of the above offences; and/or (ii) the exercise of the official duties of law enforcement officials.

Note that "unduly" also includes the use of physical force, threats, and/or intimidation, as well as promising, offering or giving an undue advantage; that "unduly influencing" also includes inducing false testimony, interfering in the giving of testimony, and interfering in the production of evidence; and that "law enforcement officials" also include justice officials (United Nations, 2004).

Table 12 Elements of Obstruction of Justice

Essential Elements of Corruption	Elements of the Offence of Obstruction of Justice
A. Entrusted power;	Not applicable
B. Deliberate abuse/misuse of said power;	Not applicable
C. Private gain;	The benefit of corrupted proceedings resulting in a favourable outcome.

Note that this offence <u>only satisfies one of the essential elements of corruption</u>, however it has been included here (i) because it is included in the convention; and (ii) because other acts of corruption are considered predicate offences to it (i.e., it must occur in connection with and as a result of other corruption offences).

We reiterate that the above conducts are not the only manifestations of corrupt conduct, however they are described here to provide valuable context to the reader concerning real-world instances of corrupt behaviour, and because of their international relevance. It should be noted that national measurements and levels of corruption include all of the above conducts.

2.2. Conceptual Framework on Status

We have found that social status is as difficult to grasp as the notion of "corruption". Though the expressions "status" or "social status" are of widespread colloquial use, solid purchase on the meaning of "status" is somewhat elusive. Therefore, we review different authoritative studies and condense a working definition therefrom.

Note that we devote our efforts to notions of social status in the "sociometric" sense; i.e., social status as it forms in the perceptions and assessments of others (Anderson, et al., 2012), and has an effect on social hierarchy. This is because attempting to gain ontological purchase on status or to broach objective conceptions thereof falls well outside the scope of this study and is better left to philosophical treatise.

Weber famously held that social status is "an effective claim to social esteem in terms of negative or positive privileges" (Weber, 1922); i.e., the vilification or aggrandization that a person *factually* obtains from society. Further, the issue of status relative to corruption has been raised before; Galiani and Weinschelbaum (Galiani & Weinschelbaum, 2007) —explaining Adam Smith (Smith, 1776) and Alfred Marshall (Marshall, 1890)— note that people derive benefit from status conferred by others; more specifically, by "consensus of opinion within a group". Though it should be noted that Galiani and Weinschelbaum used a qualitative methodology and that their study focused on a very narrow aspect of public life (i.e., tax collectors), in essence, they posit that the main components of status are its recognition by others which somewhat results in perquisites.

In a similar tenor Sauder *et al* (2012) characterize status as positions of social hierarchy resulting from an accumulation of acts of deference. In qualifying status

as a form of *accumulation* Sauder *et al* equate it with a resource that, while intangible, can be amassed. In discussing notions of equality, McLeod holds that the unequal amassing — or "distribution" — of life conditions results in social stratification; an "unequal distribution of valued resources across social groups" (McLeod, 2012). Further, McLeod holds that four "generic resources" characterize stratification systems: (i) economic resources; (ii) social capital; (iii) power and authority; and (iv) civil rights. In a similar line of discussion, Weeden & Grusky explore the notion that status materializes in the shape of "life conditions", which they describe as "circumstances that define the quality and character of our social lives", and which include the resources that a person controls (2005). The nature and quality of these life conditions —resources of different sorts— strongly influence the positions that people occupy in stratified societies and —McLeod continues— this distribution is necessarily unequal (McLeod, 2012). If the above is true, then the social status intrinsic in society *must always* lead and be linked to stratification and inequality.

2.2.1. Components of Status

In a noteworthy effort to construct the state of the art on status, Anderson, Hildreth, and Howland (2015) efficiently narrate the evolution of the components and concept of status. Citing a dozen authorities, Anderson *et al* describe a broad consensus among scholars that the three principal components of status are respect and admiration; voluntary deference; and instrumental social value

.2.2.1.1. Respect and Admiration

By the "respect and admiration" component we refer to high regard, consideration, and esteem that other people afford a person; specifically, a person others may perceive to be of high value (Barkow, et al., 1975; Blau, 1964; Benoit-Smullyan,

1944; Heinrich & Gil-White, 2001; Leary, et al., 2014; and Thibaut & Kelley, 2017; as explained by Anderson, et al., 2015).

2.2.1.2. Voluntary Deference

By the "voluntary deference" component we refer to a free and uncoerced compliance with the requests, orders, or recommendations made by those with perceived high value and the enhanced privileges that, as a result of the above, are extended to them but not afforded to most (Goldhammer & Shils, 1939; Kemper, 1990; and Thibaut & Kelley, 2017; as explained by Anderson, et al., 2015).

Note that Anderson *et al* do not characterize this "voluntary deference" as altruistic or unrequited; rather — condensing Barkow (1975), Benoit-Smullyan (1944), Emerson (1962), Heinrich & Gil-White (2001); and Homans (1950) — they hold that "Status is conferred as part of a process of social exchange[;] people confer status to an individual with the goal of receiving help in accomplishing their own goals" (Anderson, et al., 2015, p. 2).

2.2.1.3. Instrumental Social Value

Lastly, by the "instrumental social value" component we refer to the perception that a person possesses certain qualities that will enhance the positions of others or that will facilitate others' goals (Anderson, et al., 2015).

Recalling that Weber (1922) theorized that the existence of status requires that any claim to these privileges be made *effective*, we find that this notion is reminiscent of, and analogous with Foucault's famous position that "power exists only when it is put into action" (1982, p. 788). Considering that any regard, respect, deference or perceived position of value is of no *empirical* use to studies such as this, we are also convinced of the crucial importance of the instrumentalization of status in devising a concept or definition of it. Further, acknowledging Weeden & Grusky's

(2005) position that this instrumentalization of status results in enhanced life conditions, and McLeod's contention that these life conditions take the form of resources that influence a person's hierarchical position in society (McLeod, 2012), we must also consider that any conceptualisation of status must include in its components an element of social position relative to others.

Anderson *et al* (2015) define status as the respect, admiration, and voluntary deference that others give to an individual, as a direct result of said individual's perceived instrumental social value.

2.2.2. Functional Definition of Status

Condensing the foregoing, and adding to it the elements contributed by Weber and Weeden & Grusky, for the purposes of this study, we will assert that **status is the position of social hierarchy that (i) results from respect, admiration, and voluntary deference afforded by others to an individual based on the individual's perceived instrumental social value; (ii) is instrumentalized by said individual; and (iii) enhances the individual's life conditions**. We adopt this definition, as it recognizes and neatly restates all essential elements of the prior conceptualizations.

Anderson *et al* (2015) further also compare this notion to the common conception "prestige" or "sociometric status"; a type of status born of perceptions and evaluations that society has of an individual (Anderson, et al., 2012); for the purposes of this work, we would agree.

To the extent that the benefits derived from status — respect, admiration and voluntary deference — adhere to the ordinary tenets of economics — and of physics — they must take the form of finite resources; further on, we will delve into the notion that the difficulty in allocating finite resources inevitably results in a

stratified system (McLeod, 2012). This will organically construct bridges leading from the notion of status to social stratification. The relevance of this will be made abundantly clear later on (see section 2.2.3.1.).

In spite of the evident link between social status, stratification, and inequality, the phenomenon "status" has yet to be regarded among the factors that theoretical and empirical studies identify as leading to, and causing, corruption. We have found that the above cited literature on notions of status addresses the *what*, however, because it does not adequately address the connection(s) between status and, we find that it has yet to address the *how*.

Though social stratification *can* exist in all societies, it does not by far manifest equally across humanity. The analysis of data (see section 4) will shed light into this question. However, it is easy to see why status by itself — that is, the amount of status effectively held by an individual or group — would be nearly impossible to quantify. Firstly, we find this is because —for the most part— status is held by individuals, which would mean that any exercise to attempt to measure status would necessarily entail a degree of granularity beyond the scope of this study and of existing datasets and studies. Secondly, the hypothesis behind our research *is not* whether "holding more status" influences levels of corruption. Though we are extremely curious about this and have hypotheses on the matter, this — again — might be better addressed by studies carried out at the individual level which are beyond the scope of this work. Rather, we aim to discover the degree to which status — at the societal level — is treated as a benefit in a Becker-esque cost-benefit analysis (see section 1.); i.e., whether being part of a society that places high value on *the mere prospect* of holding, obtaining, or retaining status can influence measures of corruption at the country level.

2.2.3. Status-Centricity

Therefore, rather than addressing measurements for status, this study will focus on proximate measures for status-centricity; i.e., the degree of importance societies afford social status. To more easily assess this, we have created three categories of societies: status-centric; status-cognizant; and status-indifferent.

2.2.3.1. Status-Centric Societies

Status-centric societies are those that statistically appear to give the most importance to social status. We encompass here notoriously stratified societies. These are nations in which imposition of status and status-related institutions heavily influences social life, structure, and institutions. In these societies its members have little to no power to influence their social status, the influence of status-centricity results in inequality and poverty of such severity that its members (i) often participate in so-called "need corruption", mainly as victims of petty extortion schemes; (ii) seldom are in a position to refuse to participate in corruption; and (iii) perceive that corruption may be one of the scarce avenues to escape such conditions. To further clarify the above cited consequences, we describe them as follows:

2.2.3.1.1. Need Corruption / Extortion Schemes

It has been broadly theorized and documented that countries from the developing world tend to devote resources to basic functions and, therefore, are unable to allocate adequate resources to the construction of effective legal institutions (Justesen & Bjørnskov, 2014). Such levels of scarcity tend to be reflected in the population as well. In these situations, citizens have a great need for government assistance to meet their basic needs and, as this creates a monopoly power for government officials, there is great incentive for the population to pay bribes in

order to gain access to public goods and services (Van Rijckeghem & Weder di Maruo, 1997). As Fisman and Golden (2017, p. 150) point out, "evidence indicates that private citizens overwhelmingly believe that corruption is wrong. But to some extent they are victims of their circumstance."

A similar landscape can be gleaned when studying incidences of corruption from the perspective of public officials. It is not uncommon for public officials to receive low compensation for their work, which can lead to the need to supplement their income via illicit means such as bribe-taking. This, in turn, can lead to the officials continuing to work for such low wages as governments "accept" these income-supplementing activities. In turn, this can result in government continuing to *offer* low wages, and the cycle perpetuates itself (Fisman & Golden, 2017). These two scenarios illustrate what is commonly referred to as "need corruption".

If, however, wages of public officials are raised, there is no guarantee that individual officials will cease to accept bribes, even if they do not need to do so anymore. Further, the fact that they have been habitually accepting bribes increases the likelihood that they will continue to do so. The same might also be said of bribe-*payers*, who have become accustomed to solving problems via illicit payments. As Fisman and Golden aptly explain it: "Paying a bribe, even under duress, changes one's tolerance for corruption, creating a greater likelihood that the payer will justify persistent corruption as necessary and tolerable. It thus contributes to a culture of corruption" (Fisman & Golden, 2017, p. 149).

2.2.3.1.2. "The Only Option" Paradigm

Likewise, it is very common for a person to participate in acts of corruption when she is part o a social system or group that that person *believes* engages in corruption. As Fisman & Golden (2017) explain, corruption can often be

characterized as a "multiple equilibrium phenomenon". By this they mean that corrupt behaviour tends to be more prevalent in social contexts where it is expected that most people will behave corruptly. Likewise, corruption levels tend to be lower in contexts where it is broadly expected that very few people — if any — will partake in corrupt behaviour.

> "[In] some countries corruption is endemic, while in other, apparently similar countries, corruption rarely comes up in day-to-day life. The difference, we argue, reflects in large part what everyone expects everyone else to do. If others pay bribes, you'll go along with them. If everyone denounces bribery, you'll do that instead."
> (Fisman & Golden, 2017, pp. 6-7)

2.2.3.2. Status-Cognizant Societies

In turn, status-cognizant societies are those that statistically appear to only give some regard to social status. Note that these societies are not classified as status-cognizant as a matter of culture, but rather as a matter of statistical classification relative to the extremes; status-centric and status-indifferent societies. This means that a country with social institutions that clearly and evidently regard social status may be classified as status-cognizant simply because statistically, other nations place much more relative importance on this phenomenon.

2.2.3.3. Status-Indifferent Societies

Lastly, status-indifferent societies are those which statistically appears to give minor importance — if any — to social status relative to others. As above, this characterisation is a result of statistical classification. This means that status-indifferent countries do not necessarily have status-indifferent cultures; rather it just means that, relative to other evaluated countries, status-indifferent countries have *the least* regard for social status.

Section 3 offers a quantitative description of each of these categories.

2.2.4. Measure of Status-Centricity

Our original choice for a quantitative measure of status-centricity was the data from the World Values Survey (WVS). WVS studies "values of different countries and their impact on social and political life" via several questionnaires aiming to measure the degree of importance and reverence each country gives to certain values (World Values Survey Association, 2020). Our initial approach — derived from the components of the definition of status presented above (see section 2.2.2.) —was based on the premise that certain values relate to the prominence or position of importance of a person relative to her social group. We theorized that if this relation was close, then the importance given to those values may serve as a functional proxy for the degree of regard given to status. The results of this left much to be desired and the conclusion was that WVS does not include questions that measure status-centricity (see section 2.2.4.) as — in our view — its questions do not appear to address the components of status defined in section 2.2.2.

Having ruled out the WVS as a useful proximate measure for status-centricity, we turned to the Values Survey Model (VSM). The VSM is a set of questions devised by Geert Hofstede to classify the cultures of nations into six dimensions. This model —also known as the "6 Dimensions Model of National Culture" or "Hofstede's Cultural Dimensions" — posits that the cultural dimensions "represent independent preferences for one state of affairs over another that distinguish countries from each other" (Hofstede Insights, 2022). The model consists of the following dimensions:

1. Power Distance (PDI);
2. Individualism vs Collectivism (IDV);
3. Masculinity vs Femininity (MAS);
4. Uncertainty Avoidance (UAI);

5. Long Term vs Short Term Orientation (LTO); and
6. Indulgence versus Restraint (IVR).

The dimensions are described at length in section 3.1. Though the VSM and the Hofstede dimensions may be imperfect indicators for levels of status-centricity, on several occasions they have been regarded as insightful and useful data, especially in the field of anti-corruption academic studies. Below we present the more salient such works.

Gorodnichenko & Gerard (2017), for instance, employ the the "*Individualism versus Collectivism"* Hofstede dimension data to decipher links between culture and institutions — formal or otherwise — and vice-versa, finding that there is a causal relationship between one and the other, and a strong connection between individualism and economic growth

Likewise, in his article *Individualism-Collectivism, governance and economic development*, Andreas Kyriacou also employs the "*Individualism versus Collectivism"* Hofstede dimension and concludes that it individualist societies tend to perform better in terms of economy, rule of law and control of corruption, while the fact that collectivist societies place particular value on loyalty necessarily means that collectivism "has an incidence on the public sphere [as it] implies in-group favoritism in the form of nepotism and clientelism and a history of informal contract enforcement within identified groups" (Kyriacou, 2016, p. 19).

In similar form, Debski *et al* (Debski, et al., 2018) discuss the relationships between culture, gender, and corruption. To that effect, they employ the "*Power Distance*" and "*Masculinity*" Hofstede dimensions jointly in an effort to bridge the gap between phenomena concerning gender and corruption. Their conclusion signals that certain

cultural attributes have a more direct influence on levels of corruption than other factors (such as gender).

Moreover, Davis & Ruhe — in "*Perceptions of country corruption: Antecedents and outcomes*" (Davis & Ruhe, 2003) — explore the Hofstede dimensions as well, finding that country-to-country variations in "Power Distance", "Individualism", and "Masculinity" serve to explain variations in corruption perceptions.

Lastly, Mónica Violeta Achim (2016) explores the Hofstede Dimensions as a proxy for "national culture" as a broad factor explaining levels of corruption. Achim finds that only the "Power Distance", "Individualism versus Collectivism", and "Long-versus Short-Term Orientation" dimensions had a significant influence on corruption levels, and that "About half of the level of corruption in countries is explained by the national culture" (Achim, 2016, p. 333).

Of the extant studies that employ the Hofstede dimensions and connect it with data or conclusions on corruption, however, we believe the most notable to be Robert Klitgaard's "*On Culture and Corruption*". In it Klitgaard — synthesizing Kyriacou and Gorodnichenko & Gerard — concludes that VSM scores on collectivism bear direct correlation with levels of "corruption, nepotism and clientelism in the public sphere" (Klitgaard, 2017, p. 10). Considering this, we find that the use of the dimensions in anti-corruption research as proxies for culture is well established. Notwithstanding, we also note that the cited studies have employed the Hofstede dimensions as *individual* determinants for control of corruption, institutional strength, and similar notions, yet *never* in this particular combination nor for the purpose of estimating a wholly separate phenomenon; relevance of status.

The VSM measures the degree to which each country is appreciative of certain values. In light of the above conceptualization of status, it is clear that certain of the

Hofstede dimensions simply are unrelated to status, social stratification and/or (in)equality, and will therefore be excluded from this study. We excluded (i) Uncertainty Avoidance; (ii) Masculinity/Femininity; and (iii) Indulgence/Restraint and retained (A) Power Distance (PDI); (B) Individualism/Collectivism (IDV); and (C) Long Term versus Short Term Orientation (LCO). As these dimensions are considerably connected to status-centricity, their respective statistics will be used as a measurement of status-centricity, albeit a suboptimal one.

Recall that we have chosen a functional definition of status (see section 2.2.2.) that is as follows:

Social hierarchy that (i) results from respect, admiration, and voluntary deference afforded by others to an individual based on the individual's perceived instrumental social value; (ii) is instrumentalized by said individual; and (iii) enhances the individual's life conditions.

From our adopted definition we can identify the following essential elements

D. Social hierarchical structure;
E. Respect, admiration, and voluntary deference;
F. Afforded by others;
G. Afforded to an individual;
H. Perceived instrumental social value; and
I. Instrumentalization for enhanced life conditions.

To correlate the "*Power Distance*", "*Individualism versus Collectivism*", and "*Long-Term Versus Short-Term Orientation*" dimensions with status, it was necessary to identify which of these elements was represented in each of the employed dimensions. We studied the chosen dimensions and found that each referred to at least one of the essential elements of our definition, as follows:

Power Distance

> "Power Distance refers to the extent to which the less powerful members of organizations and institutions accept and expect that power is distributed unequally. This [...] suggests that a society's level of inequality is endorsed by the followers as much as by the leaders" (Hofstede, 2022)

We note that the "Power Distance" dimension refers to unequal distribution of power and that such inequalities is perpetuated by those with power as well as by those without it; we find this evidences the existence of a social hierarchy. Further, mention is made of "less powerful members", which necessarily implies the existence of "more powerful members" and may even imply the notion of a "most powerful member"; we find this evidences that, under the hierarchical structure of such a system, power is afforded to individuals. Lastly, mention is made of "followers", which would necessarily imply the existence of "leaders", signalling to the notions of respect, admiration, and voluntary deference.

Individualism versus Collectivism

> "Individualism on the one side versus its opposite, Collectivism, as a societal, not an individual characteristic, is the degree to which people in a society are integrated into groups. On the individualist side we find cultures in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side we find cultures in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families that continue protecting them in exchange for unquestioning loyalty, and oppose other ingroups. (Hofstede, 2011) "Individualism [...] means that individual choices and decisions are expected. Collectivism [...] means that one 'knows one's place' in life, which is determined socially." (Hofstede, 2022).

We note that the "Individualism versus Collectivism" dimension refers to "one '[knowing] one's place' in life"; we find this clearly evidences the existence of a hierarchical structure. Further, the idiom employed does not necessarily imply that the cited "place" — or position in society — is derelict nor undesirable, which means this position can also be one of privilege. Lastly, the possibility of a privileged position held by "one" individual signals a reference to positions afforded to individuals.

Long- versus Short-Term Orientation

> "The long-term pole corresponds to Bond's Confucian Work Dynamism. Values found at this pole were perseverance, thrift, ordering relationships by status, and having a sense of shame [...]." (Hofstede, 2022).

We note that the "Long- versus Short-Term Orientation" quite literally makes reference to a categorization of relations within society which categorization is carried out on the basis of status; we find this categorization clearly signals to the existence of a social hierarchical structure.

The following table is provided for the purpose of clarification and to clearly justify why each of the selected dimensions was chosen. The highlighted elements of status on the left column correspond with the highlighted elements on the right column:

Table 13 Relation between elements of status and Hofstede's Cultural Dimensions.

Elements of Status	Hofstede Dimensions
A Social hierarchical structure;	**Power Distance** Power Distance refers to the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This [...] suggests that a society's level of inequality is endorsed by the followers as much as by the leaders (Hofstede, 2011).
B Respect, admiration, and voluntary deference;	
C Afforded by others;	
D Afforded to an individual;	
E Perceived instrumental social value; and	
F Instrumentalization for enhanced life conditions.	

A Social hierarchical structure; **B** Respect, admiration, and voluntary deference; **C** Afforded by others; **D** Afforded to an individual; **E** Perceived instrumental social value; and **F** Instrumentalization for enhanced life conditions.	**Individualism versus Collectivism** Individualism on the one side versus its opposite, Collectivism, as a societal, not an individual characteristic, is the degree to which people in a society are integrated into groups. On the individualist side we find cultures in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side we find cultures in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families that continue protecting them in exchange for unquestioning loyalty, and oppose other ingroups (Hofstede, 2011). "Individualism [...] means that individual choices and decisions are expected. Collectivism [...] means that one 'knows one's place' in life, which is determined socially." (Hofstede, 2022)
A Social hierarchical structure; **B** Respect, admiration, and voluntary deference; **C** Afforded by others; **D** Afforded to an individual; **E** Perceived instrumental social value; and **F** Instrumentalization for enhanced life conditions.	**Long- Term versus Short-Term Orientation** The long-term pole corresponds to Bond's Confucian Work Dynamism. Values found at this pole were perseverance, thrift, ordering relationships by status, and having a sense of shame [...] (Hofstede, 2011).

The literature on status addressed above (see section 2.2.1.) shows that societal phenomena regarding the notion and importance of status have been sufficiently identified and studied. These studies can, but have heretofore not informed the design, development, implementation, interpretation and improvement of empirical and quantitative studies on status-centricity.

Lastly, in the realm of measuring status-centricity, no salient inconsistencies were identified during our literature review. Despite this, there may very well be inconsistencies in theories, conceptualizations and/or measurement, but these are likely yet unknown because the subject-matter is largely unexplored. Scholarly research in different areas of study (i) identifies what is yet unknown, and (ii) analyses it until it is understood. As stated earlier, studies on status-centricity are

so scarce that the main shortcomings of the field have yet to be identified. To state it differently, we don't know *what* we don't know.

3. Methodology

Concerning the quantification of status-centricity, due to the nature of status, our research naturally led to quantitative studies employing subjective data. If an elusive notion like corruption can arguably be measured with some degree of precision and success, we assumed that it was at least *likely* that a similar metric existed for status-centricity, status, or proximately related notions. Following extensive research, we came to the conclusion that this was not the case. Though an operational definition of status is at hand, a thorough search for quantitative studies on status-centricity at the country level yielded poor results. We, therefore, undertook to find other quantitative studies that would serve as a proxy for status-centricity.

This study attempts to review indicators of distinct phenomena and study their correlations to draw conclusions that may inform further study. The phenomena under scrutiny are (A) status-centricity — the degree to which a society gives importance to social status —; and (B) perceptions of corruption.

The main hypothesis of the study is that status-centricity can exert influence on levels of corruption. Thus, the explanatory variable is **status-centricity**, and the dependent variable is **levels of corruption**.

3.1. Methodology to Measure Status-Centricity

To measure status-centricity we employed an adapted version of the data yielded by the Values Survey Model (Hofstede, 2022); a set of questions devised by Geert Hofstede to classify the cultures of nations into different dimensions:

> Power Distance
>
> Power Distance refers to the extent to which the less powerful members of organizations and institutions accept and expect that power is distributed unequally. This represents inequality defined from below. It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders.

Uncertainty Avoidance

Uncertainty Avoidance deals with a society's tolerance for ambiguity. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, and different from usual.

Individualism

Individualism on the one side versus its opposite, Collectivism, as a societal, not an individual characteristic, is the degree to which people in a society are integrated into groups. On the individualist side we find cultures in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side we find cultures in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families that continue protecting them in exchange for unquestioning loyalty, and oppose other ingroups.

Masculinity – Femininity

Masculinity is the extent to which the use of force in endorsed socially. Masculinity versus its opposite, Femininity, again as a societal, not as an individual characteristic, refers to the distribution of values between the genders.

Long-Term vs. Short-Term Orientation

Long- Term versus Short-Term Orientation; the long-term pole corresponds to Bond's Confucian Work Dynamism. Values found at this pole were perseverance, thrift, ordering relationships by status, and having a sense of shame; values at the opposite, short term pole were reciprocating social obligations, respect for tradition, protecting one's 'face', and personal steadiness and stability.

Indulgence versus Restraint

More or less complementary to Long-versus Short-Term Orientation; indulgence/restraint focuses on aspects not covered by the other five dimensions, but known from literature on "happiness research". Indulgence stands for a society that allows relatively free gratification of basic and natural human desires related to enjoying life and having fun. Restraint stands for a society that controls gratification of needs and regulates it by means of strict social norms (Hofstede, 2011).

Each dimension is graded on a scale of 1-100 where 1 equals the scarcest manifestation of the dimension and 100 equals the most prevalent. The latest VSM data for 2015 — the last year for which the data were available — includes data for 111 countries and regions, and for all six dimensions.

Note that the values are presented in their original form, wherein the numerical score assigned to a country is not necessarily in direct correlation with the degree

to which that country places value on status, i.e., in the original data, zero *does not* always equal more deference to a particular item or value (see section3.1.)

Certain dimensions simply are unrelated to status and, thus, are largely irrelevant to our subject matter. For this reason, these dimensions will be disregarded. To decide which dimensions to remove, a thorough analysis of the definition of each dimension was conducted and contrasted with components of the definition of status (see section 2.2.2.); dimensions that did not touch on said components were excluded.

The cultural dimensions that were retained: (A) Power Distance; (B) Individualism/Collectivism; and (C) Long Term versus Short Term Orientation will be kept, as they broach the dynamics of (in)equality and status quo; deal with "sense of belonging" and ingroups where individuals respect/ignore what "their place in society is"; give deference to "ordering relationships by status" and "sense of shame"; and, overall, connect with stratification, prestige and esteem (Hofstede, 2011). As a result the statistics connected to these remaining dimensions will be useful as a measurement of the importance placed on status. The resulting data comprises 111 countries and regions, and the three selected dimensions.

Further, from the foregoing dataset (i) regional scores, and (ii) scores reflecting distinct portions, divisions, and/or communities within a country have been removed, as such classifications are not of use here, especially when comparing the data with other indices. The resulting data comprises 101 countries and the three selected dimensions.

Of note is that, although all the VSM dimensions grade on a scale of 1-100, not all scores are directly proportional to status-centricity. PDI and LTO remain the same, as the original VSM scale is directly proportional to the degree of status-centricity that each dimension reflects. However, IDV uses a scale that is <u>directly proportional</u>

to individualism "as a societal, not an individual characteristic" (Hofstede, 2011). As stated above, (see section 2.2.2.) status influences, and is closely linked to, hierarchical position within society. Further, explanatory notes to the VSM itself expand upon each dimension (Hofstede, 2022) and clarify that:

> Individualism does not mean egoism. It means that individual choices and decisions are expected. Collectivism does not mean closeness. It means that **one "knows one's place" in life**, which is determined socially (emphasis added).

In light of this, we contend that societies deemed "collectivist" under the criteria of the VSM are those in which status is afforded more importance, which would mean that a country's IDV scale is inversely proportional to its level of status-centricity.

Therefore, IDV is inverted to reflect a 0-100 scale in which 0 equals absolutely no regard to the value of status and 100 equals absolute deference to the value of status.

To achieve this, the following formula was employed:

$$\mathbf{COL = (100 - IDV)}$$

Where COL = the score that will be used for the purpose of measuring status-centricity, and IDV= the original IDV score per the VSM. The resulting data comprises 101 countries and the three selected dimensions, where the score of each dimension is directly proportional to the degree of status-centricity of each country.

Thereupon, it was found that not all countries were evaluated on all three status-centric dimensions. Evaluating the data in such a state would have been incomplete and yielded inaccurate results. Upon inspection it was noted that if only those countries that had been scored for all three status-centric dimensions were retained, the remaining data included various, continents, regions, cultures, religions, and levels of development. Therefore, the entries for all countries which

were not scored on all three status-centric dimensions were removed. Further an aggregate score for each country was calculated by obtaining the mean of each country's scores (scores were rounded to the closest whole number). This mean will be treated as the score for status-centricity, and we will refer to the aggregate score it represents as Status-Centricity Index (SCI) of each country. Lastly, from the remaining list, entries for Taiwan were removed as HDI was missing for this country. The resulting data comprises 62 countries evaluated on all three selected dimensions and a mean score for status-centricity for each country. To achieve this mean score the following formula was employed:

$$\mathbf{SCI = (PDI + COL + LTO)/3}$$

Where SCI is the mean status-centricity score used heretofore, PDI is the original VSM score for Power Distance, COL is the inverted VSM Individualism score, and LTO is the original VSM score for Long-Term versus Short-Term Orientation.

3.2. Methodology to Measure Corruption

To measure corruption in the selected countries, we refer to the Corruption Perceptions Index (CPI).

The CPI "ranks 180 countries and territories around the world by their perceived levels of public sector corruption" (Transparency International, 2022). The CPI ranks countries on a scale of 0 – 100 wherein a score of "0 is highly corrupt and 100 is very clean" (Transparency International, 2022).

To achieve these scores the CPI employs 13 sources of data obtained from 12 different institutions. These sources aim to capture the opinions of experts and businesspeople about different types and manifestations of corruption. Note that the CPI 2015 —employed here — utilized only 12 sources. For comparison, below

we provide a table showing which sources were used to calculate the CPI in 2015, as well as for 2021:

Table 14 Sources Used to Calculate the Corruption Perceptions Index

	CPI 2015 Sources	CPI 2022 Sources
1	African Development Bank Governance Ratings 2014	African Development Bank Country Policy and Institutional Assessment 2020;
2	Bertelsmann Foundation Sustainable Governance Indicators 2015	Bertelsmann Stiftung Sustainable Governance Indicators 2020;
3	Bertelsmann Foundation Transformation Index 2016	Bertelsmann Stiftung Transformation Index 2022;
4	Economist Intelligence Unit Country Risk Ratings 2015	Economist Intelligence Unit Country Risk Service 2021;
5	Freedom House Nations in Transit 2015	Freedom House Nations in Transit 2021;
6	Global Insight Country Risk Ratings 2014	Global Insight Country Risk Ratings 2020;
7	IMD World Competitiveness Yearbook 2015	IMD World Competitiveness Center World Competitiveness Yearbook Executive Opinion Survey 2021;
8	Political and Economic Risk Consultancy Asian Intelligence 2015	Political and Economic Risk Consultancy Asian Intelligence 2021;
9	Political Risk Services International Country Risk Guide 2015	The PRS Group International Country Risk Guide 2021;
10	World Bank - Country Policy and Institutional Assessment 2014	World Bank Country Policy and Institutional Assessment 2020;
11	World Economic Forum Executive Opinion Survey (EOS) 2015	World Economic Forum Executive Opinion Survey 2020;
12	World Justice Project Rule of Law Index 2015	World Justice Project Rule of Law Index Expert Survey 2020;
13	(Transparency International, 2016)	Varieties of Democracy (V-Dem v. 11) 2021; (Transparency International, 2022)

Each of these sources is assessed on quality and adequacy of its methodology; the institution providing the data must also provide evidence that its measurement approach and data collection methods are properly documented (Transparency International, 2022).

The subjects surveyed for the CPI are asked to assess levels of transparency, accountability and corruption in the public sector. The assessments gauge these levels based on prevalence of the following corrupt conducts:

1. Bribery;
2. Diversion of public funds;
3. Use of public office for private gain;
4. Nepotism in the civil service; and
5. State capture.

(Transparency International, 2022)

Lastly, it is valuable to note that the sources employed by the CPI only comprise data that can be accessed on a year-to-year basis. This means that any sources that serve to capture measures of corruption at one specific moment, but are not designed to be repeated/repeatable over time, are excluded from the index (Transparency International, 2022).

The CPI is the most widely regarded tool to measure corruption. Having started in 1995, and in its 27th iteration the CPI can confidently be approached as a stable and reliable measurement for corruption. Note, however, that for the purposes of our study the 2015 iteration of the CPI will be used, as this is the most recent year for which the SCI data was available.

CPI uses a scale that is directly proportional to the degree of "cleanliness" of each country, which means that the numerical scale is inversely proportional to the degree of perceived corruption of each country. Therefore, CPI is also inverted to reflect a 0-100 scale in which 0 equals absolutely no corruption and 100 equals absolute corruption.

To achieve this, the following formula was employed:

CORR. = (100 - CPI)

Where CORR. = the score that will be used for the purpose of measuring degree of corruption (and **not** "cleanliness"), and CPI= the original score per the Corruption Perceptions Index. The resulting data comprises 62 countries as well as each country's score for (i) status-centricity (SCI); and (ii) corruption (CORR.).

To study the interactions and relations — if any — of the two chosen variables, we have resorted to Ordinary Least Squares (OLS) regression and analysis. This statistical method of analysis allows accurate measurement of the relation that exists between an explanatory variable and a dependent variable. "OLS is useful when [...] the relationship between the dependent and the [independent] variable is a hypothesis that needs to be tested" (Chumney & Simpson, 2006). Since this study endeavours to understand a relationship of two such variables, OLS regression was ideal for our purposes.

As is standard practice, OLS regression analysis is carried out on a scatterplot graph where the explanatory variable — status-centricity index (SCI) — is placed on the X axis and the dependent variable — corruption (CORR.) — is placed on the Y axis. In addition to a graph and a linear regression, the OLS method will also yield the Pearson correlation coefficient, R^2 coefficient, slope, p-value, and intercept for the data.

The Pearson correlation coefficient indicates the strength of the relationship between two sets of data using a scale of -1.0 to 1.0 where -1.0 indicates an absolutely negative relationship between the variables, 0.0 indicates no relationship between the variables, and 1.0 indicates an absolutely positive relationship between the variables. The R^2 coefficient indicates the percentage of variability in the dependent variable that can be explained by the regression of the independent variable. The "slope" result is largely considered the indicator for the degree of

dependence between the two variables. The P-value indicator illustrates the probability that the null hypothesis — that the two variables are unrelated— is statistically significant, where a p-value <0.05 is considered to illustrate a statistically significant correlation and >0.05 = statistically insignificant correlation. Lastly, the intercept illustrates the level that the dependent variable would present if the independent variable were reduced to zero.

In our case, the Pearson correlation coefficient illustrates the strength of the relationship between levels of status-centricity and corruption in a country; the R2 coefficient indicates the percentage of the variability in CORR. scores explained by regression of SCI; the slope illustrates the degree to which the level of corruption of a country increases for each point in increase to its average status-centricity score; and the intercept illustrates the level of corruption that would exist in a country if status-centricity decreased to zero;

Applying this method to the data described above yielded the following:

Figure 1 SCI 2015 compared to CORR. 2015

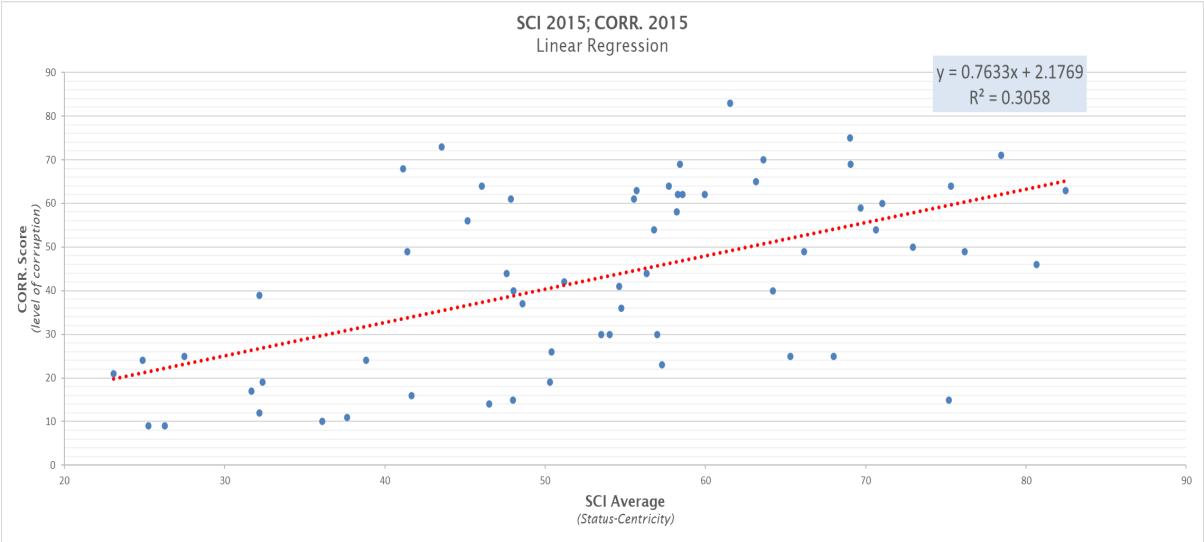


Table 15 SCI 2015 compared to CORR. 2015

Pearson Correlation Coefficient	0.55
R^2 Coefficient	0.3058
Slope	0.763307

Intercept	2.176856
P- Value	0.00000315
Observations	62
Standard Deviation (SCI)	15.114
Standard Deviation (CORR.)	20.863

As the data shows, the slope is positive, as expected, and the p-value shows that the relation between SCI and CORR. Is highly significant. Note, however that the value of R^2 squared is fairly low, which indicates that the regression is missing important variables, which could be the subject matter of further studies.

A second analysis was carried out including the Human Development Index (HDI) aggregate data for 2015 (United Nations Development Program, 2015) as a second explanatory variable (X). This second analysis was carried out for the purposes of evaluating the accuracy of the data above. The methodology used — as before — was OLS regression with the exception of considerations for multivariate analysis.

> The Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living. The HDI is the geometric mean of normalized indices for each of the three dimensions.
>
> (United Nations Development Program, 2022)

This secondary variable was chosen because the HDI aggregate indicator measures overall development, which has been found to be in great correlation with measurements of perceptions of corruption. As Rose-Ackerman and Palifka indicate, ""[t]his correlation is one of the most robust relationships to have emerged out of corruption research…[c]ountries with higher levels of corruption have lower levels of human development" (Rose-Ackerman & Palifka, 2016, p. 29). Therefore, the aggregate HDI index will serve as an apt measure of control.

Where HDI = the score that will be used for the purpose of measuring degree of development, and OHDI = the original score per the Human Development Index.

The resulting data comprises 62 countries as well as each country's score for (i) human development (HDI); and (ii) corruption (CORR.).

Applying this method to the data described above yielded the following:

Figure 2 HDI 2015 Compared to CORR. 2015

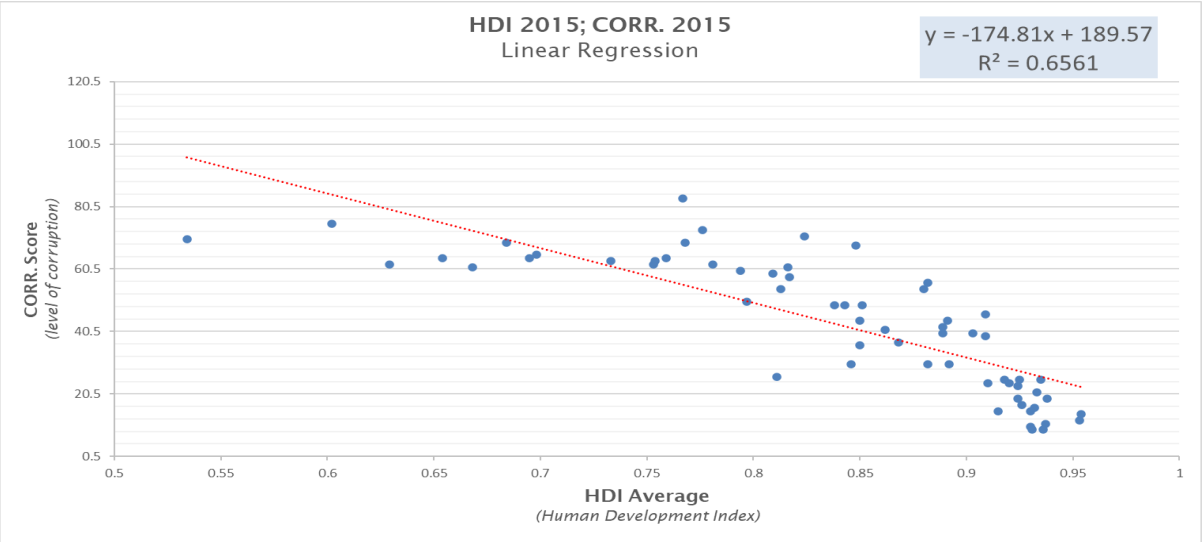


Table 16 HDI 2015 Compared to CORR. 2015

Pearson Correlation Coefficient	0.81
R^2 Coefficient	0.656
Slope	-0.175
Intercept	189.569
P- Value	0.00000000000000155
Observations	62
Standard Deviation (HDI)	0.097
Standard Deviation (CORR.)	20.862

As these figures indicate, and as we will address further below (see section 3.2.) when controlling for Human Development we find that the correlation between our dependent variable — Corruption — and our explanatory variables stands robust.

To further analyse the above data, we classified all countries into tertiles on the basis of the number of studied nations. As our observations are for 62 countries, we divided the data into three categories of roughly equal size: countries which place notable importance on status ("status-centric"); those which appear to give some regard to status ("status-cognizant"); and those which appear not to place an

importance on status ("status-indifferent"). A tertile categorization was chosen specifically to avoid the appearance of polarization. This was important because, from the start of this endeavour, it became apparent that a dichotomic ranking would necessarily misrepresent those countries which scored close to the middle, regardless of the category mathematically assigned to them.

As we observed 62 countries, we divided the data into the following tertiles:

Table 17 Status-Centricity Tertiles

Tertiles	Countries
Status-Centric	The 21 countries with the top SCI scores.
Status-Cognizant	The 20 countries with the middle SCI score.
Status-Indifferent	The 21 countries with the bottom SCI scores

The resulting data comprises 62 countries as well as each country's score for (i) status-centricity (SCI); and (ii) corruption (CORR.) and divides the countries into three status-centricity categories. 21 countries fall under the category "Status-Centric"; 20 countries fall under the category "Status-Cognizant"; and 21 countries fall under the category "Status-Indifferent".

Applying the same method to the data described above yielded the following:

First Tertile

Status-Centric Countries

Figure 3 SCI/CORR Comparison, Status-Centric Countries

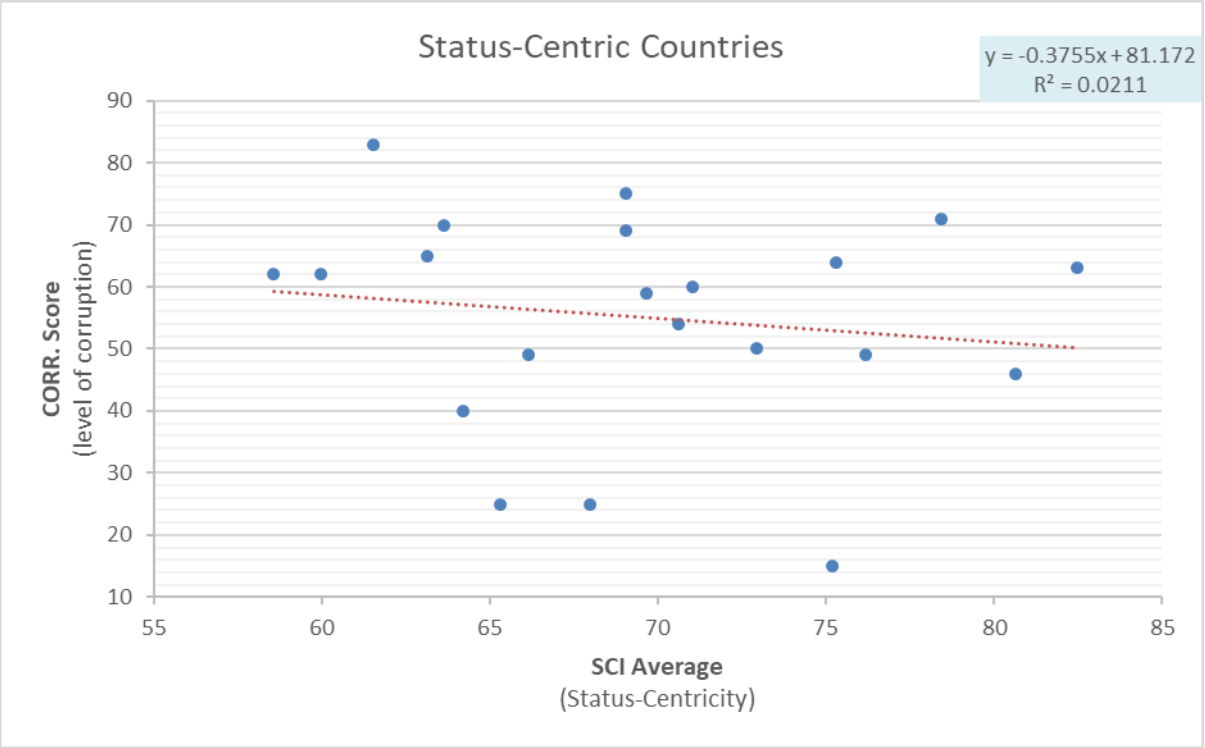


Table 18 SCI/CORR Comparison, Status-Centric Countries

Pearson Correlation Coefficient	-0.15
R^2 Coefficient	0.0211
Slope	-0.375468
Intercept	81.172232
P- Value	0.529377069
Mean CORR. Score	55
Observations	21
Standard Deviation (CORR.)	17
Standard Deviation (SCI)	6.735

Second Tertile

Status-Cognizant Countries

Figure 4 SCI/CORR Comparison, Status-Cognizant Countries

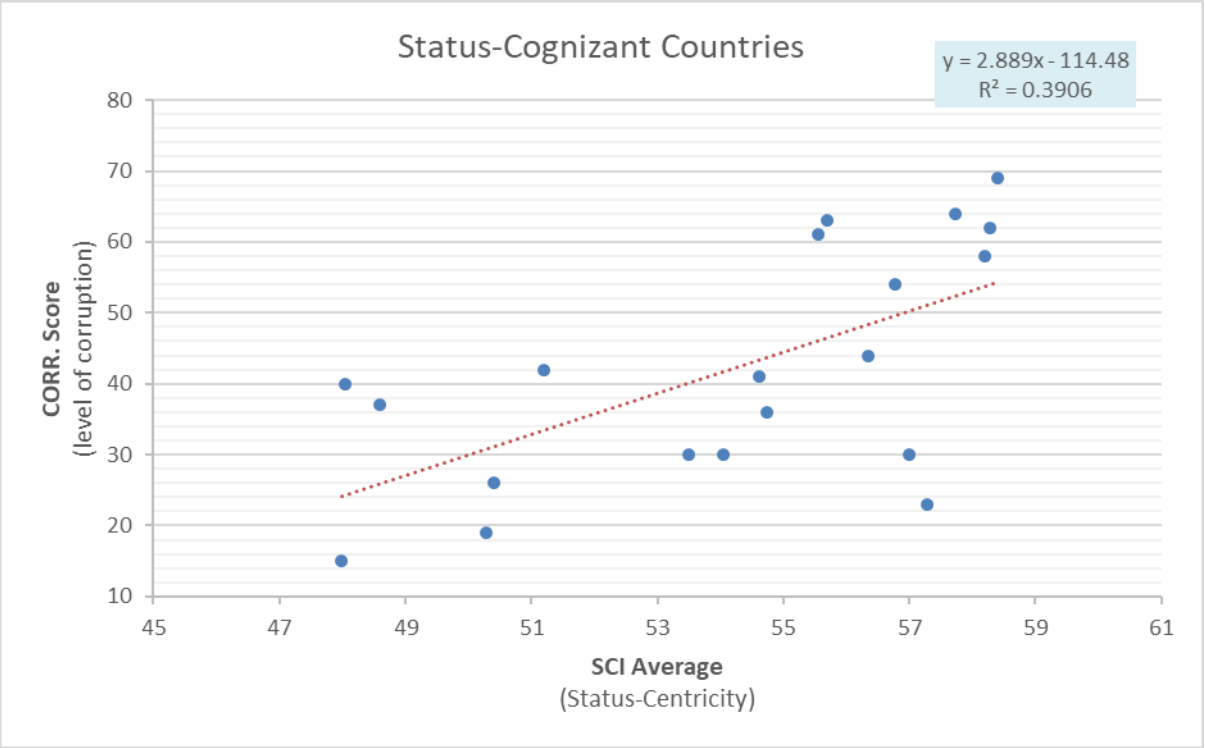


Table 19 SCI/CORR Comparison, Status-Cognizant Countries

Pearson Correlation Coefficient	0.39
R^2 Coefficient	0.1538
Slope	0.976152
Intercept	-6.512566
P- Value	0.00321543
Mean CORR. Score	42
Observations	20
Standard Deviation (CORR.)	17
Standard Deviation (SCI)	3.575

Third Tertile

Status-Indifferent Countries

Figure 5 SCI/CORR Comparison, Status-Indifferent Countries

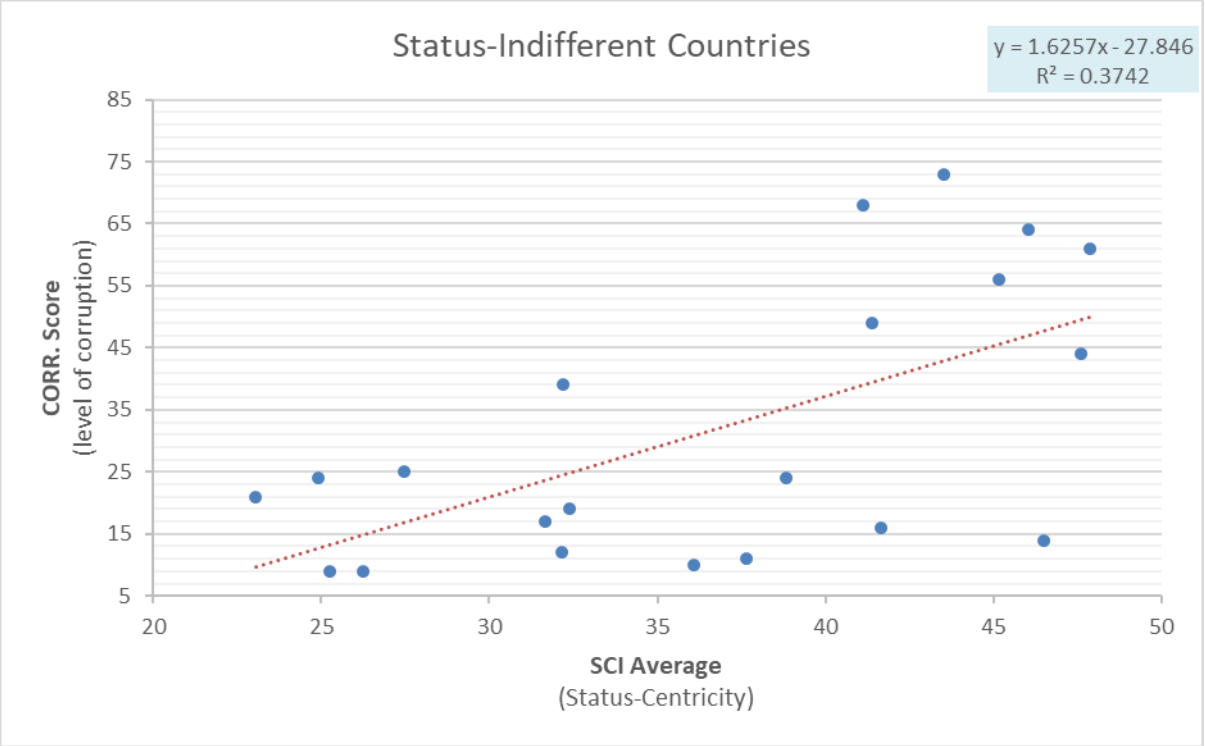


Table 20 SCI/CORR Comparison, Status-Indifferent Countries

Pearson Correlation Coefficient	0.22
R^2 Coefficient	0.0482
Slope	0.557001
Intercept	3.642426
P- Value	0.003209821
Mean CORR. Score	32
Observations	21
Standard Deviation (CORR.)	22
Standard Deviation (SCI)	8.223

Of note here are the varying results obtained when implementing the division by tertiles. As shown in Figure 3 and Table 18, status-centric countries display a very slight *negative* slope, evidencing a weak negative correlation between status-centricity and levels of corruption. This would suggest that, among the most status-centric countries, increases to the importance of social status are accompanied by very small reductions in corruption.

Further, Figure 4 and Table 19 presents noteworthy changes as it displays a contrasting pattern to that of status-centric countries; the data suggests that there is a very strong correlation between levels of status-centricity and levels of corruption. This signals that among those nations that somewhat regard social status, any increase in this importance carries with it an equally significant increase in levels of corruption.

Additionally, Figure 5 and Table 20 show a similar correlations. The data suggests that among the countries which place the least importance on social status, increases to that importance also signify an increase in levels of corruption, however that increase is reduced almost by half.

Moreover, we must note that the data for the three tertiles display varying degrees of probability as represented by their respective P-Values. Conventionally, a P-Value of ≤0.05 indicates that it is highly unlikely that the variables being studied are statistically unrelated. Likewise, a P-Value of ≥0.05 indicates that it is more likely that the variables are statistically unrelated. Note that the data for the first tertile — status-centric countries — yields a P-Value of 0.529, indicating that the likelihood that the data sets concerning (i) status-centricity and (ii) levels of corruption are closely related and removed from the null hypothesis (H0, see section 1.2) is low, at best. Conversely, note that the data for the second and third tertiles — status-cognizant and status-indifferent countries — yields P.Values of 0.00321543 and 0.003209821 respectively, indicating that the likelihood that the data sets concerning (i) status-centricity and (ii) levels of corruption are closely related and removed from the null hypothesis (H0, see section 1.2.) is very high.

Lastly, as discussed above, the CPI index habitually categorizes its findings for countries into those who fall above or below average. A thorough analysis of the data at hand would not be complete without a regression analysis based on these

categories. To achieve this the mean CORR. score was calculated and found to be 43. In light of this, the data was subsequently reorganized as follows:

Table 21 Categories of Countries by Corruption Level

Category	Score
Above average	≥44
Below average	≤43

Recall that the original CPI scores were inverted to reflect direct proportion to the degree of corruption in each country (see section 3.2.).

The resulting data comprises 62 countries as well as each country's score for (i) status-centricity (SCI); and (ii) corruption (CORR.) and divides the countries into two corruption categories. 32 countries fall under the category "Below-Average"; and 30 countries fall under the category "Above-Average".

Applying the same method to the data described above yielded the following:

Category 1

Below-Average Countries

Figure 6 SCI/CORR Comparison, Below-Average Countries

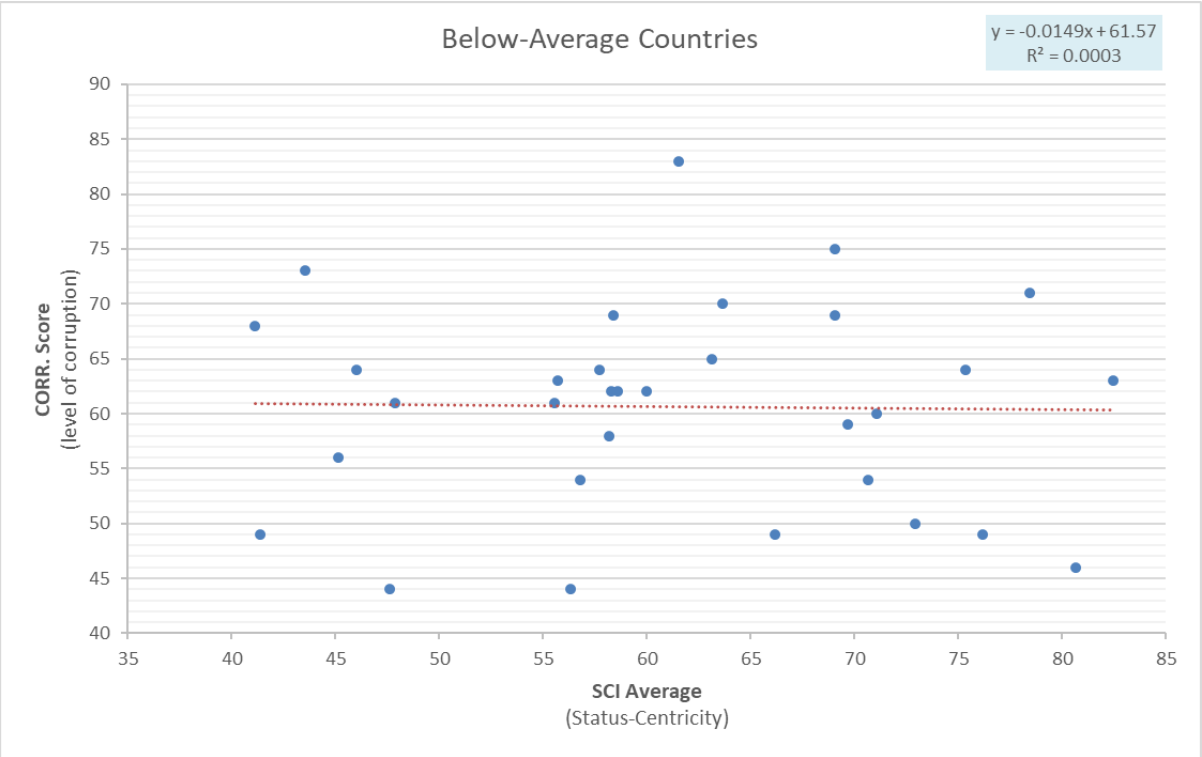


Table 22 SCI/CORR Comparison, Below-Average Countries

Pearson Correlation Coefficient	-0.02
R^2 Coefficient	0.0003
Slope	-0.014927
Intercept	61.569676
P- Value	0.919676856
Mean CORR. Score	61
Observations	32
Standard Deviation (CORR.)	9.376
Mean SCI Score	61
Standard Deviation (SCI)	11.660

Category 2

Above-Average Countries

Figure 7 SCI/CORR Comparison, Above-Average Countries

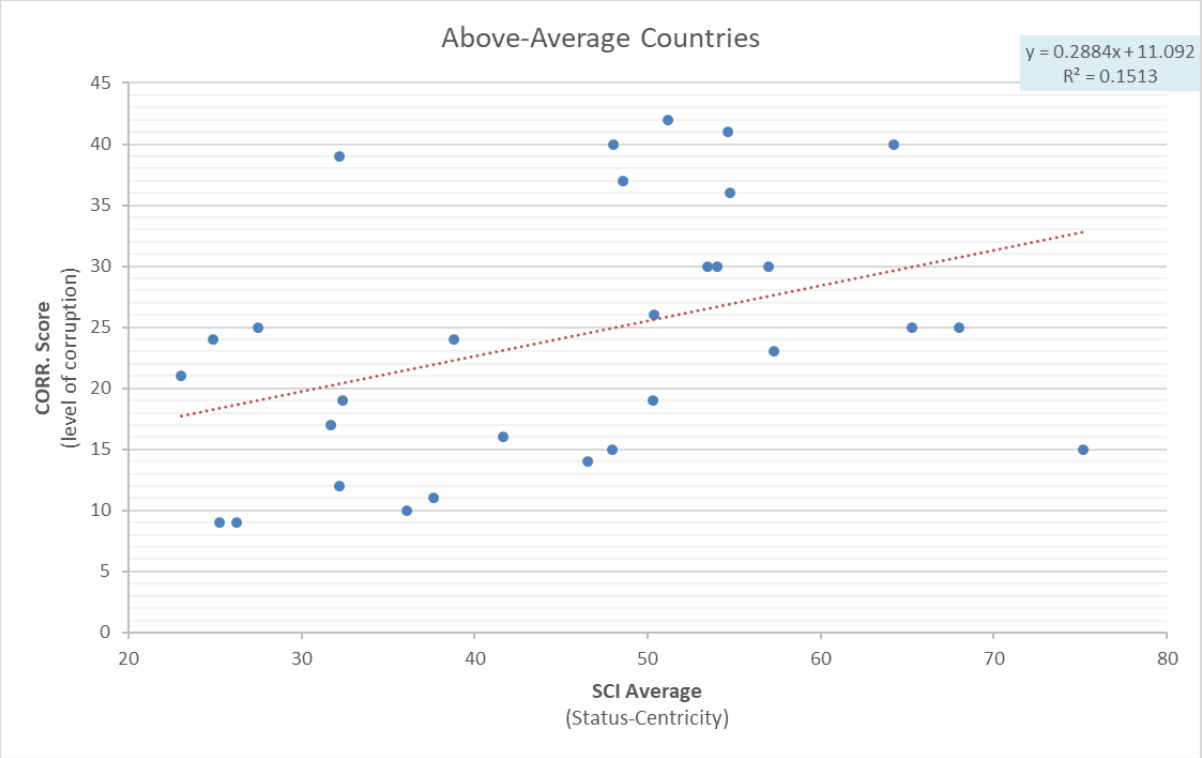


Table 23 SCI/CORR Comparison, Above-Average Countries

Pearson Correlation Coefficient	0.39
R^2 Coefficient	0.1513
Slope	0.288438
Intercept	11.091931
P- Value	0.033642883
Mean CORR. Score	24
Observations	30
Standard Deviation (CORR.)	10.457
Mean SCI Score	45
Standard Deviation (SCI)	14.101

4. Analysis

Below are our interpretations of the data and presented in the foregoing sections and obtained from performing ordinary least squares regressions. Considering the core hypothesis of this study, special attention was paid to the calculation of slopes. Slopes indicate the amount in which the dependent variable (CORR.) changes when

the explanatory variable increases by one unit; i.e., how much does the indicator for corruption changes as a result of an increase of 1 point to the indicator for status centricity. Per common statistical practice and standards, the following criteria are used to evaluate the strength of the slope:

Table 24 Strength of Slope Data

Correlation	Range
Strong negative correlation	-1– -0.6
Weak negative correlation	-0.6 – 0
No correlation	0
Weak positive correlation	0 – 0.6
Strong positive correlation	0.6 – 1

4.1. SCI 2015; CORR. 2015

When applying OLS regression analysis to SCI data for 2015 with CORR. data for the same year as described in *figure 1* and *table 15*, above, the resulting slope of 0.763307 indicates that for every unit that the studied countries gained in status-centricity, they also increased approximately 0.8 units in corruption. Bearing in mind that correlation does not necessarily equal causation, such an apparently strong relationship appears consistent with the fourth hypothesis presented by Husted (1999) —interpreting Hofstede and Cohen, Pant, and Sharp— that cultures with high status-centricity are more likely to tolerate corrupt behaviour. Findings of such strong correlation merit, at a minimum, worthy of further inquiry.

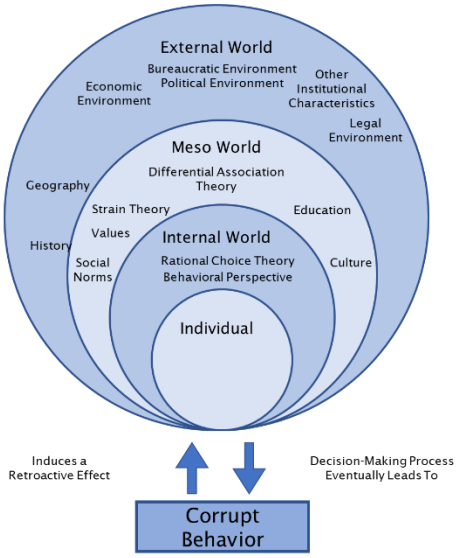
Above (see section 2.2.4) we have addressed the lack of a dedicated indicator to measure status-centricity. A correlation as strong as this may justify the development of such an indicator.

Further findings such as the above may serve as grounds to re-evaluate and adjust theories such as Dimant & Schulte's schematic of factors that determine corruption (2016). While insightful and foundational, the Dimant & Schulte model may be well suited to include status within the factors in the *meso* world that serve to cause

corrupt behaviour. The *meso* realm is suggested because, while status is internally regarded, it is only externally recognized.

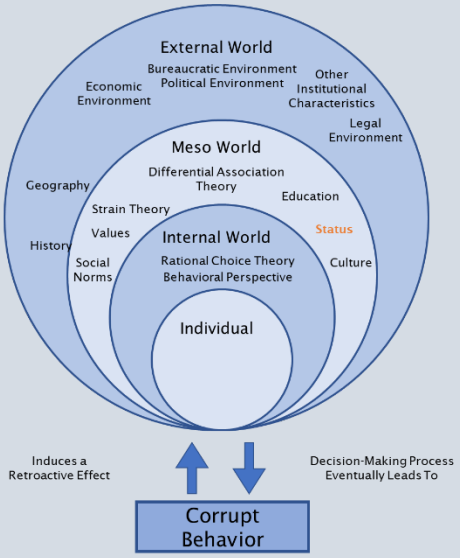
Original

Figure 8 Factors that Determine Corruption (Original)



Suggested

Figure 9 Factors that Determine Corruption (Suggested)



Source: Based on Dimant & Schulte (2016)

The type of relationship suggests that by influencing perceptions about status, one can also influence levels of corruption in countries that place a high value on social status.

In light of the strong correlation found, the data will also be examined under different criteria to determine whether the strong correlation remains across comparisons.

4.2. HDI 2015; CORR. 2015

For the purposes of introducing a control factor in our analysis, HDI data for 2015 and CORR. data were subjected to the same method of OLS regression analysis as described in *figure 2* and *table 16* above. Per these statistics levels of corruption are inversely related with levels of development. This finding is, in turn, consistent with our above findings that status-centricity is *directly* correlated with corruption. This

aids in lending credibility and strength to our statistical comparison of status-centricity and corruption, as levels of corruption bear close relation to levels of development, a finding that has been confirmed by several authoritative studies in the past (see section 3.2.).

Further, the possibility that levels of perceived corruption are not correlated with levels of (i) status-centricity; nor (ii) human development, is statistically insignificant. Further, the correlation coefficient of both comparisons indicates a strong relation between variables.

4.3. SCI 2015; CORR. 2015, Status-Centricity Tertiles

SCI data for 2015 and CORR. data were organized by the three status-centricity tertiles and subjected to OLS regression analysis as described in *figures 3, 4, and 5* and *tables* 18, *19*, and *20* . The resulting slopes of -0.375468, 0.976152, and 0.557001 indicate that (i) for every unit that the status-centric countries gained in status-centricity, they also *decreased* approximately 0.4 units in corruption; (ii) for every unit that the status-cognizant countries gained in status-centricity, they also increased nearly 1 unit in corruption; and (iii) for every unit that the status-indifferent countries gained in status-centricity, they also increased approximately 0.6 units in corruption.

In addition to the above, it should be noted that (i) countries in the status-centric tertile reported a mean CORR. score of 55, when the highest CORR. score — Venezuela — was a mark of 83; (ii) countries in the status-cognizant tertile reported a mean CORR. score of 42, when the average CORR. score was 44; and countries in the status-indifferent tertile reported a mean CORR. score of 32, when the lowest CORR. score — New Zealand — received a mark of 9.

Table 25 SCI 2015 Compared to CORR. 2015 by Status-Centricity Tertiles

Tertile	Mean CORR. score	Reference CORR. Score		Distance
		Score	Country	
Status-Centric	55	83	Venezuela	28
Status-Cognizant	42	44	World Average	2
Status-Indifferent	32	9	New Zealand	23

Evidently, classifying countries by degree of status-centricity yields considerably different results. Recall that status-centric countries give great deference to status; status-cognizant countries give some importance to status; and status-indifferent countries give little importance to status.

Again, mindful that correlation does not equal causation, these figures indicate that — among societies that only give some importance to obtaining/retaining social status — the deference to status seems to be almost a perfect proportional relationship. Concurrently, variations to corruption seem more nuanced at the extremes: countries that give high *and* low importance to status seem to suffer less severe variations in corruption. CPI measures corruption perceptions using uniform criteria, however —as noted in section 2.2.4. — VSM was not designed to measure status-centricity, much less its internal nuances and variations. This notwithstanding, a broad observation of the mean CORR. results for each tertile appear to indicate that there may be consistency with the findings of the "SCI 2015; CORR. 2015" section, which contrasted both indicators for all countries. For this reason, perhaps these results could be explained by further qualitative studies into the *type* of status more valued in each tertile of countries.

In addition, results like these could merit exploring discrete, reduced experiments in implementation of social policies that serve to address issues of status-centricity. An empirical study carried out in localities with high indices of corruption and/or status-centricity could easily serve as testing ground for campaigns, initiatives, and

ad hoc public policy experiments testing the hypothesis that status-centricity influences corruption.

4.4. SCI 2015; CORR. 2015, CPI Categories

SCI data for 2015 and CORR. data were organized by the two categories "Below-Average" and "Above-Average". Note that, because the original CPI data was inverted, higher CORR. scores qualify countries as "Below-Average" while lower scores qualify them as "Above-Average" and subjected to OLS regression analysis as described in figures 6 and 7 and *tables 22*, and *23*. The resulting slopes of -0.014927, and 0.288438 indicate that (i) for every unit that the below-average countries gained in status-centricity, they also *decreased* roughly 0.1 units in corruption; and (ii) for every unit that the above-average countries gained in status-centricity, they also increased nearly 0.3 units in corruption.

Likewise, mindful that correlation does not equal causation, these figures indicate that — among societies with high levels of corruption — changes in status-centricity almost make no difference in levels of corruption. Concurrently — among societies with low levels of corruption — increases in status-centricity are accompanied with small increases in levels of corruption.

Should the two variables be connected by causality, these results could indicate that countries fraught with corruption will scarcely benefit from measures aimed at curtailing status-centricity, while countries with relatively low levels of corruption could benefit from measures and policies that address the relationship between the two variables.

4.5. HDI 2015; CORR. 2015; SCI 2015

As discussed in section 3.2. above, the secondary variable HDI was used for the purposes of control. When subjecting the aggregate datasets HDI 2015 to CORR. 2015 and SCI 2015 to OLS regression analysis, the following data was obtained:

Table 26 HDI 2015 Compared to CORR. 2015; and SCI 2015

	Model 1	Model 2	Model 3
SCI	0.763***		0.308***
HDI		-174.812***	-152.308***
Intercept	2.176***	189.570***	154.238***
Observations	62	62	62
Adjusted R^2	0.305	0.650	0.685

***Significant at the .001 level

The data shows that, even when controlling for HDI, the correlation between SCI and CORR. is still positive and highly significant. Per the statistics above, an increment of one unit in SCI equals an increment of 0.3 units in CORR. which is considered an important correlation between the two indicators.

4.6. Limitations

The data used and presented above present certain limitations. Most notably, we detected minor issues of stability and validity.

4.6.1. Stability

Stability is the degree to which the data fluctuates — or does not — over time and, therefore, is more or less trustworthy (Bryman, 2016, p. 157). Both WVS and CPI test periodically; in effect achieving a "test-retest" methodology. As Bryman (2016, p. 157) observes there are certain issues with the test-retest approach to evaluating reliability. Notably, the responses given at one time (e.g., one of the iterations of VSM or CPI) may influence later responses (or iterations). Further, certain "events may intervene between the first and second iterations and influence the degree of

consistency of a study's findings. However, both the of the indicators used — VSM and CPI — have had several iterations; with each iteration the methodologies for both have been refined and adjusted (including changes to scope, surveyed population, survey questions, etc.). However, the methodological rigor employed by the developers of both studies suggests that both VSM and CPI are robust and wholly developed in their later iterations and, therefore, sufficiently stable.

4.6.2. Validity

Studies that draw conclusions or make inferences on the basis of data must address whether said underlying data is an accurate measure of the concept or phenomenon it purports to assess (Bryman, 2016, p. 158). This means that any metric that attempts to measure certain phenomena will be affected by any inaccuracy, inconsistency or insufficiency that affects the phenomena being measured. The phenomena at hand — status-centricity and corruption — pertain to human perceptions. In addition, the instruments that attempt to measure said phenomena are based on estimations and perceptions; even further, the metric used to measure status-centricity is assumed to be a proximate representation of the phenomenon. In sum, the phenomena and measures underlying this study are subjective. This necessarily means that the discussions, interpretations, and conclusions of this study naturally faces issues of validity. The salient issues identified are addressed below:

4.6.2.1. Face Validity

The ad hoc indicator SCI is derived from analysis and interpretation of the studied VSM methodology and data, as well as of the documentary review signalled in section 2.2.2. However, we acknowledge that the relation of the *original* VSM data with factual status-centricity is not perfect. In light of this, the methodology employed to transform the VSM data into a metric for status-centricity was

consulted with research advisors and peers with vast expertise in quantitative research. The conclusion was that our ad-hoc indicator (SCI) is adequate as a first expositional approach toward comparing status-centricity and corruption. It was further agreed that subsequent studies on the matter may require creating and implementing a dedicated quantitative study that yields its own data on status-centricity.

4.6.3. Replication

To avoid issues of replication, a narration of the use of the data is provided below:

1. VSM data was obtained from the Geert Hofstede Data Matrix (Hofstede, 2022);
    a. The data was downloaded in XLS format, as provided by the source.
    b. The data was stripped of dimensions unrelated to social status (see section 2.2.4.);
    c. The data was stripped of items corresponding to regions or groups of countries;
    d. The scores for the IDV dimension were inverted (see section 3.1.) to obtain the COL indicator;
    e. The data was stripped of items corresponding to countries which were not scored on all the three remaining dimensions;
    f. The mean score for each country was then calculated into the indicator SCI;
2. CPI data were obtained from Transparency International Corruption Perceptions Index 2015 (Transparency International, 2015);
    a. The data were downloaded in XLS format, as provided by the source;
    b. The data were then filtered to retain only the condensed "CPI score";
    c. The data were inverted (see section 3.2.) to obtain the CORR. indicator;
3. The datasets corresponding to SCI and CORR. were compared via the ordinary least squares regression method, and charted in a scatterplot graph.
4. The datasets corresponding to SCI and CORR. were categorized by tertiles of status-centricity (see section 4.3.);
    a. Each of the resulting categories were compared via the ordinary least squares regression method and charted in a scatterplot graph.
5. The datasets corresponding to SCI and CORR. were categorized by categories of corruption (see section 4.4.);
    a. Each of the resulting categories were compared via the ordinary least squares regression method and charted in a scatterplot graph.

Though largely surmounted, the above issues must be noted. Our study employs indicators that, by nature, are <u>mere proxies</u> for their respective underlying data. Because of the methodological nature of the CPI and VSM, and because of the cited issues of stability and validity, we are encouraged — as should the reader — to temper any conclusions.

5. Conclusions

Guided by the hypothesis that status — and the value we place upon it — can have great influence on the decision to behave corruptly, we have obtained statistical results concerning status-centricity and corruption. The data concerning status-centricity is considered sub-optimal as it has been adapted from a study that has a proximate relationship with this phenomenon; it is, however, the best available information on the topic. The data concerning corruption was obtained from the sophisticated Corruption Perceptions Index issued by Transparency International. The data was then adjusted to more malleable parameters that would more easily allow comparison. It was then compared employing the ordinary least squares regression analysis method. The statistical results trend toward the following broad conclusions:

The data analysis suggests that the null hypothesis is invalid, as there appears to be a robust correlation between levels of status-centricity and corruption, even when controlling for consistency employing separate, analogous datasets such as the Human Development Index.

It appears that, *ceteris paribus*, countries that give more importance to status are also more corrupt. This coincides with conclusions of prior studies (Husted, 1999). In addition to eliciting further questions and further study, this finding of a strong correlation between the two factors may also justify the creation of a dedicated indicator to measure status-centricity. In addition, prior models describing the factors that contribute to corrupt behaviour (Dimant & Schulte, 2016) would be well served to include the desire to obtain/retain status as an additional factor leading to corruption.

Though there is no statistical analysis here to conclude that the desire to increase status is a significant incentive (benefit) in the cost/benefit analysis *individuals*

make when deciding whether to behave corruptly, the data analysis at the country level appears sufficiently persuasive to beg further study into (i) quantitative indicators of status-centricity; and (ii) research delving into the connection between status-centricity *at the individual level* and levels of corruption.

Likewise, the findings and conclusions proposed by this study are an encouraging incentive to conduct discrete controlled experiments within the incipient field of behavioural ethics and behavioural compliance. These experiments — we believe — can be carried out at the organizational level to conceive, implement and test measures intended to decrease the importance of status and/or the expectancy of increased status that may (directly or indirectly) stem from corrupt actions.

In the same vein, further studies at the individual level may aid in understanding the importance that individuals give to the prospect of gaining or losing status when performing a cost-benefit analysis centred around the possibility of behaving corruptly.

Contrary to our initial hypothesis that countries which do not place high value on status appear to have higher corruption rates, it appears that countries which pay moderate regard to status (i.e., status-cognizant nations) display a higher correlation coefficient between the two factors.

On the basis on our findings, there is a high possibility for success of empirical experiments carried out in countries that place high value on status. If these countries aim to deter corruption, we predict they would benefit from devoting resources to implementing public policies and measures that (A) raise the perceived status of those who are honest; and (B) lower the status of the corrupt.

Among countries that give the highest and the lowest regard to status, more status-centricity appears to have very little impact in levels of corruption. On the

opposite side, among countries that only give *some* regard to status, increases in status-centricity are accompanied by great increases in corruption. All else equal, this posits a need to study the types of status-centricities and how they may influence corruption. Public policy aiming to deter corruption could benefit from taking an egalitarian approach regarding status and focusing resources on other factors. To explore this, discrete empirical studies could be carried out in the field.

Lastly, countries with high levels of corruption do not seem affected by variations in status-centricity, which may mean that anti-corruption measures aimed thereat would not be recommended. On the contrary, countries with relatively low levels of corruption appear at risk of increased corruption with increased status-centricity.

An accurate study of the status-centricity of nations is notably lacking. VSM addresses status-centricity only via 3 of 6 indicators, and only partially, as those indicators themselves are not directly nor wholly focused on status-centricity. To wit, the most accurate proxy for status-centricity is a study that (a) addresses status tangentially (at best); and (b) is not updated annually. Rigor such as that displayed in studies like the World Values Survey would be desirable in further research that may address status-centricity.

If, however, VSM is to be the only proxy for status-centricity, our conclusions are to be taken with reservation, as they may be premature and/or inaccurate; recall that not all countries are graded on *all three* selected VSM values. This may mean that future iterations of the VSM — iterations in which 38% of measured nations have been excluded — may alter our findings.

References

Acemoglu, D. & Verdier, T., 1998. Property rights, corruption and the allocation of talent: a general equilibrium approach. *The Economic Journal,* 108(450), pp. 1318-1403.

Achim, M. V., 2016. Cultural dimension of corruption: a cross-country survey. *International Advances in Economic Research,* 22(3), pp. 333-345.

Aidt, T., Dutta, J. & Sena, V., 2008. Governance regimes, corruption and growth: Theory and evidence. *Journal of Comparative Economics,* 36(2), pp. 195-220.

Alden, W. & Ahmed, A., 2012. Dealbook; A conflicted jury finds Rajat Gupta guilty. *The New York Times*, 15 June.

Alexeev, M. & Song, Y., 2013. Corruption and product market competition: an empirical investigation. *Journal of Development Economics,* Volume 103, pp. 154-166.

Andersen, T. B., 2009. E-Government as an anti-corruption strategy. *Information Economics and Policy,* 21(3), pp. 201-210.

Andersen, T. B., Bentzen, J., Dalgaard, C.-J. & Selaya, P., 2011. Does the Internet reduce corruption? Evidence from US states and accross countries. *The World Bank Economic Review,* 25(3), pp. 387-417.

Anderson, C., Hildreth, J. A. D. & Howland, L., 2015. Is the desire for status a fundamental human motive? A review of the empirical literature. *Psychological Bulletin,* 141(3).

Anderson, C., Kraus, M. W., Galinskky, A. D. & Keltner, D., 2012. The Local-Ladder Effect: Social Status and Subjective Well-Being. *Psychological Science,* Volume 23, pp. 764-771.

Ángeles, L. & Neanidis, K., 2015. The persistent effect of colonialism on corruption. *Economica,* 82(326), pp. 319-349.

Arvate, P. R., Zaitune Curi, A., Miessi Sanches, F. A. & Rocha, F., 2010. Corruption and the size of government:causality tests for OECD and Latin American countries. *Applied Economics Letters,* 17(10), pp. 1013-1017.

Azfar, O. & Nelson, W. R., 2007. Transparency, wages, and the separation of powers: an experimental analysis of corruption. *Public Choice,* 130(3), pp. 471-493.

Badinger, H. & Nindl, E., 2014. Globalisation and corruption, revisited. *The World Economy,* 37(10), pp. 1424-1440.

Barkow, J. H. et al., 1975. Prestige and Culture: a biosocial interpretation. *Current Anthropology,* 16(4), pp. 553-572.

Becker, G. S., 1968. Crime and Punishment: An Economic Approach. *The Journal of Political Economy,* 76(2), pp. 169-217.

Becker, S. O., Egger, P. H. & Seidel, T., 2009. Common political culture: evidence on regional corruption contagion. *European Journal of Political Economy,* 25(3), pp. 300-310.

Benoit-Smullyan, E., 1944. Status, status types, and status interrelations. *American Psychology Review,* 9(2), pp. 151-161.

Berger, J., Cohen, B. P. & Zelditch Jr., M., 1972. Status characteristics and social interaction. *American Sociological Review,* Volume 37, pp. 241-255.

Bhattacharyya, S. & Hodler, R., 2010. Natural resources, democracy, and corruption. *European Economic Review,* 54(4), pp. 608-621.

Bhattacharyya, S. & Hodler, R., 2015. Media freedom and democracy in the fight against corruption. *European Journal of Political Economy,* Volume 39, pp. 13-24.

Blau, P. M., 1964. *Exchange and power in social life.* N.A.: Wiley.

Blau, P. M. & Scott, W. R., 2003. *Formal organizations: a comparative approach.* San Francisco: Stanford University Press.

Brunetti, A. & Weder, B., 2003. A free press is bad news for corruption. *Journal of Public Economics,* 87(7-8), pp. 1801-1824.

Bryman, A., 2016. *Social research methods.* 5th Edition ed. New York: Oxford University Press.

Campante, F. R., Chor, D. & Do, Q.-A., 2009. Instability and the incentives for corruption. *Economics & Politics,* 21(1), pp. 42-92.

Charron, N., 2009. The impact of socio-political integration and press freedom on corruption. *The Journal of Development Studies,* 45(9), pp. 1472-1493.

Chumney, E. C. & Simpson, K. N., 2006. *Methods and designs for outcomes research.* s.l.:American Society of Health-Systems Pharmacists.

Cornell University School of Law, n.d. *Legal Information Institute.* [Online]
Available at: https://www.law.cornell.edu/wex/insider_trading
[Accessed 17 September 2022].

Davis, J. H. & Ruhe, J. A., 2003. Perceptions of country corruption: antecedents and outcomes. *Journal of Business Ethics,* 43(4), pp. 275-288.

Debski, J., Jetter, M., Mösle, S. & Stadelmann, D., 2018. Gender and corruption: The neglected role of culture. *European Journal of Political Economy,* Volume 55, pp. 526-537.

Dell'Anno, R. & Teobaldelli, D., 2015. Keeping both corruption and the shadow economy in check: the role of decentralization. *International Tax and Public Finance,* 22(1), pp. 1-40.

Diaz Camargo, C., 2017. *Can a behavioural approach help fight corruption?.* Basel: Basel Institute on Governance.

Dimant, E., Krieger, T. & Redlin, M., 2015. A crook is a crook . . . but is he still a crook abroad? On the effect of immigration on destination-country corruption. *German Economic Review,* 16(4), pp. 464-489.

Dimant, E. & Schulte, T., 2016. The nature of corruption: an interdisciplinary perspective. *German Law Journal,* 17(1), pp. 54-72.

Dimant, E. & Tosato, G., 2018. Causes and effects of corruption: what has the past decade's empirical research taught us? A survey. *Journal of Economic Surveys,* 32(2), pp. 335-356.

Dincer, O., 2008. Ethnic and religious diversity and corruption. *Economics Letters,* 99(1), pp. 98-102.

Dollar, D., Fisman, R. & Gatti, R., 2001. Are women really the “fairer” sex?. *Journal of Economic Behavior and Organization,* 46(4), pp. 423-429.

Dong, B. & Torgler, B., 2011. *Democracy, property rights, income equality, and corruption.* [Online]
Available at: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1756816

Elbahnasawy, N. G., 2014. E-government, internet adoption, and corruption: an empirical investigation. *World Development,* Volume 57, pp. 114-126.

Emerson, R. M., 1962. Power-dependence relations. *Power in Modern Societies,* 27(1), pp. 31-41.

Fan, C. S., Lin, C. & Treisman, D., 2009. Political decentralization and corruption: evidence from around the world. *Journal of Public Economics,* 93(1-2), pp. 14-34.

Fan, C. S., Lin, C. & Treisman, D., 2009. Political decentralization and corruption: evidence from around the world. *Journal of Public Economics,* 93(1-2), pp. 14-34.

Fisman, R. & Gatti, R., 2002. Decentralization and corruption: evidence accross countries. *Journal of Public Economics,* 83(3), pp. 325-345.

Fisman, R. & Golden, M. A., 2017. *Corruption: what everyone needs to know.* New York: Oxford University Press.

Foucault, M., 1982. The subject and power. *Critical Inquiry,* 8(4), pp. 777-795.

Frank, B., Lambsdorff, J. G. & Frédéric, B., 2011. Gender and corruption: lessons from laboratory corruption experiments. *The European Journal of Development Research,* 23(1), pp. 59-71.

Galiani, S. & Weinschelbaum, F., 2007. *Social status and corruption.* s.l.:Social Sciences Research Network.

Gino, F., Ayal, S. & Ariely, D., 2013. Self-serving altruism? The lure of unethical actions that benefit others. *Journal of Economic Behavior and Organization,* 93(September), pp. 285-292.

Glaeser, E. & Saks, R. E., 2006. Corruption in America. *Journal of Public Economics,* 90(6-7), pp. 1053-1052.

Goel, R. K. & Nelson, M. A., 2007. Are corrupt acts contagious?: evidence from the United States. *Journal of Policy Modeling,* 29(6), pp. 839-850.

Goel, R. K. & Nelson, M. A., 2010. Causes of corruption: history, geography and government. *Journal of Policy Modelling,* 32(4), pp. 433-447.

Goel, R. K., Nelson, M. A. & Naretta, M. A., 2012. The internet as an indicator of corruption awareness. *European Journal of Political Economy,* 28(1), pp. 64-75.

Gokcekus, O. & Knörich, J., 2006. Does quality of openness affect corruption?. *Economics Letters,* 91(2), pp. 190-196.

Goldhammer, H. & Shils, E. A., 1939. Types of power and status. *American Journal of Sociology,* 45(2), pp. 171-182.

Goode, W. J., The celebration of heroes: prestige as a social control system. Berkeley: University of California Press.

Gorodnichenko, Y. & Gerard, R., 2017. Culture, institutions, and the wealth of nations. *Review of Economics and Statistics,* 99(3), pp. 402-416.

Gorsira, M., Steg, L., Denkers, A. & Huisman, W., 2018. Corruption in organizations: ethical climate and individual motives. *Administrative Sciences,* 8(4).

Graf Lambsdorff, J., 1995. *The Transparency International corruption perceptions index. 1. edition 1995.* s.l.:s.n.

Hamilton, A. & Hammer, C., 2018. *Can we measure the power of the grabbing hand? A comparative analysis of different indicators of corruption.* s.l.:World Bank Group.

Heinrich, J. & Gil-White, F., 2001. The evolution of prestige: freely conferred status as a mechanism for enhancing the benefits of cultural transmission. *Evolution and Human Behavior,* Volume 22, pp. 1-32.

Hofstede Insights, 2022. *National Culture.* [En ligne]
Available at: https://www.hofstede-insights.com/models/national-culture/
[Accès le 9 July 2022].

Hofstede, G., 2011. Dimensionalizing cultures: the Hofstede model in context. *Online Readings in Psychology and Culture,* 1 December.2(1).

Hofstede, G., 2022. *Geert Hofstede, Dimension Data Matrix.* [Online]
Available at: https://geerthofstede.com/research-and-vsm/dimension-data-matrix/
[Accessed 5 September 2022].

Hofstede, G., 2022. *The 6-D model of national culture: The dimensions explained.* [Online]
Available at: https://geerthofstede.com/culture-geert-hofstede-gert-jan-hofstede/6d-model-of-national-culture/
[Accessed 23 September 2022].

Homans, G. C., 1950. *The human group.* New York: Harcourt, Brace.

Husted, B. W., 1999. Wealth, culture, and corruption. *Journal of International Business Studies,* 30(2), p. 339.

Jancsics, D., 2014. Interdisciplinary perspectives on corruption. *Sociology Compass,* 8(4), pp. 358-372.

Jurkiewicz, C. L., 2020. The ethinomics of corruption. In: C. L. Jurkiewicz, ed. *Global corruption and ethics management: translating theory into action.* Lanyam: Rowman & Littlefield, pp. 151-158.

Justesen, M. K. & Bjørnskov, C., 2014. Exploiting the poor: bureaucratic corruption and poverty in Africa. *World Development,* Volume 58, pp. 106-115.

Kemper, T. D., 1990. *Social structure and testosterone: Explorations of.* s.l.:Rutgers University Press.

Kemper, T. D. & Collins, R., 1990. Dimensions of microinteraction. *American Journal of Sociology,* 96(1), pp. 32-68.

Klitgaard, R., 2017. *On culture and corruption.* Oxford: Oxford University Blavatnik School of Government.

Korhonen, I., 2004. *Does democracy cure a resource curse.* s.l.:Bank of Finland Institute for Economies in Transition.

Kotera, G., Okada, K. & Samreth, S., 2012. Government size, democracy, and corruption: an empirical investigation. *Economic Modelling,* 29(6), pp. 2340-2348.

Kubbe, I., 2020. *Corruption as a contested concept?.* Laxemburg: IACA.

Kyriacou, A. P., 2016. Individualism-Collectivism, governance and economic development. *European Journal of Political Economy,* Volume 42, pp. 91-104.

La Porta, R., Lopez-de-Silanes, F., Shleifer, A. & Vishny, R., 1999. The quality of government. *Law, Economics, and Organization,* 15(1), pp. 222-279.

Lattman, P. & Ahmed, A., 2012. Rajat Gupta convicted of insider trading. *The New York Times*, 15 June.

Leary, M. R., Cottrell, C. A. & Phillips, M., 2001. Deconfounding the effects of dominance and social acceptance on self-esteem. *Journal of Personality and Social Psychology,* 81(5), p. 898.

Leary, M. R., Jongman-Sereno, K. P. & Diebels, K. J., 2014. The pursuit of status: a self-presentational perspective on the quest for social value. In: J. T. Cheng, J. L. Tracy & C. Anderson, eds. *The Psychology of Social Status.* New York: Springer, pp. 159-178.

Lederman, D., Loayza, N. V. & Soares, R. R., 2005. Accountability and corruption: political institutions matter. *Economics and Politics,* 17(1), pp. 1-35.

Leite, C. & Weidman, J., 1999. *Does mother nature corrupt? Natural resources, corruption, and economic growth.* s.l.:International Monetary Fund.

Lindstedt, C. & Naurin, D., 2010. Transparency is not enough: making transparency effective in reducing corruption. *International Political Science Review,* 31(3), pp. 301-322.

Marshall, A., 1890. *Principles of Economics.* reprinted ed. London: Macmillan.

Mauro, P., 1998. Corruption: causes, consequences, and agenda for further research. *Finance and Development,* Volume 35, pp. 11-14.

McLeod, J. D., 2012. Social stratification and equality. In: C. S. Aneshensel, J. C. Phelan & A. Bierman, eds. *Handbook of the sociology of mental health.* s.l.:Springer Science & Business Media.

Meier, K. & Holbrook, T. M., 1992. MEIER, Kenneth J.;"I seen my opportunities and I took'em:" political corruption in the American states. *The Journal of Politics,* 54(1), pp. 135-155.

Montinolla, G. R. & Jackman, R. W., 2002. Sources of corruption: a cross-country study. *British Journal of Political Science,* 32(1), pp. 147-170.

Mungiu-Pippidi, A. & Fazekas, M., 2020. How to define and measure corruption. In: A. Mungiu-Pippidi & P. M. Heywood, eds. *A research agenda for studies of corruption.* Northampton: Edward Elgar Publishing, pp. 7-26.

Neeman, Z., Paserman, M. D. & Simhon, A., 2008. Corruption and openness. *The BE Journal of Economic Analysis & Policy,* 8(1), pp. 1935-1982.

North, C. M., Orman, W. H. & Gwin, C. R., 2013. Religion, corruption, and the rule of law. *Journal of Money, Credit and Banking,* 45(5), pp. 757-779.

Paldam, M., 2001. Corruption and religion adding to the economic model. *Kyklos,* 54(2-3), pp. 383-413.

Paldam, M., 2002. The cross-country pattern of corruption: economics, culture and the seesaw dynamics. *European Journal of Political Economy,* 2(18), pp. 215-240.

Paldam, M. & Gundlach, E., 2008. Two views on institutions and development: the grand transition vs the primacy of institutions. *Kyklos,* 61(1), pp. 65-100.

Pellegrini, L., 2008. Causes of corruption: a survey of cross-country analyses and extended results. *Economics of Governance,* Volume 9, pp. 245-263.

Pellegrini, L. & Gerlagh, R., 2004. Corruption's effect on growth and its transmission channels.. *Kyklos,* 57(3), pp. 429-456.

Pozsgai-Alvarez, J., 2020. The abuse of entrusted power for private gain: meaning, nature and theoretical evolution. *Crime, Law and Social Change,* Volume 74, pp. 433-455.

Raghavan, A., 2013. Dealbook; Rajat Gupta's lust for zeros. *The New York Times*, 17 May.

Ridgeway, C. L., 1984. Dominance, performance, and status in groups: a theoretical analysis. In: *Advances in group processes.* s.l.:s.n., pp. 59-93.

Ridgeway, C. L., 1984. Dominance, performance, and status in groups: a theoretical analysis. *Advances in group processes,* Volume 1, pp. 59-93.

Rivas, M. F., 2013. An experiment on corruption and gender. *Bulletin of Economic Research,* 65(1), pp. 10-42.

Rose-Ackerman, S. & Palifka, B. J., 2016. *Corruption and government: causes, consequences, and reform.* New York: Cambridge University Press.

Sachs, J. D. & Warner, A. M., 1997. Sources of slow growth in African economies. *Journal of African Economies,* 6(3), pp. 335-376.

Saha, S., Gounder, R. & Su, J.-J., 2009. The interaction effect of economic freedom and democracy on corruption: a panel cross-country analysis.. *Economics Letters,* 105(2), pp. 173-176.

Sandholtz, W. & Koetzle, W., 2000. Accounting for corruption: economic structure, democracy, and trade. *International Studies Quarterly,* 44(1), pp. 31-50.

Sauder, M., Lynn, F. & Podolny, J. M., 2012. Status: insights from organizational sociology. *Annual Review of Sociology,* Issue 38, pp. 267-283.

Scott, J., 2000. Rational choice theory. In: G. Browning, A. Halcli & F. Webster, eds. *Understanding contemporary society.* London: SAGE Publications, pp. 126-138.

Serra, D., 2006. Empirical determinants of corruption: a sensitivity analysis. *Public Choice,* 126(1), pp. 225-256.

Sharafutdinova, G., 2010. What explains corruption perceptions? The dark side of political competition in Russia's regions. *Comparative Politics,* 42(2), pp. 147-166.

Smith, A., 1776. *The wealth of nations.* reprinted ed. New York: Modern Library.

Stryker, S. & Macke, A. S., 1978. Status inconsistency and role conflict. *Annual Review of Sociology,* Issue 4, pp. 57-90.

Swamy, A., Knack, S., Lee, Y. & Azfar, O., 2001. Gender and corruption. *Journal of Development Economics,* 34(1), pp. 25-55.

Tanzi, V., 1998. Corruption around the world: Causes, consequences, scope, and cures. *Staff Papers,* 45(4), pp. 559-594.

The World Bank Group, 2022. *GDP per capita.* [Online]
Available at: https://data.worldbank.org/indicator/NY.GDP.PCAP.CD
[Accessed 23 September 2022].

The World Bank, 2015. *Worldwide Governance Indicators.* [Online]
Available at: https://databank.worldbank.org/reports.aspx?dsid=3&series=GE.EST#
[Accessed 23 September 2022].

Thibaut, J. W. & Kelley, H., 2017. *The social psychology of groups.* s.l.:Routledge.

Transparency International, 2015. *Corruption Perceptions Index.* [Online]
Available at: https://www.transparency.org/en/cpi/2015
[Accessed 10 April 2022].

Transparency International, 2016. *2015 Corruption Perceptions Index.* [Online]
Available at: https://www.transparency.org/en/cpi/2015
[Accessed 9 October 2022].

Transparency International, 2022. *Corruption Perceptions Index.* [Online]
Available at: https://www.transparency.org/en/cpi/2021
[Accessed 25 February 2022].

Transparency International, 2022. *Corruption Perceptions Index 2021.* [Online]
Available at: https://www.transparency.org/en/cpi/2021
[Accessed 9 October 2022].

Transparency International, n.d.. *What is corruption?.* [Online]
Available at: https://www.transparency.org/en/what-is-corruption#define
[Accessed 6 January 2021].

Treisman, D., 2000. The causes of corruption: a cross-national study. *Journal of Public Economics,* Volume 76, pp. 399-457.

Truex, R., 2011. Corruption, attitudes, and education: survey evidence from Nepal. *World Development,* 39(7), pp. 1133-1142.

United Nations Development Program, 2015. *2015 Human Development Report,* s.l.: United Nations.

United Nations Development Program, 2022. *Human Development Reports.* [Online]
Available at: https://hdr.undp.org/data-center/human-development-index#/indicies/HDI
[Accessed 24 September 2022].

United Nations, 2004. *United Nations Convention Against Corruption.* New York: s.n.

Van Rijckeghem, C. & Weder di Maruo, B., 1997. *Corruption and the rate of temptation: do low wages in the civil service cause corruption?.* Washington DC: IMF.

Van Rijckeghem, C. & Weder, B., 2001. Bureaucratic corruption and the rate of temptation: do wages in the civil service affect corruption, and by how much?. *Journal of Development Economics,* 65(2), pp. 307-331.

Weber, M. K. E., 1922. *Economy and Society.* translated ed. Berkeley: University of California Press.

Weeden, K. A. & Grusky, D. B., 2005. The case for a new class map. *American Journal of Sociology,* 111(1), pp. 141-212.

Whyte, W. F., 1943. *Street corner society: the social structure of an Italian slum.* Chicago: University of Chicago Press.

World Values Survey Association, 2020. *World Values Survey.* [Online] Available at: https://www.worldvaluessurvey.org/WVSPublicationsBooks.jsp?PUB=86&PUB=86 [Accessed 25 February 2022].