Delegitimizing Democracy?

A multilevel analysis of the effects of corruption experiences and perceptions in the Latin American region

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1 Introduction

Corruption increasingly portrayed as a major threat to democracy, hindering both economic development and democratic consolidation (Seligson 2002; Ruhl 2011). It is argued that, by breaking the fundamental democratic principles of equality, openness, fairness, and accountability, corruption undermines the basis upon which the legitimacy of democracy rests (Warren 2004). The empirical evidence supporting such claims is, however, weak and open to crucial challenges. Most research undertaken on the relationship between corruption and democracy are aggregate-level studies that rely on highly subjective corruption perception indices in order to capture the various levels of corruption in different countries. The limitation to such an approach is that it is blind to the myriad of processes at the individual level that shape citizens’ subjective perceptions of corruption and democracy. When we want to study the effects that corruption has on democratic legitimacy, this is a serious omission.

If we are interested in explaining or studying the relationship between corruption and democratic legitimacy, it is necessary to move from the aggregate to the individual level of analysis, as this makes it possible to investigate both the consequences that corruption has on the level of political support for democracy, as well as the determinants of individuals’ perceptions of corruption and their participation in corruption. Individual-level studies of corruption and democracy have to some extent shown that corruption perceptions and corruption experiences weaken citizen support for and trust in democratic institutions. However, few studies have attempted to explore this relationship systematically; most existing studies are case studies, comparative analyses with a limited number of countries, or analyses of corruption based on a single measurement, such as the above mentioned indices.

The thesis aims at contributing to the extant research literature on corruption and democratic legitimacy by providing a systematic, multilevel analysis of the effects that both individual corruption perceptions and experiences have on democratic legitimacy in 23 Latin American countries. More specifically, I explore whether or not individual corruption perceptions and experiences influence citizens’ trust in public institutions, their satisfaction with democracy, and their normative support for democracy as a political system. The employment of multilevel analytical techniques makes it possible to examine how different relationships between corruption and democracy at the individual level are contingent on contextual variations between the 23 countries included in the study.
In this chapter, the concepts of corruption and democratic legitimacy are defined and discussed, along with a theoretical discussion of the relationship between corruption and legitimacy. Then, I give a brief review of existing research on corruption and democracy, followed by a discussion of the limitations and challenges to existing research. Finally, I make two main theoretical arguments on the link between corruption and democracy. Both arguments conclude with the formulation of research questions that will be shed light on in the subsequent chapters.

In Chapter 2, I operationalize concepts, describe the data and methods used, and discuss for some concerns about data validity and reliability. In Chapter 3, I briefly describe the current status of corruption in the Latin American region by means of bivariate analysis, comparing various indicators of corruption at the macro- and micro-level, and discuss the validity and reliability of the different corruption indicators utilized in the study. Chapter 4 presents the three separate multilevel analyses of corruption’s effect on three dimensions of legitimacy: institutional trust, satisfaction with democracy, and the normative support for democracy. In each analysis, I explore moderating effects of two contextual characteristics of the countries: level of corruption and institutional performance. Finally, in Chapter 5, the results and their implications are discussed.

1.1 Defining Corruption

The concept of corruption is a widely contested concept in social science, and thus lacks a precise and commonly accepted definition. Joseph S. Nye’s (1967) classical definition described corruption as behavior that deviates from the normal duties of public office in order to pursue personal, pecuniary or status gains (Nye 1967, 66). Nye’s definition can be classified as public-office-centred corruption, since it relates the act of corruption to deviations from the norms and duties that govern public office and public officials (Heidenheimer and Johnston 2002, 7). Public-office-centred definitions of corruption are the ones most commonly applied in social science, although several scholars use less specific ones such as “the misuse of public office for private gain” (Anderson and Tverdova 2003, 92;

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1 Heidenheimer and Johnston (2002) account for two other categories used for defining corruption, namely corruption with market-centred and public-opinion-centred qualities. These will not be accounted for here, as it is corruption by public officials and corruption in public administration services that constitute the primary focus of the thesis. For detailed discussions of corruption definitions and definitional criteria, see Gardiner (2002), Kurer (2005), or Philp (2002, 2006).
Canache and Allison 2005; Treisman 2007), “the abuse of public power for private benefit” (Canache and Allison 2005, 91; Tanzi 1998, 564), or other similar variants.

There are two main difficulties in defining corruption. The first difficulty arises when giving specific content to the “normal duties” or established standards of public office. The second difficulty lies in trying to achieve a definition of corruption that is portable across different countries with different cultural contexts. As for defining the established standards of public office, scholars have suggested various criteria by which such standards may be based: formal-legal norms (an act is corrupt only if the law defines it as such), public opinion (an act is corrupt if the public sees it as corrupt), and public interest (an act is corrupt if it harms the public interest) (Gardiner 2002; Sandholtz and Koetzle 2000). Each criterion introduces new definitional problems, however. What is illegal and corrupt according to the laws established in one country may be an accepted practice in another. And, even if an act in one country is illegal, it may be viewed as ethically acceptable by both citizens and public officials. Furthermore, defining corruption out from what public opinion sees as corrupt or not corrupt brings up questions about who the public is, and to which opinion one should ascribe more value to when opinions diverge. Similar problems are introduced when defining corruption out from a public interest criterion, as it presupposes an agreement over what constitutes the public interest (Kurer 2005, 222).

According to Sandholtz and Koetzle (2000), disputes over different definitional criteria overlook the actual existence of a clear definition of corruption, one based on the following three statements: First, Nye’s (1967) classical definition describes corruption as breaking down the important distinction between the public and the private sphere. Second, corrupt acts undoubtedly involve an exchange where one party offers inducements (monetary or other) to or is solicited inducements from a public official in exchange for administrative advantages or “political goods.” Third, these kinds of exchanges are improper in that they violate established norms. Corruption is “the improper use of public office in exchange for private gain” (Sandholtz and Koetzle 2000, 34-35). The problem still remains, however, of giving these “established norms” specific content in a way that makes the definition of corruption portable across different countries and contexts, and permits comparative analysis. Before discussing the possible solutions to this problem, it may be useful to look at some of the acts commonly defined as, or associated with, corruption.
In research on corruption it is common to distinguish between political (high-level, “grand”) and bureaucratic (low-level, “petty”) corruption. Political corruption refers to situations where politicians, ministers and top officials exploit their positions for some personal gain, while bureaucratic corruption refers to corruption by public officials and officers working in public administration services (Andvig and Fjeldstad 2001). It follows from this that the actors involved in corrupt transactions at the political level are different from the actors involved at the bureaucratic level. High-level corruption will involve political and business elites, both international and national, whereas low-level corruption involves low-level public officials and average citizens.

The act most commonly associated with corruption is bribery – i.e. the exchange of money, property, or other “goods” for a “publicly controlled good” (Bailey 2009, 63). Bribery should, according to Andvig and Fjeldstad (2001), be considered the essence of corruption. Other forms of corruption, which Bailey (2009, 63) labels political transactions, involve situations where public officials violate their duties by exchanging a public good for a resource that benefits his or her own power or influence. Examples of such conduct are found when a civil servant gives a position to a relative or friend rather than to a better-qualified applicant (nepotism), when the winning political party removes all office-holders who supported the opposition (patronage), when a legislator votes for a bill that gives tax concessions to a company in which she herself owns stock (legislative conflict of interest), when government bureaucrats use their knowledge and contacts to establish consulting firms which give advice to private clients (bureaucratic conflict of interest), and when government contracts are awarded to favored friends or political supporters. Political transactions also include lying to the media and a handful of campaign financing methods (Gardiner 2002, 27). The kinds of behavior listed here are more or less commonly regarded as corrupt behavior according to broadly shared Western standards (Sandholtz and Koetzle 2000, 35), which are also the main point of reference for the majority of Latin American experience (Bailey 2009). Nonetheless, this brings us back to the question about the extent to which these standards give rise to definitions of corruption that are portable from one context to another.

As is argued by Sandholtz and Koetzle (2000), the solution to the problem of the making corruption definitions portable across countries is to specify which definition of “improper” is employed in the analysis, and to apply this definition to the examination of different contexts (Sandholtz and Koetzle 2000, 35). I choose to define corruption as “the improper use of
public office in exchange for private gain,” where improper use includes the acts listed above. Defining corruption out from what different societies or different groups within societies consider it to be does not permit comparative analysis and, as everything becomes relative, it is an approach of little analytical value. This does not mean that it is not assumed that there may be cultural and individual variations in the definitions of what constitutes a corrupt act and in the toleration of such acts. But, if we want to study the effects of corruption across different countries with different contexts, it is necessary to treat it as an analytical category, and examine variations in the effects of it by analysis of public opinion.

But what is all this fuzz around corruption really about? Is it at all important for the legitimacy of a democracy if some public officials and politicians are corrupt or not? Below, the concept of democratic legitimacy is defined and discussed, followed by an attempt at linking the two concepts and discussing the possible effects of corruption in a democratic context.

1.2 Democratic Legitimacy

The concept of legitimacy is a “bedrock concept” within political science (Booth and Seligson 2009, 1). Modern legitimacy theory originated with Max Weber (1965), when he distinguished between traditional, charismatic, and legal forms of state legitimacy, and argued that the traditional and charismatic forms were unstable ones that would eventually evolve into the legal form dominated by a state bureaucracy (Booth and Seligson 2009, 1). Linking the legitimacy concept to democratic regimes, Seymour Martin Lipset (1981) argued that the stability of a democracy depends on economic development, effectiveness, and the legitimacy of its political system. Lipset (1981) contended that legitimacy involved the “capacity of the system to engender and maintain the belief that the existing political institutions are the most appropriate ones for the society” (Lipset 1981, 64). Legitimacy, he argued, was evaluative in the sense that “groups regard a political system as legitimate or illegitimate according to the way in which its values fit with theirs” (Lipset 1981, 64). He further argued that legitimacy played an important role in political stability, contending that highly legitimate but inefficient systems were more stable than highly efficient but illegitimate ones. However, prolonged effectiveness, such as sustained economic development over a long period of time, may give legitimacy to a political system (Lipset 1981, 64).
David Easton’s (1965, 1965; 1975) framework of political support has become an important point of reference for some of the more recent research on public opinion and legitimacy. When reassessing the concept of political support, Easton (1975) distinguished between diffuse and specific forms of political support, as two forms of political system legitimation. The specific form of political support involves support for the political authorities and incumbent government on the basis of (i) the meeting of citizens’ demands and/or (ii) the government’s general performance, while diffuse support refers to evaluations of what an object (political authorities) represents (e.g. democracy) (Easton 1975, 444). The distinction is important because it emphasizes the fact that citizens may disagree with the policies and outputs of incumbent governments while at the same time those same citizens may continue to support the political system per se. Because dissatisfaction with incumbent governments and political authorities can be resolved by “throwing the rascals out,” diffuse support is according to Easton (1975, 444-45) more or less independent of short-term outputs and performance. However, Easton (1975, 445) stresses that prolonged discontent with the perceived performance of governments may gradually erode diffuse support.

When refining Easton’s framework, Norris (1999) distinguished between five levels of political support, or “legitimizing targets”: political community (sense of belonging to a nation), regime principles (support for democracy as an ideal form of government), regime performance (current performance of the democratic regime), regime institutions (the functioning of democratic institutions), and political actors (incumbent government, political authorities) (Norris 1999, 10). When placed on a continuum, these levels may be seen as ranging from diffuse support (political community) to specific support (political actors). Thus, democracy’s total legitimacy depends on citizens’ support for each of these dimensions. Individual need not, however, be equally supportive of each of these dimensions, and countries will have varying contours of legitimacy based on the mean position their respective citizens take in each dimension (Booth and Seligson 2009, 10).

The distinction between different types of diffuse and specific political support is crucial for understanding the relationship between the various levels of support and the eventual consequences that a lack of public support for one or more of the dimensions has on the political system.

Starting at the most specific level, citizen support for an incumbent government and political actors is obviously connected to individual political affiliation. If there is widespread
discontent with the incumbent government in a democracy, citizens can simply use their
democratic rights and freedoms to throw the government out and replace it with a new and,
hopefully, more satisfactory one. Such an outcome would merely be evidence of a well-
functioning democracy with an active and engaged citizenry. Hence, discontent with the
incumbent government and the authorities does not necessarily represent a threat to
democracy’s survival and consolidation.

At the same time, Easton (1975) argued that prolonged discontent with successive
governments and administrations may lead to a lack of more diffuse political support and
trust. Diffuse support is, in turn, viewed as crucial for the consolidation and survival of
democratic regimes. It is believed that trust in and support for democratic institutions
facilitate the democratization process, and that a decline in diffuse support may eventually
lead to a lack of support for democracy as a political system and increase the risk that citizens
will support alternative forms of government (Anderson and Tverdova 2003). In other words,
if citizens are dissatisfied with the functioning of democratic institutions and democracy’s
general performance, this can, in the long run, lead to a decreased normative support for
democracy.

The relationship between support for regime institutions, satisfaction with regime
performance and support for regime principles is, however, not that simple. The
dissatisfaction that citizens might have with the general performance of democracy does not
necessarily mean they are undemocratic. Citizens may adhere to democratic norms and values
and believe that, overall, democracy is the best system of governance, while at the same time
they might negatively evaluate the functioning of this same system in their country at a
particular point in time. Dissatisfied democrats are probably found in all democratic
countries, regardless of how “liberal” or consolidated the democratic regime might be.
Nevertheless, in new democracies, where some citizens have experienced the transition from
authoritarian government to democracy and others have grown up in a partially democratized
country, the conceptions of democracy may to a greater degree vary, and the distinctions
between democracy’s performance and democracy’s fundamental principles may be less
clear. If this is the case, citizen may support those alternative forms of government that they
see as performing better in political and economic terms, even if this means giving up
fundamental democratic rights.
Furthermore, it is reasonable to assume that the different levels of legitimacy may be based on different sources. The determinants of support for incumbent governments or trust in institutions need not be the same as the determinants of support for regime principles and political community. Moreover, decreased or increased support for one dimension may decrease or increase support for another dimension. Having established this, the question that remains is how corruption relates to democracy, both at a general theoretical level, and in the eyes and minds of citizens. The following section attempts to link the concepts of corruption and democratic legitimacy together.

### 1.3 A Clash with Democratic Principles

The signature characteristic of democracy is the government’s responsiveness to the preferences of its citizens, ones considered to be political equals. Citizens must have equal opportunities to formulate their preferences, to signify these to their fellow citizens and the government, and to have their preferences weighted equally, with no discrimination based on content or source (Dahl 1971, 1-2). Government officials are entrusted by the public to ensure that democratic processes are fair, and it is precisely those notions of citizen equality and institutional fairness that are compromised by corruption (Chang and Chu 2006, 260).

If public agencies of collective action are reduced to instruments of private benefit, the effective domain of public action becomes reduced, which in turn reduces the reach of democracy (Warren 2004, 330). The principles of honesty and fairness in the provision of public services, to which every citizen is entitled, are broken when the quality or delivery of government services depends on whether or not citizens are able to pay the extra amount of money required to satisfy the private interests of public officials. Likewise, democratic procedures are distorted where policies are born out those “back-alley deals” that often accompany financial scandals and electoral manipulation (Canache and Allison 2005, 91).

It is not difficult to agree on that corruption represents a clash with democratic principles of fairness, equality, accountability, etc. This is often the point of departure for many scholars studying the corrosive effects that corruption has for democracy and democratic legitimacy (cf. Anderson and Tverdova 2003; Canache and Allison 2005; Chang and Chu 2006). But so what? Do citizens really care if some bribes are paid and some politicians are dishonest? Why should corruption matter for democratic legitimacy?
1.3.1 A Source of Legitimacy?

When explaining the sources of legitimacy, a distinction can be made between the theoretical approach based on institutional performance versus the approach based on culture. The performance-based approach postulates that trust in and support for democracy are consequences of democracy’s political and economic performance (Booth and Seligson 2009; Mishler and Rose 2001). This approach argues that (i) political trust and support is politically endogenous, i.e. a consequence rather than a cause of political and economic performance; and (ii) insofar as cultural values and early-life socialization influences individual political trust and support, more proximate evaluations of and experiences with regime performance are more important when citizens evaluate their support for democracy and its institutions (Mishler and Rose 2001). Thus, democratic legitimacy hinges on citizen evaluations of and experiences with the performance of democracy in political and economic terms.

Citizen evaluations of government performance may, according to Miller and Listhaug (1999, 205), be based on either direct (objective) performance, or on citizens’ expectations of government. Recognizing the diffuseness of “expectations,” Miller and Listhaug (1999, 206) mention four types of expectations that citizens may compare government performance to: expectations with respect to the past, to the future, to an ideal of what is fair, or to what specific groups in society are perceived to gain from government outputs. Regardless of what type of expectation citizens have toward government and democracy, the main hypothesis is that political trust in and support for democratic government will decrease if government performance falls short of citizen expectations (Miller and Listhaug 1999, 206).

The level of corruption in a democracy can be taken as an indicator of the regime’s political performance. If we accept the claim that government performance (political as well as economic) is important for citizen evaluations of and support for government, we could assume that citizens who perceive high levels of corruption or experience a corrupt bureaucracy, will exhibit lower levels of political trust and support than citizens perceiving and experiencing the system to be fair and honest. But is it all that simple?

According to the cultural approach, proximate evaluations of political and economic performance can play a small role in determining citizens’ attitudes toward democracy, but these evaluations are not as important as individual early-life socialization experiences and the cultural norms prevalent in society (Eckstein 1988). While performance-based theories
postulate that government performance in curbing corruption, for example, will have a positive influence on citizens’ political support, the cultural approach argues that cultural influences are deeper, and that evaluations of political or economic performance will be contingent on the political culture of the country. In countries with a “culture of corruption,” i.e. where corruption is more widespread and widely accepted, perceptions of corruption may be less salient and have weaker effects on both institutional trust and popular support for the regime compared to countries where corruption is less culturally ingrained (Mishler and Rose 2005, 1054).

In Latin America, this argument is an interesting one. The region is “known” for its presumably high levels of corruption, and several countries have been haunted by corruption scandals involving sitting presidents ever since the transitions to democracy (Morris and Blake 2009, 1). But corruption is neither new nor unique to the democratic governments imposed after the “third wave of democratization,” to which the majority of the Latin American countries pertain. Referring to historical analyses undertaken in several countries in the region, Morris and Blake conclude that it is, in the Latin American region, “abundantly clear that corruption predates the emergence of democracy” (Morris and Blake 2009, 3). Corrupt practices have clearly existed in the region long before democracy was imposed. However, Weyland (1998) suggests that corruption levels in the region have increased as a result of democratization processes. I argue that this suggestion, in itself, is problematic. Assessing whether or not the level of corruption has increased or decreased within a society is extremely possible to assess empirically. Nevertheless, this might be perceived to be the case due to, for example, the media and free press exposing corrupt practices in incumbent governments and among central politicians.

Corruption may be entrenched in Latin American societies, and this is not necessarily the result of democracy itself. But which consequences might the perceived increase in levels of corruption have for the legitimacy of democracy in the region? Is it reasonable to assume that Latin American “corruption traditions” moderate the eventual negative effects of corruption on legitimacy? Could corruption be the prevailing norm in the Latin American region?

Mungiu-Pippidi (2006) contends that in individualistic societies, such as liberal democracies based on the norm of universalism, individuals expect equal treatment from the state. By contrast, in societies based on the norm of particularism, such treatment depends on
individual status and position in society, and citizens may not expect fair treatment from the state, only similar treatment to everybody with the same status and position (Mungiu-Pippidi 2006). The argument in relation to corruption is that the demise of particularism and traditional authority leads to intermediate regimes (“competitive particularism”), where corruption explodes. Corruption is, however, no longer an accepted social norm because popular expectations of the regime changes once the traditional regime is gone (Mungiu-Pippidi 2006, 88-89).

In the Latin American context this may be a more reasonable theoretical assumption than the cultural “more corruption, more acceptance” hypothesis. Obviously, a necessary condition for corruption to flourish in a society is that citizens, public officials, and politicians are willing to engage in corrupt transactions. If corruption is rampant at both the bureaucratic and political levels of politics, this means that politicians and public officials are inclined to engage in corrupt behavior, even if it conflicts with democratic norms and/or formal laws. However, the fact that a substantial number of government officials and politicians are willing to circumvent formal laws or procedures for their own private gain, does not necessarily imply that such behavior is automatically accepted by the general public, and it certainly does not mean that citizens necessarily accept corruption as a natural part of a sound and well-functioning democratic system.

In conjunction with the democratic transitions throughout Latin America, popular expectations toward the political system have changed also. I argue that it is plausible to assume that citizens of democratic or democratizing regimes expect equal treatment, procedural fairness, and accountability and transparency from their political leaders and the political system as a whole. Corrupt behavior from public officials and high-level authorities clearly violates these principles, and, if citizens perceive or experience corruption among public officials, this may negatively influence their views of democracy, thus affecting the legitimacy of the same system.

However, differential effects of corruption can be explained within an institutional framework that focuses on the impact the political and economic performance of democratizing regimes has on citizen attitudes and expectations towards that same regime. It is plausible to expect that, as the political and economic performance of a democracy improves, citizen expectations toward democracy are heightened. Democratic institutions that perform relatively well will probably enjoy popular support. At the same time, citizen expectations of the system, in terms
of equal treatment and procedural fairness, may heighten. Connecting this to corruption, it is plausible to expect that citizens that experience corruption in countries where institutions are well-functioning will react more strongly to this because it to a stronger extent violates more or less established standards of public conduct.

In contrast, in countries were institutions generally perform poorly, democratic institutions presumable will not enjoy high levels of popular support, and citizen expectations of equal treatment and procedural fairness may be thereafter. Thus, experiencing corruption within public administration systems may not come as a big surprise, and maybe not alter citizen attitudes toward institutions to the same degree as the former example. However, this need not indicate that corruption is the accepted norm, as the cultural argument holds.

At the same time, in countries where institutions are performing poorly, the combating of corruption (or at least, the perception of the extent to which it is combated), may be a more important source of legitimacy than in countries where institutional performance is at a relatively high level. It is exactly these types of dynamics that the thesis is set out to uncover. In the next section, I describe some of the existing empirical contributions to research on corruption and democracy, and clarify the contribution the thesis makes to existing research on the field.

1.4 Existing Empirical Research on Corruption

Research on corruption regained academic interest after the end of the Cold War in 1989. The existing body of research on corruption and democracy can be differentiated according to two important dimensions: (i) the level of analysis and (ii) the assumed direction of causality. Aggregate-level research tends to study the effects that democracy and different political institutions have on corruption levels, while individual-level research most commonly explores the effects that corruption has on support for democratic government and institutions. In the following, I give a brief review of key studies of corruption and democracy, at both the aggregate and individual levels.

1.4.1 Aggregate level research

Economic Growth and Inequality
The most robust relationship found in research on corruption is the negative correlation between corruption and economic development. The levels of perceived corruption tend to be lower when a country’s level of economic development is higher, a finding that has survived a variety of controls \(^2\) (Treisman 2007, 223, 225) Mauro’s pioneering study (1995) on corruption and economic growth found that corruption decreased economic growth by weakening investment. Svensson (2005) finds corruption levels to be strongly related to GDP per capita and human capital,\(^3\) but does not find a significant relationship between economic growth and corruption. You and Khagram (2005) find income inequality to be an equally important determinant of corruption levels when compared to the influence of economic development, and show that the effect of inequality on corruption levels is stronger in more democratic countries (You and Khagram 2005, 153). In addition, corruption has been linked to trade openness, government expenditures, and foreign aid. For more detailed reviews of this literature, see Lambsdorff (1999) and Treisman (2007).

Democracy

A key study within aggregate research on the relationship between corruption and democracy is Treisman’s 2000 study which examines, among other factors, the effect that democracy has on levels of perceived corruption in 85 countries. Treisman (2000) found democracy to have significant effects on the perceived level of corruption, but only after 40 years of uninterrupted democracy, indicating a “painfully slow process by which democracy undermines the foundations of corruption” (Treisman 2000, 439). Sung (2004, 187) corroborates Treisman’s results, finding democratization to generally, and eventually decrease corruption levels.

Sung (2004, 187) argues that it is reasonable to expect temporary upsurges in government corruption during the early stages of the political liberalization process. In line with this argument, Montinola and Jackman (2002) find a nonlinear relationship between corruption and democracy, reporting that corruption tends to be lower in authoritarian regimes versus partially democratised ones, but once passing a threshold, democracy inhibits corruption. When re-examining this link, Treisman (2007) finds support for the same claim: perceived

\(^2\) These controls include ethnolinguistic fractionalisation, latitude, region, religion, culture, democracy, trade, inequality, inflation, and various policy variables (Treisman 2007, 225).

\(^3\) Human capital is measured by years of schooling among the total population above the age of 25 (Svensson 2005, 27).
corruption decreases when democracy increases from 2 to 1 or 7 to 6 on the Freedom House scale, while effects of movements between 6 and 3 are more erratic (2007, 228). This suggests that increases in freedom and level of democracy do not necessarily have significant impacts on corruption levels among imperfect democracies or soft authoritarian states, which is consistent with Paldam’s (1999) finding that corruption decreases with increasing levels of democracy, but that the covariance varies according to the different levels of democracy.

The finding that long-term democratic rule is associated with lower levels of corruption is supported by Thacker (2009), Sandholtz and Koetzle (2000), and Goldsmith (1999). However, both Sandholtz and Koetzle (2000) and Goldsmith (1999) find that the effects of democratic institutions and political rights are weaker than the economic factors accounted for in the analyses.

Political Institutions

Some scholars have explored the relationship between different political institutions and levels of perceived corruption. Gerring and Thacker (2004) explore the relationship between territorial sovereignty (unitary or federal) and the composition of the executive (parliamentary or presidential) versus levels of perceived corruption, concluding that unitary and parliamentary forms reduce corruption levels. This finding is supported by Lederman, Loayza, and Soares (2004), while Lindstedt and Naurin (2006) conclude that making political institutions more transparent effectively combats corruption. When re-examining the relationships between perceived corruption and some of the aforementioned factors, Treisman (2007, 231-35) finds that (i) levels of perceived corruption tend to decrease when political rights increase, (ii) presidential systems are associated with higher levels of perceived corruption, and (iii) a free and widely read press lowers perceived levels of corruption. Less significant factors were the type of electoral system and fiscal and political decentralization (ibid.).

1.4.2 Individual level research

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4 Significance varied depending on the measurement applied. Relationships were found to be significant when combining the World Bank’s Control of Corruption measurements with the Freedom House (FH) ratings, but not so significant when combining Transparency International’s (TI) Corruption Perception Index (CPI) with FH political rights scores, and only sometimes significant when analysing the WB data against the Polity IV democracy measurements (Treisman 2007, 231).
When compared to the amount of research on corruption and democracy at the aggregate level, far fewer studies have attempted to explore the same relationship at the individual level. Most existing studies at the individual level reverse the causal direction by examining the effects that perceptions of corruption have on social trust, political trust and support, and voting behavior. A few additional studies take a closer look into the determinants of perceptions of corruption, experiences with corruption, and participation in corruption. Here, I give a brief review of existing research on (i) corruption and political preferences, (ii) corruption and social trust, and (iii) the social and attitudinal determinants of corruption.

Political Preferences

The most consistent finding in individual research on corruption and political preferences seems to be that perceptions of corruption weaken trust in institutions, trust in civil servants, and support for incumbent governments. Several studies find individual corruption perceptions to have a negative effect on trust in political institutions (Canache and Allison 2005; Chang and Chu 2006; Morris 2008; Morris and Klesner 2010; Mishler and Rose 2005), and the same holds true for the few studies that explore the effects of corruption experiences (Morris 2008; Morris and Klesner 2010; Seligson 2002, 2006).

As for the more specific types of political support, Anderson and Tverdova (2003) and Canache and Allison (2005) find perceptions of corruption to be negatively associated with trust in civil servants and support for incumbent governments. Manzetti and Wilson (2009) also found perceptions of corruption to decrease support for incumbent government, but that government disapproval was contingent on the effectiveness of the country’s democratic institutions. Individuals who perceived higher levels of corruption were less likely to “punish” the government in countries where government effectiveness is low. When corruption perceptions were low, however, they found no significant impact from the effectiveness of institutions (Manzetti and Wilson 2009, 88). Individual perceptions of corruption have also been related to voting behavior and electoral outcomes. Results suggest that opposition partisans who perceive high levels of corruption in government are more likely to abstain.

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5 I use the terms corruption “experience” and “participation” somewhat interchangeably, especially in this section. Corruption “experience” may refer to actual participation in corruption but also to the observation of corrupt acts. Corruption “participation” refers solely to the participation in corruption.

6 Other activities include acquiring public services through acquaintances; fast-tracking administrative processes
from voting rather than support opposition parties in subsequent elections (Davis, Camp, and Coleman 2004, 699; McCann and Domínguez 1998).

The results are mixed with respect to the influence that individual experiences with and perceptions of corruption have on more diffuse types of political support. Anderson and Tverdova (2003) find perceptions of corruption to negatively affect evaluations of democracy’s general performance in 16 countries, a finding supported by Morris (2008), who found both corruption perceptions and experiences to negatively affect citizens’ satisfaction with democracy in Mexico. Results for both corruption experiences and perceptions fell, however, just short of being statistically significant (Morris 2008, 405). Rose, Mishler, and Haerpfer’s (1998) cross-national study of nine Central and East European countries found corruption perceptions to be associated with lower levels of support for the regime, and a decreased likelihood for citizens to reject undemocratic alternatives. When controlling for alternative explanations of system support, however, the effects were substantially attenuated and/or reduced to insignificance (Anderson and Tverdova 2003, 93). The same insignificant relationship between corruption perceptions and normative support for democracy is found by Canache and Allison (2005), while Rose, Shin, and Munro (1999) found a significant and positive relationship. South Koreans that perceived levels of government corruption to be high were more supportive of democracy as an ideal form of government (Rose, Shin, and Munro 1999, 156).

Social Trust

Results are somewhat mixed when it comes to the relationship between corruption and social trust. Seligson (2006) finds that individuals who have experienced corruption or have engaged in corrupt transactions tend to display lower levels of social (interpersonal) trust. Similarly, Morris (2008) argues that socially trusting individuals are less likely to engage in corrupt transactions. Hence, regardless of the causal direction assumed, individuals with higher levels of social trust tend to have less experience with corruption. As for perceptions of corruption and social trust, Morris (2008) finds a positive relationship between the two variables: As social trust increases, so do individual perceptions of corruption. This finding stands in clear contrast to the results found by Canache and Allison (2005) and Olken (2009), where increases in social trust are associated with decreases in perceptions of corruption. When studying the same relationship in Mexico, Morris and Klesner (2010, 1270) fail to find a
significant relationship between social trust and corruption experience or social trust and corruption perceptions.

Social and Attitudinal Determinants of Corruption

Another small body of research has explored some of the social and attitudinal determinants of perceptions of and participation in corruption. Gatti et al. (2003) examine the social determinants of corruption in 35 countries, finding that female, employed, less wealthy, and older citizens tend to be more averse to corruption. Blake (2009, 102-103) found confidence in the police to be associated with a lower tolerance of bribe-taking, and that women and older people were less tolerant of corruption than men and younger people. Income, life satisfaction, education and interpersonal trust were found to not have any significant impact on individual tolerance of corruption.

When testing the extent to which social learning theory or individual levels of institutional and social trust better explained the propensity of public officials and individuals to participate in corruption in Estonia, Tavits (2005) found that decisions to participate were primarily influenced by a personal definition of corruption, and by perceptions of how widespread corrupt activities are. Individuals who did not define corruption (here, paying a bribe or other witnessed activities) as morally wrong, or perceived corruption to be widespread, were more inclined to engage in corrupt behavior. Individual levels of institutional and social trust could not explain the propensity of individuals to participate in corruption (Tavits 2005). As for the behavior of public officials towards citizens, Fried et al. (2010) conducted field experiments and qualitative interviews with police officers, and found that officers were more likely to solicit bribes from lower-class citizens while letting more wealthy individuals off with a warning after committing traffic violations. Interviews with police officers showed that the officers associated wealth with the capacity to exact punishment, and were, therefore, more likely to demand bribes from citizens they perceived to be poorer.

1.4.3 Limitations and Challenges to Existing Research

Other activities include acquiring public services through acquaintances; fast-tracking administrative processes through acquaintances with public officials; gift offering; public officials using information for their own private benefit; public officials doing favours in return for counter-favours; public officials making business contracts on behalf of their institution with companies owned by relatives; political parties passing resolutions favourable for a particular company in return for a donation from the company (Tavits 2005, 12).
After reviewing the previous research on corruption and democracy, it seems that there is a nonlinear relationship between corruption and democracy at the aggregate level. Several studies suggest that democracy inhibits corruption, but only after decades of democratic government. The results are mixed at the individual level, but most point in the direction of corruption as negatively affecting democratic legitimacy. Nonetheless, the relationship between corruption and democracy needs to be subjected to additional empirical scrutiny. This thesis contributes to the research literature in two main ways: First, in the thesis I disaggregate both the concept of corruption and the concept of democratic legitimacy, and examines the relationships between both corruption perceptions and corruption experiences with variations in levels of legitimacy. Second, the thesis combines macro- and micro-data on corruption and democracy, exploring the ways in which the relationships between corruption and democratic legitimacy at the individual level are contingent on contextual characteristics at the country level.

I start with discussing some of the problems related to the measurement of corruption, and discuss to some extent the advantages and limitations to the existing ways of measuring corruption. Finally, I formulate the general research questions.

Measuring a Secret Phenomenon

Due to its sub rosa nature (Seligson 2006), corruption is an extremely difficult phenomenon to measure. Because of the secrecy of corruption, achieving a measurement that is both objective and systematic is almost impossible. “Hard” data - e.g. measuring corruption based on court rulings, press reports, and anti-corruption reports – do not provide us with a systematic measurement of corruption, nor can they function as good indications of a country’s level of bureaucratic or political corruption. Such measurements have, therefore, not gained scholarly acceptance (Morris 2008).

Among the accepted approaches to measuring corruption are subjective measurements of corruption perceptions and corruption experiences, or participation, whereof measurements of corruption perceptions are the most developed and most commonly employed. Most scholars rely on aggregate subjective indices such as Transparency International’s (TI)

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7 As Morris (2008) and Seligson (2006) point out, these kinds of sources are unreliable because they may be completely independent of a country’s actual corruption level. In highly corrupt countries, efforts at reducing corruption may be fewer, and therefore, little corruption is reported. In “clean” countries, however, there may be arrests and convictions for even minor corrupt acts (Seligson 2006, 383).
Corruption Perception Index (CPI) or the World Bank’s index of Control of Corruption. In public opinion research, scholars rely mostly on individual perceptions of how prevalent corruption is in their respective countries. In recent years, however, attempts at measuring corruption more “directly” by asking respondents about their actual experience with or participation in corrupt acts have been undertaken (Morris 2008; Morris and Klesner 2010; Seligson 2002, 2006). Each of these measurements has its own limitations, and I will consider these in turn.

In assessing corruption levels in various countries, the CPI and WB indices rely on a range of different sources, including public opinion surveys, country experts, business leaders, expatriates, etc., and today are considered to be the best and most reliable ways of measuring corruption (Seligson 2006; Treisman 2007). Although relying on a variety of sources undoubtedly increases the reliability of these measurements, there are important limitations to each approach. The CPI, for example, compiles a “poll of polls” based on the perceptions of national and foreign business leaders and risk analysts working for multinational firms and institutions in each country, whose job entails taking into consideration the level of corruption in a country before deciding on whether and how much to invest in the country’s market. Thus, the measurement is a result of informed elite-based surveys (Canache and Allison 2005, 94-95; Seligson 2006, 384). The CPI may be good at evaluating business transactions, but is weak at tapping into other corrupt activities that may not be business related (Seligson 2006, 385). It might also suffer from an endogeneity problem: The results may be strongly influenced by factors other than those directly observed by participants. Treisman (2007, 241) asks whether the CPI and WB indices actually measure corruption itself, or if they are guesses about its extent in particular countries, in accordance with conventional theories of corruption.

Thus, aggregate corruption perception indices are of limited value if we want to study the ways in which corruption may affect democracy. Ultimately, the legitimacy of a democracy resides in the minds of its citizens. If we want to know more about the relationship between corruption and democracy, we need to study this relationship at the individual level. At the same time however, individual-level research also relies on individual perceptions of corruption. Individual perceptions about corruption may be more or less independent of the actual level or frequency of corruption. Nevertheless, individual perceptions are important because they influence individual attitudes and beliefs about society.
Still, relying solely on individual perceptions does not necessarily tell us more about corruption than do aggregate perception indices. Additionally, individual perceptions about corruption may be influenced by their views on democracy, i.e. an individual’s perception of corruption can be the result of that individual’s critical attitude towards how his or her democratic institutions function. Studying individual experiences with corruption can give a more nuanced picture of the frequency of corruption in public administrations, and brings us closer to the “fact” of corruption. The limitation to studying citizen experiences, however, is the inability of these experiences to tap into high-level political corruption. As Morris (2008) points out, high-level corruption may be impossible to measure. When tapping into high-level corruption, proxy measures, such as the aggregate corruption indices, are the best approach to date.

1.4.4 The Thesis’ Contribution

Thus, the main argument is that, in order for research on corruption and democracy to advance, we need to disaggregate our concepts and combine different measures of corruption. The thesis will contribute to existing research by employing a multilevel analysis of the effects that both corruption perceptions and corruption experiences have on various levels of democratic legitimacy in 23 countries in the Latin American region.

To date, very few studies have examined the impact that both individual corruption perceptions and individual corruption experiences have on democratic legitimacy. There are some exceptions to this rule, but their weakness is that they are either case studies or they analyze a very limited number of countries.⁸ As for the concept of democratic legitimacy, disaggregation is a common practice. However, in studying corruption, most research has focused only on the legitimacy of regime institutions, i.e. the impact of corruption on trust in public institutions. The same dimension will be subject to investigation in the thesis, but I will argue that more research needs to be done on the relationship between corruption and the more diffuse types of political legitimacy, an approach that has been taken only to a limited extent.⁹ If we want to know more about the relationship between corruption and democracy, we need to examine the impact that corruption perceptions and experiences have on different

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⁸ Studies by Morris (2008) and Morris and Klesner (2010) focus solely on Mexico, while studies by Booth and Seligson (2009), Seligson (2006), and Seligson (2002) are limited to eight, six, and four Latin American countries, respectively.

⁹ See Booth and Seligson (2009), Morris (2008), Rose, Shin, and Munro (1999).
levels of legitimacy. This leads us to the first of two research questions to be answered: *Do corruption perceptions and corruption experiences have different effects on democratic legitimacy? And, do the corruption perceptions and experiences have stronger effects on some legitimacy dimensions than others?*

Second, theory and empirical research suggests that the degree to which corruption perceptions and experiences influence democratic legitimacy may contingent on a country’s level of political and economic development. More specifically, institutional theory suggests that the relationship between corruption and democracy at the individual level is contingent on the political performance of the regime in terms of institutional effectiveness and the like. If we want to know more about the differential effects of corruption on democratic legitimacy across countries, we need to combine individual-level data with country-level data. Studying individual and country-level variations simultaneously will bring us closer to knowing if and how individual-level effects are contingent on, or mediated by, country-level characteristics. If they do, *can country-level traits such as institutional effectiveness and level of corruption explain some of this variation?*

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10 Multilevel analytical techniques have been employed by Anderson and Tverdova (2003) and Booth and Seligson (2009), but these study only corruption perceptions or one dimension of corruption experience.
Chapter 2: Data and Method

This chapter describes the data used and method applied in the data analyses presented in Chapter 3 and 4. The first section describes the individual-level and aggregate-level data, while the second section describes the statistical approach and methodological choices made in connections with the statistical analyses. The third section focuses on the operationalizations of key variables, and the measurement validity of these. In a final section, I consider the general reliability and validity of the study.

2.1 Data

Individual-level data were obtained from the Latin American Public Opinion Project’s (LAPOP) AmericasBarometer survey from 2010. Units are voting-age adults in 23 countries in the Latin American region, which in the pooled data set yields a total number of observations of \( n = 39238 \). LAPOP makes use of multistage stratified-clustered sampling (STR-PSU). Countries were divided into regions, and regions were stratified by urban and rural areas. Within urban and rural areas the Primary Sampling Units (PSU), neighborhoods, were selected by the probability proportional to size (PPS) criteria. Households were randomly selected within PSUs and respondents selected after the “next birthday system.”

All single country data sets, except 6, are self-weighted, which makes it necessary to incorporate sample weights in the analysis. This is discussed in section 2.2.4. Individual country sample sizes are around \( n = 1500 \), with some exceptions.

LAPOP was founded by Mitchell A. Seligson and is hosted by Vanderbilt University. The AB series was established by LAPOP 2004 and aims at covering all democratic countries in the Americas. The 2010 round is the fourth round in the AB series. LAPOP holds its surveys to very high standards of quality. Questionnaires are pre-tested in each country, and in 2010 hand-held electronic systems were used in 17 out of 26 countries to eliminate data collection

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11 Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, The Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Suriname, Trinidad & Tobago, Uruguay, and Venezuela.
12 For detailed accounts of the sampling procedures in each country, see Appendix A.
13 A weight variable (wt) was created in all self-weighted datasets (wt=1) in order to be able to incorporate sampling weights when analyzing the data. The final dataset was survey set (svyset) in accordance with LAPOP’s weighting recommendations (see http://www.vanderbilt.edu/lapop/AmericasBarometer_weighting_scheme_all_years_of_AB.pdf).
14 See Appendix C.
and processing errors (LAPOP 2010). LAPOP holds its surveys and studies to very standards of quality. Seligson and Zechmeister (2010, xviii) report a higher quality of data with fewer errors when employing electronic systems for data collection in 2010, compared to previous years. The 2010 study is the largest study of democratic values undertaken in the Americas (Seligson and Zechmeister 2010, xv). LAPOP cooperates with local organizations, and make use of bilingual interviewers who apply translated questionnaires in countries with significant indigenous-speaking populations. Detailed accounts of sampling procedures for each individual country are given in Appendix A.

Aggregate-level data are obtained from Transparency International, the World Bank, and the United Nations Development Program (UNDP). The use of macro-level data and operationaliztions of country-level predictors is discussed in section 2.3.3

2.1.1 Countries included in the Study

The 2010 AB survey included 26 countries in North America, Latin America, and the Caribbean. In the analysis, I included every country that (i) are defined as electoral democracies, and (ii) belongs to the Latin American or Caribbean region. USA and Canada were not included because they cannot be said to be a part of either Latin America or the Caribbean, and Haiti was excluded because it is not defined as an electoral democracy (FreedomHouse 2010). Including Guyana, Jamaica, Suriname and Trinidad & Tobago means taking on a broad definition of Latin America, as these countries are not conventionally defined as being part of the Latin American region. The term “Latin America” thus refers to countries in the Latin America and the Caribbean regions. Although the above mentioned countries are not conventionally defined as Latin American countries, this is in accordance with the U.S. definition of Latin America. The argument is that although these countries do not share the same Spanish and Portuguese colonial heritage, they belong to the same geographical region and face the same socioeconomic developmental challenges.

2.2 Method

The research questions of this thesis calls for a methodological approach that makes it possible to combine individual-level factors with aggregate-level factors. The analysis will
therefore be carried out making use of multilevel analytical techniques (multilevel models; MLM).

When analyzing cross-national survey data with a relatively large number of countries, there are both substantial as well as statistical reasons for choosing MLM. Individuals included in the analysis undoubtedly belong to different countries with different cultures, and different political and economic trajectories. Individuals (Level-1 units) can thus be seen as nested within countries (Level-2 units), which indicates that we are dealing with hierarchically structured data (clustered data). It is further reasonable to assume that individuals belonging to the same group (in this case countries) share some of the same influences, which suggests that individuals that belong to the same country are presumably more similar to each other than to individuals belonging to other countries. This again, means that observations within one country not necessarily are independent (Steenbergen and Jones 2002, 219).

MLM recognizes the hierarchical structure of the data, and that such a structure may give rise to varying intercepts and slopes across countries (Bickel 2007). That is, the mean level of an outcome variable (Y) may vary considerably across countries, as well as the average effect of an independent variable X on Y may be different in country A compared to country B. Failing to recognize this structure leads to a violation of the independency assumption, which again can lead to incorrect estimates of standard errors and Type I errors. Estimating models using OLS regression analysis and including dummy variables to account for between-country variation would not correct for this (Steenbergen and Jones 2002). Moreover, regular OLS regression analysis precludes the inclusion of country-level predictors.

Some of the substantive reasons for choosing multilevel analysis are precisely that MLM permits (i) inclusion of predictors at both levels of analysis in one single model, and (ii) analysis of whether the effects of individual-level predictors are contingent on or moderated by country-level predictors by specifying cross-level interactions. In addition, MLM can provide a test of the generalizability of the findings, given that the Level-2 units are randomly sampled (Steenbergen and Jones 2002, 219).
2.2.1 The multilevel model

Multilevel analysis combines the Level-1 model and the Level-2 model in one single comprehensive model. The Level-1 model with one Level-1 predictor can be written

\[ Y_{ij} = \beta_{0j} + \beta_{1j}(X_{ij}) + r_{ij} \]

where \( \beta_{0j} \) is the intercept for country \( j \), \( \beta_{1j} \) is the regression coefficient for country \( j \) and \( r_{ij} \) is the Level-1 residual. Two Level-2 models for the intercept and slopes are written

\[ \beta_{0j} = \gamma_{00} + u_{0j} \quad \text{and} \quad \beta_{1j} = \gamma_{10} + u_{1j} \]

which express each country’s intercept and slope as a function of the mean intercept an slope, plus a residual term that captures country \( j \)’s deviation from the mean. The combined model with one Level-1 predictor and one Level-2 predictor can be written

\[ Y_{ij} = \gamma_{00} + \gamma_{10}(X_{ij}) + \gamma_{01}(X_{ij}) + u_{0j} + u_{1j}(X_{ij}) + r_{ij} \]

Giving the mean intercept and slope(s) (\( \gamma_{00} \) and \( \gamma_{10} \), respectively) across countries, the variance estimates for \( u_{0j} \) and \( u_{1j} \) that quantify the heterogeneity in the intercepts and slopes (\( \tau_{00} \) and \( \tau_{11} \)), the covariance between the intercepts and slopes (\( \tau_{10} \)), and the Level 1 residual variance (\( \sigma^2 \)) (Enders and Tofighi 2007, 122-23).

In the analyses, three different models are estimated. In the first model,\(^{15}\) the intercept is allowed to vary randomly across countries (\( Y_{ij} = \gamma_{00} + \gamma_{10}(X_{ij}) + u_{0j} + r_{ij} \)), in the second model the regression slopes for certain Level-1 covariates are allowed to vary between countries (\( Y_{ij} = \gamma_{00} + \gamma_{10}(X_{ij}) + u_{0j} + u_{1j} + r_{ij} \)), and in the final model cross-level interactions between Level-2 predictors and Level-1 predictors are included (\( Y_{ij} = \gamma_{00} + \gamma_{01}(X_{ij}) + \gamma_{10}(X_{ij}) + \gamma_{11}(X_{ij})(X_{ij}) + u_{0j} + u_{1j}(X_{ij}) + r_{ij} \)).

Thus in the first model, only fixed effects\(^{16}\) of individual-level covariates are estimated, and the intercept is allowed to vary randomly. In the second model, key individual-level predictors are allowed to vary randomly across countries, and in the third model cross-level interactions are specified in order to examine whether country-level predictors explain variations in the effects of individual-level predictors across countries.

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\(^{15}\) Models 1-3 in Chapter 4.

\(^{16}\) The effects are assumed to be fixed, i.e., that \( X \) have the same effect on \( Y \) across all countries.
2.2.2 Assumptions

The assumptions of linear multilevel models are at the individual-level identical to the assumptions of Ordinary Least Squares (OLS) regression. Random residuals are assumed to be independently distributed with uniform variance (residuals are not correlated and exhibit homoscedasticity) (Bickel 2007, 107). Residual diagnostics were performed as recommended by Rabe-Hesketh and Skrondal (2008, 125-26) for the random intercept model, and showed that the assumptions are satisfied in all three models (also checking for outliers).

2.2.3 Centering of variables

Centering decisions should be based on the substantial research questions of interest to the thesis, as recommended by Enders and Tofighi (2007, 122). All independent variables at Level 1 are centered by their group (country) means (centering-within-cluster (CWC)). Predictors at Level 2 are centered by their grand mean (CGM). CWC removes all between-country variation and makes it possible to examine the “pure” estimate of the pooled within-country regression coefficient. It also yields a more accurate estimate of the slope variance than CGM (Enders and Tofighi 2007, 128). CWC centering at the individual-level is the recommended approach when studying individual-level relationships and cross-level interactions between individual-level slopes and country-level predictors. Additionally it reduces the possibility of finding significant cross-level interaction effects when no such effects exist in the population (Enders and Tofighi 2007).

2.2.4 Estimation methods and incorporation of weights

Because LAPOP’s sampling procedures include both stratification and clustering, individuals have unequal selection probabilities. In order to achieve results that are representative for the population, it is necessary to incorporate sampling weights when estimating models. As mentioned in section 2.1, six individual country data sets are not self-weighted. The only estimation method that makes it possible to include sampling weights for MLM in Stata is the GLLAMM package developed by Sofia Rabe-Hesketh and Anders Skrondal. Because GLLAMM is highly inefficient, it is not recommended that GLLAMM be used on linear models (Rabe-Hesketh and Skrondal 2008, 100).
GLLAMM’s inefficiency proved to be a problem when estimating random coefficient models and models with cross-level interactions. GLLAMM showed itself to be highly unstable when estimating such models, which in some cases resulted in unknown errors even after reassuring that the package was up to date. GLLAMM was too inefficient for the time restrictions of the thesis even after attempts to speed the estimation up after Rabe-Hesketh and Skrondal’s (2008, 263) recommendations. I therefore decided to present non-weighted results, using Stata’s xtmixed command. GLLAMM estimates of the random intercept models are given in Appendix C. When estimating fixed effects models with GLLAMM, weights were scaled so that the new weights sum to the effective cluster size (Carle 2009). Because individual country sample sizes are for some countries larger than the majority of the countries, sample sizes were standardized to \( n=1500 \) for each country, and a combined weight was constructed. When interpreting the results in Chapter 4, I let the reader know if discrepancy is found between xtmixed and GLLAMM estimates of fixed effects.

It is thus not possible to compare the un-weighted results presented for the random coefficient models and models with cross-level interactions with results where weights are incorporated. In order to examine potential bias caused by the un-weighted data, I excluded the six non-self-weighted data sets and ran the same analyses on the remaining 17 countries. If any discrepancy is found it will not be certain whether this is the results of not incorporating weights or the result of excluding countries that contribute to variation in the dependent variable and the independent variables at Level 1 and 2.

Fixed effects and variance components are estimated with restricted maximum-likelihood estimation (REML). When samples are large, maximum-likelihood (MLE) estimation and REML produce nearly equal results in large samples, but REML variance components estimates are according to Steenbergen and Jones (2002, 226) less biased than MLE variance components estimates in small samples of Level-2 units.

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17 This was not due to model misspecification, because estimating the same model that had previously resulted in error reports, sometimes did converge. The latter was, however, more frequently the case.
18 Including in these analyses only the country-level predictor found to explain individual-level variation.
2.2.5 Challenges and limitations to the application of MLM on cross-national survey data

In the following, I consider two main challenges to the use of multilevel analytical techniques on cross-national survey data. The first challenge concerns the limited number of Level-2 units included in the analysis. In this case we have 23 units at the country level, which is a dangerously low level. According to Snijders and Bosker (1999, 144),\textsuperscript{19} multilevel analysis is usually applicable when the number of Level-2 units ranges between 10 and 100. The larger the number the better, however, and the limitations and statistical problems encountered will be greater the lower the number of units. Having only 23 observations at the country-level imposes restrictions on the number of predictors that can possibly be included simultaneously. I have indicated that it is my intent to test the cross-level interactions between individual-level corruption indicators and the country-level predictors such as level of corruption and institutional quality. Due to multicollinearity, I cannot include both these predictors at once. I do, however, find it safe to include two country-level predictors when collinearity is not a problem, as the rule of thumb says at least 10 observations per explanatory variable (Strabac 2007). Therefore, when estimating cross-level interactions, I control for economic development (GDP per capita PPP $1000).

The second challenge to the analysis is that MLM assume that higher-level units too are randomly sampled (Steenbergen and Jones 2002, 219). In a cross-national survey data set countries cannot be said to be randomly sampled, as whether or not a country participates in an international survey rather depends on factors such as funding possibilities, research interests, etc. In this case, however, there are very few countries that can be said to pertain to the Latin American region that are not included in the analysis, and it is difficult to imagine how a random sample of countries in the region could possibly be drawn. The assumption of randomly sampled Level-2 units is violated, which makes it difficult to generalize beyond Latin America. Results are, however, generalizable to the Latin American region. A bigger problem that is pointed out by Steenbergen (2011) is that when explanatory variables in MLM are shown to have random slopes or intercepts, this may be the result of either (i) that the relationship between the underlying latent variable and a covariate varies across countries, or (ii) that the measure of the latent variable is not invariant across countries. Problems of interpreting such estimates as either (i) or (ii) can be solved if measurement equivalence is

\textsuperscript{19} Cited in Strabac (2007, 176).
established. Measurement equivalence requires multiple indicators and is thus not always possible (Steenbergen 2011). Chapter 3 in the thesis does, however, discuss the measurement equivalence of the corruption indicators employed in the analysis.

Steenbergen (2011) suggest that a fully Bayesian approach can help to solve both of these problems (measurement variance and the violated assumption of randomly sampled units). Due to my limited familiarity with Bayesian estimation, this approach will not be taken here. I will, however, take the limitations into account when interpreting the results.

2.3 Operationalization of Key Variables

In the following, I present and discuss the operationalizations of key dependent and independent variables. In some cases, I do not report the exact question wordings of each variable. Readers are encouraged to review Appendix B for detailed question wordings and coding for all variables included in the analyses.

2.3.1 Dependent variables

In Chapter 1 it was suggested that the concept of democratic legitimacy is a multifaceted concept with, at least, five dimensions, that may be seen as ranging on a continuum from specific to diffuse political support. It was also noted that Booth and Seligson (2009) found support for an additional dimension when running factor analysis on LAPOP data from 2004, namely support for local or municipal government. In order to examine whether the available data lends support to the five- or six-dimensional structure of legitimacy suggested by Norris (1999) and Booth and Seligson (2009), I ran several factor analyses including indicators that are believed to tap into the different dimensions of legitimacy. Indicators were selected on the basis of the results and measurements of existing research on public opinion and political support. Although only three of the suggested legitimacy dimensions are of interest to the thesis, I found it useful to run a factor analysis of the “complete” structure of legitimacy, because this will be helpful when choosing how to operationalize the dimensions of interest.
Table 4.1  Factor matrix for explanatory analysis with oblique (oblimin) rotation for the pooled sample, n=26137

<table>
<thead>
<tr>
<th>Variable</th>
<th>Political Community</th>
<th>Regime Principles</th>
<th>Regime Performance</th>
<th>Regime Institutions</th>
<th>Incumbent government</th>
<th>Local Government</th>
<th>Uniqueness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approve of people participating in legal demonstrations (e5)</td>
<td>-0.1169</td>
<td>0.8202</td>
<td>-0.0471</td>
<td>0.0034</td>
<td>-0.0321</td>
<td>-0.0019</td>
<td>0.3346</td>
</tr>
<tr>
<td>Approve of people participating in an organization or group to try to solve community problems (e8)</td>
<td>0.1232</td>
<td>0.8065</td>
<td>0.0559</td>
<td>-0.0948</td>
<td>0.0363</td>
<td>-0.0198</td>
<td>0.3179</td>
</tr>
<tr>
<td>Approve of people working for campaigns for a political party or a candidate (e11)</td>
<td>0.0529</td>
<td>0.7440</td>
<td>0.0108</td>
<td>0.0915</td>
<td>0.0201</td>
<td>-0.0351</td>
<td>0.4135</td>
</tr>
<tr>
<td>The courts in (country) guarantee a fair trial (b1)</td>
<td>-0.2397</td>
<td>0.0009</td>
<td>-0.0946</td>
<td>0.8346</td>
<td>-0.1817</td>
<td>0.0442</td>
<td>0.4759</td>
</tr>
<tr>
<td>Respect political institutions (b2)</td>
<td>0.3614</td>
<td>-0.0292</td>
<td>0.0320</td>
<td>0.5199</td>
<td>-0.0514</td>
<td>-0.0213</td>
<td>0.5269</td>
</tr>
<tr>
<td>Citizens’ basic rights well protected by the political system (b3)</td>
<td>0.0463</td>
<td>-0.0663</td>
<td>-0.1023</td>
<td>0.7099</td>
<td>-0.0409</td>
<td>0.0033</td>
<td>0.4509</td>
</tr>
<tr>
<td>Feel proud of living under the political system of (country) (b4)</td>
<td>0.2503</td>
<td>-0.0594</td>
<td>-0.1338</td>
<td>0.5682</td>
<td>0.0468</td>
<td>0.0342</td>
<td>0.4141</td>
</tr>
<tr>
<td>One should support the political system of (country) (b6)</td>
<td>0.3451</td>
<td>-0.0250</td>
<td>-0.0149</td>
<td>0.5121</td>
<td>0.0885</td>
<td>0.0632</td>
<td>0.4478</td>
</tr>
<tr>
<td>Trust the justice system (b10a)</td>
<td>-0.0793</td>
<td>-0.0104</td>
<td>-0.0019</td>
<td>0.8545</td>
<td>-0.0387</td>
<td>0.0252</td>
<td>0.3548</td>
</tr>
<tr>
<td>Trust the Electoral Tribunal (b11)</td>
<td>0.0409</td>
<td>0.0398</td>
<td>-0.0218</td>
<td>0.6528</td>
<td>0.0890</td>
<td>0.0631</td>
<td>0.4910</td>
</tr>
<tr>
<td>Trust the National Congress (b13)</td>
<td>-0.0043</td>
<td>-0.0041</td>
<td>0.0679</td>
<td>0.6396</td>
<td>0.2119</td>
<td>-0.0327</td>
<td>0.4096</td>
</tr>
<tr>
<td>Trust the national government (b14)</td>
<td>0.0800</td>
<td>-0.0095</td>
<td>-0.0017</td>
<td>0.3241</td>
<td>0.5565</td>
<td>0.0088</td>
<td>0.3353</td>
</tr>
<tr>
<td>Trust the National Police (b18)</td>
<td>-0.1478</td>
<td>0.0089</td>
<td>0.0176</td>
<td>0.5234</td>
<td>0.1931</td>
<td>-0.1236</td>
<td>0.5467</td>
</tr>
<tr>
<td>Question</td>
<td>Value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>---------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust the political parties (21)</td>
<td>-0.1295</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust the President/Prime Minister (b21a)</td>
<td>0.0799</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust the Supreme Court (b31)</td>
<td>-0.0581</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust the local/ municipal government (b32)</td>
<td>0.1006</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proud of being (nationality) (b43)</td>
<td>0.7667</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Democracy may have problems, but it is better than any other form of government (ing4)</td>
<td>0.1929</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How would you describe the country’s economic situation? (soct1)</td>
<td>0.3172</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country’s economic situation better than, the same as, or worse than 12 months ago (soct2)</td>
<td>0.2324</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rate the job of current president (M1)</td>
<td>-0.0789</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance of members of Parliament/Congress (m2)</td>
<td>-0.0340</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How democratic is country (pn5)</td>
<td>-0.2693</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction with democracy (pn4)</td>
<td>-0.1844</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of services provided by municipality</td>
<td>-0.0883</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current administration fights poverty (n1)</td>
<td>-0.0435</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current administration promotes democratic (n3) principles</td>
<td>0.0322</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current administration combats government corruption (n9)</td>
<td>-0.0429</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Eigenvalue       | 1.089 | 1.058 | 1.799 | 9.286 | 7.040 | 1.180 |

31
It is recommended by Hair et al. (1998, 98) that five or more variables should be included for each proposed factor. I included 29 indicators, and 6 factors were proposed when running the factor analyses on the pooled sample. Because different indicators had different scales, all variables were standardized into having a mean of zero and a standard deviation of 1.

Theory suggests that the different legitimacy dimensions are related to each other, i.e. that there are reasons to assume inter-factor correlation. The assumption of inter-factor correlation points toward an oblique (oblimin) rotational method (Hair et al. 1998, 110). I ran factor analyses making use of both orthogonal and oblique solutions, and a somewhat clearer structure emerged when choosing the oblique solution (not shown). The inclusion of a total 29 variables resulted in a substantial reduction of the dataset, due to that several units had missing values on one or more of the indicators included. The results for exploratory (principal components) analysis with oblique rotational solution are presented in Table 1. Variables with factor loadings above .50, which indicates practical significance (Hair et al. 1998, 111), have been given dark grey shadings.

Separate analyses for each country were conducted, and results showed that some patterns were more consistent across countries than others. In general, however, analyses lent support to the same legitimacy structure as the one presented here. Results are very much similar to Booth and Seligson’s (2009, 271-73) factor analysis of 2004 AB data. In the following, I discuss the operationalizations of the dependent variables in relation to the factor analysis presented in Table 2.1.

Measuring Regime Institutions

As discussed in Chapter 1, the regime institutions dimension of legitimacy relates to the functioning of democratic institutions, and citizens support for and trust in these. Of the three legitimacy dimensions put under scrutiny in the thesis, this dimension is the most specific one. The factor analysis showed that several variables distributed highly significant loadings on the regime institutions dimension. In order to capture citizen trust in regime institutions, I chose to create an additive index of the indicators asking about citizens’ trust in (i) the justice system, (ii) the Electoral Tribunal, (iii) the National Congress, (iv) the political parties, and (v) the Supreme Court. I consider these institutions key institutions of democracy. I did not include the indicator which relates to trust in the National Police as it had an extremely high number of missing values.
Respondents are asked to assess to which extent they trust the above mentioned institutions on a scale from 1 to 7. Variables were recoded into low values indicating low levels of trust, and high values indicating high values of trust. The resulting index was transformed into a 0-100 scale. I will label this dimension “Institutional Trust.” Figure 1 displays each country’s mean values of institutional trust.

Figure 2.1  Mean Institutional Trust across 23 Latin American countries

Uruguay is the only country where mean institutional trust exceeds 60 on the 100 point scale, while Argentina displays the lowest mean institutional trust (below 40). Most countries range between 40 and 50, indicating that mean trust in institutions across countries is relatively low in the Latin American region.

Measuring Regime Performance

The regime performance dimension attempts at capturing citizen support for and evaluations of the political regime’s performance in general. The factor analysis showed that four indicators distributed high loadings on this dimension. I chose to measure regime performance by summing together two of these variables, namely satisfaction with democracy
and evaluation of how democratic the country is. I will label this dimension satisfaction with democracy. In the case of the satisfaction with democracy measure, respondents were asked “In general, would you say that you are very satisfied, satisfied, dissatisfied or very dissatisfied with the way democracy works in [country]?” The second indicator asks how democratic respondents believe that their country is. Both variables are ordinal scaled with 4 response categories, and they were recoded into low values indicating low satisfaction, and high values high satisfaction. The resulting measure was transformed into a 0-100 scale. I will label this dimension “Satisfaction with Democracy.” Figure 2 displays mean values of support for regime performance for all 23 countries. Overall, mean satisfaction with democracy is higher than mean institutional trust across countries. Again, Uruguayan citizens exhibit the highest mean levels of satisfaction with democracy, while citizens of Guyana exhibit the overall lowest mean.

Figure 2.2 Mean Satisfaction with Democracy across 23 Latin American countries

In light of the debate concerning the meaning of the well-known satisfaction with democracy (SWD) indicator, the measurement validity of regime performance deserves some discussion.

20 Variables pn4, and pn5 in Table 1 and Appendix B.
here. Some scholars have treated SWD as a measure of system support (see Anderson and Guillory 1997), while others state it is clearly a measure of system performance (Linde and Ekman 2003). Others argue it is impossible to arrive at a general conclusion about what we are really measuring when we analyze SWD, showing that the measure is a diffuse multisource item that in several countries is frequently confounded with system support. According to these scholars, this creates limited possibilities for cross-national comparison (Canache, Mondak, and Seligson 2001).

I argue that the SWD indicator is a measure of system performance, not system support. Both satisfaction with democracy and evaluation of how democratic the country distributed significant loadings on the same dimension as did evaluation of the country’s current and past economic situation, indicators which are conventionally used as measures of evaluations of performance (Booth and Seligson 2009, 34). Also, when running factor analyses for separate countries, this pattern was found to be more or less clear in all countries. However, in some countries the satisfaction with democracy measure was confounded with the item asking about respondents’ belief in democracy as the superior political system. Whether or not this item is confounded with support for “democracy,” is discussed when interpreting and discussing the results in Chapter 4 and 5.

Measuring Regime Principles

The regime principles dimension refers to citizens’ normative support for democracy, i.e. their support for the central principles of democracy. In the operationalization of this dimension I follow Booth and Seligson’s (2009, 33) approach by constructing an additive index of three items measuring support for democratic participation rights. Respondents are asked to indicate how much they approve, on a scale from 1 (strongly disapprove) to 10 (strongly approve), of (i) people participating in legal demonstrations, (ii) people participating in an organization or group to try to solve community problems, (iii) people working for campaigns for a political party or candidate. The index was transformed into a 0-100 scale. Figure 3 displays the country means of normative support for democracy. Clearly, support for regime principles is very high throughout the region. Again, Uruguay has the highest mean value. Bolivia and Honduras are the only two countries with means below 60.

Figure 2.3 Mean Normative Support for Democracy across 23 Latin American countries
I argue that measuring citizen support for central democratic rights is a highly valid approach to the measurement of citizens’ normative support for democracy. Participation is one of democracy’s most central features (cf. Dahl 1971, 1-2). Citizen adherence to such rights and values, and their granting of these rights to people in general, is necessary for the survival of democracy. The chosen approach is not, however, in accordance with conventional approaches to measuring the normative support for democracy. Support for democracy is usually measured by indicators asking respondents about the preference for democracy over alternative forms of governance. On the grounds of the results from the factor analysis I argue that this measure clearly taps support for democratic principles, and is a superior way of measuring this type of abstract, diffuse support than for example relying on the “Churchill quote” (variable ing4), which is an example of one of the indicators conventionally to capture of support for democracy as a political system (see Rose and Mishler 1996) . When running separate factor analyses for individual countries, this item was sometimes confounded with the satisfaction with democracy item. I argue, therefore, that when attempting to measure the normative support for democracy it is better to rely on support for key principles of democracy, than on a single indicator asking about support for “democracy.” Additionally,
the regime principles dimension proved to be the most robust of all when running factor analyses for each individual country.

2.3.2 Individual-level predictors

In this section, I describe the operationalizations of the key independent variables at the individual and aggregate level. Again, readers are encouraged to review Appendix B for detailed question formulations and coding.

Corruption experience

The LAPOP questionnaire contains several items that tap into citizen experience with bribe solicitations in dealings with public officials and public services. I will label this type of corruption experience with bureaucratic corruption. Respondents are asked if they in the past 12 months have been solicited a bribe (i) by a police officer; (ii) by a government official; (iii) in official dealings with the municipal or local government; (iv) at work; (v) in dealings with the courts; (vi) in dealings with public health services; and (vii) in school. All variables are dichotomous with yes (=1) and no (=0) as response categories. All respondents are asked about having been solicited for a bribe by a police officer or a government official when asking for example “Has a police officer asked you for a bribe in the last twelve months?”

Before asking about bribe experience in relation to specific services, LAPOP filters out respondents by first assessing whether respondents have been in contact with the specific institution of interest. Respondents that answer positively are asked about their experience with bribe solicitation. For example, one question reads “In the last twelve months, did you have any official dealings in the municipality/local government? In the last twelve months, to process any kind of document like a permit, for example, did you have to pay any money beyond that required by law?”

I choose to include six out of the seven items mentioned above. Work-related bribe experience is excluded because I agree with Ruhl (2011, page) that it mixes up the public/private distinction central to the chosen corruption definition. I created an index of

21 A problem encountered here was that Stata automatically coded respondents that had not been in contact with the services as missing, lumped together with respondents that did not answer (NA) or did not know (DK). After several attempts to solve this “hidden” missing values problem, I saw no other solution than to include all respondents (i.e., giving respondents with DK and NA the value 0). I ran analyses with the same index where units that had not been in contact with the service of interest, or had missing values, and found no discrepancy between the index including missing values and the index excluding missing values.
bribe experience, ranging from 0 (no experience/no contact) to 4 (bribe experience in dealings with 4 or more services). The index reflects the respondent’s number of personal experiences with bribe solicitation in the year prior to their being surveyed, without differentiating between the different domains within which it occurred. The indicator was treated as continuous in all three analyses, after having constructed dummy variables to examine the difference between groups and differences in model fit.

Corruption perceptions

The LAPOP survey includes two items that can be said to tap into citizens’ perceptions of corruption at the bureaucratic and political level. The first measure taps into perceptions of the frequency of corruption among public officials in general. Respondents are asked “Taking into account your own experience or what you have heard, corruption among public officials is very common, common, uncommon, or very uncommon.” The variable was recoded into 0=very uncommon/uncommon, 1=common and 2=very common. From the recoded variable I constructed three dummy variables. In the analysis the dummy variables identify individuals that perceive corruption among public officials to be common (labeled public officials are somewhat corrupt), and individuals that perceive corruption among public officials to be very common (labeled public officials are very corrupt).

Because the variable asks about perceptions of corruption among public officials without defining societal domains or referring to any specific acts that may be defined as corrupt, it is difficult to assess the validity of this measure. It could be that because the question is asked straight after asking about experience with bureaucratic corruption, respondents may have bribe paying and taking in mind when assessing the extent to which they perceive public officials to be corrupt. This is far from conclusive, however, due to the vague wording of the question; we cannot know what respondents associate with the word “corruption” and if they associate a “public official” with a low-level or high-level official. Regardless, I label the variable perception of bureaucratic corruption as this facilitates comparison with the other perception measure employed in the analyses.

The second item included taps into individuals’ perceptions of the extent to which the current administration combats government corruption. Respondents are asked to give an assessment of to which extent they believe “the current administration combats government corruption” on a scale from 1 (not at all) to 7 (a lot). The variable was recoded into 0(a lot) and 6(not at
The variable is approximately interval scaled and is included as continuous in the analyses. Again, there is a problem of whether individuals associate “corruption” with different types of acts, and whether or not these associations correspond to the chosen corruption definition. It is highly plausible that the respondents’ perception of the extent to which the current administration combats government corruption is greatly influenced by individual political affiliation and satisfaction with the incumbent government. I will label this variable perception of political corruption because it clearly taps into perceptions of the existence of corruption at the political level (or, more precisely, the presence or absence of efforts at combating government corruption).

**Corruption permissiveness**

I control for citizen tolerance of corruption, *corruption permissiveness*, measured by an indicator that ask respondents about their attitudes toward bribe paying. Respondents are asked to answer yes (=1) or no (=0) to the question “*Given the way things are, do you think paying a bribe is sometimes justified?*” The advantage to this measure is that it asks specifically about bribes. Without any reference to actors involved, however, it is difficult to argue whether or not the item measures justification of either high-level or low-level corruption, or both. Taking into account that the question is asked directly after questions about experience with bureaucratic corruption where the role of the citizen is the bribe payer, I argue it is more likely a measure of the tolerance of low-level corruption, justifying the act of a citizen paying a bribe. This is not conclusive, of course, but the question wording suggests that the item captures respondents’ justification of citizens in general (or themselves) paying a bribe under *certain circumstances* which legitimize such conduct.

**Measurement validity of the corruption indicators**

A brief discussion of the measurement validity of the corruption indicators is warranted here. Corruption was in Chapter 1 defined as “*the improper use of public office in exchange for private gain.*” Among the indicators of corruption included in the analysis, the corruption experience measure is the by far the most valid measure of corruption. Bribery was in Chapter 1 considered the “essence” of corruption, which is precisely what these indicators attempt to measure. There are two advantages to the way corruption experience is measured by LAPOP. First, the questions filter out respondents that have not been in contact with the specific
services of interest, which reduces the possibility of respondents that have not been in contact with specific services still answer positively to the questions about bribe solicitation. The second advantage to this measure is that it clearly defines the role of the citizen versus the role of the public official(s). Because respondents are asked whether they have been solicited a bribe by a public official, this suggests that the public officials is the initiator of the corrupt transaction (the corrupter), and citizens are “victims” of corruption (the corrupted) (Seligson 2006, page). There are, of course, certain limitations to this approach as well. It is only possible to capture low-level corruption, not high-level corruption. And although the question wording clarifies the role of the citizen versus the public officials, we cannot guarantee that some of the respondents answered positively to the question(s) were not themselves the initiators of the corrupt transaction.

The validity and cross-cultural comparability of the corruption perceptions measures are, however, more difficult to assess. The question wordings are vague in the sense that they do not explicitly refer to examples of corrupt acts when asking about corruption. Different conceptions of the word “corruption” across countries and individuals may inhibit cross-national comparison because we are not able to know what respondents associate with the “corruption”, both within and across countries. This problem is discussed more in detail in Chapter 3, where the correspondence between the various indicators of corruption employed in the analysis, are compared across, and within countries. However, it was argued in Chapter 1 that because Western conceptions of corruption have been the major reference point for much Latin American experience, we are probably not way off when assuming that Latin American and Caribbean citizens associate corruption with acts such as bribe paying and taking, illegal campaign funding, buying and selling of votes, etc.  

Satisfaction with incumbent government

I include a variable measuring respondents’ satisfaction with the performance of the incumbent government as a proxy for political affiliation. The original thought was to control for individual political affiliation, as this has been shown to affect both individual attitudes toward democracy and individual perceptions of corruption (Anderson and Tverdova 2003). However, due to large numbers of missing values and the questions about either hypothetical vote in the next election or previous voting-behavior not having been asked in all countries, it

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22 See Morris (2008).
was not possible to control for political affiliation without excluding one or more countries from the analysis. Because I prefer to keep the number of countries as high as possible, I choose to include an indicator that ask respondents to rate the job of the current administration and president/prime minister from very good (=0) to very bad (=6).

The original argument for including political affiliation was that individuals that are supportive of the government may exhibit more positive attitudes toward democracy in general, and may also perceive lower levels of bureaucratic and political corruption than do opposition partisans. The same argument can be made for the item measuring satisfaction with the incumbent government, as it is very probable that satisfied individuals perceive less corruption and are more positive toward democracy in general. On the grounds of this, I believe including the satisfaction with incumbent government measure serves as a good proxy because it will capture some of the same variation that is accounted for by political affiliation measures.

**Socio-demographic controls**

I control for sex, age, and education. Sex is coded 0 for females and 1 for males. Age is kept more or less in its original form, ranging from 16 to 97, recoded into ranging from 16 to 90. I ran models including age categories, but keeping age continuous resulted in the most satisfactory results when considering assumptions of linearity. Education measured as years of formal education, ranging from 1 (no formal education or 1 year of primary school) to 18 (18 or more years of formal education). As was the case for the age variable, analyses indicated that keeping the education variable as continuous was the best option compared to treating it as categorical or dichotomous. Although the assumptions of linearity are not completely satisfied in this case, the regression coefficients give reasonable estimates of the relationship between education and democratic legitimacy in all three analyses.

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23 The original thought was to also control for income. However, the variable capturing household income levels had a very large number of missing values, which resulted in a substantial reduction of the data set. Income is, however, moderately to strongly correlated with a person’s level of education (.41). Because I assume that including education will account for some of the variation in income levels between individuals, in addition to the fact that level of income is not among the main explanatory variables of interest to the thesis, I chose to exclude this variable.
2.3.3 Country-level predictors

In Chapter 1 it was discussed whether institutional performance could to some extent moderate the relationship between corruption and legitimacy in the Latin American region. Are individual experiences with, and evaluations of, the political performance (corruption) more important for democratic legitimacy in countries where institutional performance is low versus in countries where institutional performance is high? The thesis tests three measures of institutional performance: two measures of countries’ level of corruption, and countries level of institutional performance. The indicators are highly correlated and tap into the same underlying construct; political performance. However, because it was discussed in Chapter 1 whether a country’s level of corruption could moderate the individual-level relationship between corruption and legitimacy, corruption is singled out and measured in two different ways.

Level of Corruption

I make use of two measures that capture countries’ level of corruption. Transparency International’s Corruption Perception Index (CPI), and a country’s level of bureaucratic corruption (percentage of individuals that have experienced corruption the past year). Transparency International’s Corruption Perception Index (CPI) measures elite perceptions of bureaucratic and political corruption. The index ranges from 0 (highly corrupt) to 10 (highly clean). The CPI relies on a variety of sources, and reports high inter-correlation between the different independent surveys used in assessing different countries’ corruption levels. This indicator is labeled CPI.

The second measure captures the frequency of bureaucratic corruption, and is the aggregate of the proportion of citizens that have experienced being solicited a bribe the year prior to the survey (*100). The indicator is labeled “frequency of bureaucratic corruption” (FBC) in the analysis.

Institutional Performance

I construct an additive index that I label Institutional Performance on the basis of three governance indicators obtained from the World Bank’s Worldwide Governance Indicators database: government effectiveness, voice and accountability, and rule of law. All three
indicators are based on the perceptions of individuals and domestic firms (by the use of surveys), country analysts at multilateral development agencies, nongovernmental organizations, and commercial business information providers (Kaufmann, Kraay, and Mastruzzi 2010, 5-6). Countries are given scores on a scale from -2.5 to 2.5, where low values indicate low values of, for example, government effectiveness, and high values indicate high levels of government effectiveness.

The government effectiveness variable captures perceptions of the quality of public services, the civil service, and the degree of its independence from political pressures, the quality of the formulation and implementation of policy, and the credibility of the government’s commitment to such policies (Kaufmann, Kraay, and Mastruzzi 2010, 4). Rule of law captures perceptions of the extent to which agents have confidence in and abide by the rules of society: the quality of contract enforcement, property rights, the police, the courts, and the likelihood of crime and violence (ibid.). The voice and accountability indicator measures perceptions of the extent to which a country’s citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media (Kaufmann, Kraay, and Mastruzzi 2010, 4).

The three indicators tap somewhat distinct dimensions of governance but correlated very strongly at the country level (above .70). On the grounds of this I constructed an additive index, transformed into a scale ranging 0 (low governance) to 10 (high governance), labeled “Institutional Performance.”

Economic Development

I control for economic development by including a measure of gross domestic product (GDP) per capita (converted into purchasing power parity) ($1000) 2008, obtained from the UNDP Human Development Index, as a country’s level of corruption has been found to be strongly correlated with a country’s wealth (Treisman 2007; 2000). This is also a standard measure of economic development in comparative political science (Treisman 2000).
2.4 General Reliability and Validity of the Study

LAPOP makes use of stratification and clustering in order to obtain representative samples of the population. I assume that samples are representative and data reliable. Because I have estimated fixed effects models with GLLAMM where sample weights were incorporated, these results are generalizable to the whole Latin American region. There is some uncertainty as for the results obtained from cross-level interactions between country-level predictors and individual-level predictors. A small number of Level-2 units can make it difficult to achieve significant results if the relationship is weak or even moderate. Because of the inability to incorporate sample weights in these analyses, results should be interpreted with caution, although attempts have been made to test the reliability of the results by excluding countries that make the incorporation of sample weights necessary, and run the same model on the remaining countries.

The degree to which we will be able to make valid inferences about corruption and democratic legitimacy, however, to a great extent relies on the measurement validity of the corruption indicators. This is discussed throughout the thesis.

2.4.1 A note on causality

The thesis makes no attempt at establishing the causal direction of the relationship between corruption and trust and support for democracy. In the estimated models, corruption perceptions are assumed to influence trust and support. However, the opposite is equally plausible, and studying the relationship between corruption perceptions and trust and support raises questions about endogeneity. The difficulty of establishing this causal direction is recognized.
3 Perceptions versus Experiences in Latin America 2010

In light of the measurement debate that revolves around the validity and reliability of different subjective measures of corruption, this chapter attempts to, by means of bivariate analysis, shed some light on the status of corruption in the Latin American and Caribbean region in 2010. In the following, I look at the level of correspondence between various measures of corruption, comparing TI’s Corruption Perception Index (CPI) estimates of corruption levels with individual-level perceptions and experiences. Following this, I look at the gap between reported experience with corruption and individual perceptions of it, and discuss the measurement validity of corruption perception measures.

3.1 How Corrupt are the Latin American Countries?

Claims are many that macro-level corruption indices cannot accurately capture the level of corruption in different societies throughout the world. Here, I take Transparency International’s Corruption Perception Index (CPI) as a point of departure for discussing the current state of corruption in the Latin American and Caribbean region. Table 3.1 displays the Latin American and Caribbean countries’ scores in the 2010 CPI index. According to TI, scores below 5.0 indicate serious problems with corruption, and scores below 3.0 denote “rampant” corruption (Ruhl 2011). Among the Latin American countries, Chile, Uruguay, and Costa Rica are the only countries with scores above 5.0. Thus, according to country experts and political and business elites, most Latin American countries suffer from high levels of corruption.

At the same time, the 95% confidence intervals are for some countries very wide. Consider Brazil, a country that has overlapping confidence intervals with both Costa Rica and Nicaragua, two countries considered as two of the least and most corrupt in the region, respectively. The wide confidence intervals indicate that the CPI scores should be interpreted with caution, especially when comparing one country to another based on their country score one particular year. Nevertheless, Chile and Uruguay stand out as the countries perceived to be much less corrupt than the majority of the Latin American countries. At the other end

24 Recall that the index ranges from 0 (highly corrupt) to 10 (highly clean).
of the scale, we find Paraguay and Venezuela. The surveys employed by TI include questions about the perceived extent of bribery by public officials, kickbacks in public procurement, embezzlement of public funds, and “questions that probe the strength and effectiveness of public sector anti-corruption efforts” (Transparency International 2010, 4).

The sources used by the CPI aim at measuring the same phenomenon (corruption), and do not distinguish between bureaucratic and political corruption. Although some scholars argue that the CPI to a greater extent captures high-level corruption, and not so much low-level corruption (Ruhl 2011, 39), Lambsdorff (2006, 85) asserts that both dimensions of corruption are equally addressed by the surveys. If Lambsdorff (2006) is correct and the CPI does capture both high-level and low-level corruption, we should expect that the countries’ CPI scores correspond to citizens’ perceptions and mass experiences. If elite and mass perceptions are congruent, the reliability of the corruption perception measures increases (Tverdova 2011). If the CPI also corresponds to citizen reported experience with corruption, this increases the validity of the CPI index (Adcock and Collier 2001, 540).

### 3.1.1 Do Elite Perceptions and Mass Perceptions and Experiences Correspond?

In the following, I present three graphs that illustrate the bivariate correlations between CPI scores and citizen corruption perceptions and experiences. Figure 3.1 presents a scatter plot of CPI scores against mass perceptions of political corruption (country mean) with a quadratic fitted prediction line, and a 95% confidence interval.

<table>
<thead>
<tr>
<th>Country</th>
<th>Score</th>
<th>Surveys</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chile</td>
<td>7.2</td>
<td>7</td>
<td>6.8 - 7.7</td>
</tr>
<tr>
<td>Uruguay</td>
<td>6.9</td>
<td>5</td>
<td>6.2 - 7.4</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>5.3</td>
<td>5</td>
<td>4.7 - 6.8</td>
</tr>
<tr>
<td>Brazil</td>
<td>3.7</td>
<td>7</td>
<td>2.7 - 5.6</td>
</tr>
<tr>
<td>Suriname</td>
<td>3.7</td>
<td>3</td>
<td>3.0 - 4.7</td>
</tr>
<tr>
<td>El Salvador</td>
<td>3.6</td>
<td>5</td>
<td>3.3 - 3.9</td>
</tr>
<tr>
<td>Panama</td>
<td>3.6</td>
<td>5</td>
<td>3.1 - 4.7</td>
</tr>
<tr>
<td>T&amp;T</td>
<td>3.6</td>
<td>4</td>
<td>2.8 - 4.7</td>
</tr>
<tr>
<td>Colombia</td>
<td>3.5</td>
<td>7</td>
<td>3.1 - 5.2</td>
</tr>
<tr>
<td>Perú</td>
<td>3.5</td>
<td>7</td>
<td>3.3 - 3.7</td>
</tr>
<tr>
<td>Jamaica</td>
<td>3.3</td>
<td>5</td>
<td>2.7 - 3.5</td>
</tr>
<tr>
<td>Guatemala</td>
<td>3.2</td>
<td>5</td>
<td>2.6 - 3.5</td>
</tr>
<tr>
<td>Mexico</td>
<td>3.1</td>
<td>7</td>
<td>2.7 - 3.6</td>
</tr>
<tr>
<td>Dom.Rep.</td>
<td>3.0</td>
<td>5</td>
<td>2.5 - 3.4</td>
</tr>
<tr>
<td>Argentina</td>
<td>2.9</td>
<td>7</td>
<td>2.4 - 3.6</td>
</tr>
<tr>
<td>Bolivia</td>
<td>2.8</td>
<td>6</td>
<td>2.1 - 3.3</td>
</tr>
<tr>
<td>Guyana</td>
<td>2.7</td>
<td>4</td>
<td>2.6 - 2.9</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>2.5</td>
<td>6</td>
<td>1.9 - 2.8</td>
</tr>
<tr>
<td>Ecuador</td>
<td>2.5</td>
<td>5</td>
<td>1.9 - 2.8</td>
</tr>
<tr>
<td>Honduras</td>
<td>2.4</td>
<td>6</td>
<td>1.9 - 3.0</td>
</tr>
<tr>
<td>Paraguay</td>
<td>2.2</td>
<td>5</td>
<td>1.7 - 2.7</td>
</tr>
<tr>
<td>Venezuela</td>
<td>2.0</td>
<td>7</td>
<td>1.5 - 2.3</td>
</tr>
</tbody>
</table>

Source: Transparency International 2010, 2009

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25 The minimum number of sources required for a country to be included in the index is three (Transparency International 2010, 4). As data was not available for Suriname in the 2010 index, Suriname’s score was obtained from the 2009 CPI index.
The correspondence between elite and citizen perceptions of corruption is greater in countries that the elites perceive to be fairly clean. Mass perceptions of political corruption are far less pronounced in Chile and Uruguay than in the rest of the countries in the region. This particular finding corroborates Tverdova’s (2011, 7) finding that, when studying elite and mass perceptions of corruption in 30 countries world-wide, the correlation was greater in countries with CPI scores above 6.0. The relationship becomes less clear when we examine the countries where the elites perceive corruption to be serious or rampant. Mass perceptions of political corruption are, for instance, lower in Honduras than in Costa Rica.

Figure 3.1 presents a scatter plot of CPI scores against mass the percentage of citizens that perceive corruption among public officials to be very common. Again, mass perceptions of the prevalence of corruption among public officials are lower in Uruguay and Chile compared to the rest of the countries. More or less the same picture emerges in Figure 3.2 as in Figure 3.1, although the correspondence between CPI and perceptions of political corruption seem
Lack of congruence between the different perception measures can be the result of a variety of factors. Clearly, citizens of Uruguay and Chile on a general level perceive lower levels of corruption. Tverdova (2011, 8) suggests that increases in corruption become less noticeable to the public once political malfeasance achieves a certain level. It could be that country experts are able to give more critical and accurate assessments of a country’s level of corruption than are average citizens. As argued by Ruhl (2011, 40), ordinary citizens tend to have broader conceptions of corruption, which may contribute to the lack of congruence between the measures. Citizen perceptions of corruption are most probably the result of a variety of factors – they can be based on own experience, what have happened to have heard, their attitudes toward the system, anti-corruption campaigns, and the like (Morris 2008). Additionally, we are comparing the countries’ CPI score (based on a variety of sources) to
two single indicators that capture citizen perceptions of “corruption,” questions that in the LAPOP survey give no examples of what “corruption” refers to.

What about reported experience with low-level corruption? Is bureaucratic corruption more frequent in countries perceived to suffer from high levels of corruption? Figure 3.3 displays a scatterplot of the relationship between country CPI scores and the percentage of citizens that reported having experienced corruption the year prior to the survey.

Figure 3.3  CPI versus reported corruption experience, N=23

Again, Chile and Uruguay seem to be the least corrupt in the region, but the frequency of bureaucratic corruption in these countries does not seem to be very different from the situation in Jamaica, Panama, Trinidad & Tobago. It could be that the CPI index to a larger extent reflects political corruption (Morris 2008; Ruhl 2011), which would indicate that bureaucratic corruption is somewhat independent from levels of political corruption (at least in countries that are perceived to suffer from rampant corruption).
3.1.2 Do behavior and perception correspond at the individual level?

As pointed out by Morris (2008), experiences (participation) and perceptions are conceptually distinct; experience relates to individual behavior, while perceptions focus on beliefs. In discussing the possible relationship between beliefs about corruption and participation in it, Morris (2008, 391) contends that it is theoretically possible to identify three non-mutually exclusive relationships between perceptions of corruption and experiences with corruption. A first possibility is that experience with paying bribes may influence individuals’ perceptions about how widespread corruption is in the broader political system. A second possibility is that perceptions about the political system (including how widespread corruption is) influence individual behavior, where individuals who perceive corruption to be widespread are more inclined to engage in corrupt behavior. Third, the possibility exists that experience with corruption and perceptions of it are largely unrelated to one another (Morris 2008, 391-92).

Figure 3.4 displays the difference between individual reported experience with corruption, and their perceptions of corruption among public officials. The grey bars represent the

![Figure 3.4](http://www.lapopsurveys.org)
the percentage of individuals perceiving corruption among public officials to be very common, and navy bars represent the percentage of individuals perceiving corruption among public officials to be common. Green bars represent the percentage of respondents that reported having been solicited a bribe the last 12 months.

Because the indicator that captures perceptions of corruption among public officials is asked almost directly after asking about citizen corruption experience, as well as it is somewhat leading when asking “taking into account your own experience…,” one might expect that citizen perceptions to a certain extent corresponded to reported experience. The figure illustrates that this is clearly not the case. Perceptions of corruption among public officials are highly salient throughout the region, and seem to be independent of reported experience.

That individual perceptions of corruption are far more salient than reported corruption experience is not a surprise, and not atypical of the Latin American region (see Rose and Mishler 2010). Bivariate correlations in separate countries showed that experience and perceptions correlates positively and significantly (but weakly, around .15) in 10 of the countries, whereas in the remaining 13 the correlation was not significant. This it could point to that we are measuring different phenomena, which again may lead to corruption experience and corruption perceptions having somewhat different consequences for democratic legitimacy. Consider, for example, Jamaica and Trinidad & Tobago, where reported corruption experience is among the lowest in the region – but above 90 % of the population perceive corruption among public officials to be common or very common. When comparing the effect of corruption perceptions on legitimacy – what are we really measuring? If above 80 and 90 percent of the population perceive corruption to be common or very common – who are we comparing these individuals to when analyzing the effects corruption perceptions have on legitimacy?

Data from the Corruptometro Surveys undertaken in Mexico showed that the majority of citizens associate bribes, dishonesty, and delinquency with the word corruption (Bailey and Paras 2006, 64). Mexico need not be very different from the rest of the Latin American countries (Morris and Klesner 2010). However, about 13-15 percent of Mexicans answering the question “in a few words, what does corruption mean to you?” in 2001 and 2002 did not know what corruption meant. In the LAPOP survey, no such question is asked and it is therefore difficult to establish what corruption means to average citizens in different countries the region. Attempts at validating the indicator by examining the correlation between
perceptions of corruption and other evaluations of political performance, did not result in correlations greater than around .2, and it seems as though the corruption perceptions indicator captures a range of factors that are difficult to grasp. However, although citizens’ perceptions of corruption as they know it might reflect a whole range of factors more or less independent of actual corruption, is corruption, as citizens of Latin America know it, is corruption a threat to democracy?

When asked whether a military coup would be justified when there was high levels of corruption, a relatively large percentage of respondents in each country answered positively, from 57 % and 55 % in Mexico and Perú, to around 20 and 25 % in Argentina and Suriname. The percentage of respondents that answered positively to the question in most countries ranged between 30 and 40 %. Although the question is difficult to interpret because it is difficult to discern what individuals consider to be “a lot” of corruption, this indicates that a relatively large percentage of individuals in the Latin American region would give up democratic rights and freedoms if the country was pervaded by corruption. This does not necessarily reflect undemocratic attitudes, but it may point to that corruption is not viewed as benign to democracy. Perceptions of corruption are seemingly important for individual attitudes toward the regime. The next chapter looks into the effects of corruption experiences and perceptions on democratic legitimacy.
4 The Effects of Corruption on Democratic Legitimacy

In this chapter, I present the multilevel regression analyses of the effects of corruption on the three dimensions of democratic legitimacy. At this point, it can be useful to recall the thesis’ general research questions. The first question concerned whether corruption \textit{experiences} and corruption \textit{perceptions} have different effects on various dimensions of legitimacy, which in the analyses implies considering whether (i) corruption perceptions and experiences have similar effects on the same legitimacy dimension, and (ii) is the corruption indicators more strongly influence some legitimacy dimensions than others. The second general research question concerns the contextual effects of countries’ institutional quality and level of corruption on the relationship between corruption and legitimacy: (i) do the effects of corruption perceptions and experiences on legitimacy vary across countries, and (ii) is some of this variation explained by institutional quality and level of corruption?

The chapter is structured as follows. Two sections formulate and discuss some general hypotheses concerning the individual-level relationships between corruption and democratic legitimacy (section 4.1) and the contextual effects of institutional quality and corruption (section 4.2). The following section presents the results and interpretation and discussion of the results. In a final section I briefly sum up key findings before entering in a more detailed discussion about the support for hypotheses, theoretical implications, and implications for democracy in Latin America in Chapter 5.

4.1 Individual-level hypotheses

Existing research on the individual-level effects of corruption on democratic legitimacy has shown that both corruption experience and corruption perceptions decrease legitimacy (Seligson 2002, 2006; Morris 2008; Morris and Klesner 2010). On the grounds of this, I formulate two general hypotheses concerning the relationship between corruption and the three legitimacy dimensions:

\[ H1 \quad \text{Individual corruption experience is negatively related to individual trust in institutions, satisfaction with democracy, and normative support for democracy} \]
H2 Individual perceptions of corruption is negatively related to individual trust in institutions, satisfaction with democracy, and normative support for democracy

I assume that there will be a negative relationship between individuals’ experience with and perceptions of corruption, and individual trust in political institutions, satisfaction with democracy, and normative support for democracy. Assuming that the relationship between corruption and democratic legitimacy is the same on all three dimensions is, however, not necessarily a reasonable assumption. It is not, at the outset, obvious to what extent individuals who experience corruption will generalize such experiences into beliefs about and attitudes toward the broader political system. Research has shown that individuals to a greater degree generalize experiences with corruption and perceptions of it to more specific dimensions of legitimacy than abstract dimensions (see Morris 2008). I argue that it is reasonable to expect that proximate experiences and evaluations of the political performance of the regime in terms of curbing corruption will have stronger direct effects on more specific legitimacy dimensions, and thus weaker effects on more diffuse dimensions. Therefore, adding to H1 and H2:

H1A The effects of corruption experience will be weaker the more diffuse the legitimacy dimension

H2A The effects of corruption perceptions will be weaker the more diffuse the legitimacy dimension

I expect the effects of corruption to be strongest on the institutional trust dimension, weaker on the satisfaction with democracy dimension, and even weaker on the normative support for democracy dimension.

In Chapter 3, however, it was shown that individual perceptions of corruption are a lot more salient than reported experience. It was also discussed whether individual perceptions of corruption might have different consequences for legitimacy compared to experience. After all, corruption experience denotes behavior, while perceptions focus on beliefs. As noted in Chapter 1, there are some mixed results as regards for the effects of corruption perceptions on support for democracy. Individuals who perceive high levels of corruption are sometimes found to be more supportive of democracy as a form of government (Rose, Shin, and Munro 1999), other times perceptions of corruption and support for diffuse dimensions fail to achieve
statistical significance. In other words, the relationship between perceptions of corruption and democratic legitimacy may be less straightforward than what is the case for experiences with corruption. Because the effect of corruption perceptions is less obvious on more diffuse dimensions, I formulate an alternative hypothesis to \( H2 \)

\[ H2_{alt} \quad \text{Individuals perceiving high levels of corruption will exhibit higher levels of normative support for democracy} \]

If they do, this can be interpreted as citizens being dissatisfied democrats. That is, they recognize that corruption is prevalent (or, this is what they perceive), but distinguish the perceived political performance of the regime from the principles upon which it rests.

I argued in Chapter 2 for the inclusion of individual corruption permissiveness and satisfaction with incumbent government as control variables. Corruption permissiveness captures citizens’ justification of paying bribes. Citizens may have various reasons for justifying such acts; they may view bribe paying as totally legitimate, or they may feel that it is necessary to pay a bribe in order to receive fair and correct treatment in encounters with the regime’s institutions, i.e., that the system makes them do it. Recalling that Tavits (2005) found that individuals who did not define corruption as morally wrong were more inclined to engage in corrupt behavior, controlling for corruption permissiveness is important because the degree to which individuals generalize their experience with corruption into negative attitudes toward the system will most likely depend on whether they view such acts as legitimate or not.

\[ H3 \quad \text{Corruption permissiveness will moderate the effects of corruption experience on legitimacy} \]

Whether or not individuals are satisfied with the president and incumbent government will also most likely affect the effects of corruption perceptions and experiences on democratic legitimacy. Citizens that voted for or are satisfied with the performance of the incumbent government, will, probably, to a less

\[ H4 \quad \text{Satisfaction with the incumbent government will moderate the effects of corruption experience and perceptions on legitimacy} \]
Finally, existing research has found that socio-demographic background variables not only affect individual attitudes toward democracy (Booth and Seligson 2009), but also the degree to which they perceive corruption and participate in corruption (Gatti 2003). In order to make sure that the relationship between corruption and legitimacy is not spurious, I control for age, sex, and education. I expect that socio-demographic background variables influence individual behavior, perceptions, and attitudes:

**H5**  
*Socio-demographic background variables will mediate the effects of corruption on legitimacy*

It should be noted that it is not in the thesis’ main interest to focus in particular on the effects of sex, age, and education. However, based on previous research we may expect that higher educated individuals, for examples, are more critical toward institutions, while more supportive of democracy as a political system (Booth and Seligson 2009).

### 4.2 Contextual effects of country-level predictors

In Chapter 1, it was discussed whether differential effects of corruption on legitimacy could be explained by institutional performance and level of corruption. Whether or not institutional effectiveness and level of corruption will weaken or strengthen the effects of corruption may depend on the diffuseness of the legitimacy dimension, and on the corruption measure. For instance, in countries where institutions are generally performing poorly, proximate evaluations and experiences may be stronger predictors of diffuse support than in countries where institutions are relatively well-functioning. In contrast, citizen *expectations* toward institutions might be different in countries with poor versus good institutional performance, as discussed in Chapter 1. Because several possibilities and explanations exist for the cross-level interactions between macro-level performance and corruption perceptions and experiences, I formulate very general hypotheses concerning the cross-level interactions between corruption perceptions and experiences, and institutional effectiveness and level of corruption:

**H6**  
*A country’s level of political corruption will strongly determine how individual corruption perceptions and experiences relate to democratic legitimacy*
H7  A country’s level of bureaucratic corruption will strongly determine how individual
corruption perceptions and experiences relate to democratic legitimacy

H8  A country’s overall institutional performance will strongly determine how individual
corruption perceptions and experiences relate to democratic legitimacy

4.3 Results

In this section I present the results for the three separate analyses for the relationship between
corruption and democratic legitimacy. The section is structured as follows: I discuss first on
which basis I estimate the multilevel models (MLM), considering whether MLM is
appropriate for examining variation across countries in institutional trust (Analysis I),
satisfaction with performance (Analysis II), and the normative support for democracy
(Analysis III). After establishing this, I account for the analytical strategy pursued in each
analysis. Results are presented and discussed in three subsections. A final section sums up the
key findings before entering in a discussion of hypotheses, theoretical implications, and
implications for democracy in Latin America 2010. Results are presented and interpreted in
three subsections.

4.3.1 Is multilevel analysis appropriate?

Table 4.1 displays the individual-level and country-level variance in the empty model
(without covariates) along with the intra-class correlation (ICC)\(^{26}\) values, and the -2 log
likelihood values for all dependent variables. The ICC shows that between-country variation
accounts for approximately 9 % and 8 % of the variance in all three dependent variables,

<table>
<thead>
<tr>
<th>Table 4.1  Estimated empty models for all three analyses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimation method</td>
</tr>
<tr>
<td>Estimation method</td>
</tr>
<tr>
<td>Individual-level (σ(_{00}))</td>
</tr>
<tr>
<td>Country-level (τ(_{00}))</td>
</tr>
<tr>
<td>ICC</td>
</tr>
<tr>
<td>-2 log likelihood</td>
</tr>
</tbody>
</table>

\(^{26}\) τ\(_{00}\)/( τ\(_{00}\) + σ\(_{00}\)).
which is substantial considering that MLM is recommended when the ICC value exceeds 0.05 (Bickel 2007).

Explanation of Estimated Models in the Analyses

In each separate analysis I estimate a total of 5 models. Model 1 estimates the main fixed effects of corruption experience, perceptions of corruption among public officials, and perception of political corruption. Model 2 adds the individual-level predictors corruption permissiveness and satisfaction with incumbent government. Model 3 adds socio-demographic background variables sex, age, and education. In Model 4, the differential effects of the corruption indicators on legitimacy are examined, and presented if found to contribute significantly to the model fit. 27 Differential effects of the remaining individual-level predictors are not examined as this is not of interest to the thesis. Model 5 presents cross-level interactions between country-level predictors and individual-level predictors when found to be significant.

4.3.2 Analysis I – Institutional Trust

Table 4.2 presents the results for the analysis of the effects of corruption experiences and perceptions on institutional trust. The intercept is in Models 1-3 the average mean institutional trust across countries, around 46.4 on the 100 point scale. 28 Regression coefficients indicate the average change in institutional trust that is associated with a one-unit increase in the predictor variable. Variance components give the individual-level residual variance, and the unconditional country-level variance around the average mean institutional trust. On average, mean institutional trust varies (roughly) between 32.1 and 61.8 in 95 % of the countries.

Results from Model 1 support the expectations of a negative effect of corruption experiences on institutional legitimacy. As the number of personal experiences with corruption increases, institutional trust decreases with around 1.4 points, on average. The results lend further support to the notion that “actual” corruption decreases institutional legitimacy, and indicates that citizens of Latin American and Caribbean countries do not accept corrupt practices in the bureaucracy and among police officers and government officials. This has previously been

27 The degree to which the effects of an individual-level predictor varies across countries is assessed by comparing the difference in deviance from one model to another (Strabac 2007).
28 See Myers, Brinck, and Beauchamp (2010) and Enders and Tofghi (2007) for interpretation of CWC centered estimates.
Table 4.2 Un-weighted parameter estimates for multilevel models on Institutional Trust \((n=31582)\); standard errors in parenthesis

<table>
<thead>
<tr>
<th>Predictor Variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5a</th>
<th>Model 5b</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>46.390*** (1.532)</td>
<td>46.437*** (1.530)</td>
<td>46.437*** (1.530)</td>
<td>46.469*** (1.532)</td>
<td>46.260*** (1.437)</td>
<td>46.293*** (1.207)</td>
</tr>
<tr>
<td>Corruption experience</td>
<td>-1.425*** (.167)</td>
<td>-1.281*** (.166)</td>
<td>-1.281*** (.166)</td>
<td>-1.740*** (.317)</td>
<td>-1.834*** (.256)</td>
<td>-1.719*** (.319)</td>
</tr>
<tr>
<td>Corruption common</td>
<td>-1.018*** (.312)</td>
<td>-1.035*** (.307)</td>
<td>-1.035*** (.307)</td>
<td>-1.019*** (.307)</td>
<td>-1.001*** (.307)</td>
<td>-1.017** (.307)</td>
</tr>
<tr>
<td>Corruption very common</td>
<td>-5.442*** (.308)</td>
<td>-5.030*** (.304)</td>
<td>-5.030*** (.304)</td>
<td>-4.967*** (.304)</td>
<td>-4.967*** (.304)</td>
<td>-4.969*** (.304)</td>
</tr>
<tr>
<td>Political corruption</td>
<td>-5.689*** (.063)</td>
<td>-4.837*** (.068)</td>
<td>-4.837*** (.068)</td>
<td>-4.873*** (.210)</td>
<td>-4.874*** (.210)</td>
<td>-4.892*** (.199)</td>
</tr>
<tr>
<td>Corruption permissiveness</td>
<td>-956** (.302)</td>
<td>-956** (.302)</td>
<td>-807** (.302)</td>
<td>-784** (.210)</td>
<td>-808** (.302)</td>
<td>-8.899** (.129)</td>
</tr>
<tr>
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<td>-4.053*** (.127)</td>
<td>-4.053*** (.127)</td>
<td>-3.895*** (.129)</td>
<td>-3.893** (.128)</td>
<td>-3.889*** (.129)</td>
<td>-3.889*** (.129)</td>
</tr>
<tr>
<td>Male</td>
<td>.033 (.215)</td>
<td>.045 (.214)</td>
<td>-.047 (.214)</td>
<td>-.046 (.214)</td>
<td>-.046 (.214)</td>
<td>-.046 (.214)</td>
</tr>
<tr>
<td>Age</td>
<td>.028*** (.007)</td>
<td>.029*** (.007)</td>
<td>.029*** (.007)</td>
<td>.029*** (.007)</td>
<td>.029*** (.007)</td>
<td>.029*** (.007)</td>
</tr>
<tr>
<td>Education</td>
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<td>-.010 (.028)</td>
<td>-.010 (.028)</td>
<td>-.009 (.028)</td>
<td>-.009 (.028)</td>
<td>-.009 (.028)</td>
</tr>
<tr>
<td>Freq. Bur. Corruption (FBC)</td>
<td>-3.64* (.029)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Institutional performance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>-1.27 (.287)</td>
<td>-1.27* (.287)</td>
<td>-1.27* (.287)</td>
<td>-1.27* (.287)</td>
<td>-1.27* (.287)</td>
<td>-1.27* (.287)</td>
</tr>
<tr>
<td>FBC*Experience</td>
<td>.111*** (.029)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Governance*Political corruption</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cov (experience_perception)</td>
<td>.110 (.338)</td>
<td>.261 (.279)</td>
<td>.191 (.309)</td>
<td>.191 (.309)</td>
<td>.191 (.309)</td>
<td>.191 (.309)</td>
</tr>
<tr>
<td>Cov (exp_intercept)</td>
<td>-3.033 (.250)</td>
<td>-3.411 (.185)</td>
<td>-2.124 (.197)</td>
<td>-2.124 (.197)</td>
<td>-2.124 (.197)</td>
<td>-2.124 (.197)</td>
</tr>
<tr>
<td>Cov (perc_intercept)</td>
<td>2.170 (.1649)</td>
<td>1.296 (.1593)</td>
<td>-6.53 (.1354)</td>
<td>-6.53 (.1354)</td>
<td>-6.53 (.1354)</td>
<td>-6.53 (.1354)</td>
</tr>
</tbody>
</table>

Variance components

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5a</th>
<th>Model 5b</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual-level((\sigma^2))</td>
<td>369.500 (2.942)</td>
<td>357.895 (2.849)</td>
<td>357.728 (2.848)</td>
<td>354.561 (2.825)</td>
<td>354.573 (2.825)</td>
<td>354.560 (2.825)</td>
</tr>
<tr>
<td>Corruption experience</td>
<td>1.418 (.682)</td>
<td>.578 (.473)</td>
<td>1.433 (1.009)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political corruption</td>
<td>.903 (.230)</td>
<td>.905 (.300)</td>
<td>.795 (.272)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cov (experience_perception)</td>
<td>.110 (.338)</td>
<td>.261 (.279)</td>
<td>.191 (.309)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cov (exp_intercept)</td>
<td>-3.033 (2.570)</td>
<td>-3.411 (1.851)</td>
<td>-2.124 (1.957)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cov (perc_intercept)</td>
<td>2.170 (1.649)</td>
<td>1.296 (1.593)</td>
<td>-6.53 (1.354)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

-2LL                  | -138232.03      | -137728.93      | -137727.4       | -137623.02      | -137620.47      | -137617.98      |

† \(p <.10\); *\(p <.05\); **\(p <.01\); ***\(p <.001\); not significant when sample weights were incorporated (GLLAMM)
found to be the case in 4, 6, and 8 Latin American countries (Booth and Seligson 2009; Seligson 2002, 2006). Extending the analysis to 23 countries in the region lends further support to the notion that corruption has negative consequences for citizen trust in institutions in the Latin American region. Because citizen experience with corruption is the indicator that most directly captures the “fact” of corruption, as compared to mere perceptions of it, this is an important finding.

Largely the same holds true for individual perceptions of corruption. Perceptions of corruption among public officials, and perceptions of political corruption, have negative effects on institutional trust. Although the strengths of the effects are not totally comparable due to indicators having different scales, it is fair to say that perception of political corruption seems to be the strongest predictor of institutional trust among the corruption indicators included in the analysis. Thus, proximate experience with corruption in encounters with public officials and institutions, perceptions of the general ‘corruptness’ of public officials, and perceptions of the successfulness of the current administration in combating corruption, all negatively and significantly affect individuals’ trust in political institutions. The question is whether these relationships are actually a result of other factors, i.e., tolerance of corruption, satisfaction with the incumbent government, and socio-demographic background variables.

When controlling for corruption permissiveness and satisfaction with incumbent government in Model 2, the effects of corruption experience and perceptions were somewhat weakened. The two indicators were included in the model separately in order to be able to examine the differential influence of individual corruption permissiveness versus satisfaction with incumbent government. When corruption permissiveness was included, the effect of corruption experience was somewhat attenuated, which indicates that individual justification and tolerance of bribe paying affects the degree to which experience with corruption is generalized into negative feelings toward the broader political system. The main effect of corruption experience is, however, still negative and highly significant. The effect is very weak, but indicates that citizens who justify paying a bribe not necessarily do this on the basis of viewing bribe paying as legitimate. I argue that a reasonable interpretation of the estimate is that a majority of individuals who justify paying a bribe do this on the grounds of feeling that bribe paying is necessary in order to achieve fair treatment, thus the negative coefficient

---

29 This is not shown here as it would lead to a very inefficient presentation of results.
indicates that individuals who justify corruption perceive or experience the system as unfair and undeserving of trust.

Satisfaction with incumbent government, in addition to attenuate the effects of corruption experience a little, strongly moderated the effects of perceptions of political corruption on institutional trust. Comparing the parameter estimates of Model 1 to those of Model 2, it is clear that individual perception of political corruption is related to their satisfaction with the incumbent government and president. It does also, to some extent, affect perceptions of corruption among public officials, but not very strongly. However, the fact that individual satisfaction with the current government weaken the effects of corruption experience and perceptions of political corruption on institutional trust, give further support to the notion that individuals who are affiliated or satisfied with the incumbent government, are less likely to generalize perceptions of corruption in government and experience with low-level corruption into negative attitudes toward key democratic institutions, corroborating findings of Anderson and Tverdova (2003) and Canache and Allison (2005).

Neither of the socio-demographic background variables included in Model 3 significantly affected either of the indicators already included in the analysis. Contrary to expectations, sex, age, and education did not moderate the relationship between corruption and institutional trust, nor do they themselves exert any significant influence on individual trust in political institutions. This finding stands somewhat in contrast to previous findings of the sources of institutional legitimacy, where it has been found that higher educated people, for example, are less trusting in institutions (Booth and Seligson 2009).

Thus, so far, the results from Analysis I support the majority of the hypotheses regarding the individual-level relationships between corruption and institutional trust. Both corruption experience and perceptions decrease levels of institutional trust (H1 and H2). Individual corruption permissiveness to a certain extent weakens the effects of corruption experience on institutional trust (H3), while individual satisfaction with incumbent government weakens the effects of both corruption experience and perceptions of political corruption (H4). No support, however, is given to H5, which expected that the above mentioned relationships were moderated by sex, age, and education levels of the individuals. On average, the main effects of corruption experiences and perceptions on institutional trust remain negative and highly significant when controlling for relevant variables. But is it reasonable to assume that the
effects of corruption on institutional trust are the same across all Latin American and Caribbean countries?

Did the effects of corruption on institutional trust vary across countries?

When specifying the random coefficient model (Model 4), all corruption predictors were found to have random slopes that varied significantly across countries. This means that the effects of corruption on institutional trust are not the same in all Latin American and Caribbean countries, as they were assumed to be in Models 1-3. Especially interesting is the fact that the effects of experiencing low-level corruption were found to vary across countries, as it is possible to argue that corruption experience taps into largely the same underlying construct (bribe paying) in all countries. Interpreting the variance components of the individual-level coefficients is easier if we calculate the standard deviations of the variance components, and construct confidence intervals within which the regression slopes for are assumed to vary for 95 % of the countries (Bickel 2007).

The corruption experience regression slope is thus in 95 % of the countries expected to vary between .59 and -4.07, indicating that the effects of experiencing corruption on individual trust in political institutions may actually be positive in some countries. The variance component for perceptions of political corruption tells us that in 95 % of the countries the average effect will vary between -2.031 and -5.755. Thus, the effect of perceptions of political corruption on institutional trust is negative in all countries, but weaker in some countries than in other. What explains these differences?

Explaining variations in the effects of corruption on institutional trust

Controlling for GDP per capita, I ran several models testing whether institutional performance or any of the two macro-level corruption indicators (CPI and frequency of bureaucratic corruption (FBC)) significantly explained cross-cultural variations in the effects of corruption on institutional trust. Between-country variation in level of corruption as measured by the CPI

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30 Several random effects lead to a very high number of parameters that are estimated simultaneously in one model. Because the research question concerns whether institutional effectiveness and level of corruption can explain between-country variation in the effects of corruption on institutional trust, I did not see it as necessary to further complicate the model with an additional random effect (corruption very common) when no significant cross-level interactions were found.

31 $\sqrt{1.418} \approx 1.19$. Confidence interval: -1.740±1.96*1.19.
index did not significantly account for varying effects of corruption on legitimacy. Thus, no support is given to $H6$ in this analysis.

Frequency of bureaucratic corruption (FBC) did, however, explain variations in the effects of corruption experience ($Model \, 5a$), and institutional performance explained some of the variation in the effects of perceptions of political corruption ($Model \, 5b$). The Level-2 slope variance of corruption experience decreases by 60%\(^{32}\) when the cross-level interaction between FBC and corruption experience is included in the model. In comparison to this, the Level-2 slope variance of perceptions of political corruption is reduced by 12%\(^{33}\). In the following, I comment on the results from Model 5a and Model 5b, respectively.

The cross-level interaction between country-level FBC and individual corruption experience in $Model \, 5a$ is illustrated in Figure 4.1. The figure displays the predicted regression slopes for countries

Figure 4.1 Institutional trust as a function of experienced corruption and frequency of bureaucratic corruption

\[^{32}(1.418-.578)/1.418.\]
\[^{33}(.903-.795)/.903.\]
with FBC one standard deviation above the mean (B.CORR + 1SD), average mean regression slope for countries with mean levels of bureaucratic corruption (B.CORR mean), and the predicted regression slope for countries with FBC one standard deviation below the mean (B.CORR -1SD). In countries where bureaucratic corruption is less frequent (B.CORR -1SD), average mean institutional trust is higher, but the negative effect of corruption experience is stronger. In contrast, in countries where bureaucratic corruption is more frequent (B.CORR + 1SD), average mean institutional trust is lower, and the effect of corruption experience on institutional trust is weaker. Why?

What these results suggest is first of all that citizen trust in political institutions to a certain extent is contingent on the prevalence of bureaucratic corruption within that same system. Now, the individual-level effect of corruption experience on institutional trust in countries where bureaucratic corruption is frequent is much weaker compared to in countries where bureaucratic corruption is less frequent. I argue that a plausible explanation for this has to do with citizen expectations of procedural justice and equal treatment in encounters with public services and public officials. In countries where citizens are not used to having to pay bribes in order to process documents, receive fair treatment, etc., individuals may not have very high expectations of being treated fairly and equally. In contrast, citizens of countries where bureaucratic corruption is less prevalent, citizens may expect more of the system. In these countries, experiencing corruption may to a larger degree stand in contrast to initial expectations of high standards and honesty in the public administration system, resulting in destructive consequences for individual trust in democratic institutions.

I argue that because the effects of corruption experience are negative in all cases (although extremely weak in countries where bureaucratic corruption is frequent), these results do not indicate that corruption is an accepted practice viewed as legitimate just because corruption is rampant, as the cultural hypothesis discussed in Chapter 1 suggested. The implications of this finding will be further discussed in Chapter 5.

Moving to Model 5b, variations in the perceived level of institutional effectiveness was found to explain some of the variation in the effects of perceptions of political corruption on institutional trust. The regression coefficient for the interaction term is in this case also

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34 The main effect of frequency of bureaucratic corruption cannot be interpreted separately from the interaction effect in Model 5a. However, the figure illustrates that average mean institutional trust is higher in countries were bureaucratic corruption is less frequent, which is also indicated by the covariance between the intercept and the random slope in Model 5a.
positive, which indicates that the effect of perceptions of political corruption is weaker in countries with higher levels of institutional effectiveness. Figure 4.2 illustrates this relationship.

Figure 4.2 Institutional trust as a function of perceived political corruption and institutional effectiveness

The effect of perceptions of political corruption to a stronger extent negatively affects institutional trust in countries with poor-functioning institutions (GOV -1SD). This indicates that individual evaluations of short-term policy outputs are more important for institutional legitimacy in countries with poorly functioning institutions. The cross-level interaction was not, however, statistically significant when estimating the same model after excluding the 6 countries that were not self-weighted. This result should therefore be interpreted with caution, as it is beyond the scope of the thesis to establish whether this is due to not being able to incorporate weights that make individual country samples (of these six countries) representative and equalize the sample sizes of each country, or the elimination of a large number of observations at both levels of analysis.
4.3.3 Analysis II – Satisfaction with Democracy

Table 4.3 presents the results for the effects of corruption on the satisfaction with democracy dimension. In the following, I discuss the results from Models 1-3, and compare the results to the results from Analysis I. The average mean satisfaction with democracy across countries is on average about 10 points higher than average mean institutional trust.

We expected that the effects of corruption would be weaker on the satisfaction with democracy dimension, than on the institutional trust dimension. The results from Model 1 suggest that this was indeed a reasonable expectation, with the exception of the regression coefficients for perceptions of corruption among public officials. This is discussed below. The main effects of corruption experiences, and perceptions of political corruption, are still negative and highly significant, but the effects are weaker as compared to Analysis I.

Corruption permissiveness and satisfaction with the incumbent government (M2) have largely the same influence on the effects of corruption experiences and perceptions of political corruption as they did in Analysis I. Controlling for corruption permissiveness to a certain (but very little) extent weakens the effect of corruption experience (supporting H3), and controlling for satisfaction with incumbent government attenuates both the effects of experience and perceptions of political corruption (supporting H4). Again, it is satisfaction with the incumbent government that exerts the strongest effects on the corruption predictors’ effects on satisfaction with democracy. Also consistent with Analysis I, the dummy variables for perception of corruption among public officials remain largely unaffected by the inclusion of these predictors.

The two dummy variables that are supposed to capture individual perceptions of corruption among public officials have changed signs in the satisfaction with performance analysis. It seems as though perceptions of the degree to which public officials are corrupt decrease institutional trust (Analysis I), but increase satisfaction with democracy. At the same time, the regression coefficient for perceptions of corruption in government continues to be negative and highly significant. These results give rise to several questions. First, are citizens of Latin America and the Caribbean satisfied with democracy although they perceive corruption among public officials to be common? Or, do some individuals confuse the satisfaction with performance dimension with support for democracy, that is, the normative dimension of legitimacy?
Table 4.3 Un-weighted parameter estimates for multilevel models on Satisfaction with Democracy (n=32777); standard errors in parenthesis

<table>
<thead>
<tr>
<th>Predictor variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>56.251*** (.1421)</td>
<td>56.310*** (.1425)</td>
<td>56.306*** (.1425)</td>
<td>56.316*** (.1429)</td>
<td>56.107*** (.1228)</td>
</tr>
<tr>
<td>Corruption experience</td>
<td>-1.047*** (.122)</td>
<td>-1.855*** (.166)</td>
<td>-1.889*** (.167)</td>
<td>-1.826*** (.167)</td>
<td>-1.826*** (.166)</td>
</tr>
<tr>
<td>Corruption common</td>
<td>2.326*** (.318)</td>
<td>2.301*** (.305)</td>
<td>2.280*** (.306)</td>
<td>2.275*** (.308)</td>
<td>2.273*** (.308)</td>
</tr>
<tr>
<td>Corruption very common</td>
<td>-.035 (.314)</td>
<td>.708** (.302)</td>
<td>.649* (.303)</td>
<td>.611 (.645)</td>
<td>.604 (.644)</td>
</tr>
<tr>
<td>Political corruption</td>
<td>-3.545*** (.064)</td>
<td>-2.117*** (.067)</td>
<td>-2.118*** (.067)</td>
<td>-2.104*** (.215)</td>
<td>-2.123*** (.200)</td>
</tr>
<tr>
<td>Corruption permissiveness</td>
<td>-.780** (.299)</td>
<td>-.739* (.301)</td>
<td>-.645* (.299)</td>
<td>-.646* (.299)</td>
<td>-.646* (.299)</td>
</tr>
<tr>
<td>Incumbent government</td>
<td>-6.798*** (.127)</td>
<td>-6.794*** (.127)</td>
<td>-6.624*** (.128)</td>
<td>-6.618*** (.128)</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>.523* (.213)</td>
<td>.517* (.213)</td>
<td>.513* (.212)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>.020** (.007)</td>
<td>.022* (.007)</td>
<td>.022* (.007)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>.021 (.028)</td>
<td>.036 (.027)</td>
<td>.036 (.027)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Institutional Performance  
GDP                      
Institutional Performance*Political corruption

<table>
<thead>
<tr>
<th>Variance components</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual-level</td>
<td>397.983 (.110)</td>
<td>365.702 (2.858)</td>
<td>365.578 (2.857)</td>
<td>361.034 (2.823)</td>
<td>361.036 (1.235)</td>
</tr>
<tr>
<td>Country-level</td>
<td>46.153 (14.018)</td>
<td>46.443 (14.10)</td>
<td>46.478 (14.10)</td>
<td>46.706 (14.176)</td>
<td>34.302 (10.890)</td>
</tr>
<tr>
<td>Corruption very common</td>
<td>7.360 (2.578)</td>
<td>7.342 (2.572)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political corruption</td>
<td>.958 (.314)</td>
<td>.810 (.276)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cov(very_political)</td>
<td>-.352 (.640)</td>
<td>-.121 (.600)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cov(very_intercept)</td>
<td>3.215 (4.408)</td>
<td>5.366 (3.931)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Cov(political_intercept)</td>
<td>1.794 (1.558)</td>
<td>.056 (1.235)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

-2LL                      | -144674.99       | -143290.33       | -143290.58       | -143133.95       | -143129.44       |

† p < .10; * p < .05; **p < .01; *** p < .001; * not significant when incorporating weights (GLLAMM).
Alternatively, if we interpret the corruption measure as an indicator of individual perceptions of low-level corruption, is it so that the degree to which lower-level officials are corrupt does not negatively affect the way individual evaluate the general functioning of democracy, although perceptions of corruption in government do? Another possibility is that the corruption in government indicator to a greater extent reflects the performance of the incumbent government, not so much an evaluation of the extent to which top officials and politicians are, in general, corrupt or not. But why then, does the indicator measuring individual corruption experience continue to be negative? These questions will be subject to further discussion in Chapter 5, but it seems as though the indicator tapping into perceptions of corruption among public officials may be a vague non-interpretable indicator that reflects much more than just perceptions of corruption.

In Model 3, controlling for gender, age, and education changes somewhat the effects of corruption experience (which is intensified) and perceptions of corruption among public officials (weakened), but not very strongly. Results do not support $H5$ in this analysis either.

**Did the effects of corruption on satisfaction with democracy vary across countries?**

When examining the degree to which the effects of corruption on satisfaction with democracy varied across countries, I found that the dummy variable *corruption very common*, and *perceptions of corruption in government*, had significant random slopes. The random slope of *corruption very common* indicates that in 95% of the countries, the regression slope for this variable will vary between 5.92 and -4.70. The immensely wide random slope makes this difficult to interpret, and suggests that the estimated average effect of perceptions of corruption among public officials on institutional trust is not very precise. It may well indicate that, as has previously been discussed, it could be questioned whether this item actually measures the same underlying construct in all countries. Because the measurement validity of the indicator is difficult to establish, this results could be a “false” suggestion of a random variation in the effect of corruption on satisfaction with democracy. Alternatively, it might reflect that the satisfaction with democracy measure in some countries is confused with support for democracy. The factor analysis showed that, on average, satisfaction with democracy distributed high loadings on the same dimension as evaluations of the economy (which clearly are performance indicators).

---

$\sqrt{7.360} \approx 2.71$. 95% confidence interval constructed: \(~0.699\pm1.96\times2.71\).
It is reasonable to argue that in countries where the satisfaction with democracy measure is interpreted as an indicator of performance, citizen perceptions of corruption among public officials may decrease their satisfaction, while in countries where this indicator in large is interpreted as a system support indicator, the positive regression coefficient may reflect that citizens are dissatisfied democrats, as has previously been found to be the case in some countries. However, these are only speculations. Further research on the sources of satisfaction with democracy, and on the meaning of corruption across countries needs to be undertaken if we want to make valid inferences about the relationship between perceptions of corruption and satisfaction with democracy. If anything, the analysis demonstrates the limitations to relying solely on corruption perceptions when studying corruption cross-nationally.

The random slope for perceptions of corruption in government indicates that in 95 % of the countries in the region, the regression slope will vary between -4.366 and .158, also very difficult relationship to interpret. When testing whether level of corruption or governance could explain some of the variation in the effects of perceptions of political corruption, institutional effectiveness was found to explain some of the variance, similar to Analysis I. Figure 4.3 illustrates this graphically.

Explaining variation in the effects of corruption across countries

Neither level of political corruption nor the frequency of bureaucratic corruption could significantly explain some of the variation in the random slopes of the corruption perceptions indicators. However, and similar to Analysis I, institutional effectiveness significantly (p<.05) explained some of the variation in the slope for perceptions of political corruption. In fact, the Level-2 slope variance decreased by 15 %. When excluding the six non-self-weighted countries, the cross-level interaction was still significant. The interaction between institutional effectiveness and political corruption illustrates a similar relationship to the relationship found in Analysis I. The relationship is illustrated in Figure 4.3.

The figure shows predicted regression slopes for perception of corruption in government in countries with mean levels of institutional effectiveness (GOV mean), countries with level of effectiveness one standard deviation above the mean level of governance (GOV +1SD), and countries with level of effectiveness one standard deviation below the mean (GOV -1SD).
The overall effects of perceptions of political institutions on satisfaction with democracy are weaker, but the picture is the same. Perceptions of political corruption are to a stronger degree related to satisfaction with democracy in countries where institutional performance is low, compared to countries where institutional effectiveness is high. Thus, perceptions of the current administration’s efforts at combating political corruption, is a stronger predictor of diffuse support in countries where institutional performance is low. Summing up, Analysis II gives no support to $H_6$ or $H_7$, but partial support to $H_8$.

### 4.3.4 Analysis III – Normative Support for Democracy

Table 4.4 presents the results for the most diffuse legitimacy dimension of them all – the normative support for democracy. Compared to the results for institutional trust and satisfaction with democracy, the average mean normative support for democracy is even higher across Latin American and Caribbean countries (above 70 on the 0 to 100 scale). Support for the fundamental norms of democracy is without a doubt strongly ingrained among citizens in the Latin American region.
## Table 4.4  Un-weighted parameter estimates from multilevel models on Normative Support for Democracy (n=33534); standard errors in parenthesis

<table>
<thead>
<tr>
<th>Predictor variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>71.319***(.1432)</td>
<td>71.316***(.1432)</td>
<td>71.165***(.1435)</td>
<td>71.099***(.1438)</td>
<td>71.086***(.1451)</td>
</tr>
<tr>
<td>Corruption experience</td>
<td>-0.120 (.191)</td>
<td>-0.190 (.193)</td>
<td>-0.569***(.193)</td>
<td>-0.569***(.193)</td>
<td>-0.529**(.193)</td>
</tr>
<tr>
<td>Corruption common</td>
<td>2.808***(.355)</td>
<td>2.810***(.354)</td>
<td>2.320***(.354)</td>
<td>2.320***(.354)</td>
<td>2.328***(.356)</td>
</tr>
<tr>
<td>Corruption very common</td>
<td>3.809***(.350)</td>
<td>3.794***(.351)</td>
<td>3.280***(.350)</td>
<td>3.280***(.350)</td>
<td>3.341***(.641)</td>
</tr>
<tr>
<td>Political corruption</td>
<td>-0.206** (.071)</td>
<td>-0.221** (.078)</td>
<td>-0.310** (.077)</td>
<td>-0.310** (.077)</td>
<td>-0.261 (.180)</td>
</tr>
<tr>
<td>Corruption permissiveness</td>
<td>.938** (.348)</td>
<td>.686* (.348)</td>
<td>.687* (.348)</td>
<td>.734* (.347)</td>
<td></td>
</tr>
<tr>
<td>Incumbent Government</td>
<td>.046 (.147)</td>
<td>.070 (.149)</td>
<td>.069 (.069)</td>
<td>.007 (.148)</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>1.467*** (.246)</td>
<td>1.467*** (.245)</td>
<td>1.442*** (.246)</td>
<td></td>
<td></td>
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<tr>
<td>Age</td>
<td>.013 (.008)</td>
<td>.013 (.008)</td>
<td>.013 (.008)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>.568*** (.032)</td>
<td>.568*** (.032)</td>
<td>.570*** (.032)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CPI</td>
<td></td>
<td></td>
<td></td>
<td>1.571 (.417)</td>
<td></td>
</tr>
<tr>
<td>GDP</td>
<td></td>
<td></td>
<td></td>
<td>.217 (.287)</td>
<td></td>
</tr>
<tr>
<td>CPI*Public off. very corrupt</td>
<td></td>
<td></td>
<td></td>
<td>-1.185* (.1451)</td>
<td></td>
</tr>
<tr>
<td>Variance components</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Individual-level</td>
<td>506.137 (.910)</td>
<td>506.055 (.910)</td>
<td>500.468 (.867)</td>
<td>500.468 (.867)</td>
<td>497.029 (.843)</td>
</tr>
<tr>
<td>Country-level</td>
<td>46.803 (14.218)</td>
<td>46.800 (14.218)</td>
<td>47.027 (14.285)</td>
<td>47.163 (15.024)</td>
<td>48.033 (15.649)</td>
</tr>
<tr>
<td>Corruption very common</td>
<td></td>
<td></td>
<td>8.450 (3.070)</td>
<td>6.523 (2.494)</td>
<td></td>
</tr>
<tr>
<td>Political corruption</td>
<td></td>
<td>.602 (.221)</td>
<td>.598 (.219)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Covariance (very percg)</td>
<td></td>
<td>.621 (.595)</td>
<td>.052 (.571)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Covariance (very cons)</td>
<td></td>
<td>-4.906 (4.427)</td>
<td>-3.251 (4.427)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Covariance (percg cons)</td>
<td></td>
<td>1.624 (1.49)</td>
<td>2.420 (1.497)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

-2LL                           -152042.95          -152040.39          -151859.89          -151782.44          -151778.66

†p < .10; *p < .05; **p < .01; *** p < .001; * not significant when incorporating weights (GLLAMM).
There are some inconsistencies as regards for the statistical significance of the fixed effects in Models 1-3 when compared with the GLLAMM estimates (Appendix C). In Model 3, the coefficients for corruption experience, perceptions of political, and corruption permissiveness did not achieve statistical significance when sample sizes were equalized and population weights are incorporated. Other results are consistent, however.

The effects of corruption experiences and perceptions were expected to be much weaker on the normative dimension compared to the two other legitimacy dimensions. Results strongly support this expectation. Support for democratic participation rights is little, if to any extent, moved by individual experience with corruption and perceptions of political corruption, even when solely including corruption predictors (M1). Although negatively signed, these indicators do not significantly affect individual’s normative support for democracy, on average. Individuals who perceive corruption among public officials to be very common or common, however, are significantly more supportive of democratic participation rights than individuals that perceive corruption among public officials to be uncommon or not at all common. The finding greatly resembles the results from Analysis II on satisfaction with democracy, which again might that satisfaction with democracy is, in the Latin American and Caribbean region, confounded with support for democracy, on average.

Controlling for individual corruption permissiveness and satisfaction with incumbent government (M2) does not in this case have any noteworthy impact on the regression slopes of the corruption predictors. Citizen support for democracy in its most abstract form is, on average, little affected by the same indicators that were found to have significant impacts on the other two dimensions. Thus, citizen normative support for democracy seems to have different sources than citizen trust in institutions and satisfaction with democracy. It seems that whether or not individuals acknowledge that all citizens have the same participation rights is to a greater extent driven by individual’s socio-demographic traits (M3). Not only does the inclusion of sex, age, and education contribute to a significantly better model fit ($p<.001$), both sex and education are positive and highly significant. Males and higher educated individuals are thus more likely to support fundamental democratic participation rights.

Summing up the results from Models 1-3, no support is given to the hypotheses that corruption experience and perceptions negatively affect normative support for democracy (H1 and H2). Partial support is given to H2-alt, which expected that individuals who perceived
high levels of corruption were *more* supportive of the normative dimension of democracy. This was not the case for perceptions of political corruption, and the reasons for this is discussed further in Chapter 5. However, the fact that the effects of corruption experience and perceptions of political corruption were too weak to achieve statistical significance give further support to H1A, and partial support to H2A. Neither H3 (corruption permissiveness) nor H4 (satisfaction with incumbent government) are supported by Analysis III. Finally, support *is* in this analysis given to H5. On the *normative* dimension, sex and education strongly determine support for democratic participation rights.

**Did the effects of corruption on normative support for democracy vary across countries?**

The effects of perceptions of political corruption and *corruption very common* on citizens’ normative support for democracy were found to vary significantly across countries. Specifying both variables as random resulted in a highly significant improvement of the model (*p*<.001) in both cases.

In Model 4, the country-level variance component for *corruption very common* indicates that the regression slope varied between -2.424 and 8.984 in 95% of the countries. Thus, although the average individual-level effect of perceiving high levels of corruption among public officials is positive, the random slope variation suggests that in some countries, the relationship is negative. Again, this is a very wide interval. As previously has been discussed, the possibility exists that we are not measuring the same underlying construct across countries. However, given that we could establish beyond all doubt that the measure of perceptions of corruption among public officials was invariant across countries this result need not be all that surprising. In countries where democracy is perceived to go hand in hand with corruption, citizens may be willing to give up democratic rights and freedoms in order to curb corruption. As shown in Chapter 3, a relatively large percentage of respondents answered positively to the question of whether a military coup was justified if corruption levels were very high. But, again, these are only speculations.

**Explaining variations in the effects of corruption on normative support for democracy**

Institutional effectiveness and frequency of bureaucratic corruption did not significantly explain variation in the effects of corruption on the normative dimension of democracy,
however. Level of corruption as measured by the CPI index, however, was found to significantly explain some of the variation in the effects of *corruption very common*. Figure 4.4 illustrates this relationship.

Figure 4.4  
Normative support for democracy as a function of perception of high levels of corruption among public officials and level of political corruption (CPI)

Average mean normative support for democracy is, first of all, higher in countries where the prevalence of corruption is perceived to be lower than the mean (CPI +1SD). In countries where corruption is perceived to be rampant (CPI -1SD), average mean normative support for democracy is lower, but the positive effect of perceiving high levels of corruption is stronger. What, if anything, does this tell us? This could indicate that, in countries where corruption is rampant, citizens who recognize this are dissatisfied democrats, while in countries where corruption is less widespread, the difference in average support for democratic participation rights between corruption-perceiving individuals and the rest is not very large. In countries where corruption levels are low and support for the normative dimension of democracy is high, corruption is not necessarily a strong predictor of this kind of support.
It cannot be established beyond doubt that these relationships are not in fact spurious at the aggregate level. As previously discussed, the between-country variation in level of corruption as measured by the CPI may reflect other characteristics such as democratic development, for example. Thus, it is difficult to argue that it is a country’s level of corruption that causes the variation in effect of perceptions of corruption on normative support for democracy. Moreover, accounting for between-country variation in level of corruption as measured by the CPI the Level-2 slope variance of perception of corruption among public officials decreased by 22 %, but the interval within which the slope is assumed to vary is in Model 5 still very wide (from 8.339 to -1.657). This indicates that there is still a lot of variance left to explain.

4.3.5 Summary of key results

Analysis of three separate legitimacy dimensions showed that the ways in which individual corruption experience and perceptions are related to legitimacy, varies according to the diffuseness of the legitimacy dimension. Individual corruption experience was negatively related to trust in institutions and satisfaction with democracy, but not significantly related to the normative support for democracy. Largely the same relationship was found for individual perceptions of political corruption. The effects of corruption experiences and perceptions taper off as legitimacy dimensions become more diffuse.

Results for perceptions of corruption among public officials painted a somewhat different picture, as individuals who perceived high levels of corruption was found to be more satisfied with democracy, and more supportive of democratic participation rights. Results illustrate not only that corruption perceptions capture something that is not straightforward to interpret, and which may be the result of a variety of factors and beliefs more or less independent of “actual” corruption. Moreover, it could be questioned whether the satisfaction with democracy dimension in some countries is confounded with support for democracy.

Regarding cross-level interactions, a country’s frequency of bureaucratic corruption was found to significantly explain variations in the effects of corruption on institutional trust. Institutional effectiveness was found to explain variations in the effects of perceptions of political corruption on both the institutional trust and satisfaction with democracy dimension. On the normative dimension, level of corruption as measured by the

\[ \frac{(8.450-6.523)}{8.450}. \]
CPI index explained a small part of the variation in the effects of perceptions of corruption among public officials on the normative support for democracy. In most cases, however, substantial Level-2 variance was left unexplained, which calls for further analysis of country-level influences on individual-level relationships. The results, supported hypotheses, and implications are discussed in the next chapter.
5 Delegitimating Democracy?

In Latin America, corruption scandals involving sitting presidents have haunted many of the countries in the region since the time of their transitions to democracy (Morris and Blake 2009, 1). The perception that corruption has increased during democratization has led scholars to argue that democracy creates new means by which corrupt politicians may abuse their power for personal gain or for the gain of their political parties (Weyland 1998). In the face of widespread perceptions that corruption has been on the rise since Latin America’s democratic transitions, and in light of the tendency for international research to portray corruption as a threat to democratic development and consolidation, this thesis has analyzed the impact that individual corruption perceptions and experiences have on attitudes toward democracy in 23 Latin American countries. In the following, I sum up and discuss the hypotheses and main findings of the thesis. Afterwards, I consider the theoretical implications of the results, as well as some of their implications for democracy in the Latin American region. A final section discusses recommendations for future cross-national survey research on corruption and democracy.

5.1 Discussing Results and Hypotheses

The main findings of the thesis show that, at the individual level, perceptions of and experiences with corruption negatively and significantly decrease the legitimacy of government. The degree to which individual corruption perceptions and experiences affect legitimacy, however, varies according to the level of diffuseness in the legitimacy dimension. When moving from the institutional dimension to more diffuse dimensions of legitimacy, the effects of corruption generally taper off. In the following paragraphs, I discuss the degree to which the analyses provide support for key hypotheses concerning the relationships between corruption and democratic legitimacy, as presented in Chapter 4.

The first hypothesis (H1) predicted that experiences with low-level corruption would weaken the level of trust in institutions, as well as decrease the overall satisfaction with and the normative support for democracy. This hypothesis is partially supported by the analyses. Individuals who were solicited a bribe in their dealings with public officials and public institutions during the year prior to the survey were significantly less trusting in political institutions, and significantly less satisfied with democracy when compared to individuals that
had not experienced corruption during the same time period. Experience with corruption did not, however, significantly affect citizens’ normative support for democracy. Moreover, the effects that actual experiences with corruption have on the satisfaction with democracy were much weaker than the effects on institutional trust. This supports the expectation that individual experiences with corruption have far weaker effects on the more diffuse dimensions of legitimacy when compared to more specific dimensions (H1A).

The finding is important for several reasons. Comparing the effects of real experiences with corruption, as opposed to mere perceptions of it, to some extent has been the crux of the matter in the thesis. The finding that corruption experience is negatively related to all three legitimacy dimensions provides for additional empirical evidence to the notion that actual corruption has corrosive effects on democratic legitimacy. Indeed, previous research found this same relationship in 4 and 6 Latin American countries (Seligson 2002, 2006), while other research found this relationship in Mexico (Morris 2008; Morris and Klesner 2010). By extending the analysis to 23 countries in the Latin American region, this thesis has demonstrated that the negative relationship between corruption and legitimacy is not peculiar to the few countries where this relationship has previously been examined. Throughout the Latin American region, citizens who have experienced corruption are, on average, less trusting in institutions and less satisfied with democracy. This indicates that low-level corruption is not a welcomed practice among Latin American citizens. However, the fact that the relationship failed to achieve statistical significance on the normative dimension of legitimacy shows that Latin Americans distinguish between the various dimensions of legitimacy, and do not necessarily blame the principles of democracy for the existence of corruption.

The effects of corruption were, however, found to be stronger in countries where bureaucratic corruption is less frequent. As touched on in Chapter 4, I argue that this finding is best interpreted and explained when taking into account citizen expectations of government and institutional performance in countries with high levels of institutional performance versus those with lower performance levels. As pointed out by Rose and Mishler (2010), citizens may to a greater extent expect high standards and fair treatment in countries where public integrity is high. Therefore, when citizens encounter corrupt practices within a system that on a general level is considered to function relatively well, the violation of their expectations of high standards and fair procedures may produce and “over-reaction” (Rose and Mishler 2010,
that leads to stronger corrosive effects on the political system as a whole. By contrast, 
encountering corrupt practices may not be a big surprise for average citizens in those 
countries that exhibit lower levels of trust in political institutions and higher expectations of 
corruption. Nevertheless, the mean effect of experiences with corruption was negative even in 
those countries where bureaucratic corruption was frequent. This finding lends additional 
support to the argument that corruption is not the accepted norm in the region, despite the fact 
that its incidence is frequent.

Moving on to corruption perceptions, the second hypothesis (H2) suggested that citizens who 
perceive the existence of high levels of corruption would tend to have lower levels of 
institutional trust, satisfaction with performance, and normative support for democracy. As 
was the case with corruption experiences, the hypothesized effects of corruption perceptions 
on legitimacy were also expected to be stronger on more specific dimensions (H2A). 
However, the results are somewhat mixed for corruption perceptions. Therefore, I will 
provide a separate discussion on the results of the two indicators for corruption perceptions.

The results for the effects of perceptions of political corruption strongly confirm both H2 and 
H2A. Increased dissatisfaction with the current administration’s efforts at combating 
corruption in government led to decreased levels of institutional trust and satisfaction with 
democracy. Similar to the results for corruption experience, the effect of perceptions of 
political corruption was rendered insignificant on the normative dimension. This indicates 
that, insofar as individual evaluations of the short-term performance of the current 
administration (in terms of curbing political corruption) affect institutional trust and 
satisfaction with democracy, it does not affect citizen adherence to the principles upon which 
democracy rests. Thus, in terms of perceptions of political corruption, the results confirm both 
H2 and H2A and resemble those found for experiences with corruption.

Analysis also looked into the contextual effect that institutional performance has on the 
relationship between perceptions of political corruption and legitimacy. The findings show 
that perceptions of widespread political corruption negatively impacted institutional 
legitimacy and satisfaction with democracy most strongly in countries where institutional 
effectiveness is low. This supports the expectation a country’s institutional performance will 
affect the extent to which corruption is related to legitimacy, as defined in hypothesis eight 
(H8). The fact that average mean institutional trust and satisfaction with democracy was much 
lower in countries where institutional performance was low, as compared to in countries
where institutional performance was high supports the Lipset-Easton notion that institutional effectiveness contributes to democratic legitimacy.

However, the indicator on the perception of corruption among public officials has proven to be the one that goes against the grain of expected trends. On the institutional trust dimension, individuals that perceived high levels of corruption among public officials were significantly less trusting in institutions when compared to individuals that perceive corruption to be less common. This picture changed when analyzing satisfaction with democracy and the normative support for democracy. While the effect of perceptions of political corruption continued to be negative on the other two dimensions, citizens that perceived corruption among public officials to be either common or very common were significantly more satisfied with democracy, and more supportive of democratic participation rights. In Chapter 4, I suggested that this seemingly contradictory position might result when some citizens confuse the satisfaction with democracy dimension with actual support for democracy. However, this confusion should also have prevailed for corruption experience and perceptions of political corruption. Therefore, it is difficult to arrive at a “conclusive” interpretation of this contradictory finding, and it might in fact be the product of several factors. Intuitively, one would expect to find negative citizen evaluations of the political performance of the system (here, the general level of corruption among public officials) to coincide with a decreased satisfaction with democracy. After all, this was found to be the case in both experiences with corruption and perceptions of political corruption.

The finding that corruption perceptions increase citizens’ normative support for democracy may be interpreted as citizens being dissatisfied democrats. This interpretation corroborates the findings of Rose, Shin, and Mauro (1999), thus indicating that the normative support for democracy is associated with factors such as honesty in government and an unwillingness to tolerate corrupt acts within a democratic context. This is consistent with the hypothesized relationship in H2alt.

I argue that it is almost impossible to assess the degree to which the positive relationship between perceptions of corruption and the satisfaction with democracy is the result of (i) the satisfaction with democracy indicator being confused with support for democracy, or (ii) the ‘perceptions of corruption’ indicator actually reflecting a whole range of other factors that are difficult to discern because of the vagueness of the question’s wording. Indeed, it could be both. However, both perceptions of political performance and the experiences with corruption
‘behave’ just as expected. Therefore, I argue that it is more plausible that the indicator which measures people’s perceptions of corruption among public officials is too vague to serve as a basis for accurate interpretation. In relation to this precise issue, it is therefore difficult to accurately interpret the cross-level interaction between level of political corruption as measured by the CPI and perceptions of corruption among public officials. The most plausible interpretation, I argue, is that the difference between individuals who perceive high levels of corruption versus those that do not, may be of less importance when studying determinants of normative support for democracy in countries where corruption is less widespread as compared to countries where it is widespread. But again, these relationships need to be subject to further empirical scrutiny, preferably by making use of analytical techniques that solves the problems of measurement variance, or by undertaking case studies. But most importantly, the results for corruption perceptions underline the importance of improving those indicators that attempt to measure such perceptions.

5.2 Theoretical Implications

Results indicate that proximate experiences with corruption and evaluations of the prevalence of corruption are related to diffuse political support, although not related to the most diffuse type of support, conceptualized as citizens’ normative support for democracy. Obviously, the thesis was not set out uncover the most important sources of various dimensions of legitimacy. Rather, the thesis compared the effects that proximate experiences with corruption and evaluations of political performance (perceived corruption) had on different types of diffuse support, and how these effects varied with the institutional performance and level of corruption of the countries included in the analysis.

Institutional theory postulated that political trust and support are consequences of a regime’s political and economic performance, and that proximate evaluations of and experiences with

37 As has been discussed previously, the causal direction is difficult to establish. The analyzed models assumed that corruption experiences and perceptions are explanatory variables that influence political trust and support. It should, however, be reiterated that the thesis makes no attempt to establish the causal direction of the relationships. It is highly plausible that endogeneity exists in the measures, and that corruption perceptions are functions of individual trust in and support for democracy, and that these effects are mutually reinforcing.

38 It seems necessary to clarify here that, although “institutional trust” was referred to as the most specific dimension, it is still conceived of as a type of diffuse support (Easton 1975). However, it is more specific that the other two dimensions, but not as specific as support for incumbent government, which is what Easton (1975) classified as “specific” support.
regime performance are important when citizens evaluate their support for democracy and its institutions. Analyses of three dimensions of legitimacy, give partial support to this claim.

The thesis has shown that diffuse political support is not totally independent of short-term outputs and performance, as was argued by Easton (1975). However, because we have distinguished between three types of diffuse support, the results are not unambiguous. Disaggregating legitimacy and analyzing different dimensions showed that although some types of diffuse support are contingent on proximate experiences and short-term performance (institutional trust and satisfaction with democracy), this is not the case for the most diffuse legitimacy dimension; support for participation rights that strike at the very heart of democracy.

Another important finding is that, when including cross-level interactions in the models, it became clear how the average mean individual institutional trust, satisfaction with democracy, and normative support for democracy was higher in countries perceived to be more effective in terms of institutional performance, and in countries where corruption was less widespread. Although this is a cross-sectional study analyzing data from one single year, it is possible to argue that the results support the Lipset-Easton notion that effective institutions will enjoy popular support, and that prolonged effectiveness will increase legitimacy.

As previously argued, the result that proximate experience with corruption to be a stronger predictor of institutional trust in countries where bureaucratic corruption was less frequent (i.e., with overall better political performance), might indicate that citizen expectations of public administration systems are higher in countries where public integrity is high. Thus, the thesis’ results support the notion that citizen trust in institutions will decrease if performance falls short of citizen expectations (Miller and Listhaug 1999). Perceptions of short-term policy outputs in terms of curbing corruption was more important in countries where institutional effectiveness was lower (i.e., with overall poorer political performance). This may indicate that diffuse support is to a greater extent contingent on the incumbent government’s political performance in these countries. This is not surprising, as one can argue that ineffective institutions is plausibly the result of poor performance of former governments. If incumbent governments are unable to deliver ‘the goods’ and curb, this will have negative consequences for citizens’ trust in the broader political system, as hypothesized by Easton (1975).
Overall, I argue that the culturalist argument has little merit in the Latin American and Caribbean regions. Although findings for corruption perceptions were somewhat contradictory, experience with corruption and democratic attitudes were negatively related to one another, which suggests that corruption is not the accepted norm in the Latin American region although it might be frequent in some countries.

5.3 Implications for Democracy in Latin America

The findings of this thesis indicate that Latin American citizens, at the very least, distinguish between the normative dimension of legitimacy and the institutional dimension of legitimacy, and that corruption is *not delegitimizing democracy*, at least not support for its most abstract form. Support for fundamental democratic norms is highly ingrained among citizens across all countries in the region, and this support seems little moved by individual corruption experiences and perceptions. Regardless of how salient corruption perceptions are, or how frequent bureaucratic corruption is, citizen support for the rights that strike right at the heart of democracy stands strong. What is more, it seems as though citizens that perceive high levels of corruption in fact are *dissatisfied democrats*.

At the same time, the fact that corruption experience and perceptions of political corruption are shown to decrease institutional trust and satisfaction with democracy does indicate that efforts at lowering either participation in corruption or perceptions of corruption would heighten the levels of legitimacy throughout the region. Corruption is clearly not the accepted norm in the Latin American region, and increasing levels of corruption and corrupt practices could have severe effects for democratic legitimacy in the long run. Stated differently, while citizens of Latin American countries do not accept corruption as a part of democracy, and despite their strong adherence to the principles of democratic participation, we cannot dismiss the possibility that prolonged dissatisfaction with democratic institutions and the workings of democracy can lead to increased support for alternative regime types.

5.4 Recommendations for future research on corruption

Research on corruption is, to a certain point, bound to rely upon elite and mass perceptions of the prevalence of corruption within different countries and among different societal domains. However, there are some important limitations to studying perceptions of corruption, not only
across countries with different cultures and varying political and historical trajectories, but also across individuals belonging to different societal groups within each country, where one is likely to find variations in interpretations about what constitutes a corrupt act. The difficulty in assessing the cross-cultural comparability of corruption begs for approaches that measure corruption by moving beyond surveys that ask individuals about their perceptions of “corruption.” If we want to make valid inferences about the causes and consequences of corruption, it is necessary to develop measurements that make explicit references to acts that are conventionally considered to be corrupt. In addition, it is important that survey research develops measurements that are able to distinguish between political and bureaucratic corruption, either by references to specific public actors or to specific institutions. As Miller (2006) suggests, research must ask a lot of questions, ones that help clarify the roles and clarify the acts. Doing this within a framework that makes questions meaningful and understandable to average citizens would enhance the possibilities for establishing a cross-national comparison of the consequences and causes of corruption.

The thesis has provided some early evidence on how the differential effects of corruption on democratic legitimacy vary across countries according to differences in the regimes’ political performances. Future research should continue to explore the contextual effects that macro-level indicators have on individual-level relationships between corruption and legitimacy, preferably by using Bayesian estimation in order to correct for measurement variance and other potential bias.
References


Treisman, D. 2007. What have we learned about the causes of corruption from ten years of cross-national empirical research? *Annual Review of Political Science* 10:211-244.


### Appendix A: Technical information on individual country samples

<table>
<thead>
<tr>
<th>Country</th>
<th>N</th>
<th>Stratification</th>
<th>Clustering</th>
<th>Sampling Units</th>
<th>Estimated margin of error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>1410</td>
<td>6 strata representing the six main geographical regions: Metropolitan area and province of Buenos Aires, Central, Northeastern, Northwestern, Cuyo, and Patagonia, each sub-stratified by urban and rural areas</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas</td>
<td>77 PSUs and 38 FSUs, including 21 of 24 provinces in Argentina. 1248 respondents surveyed in urban areas, 142 in rural areas</td>
<td>±2.5</td>
</tr>
<tr>
<td>Belize</td>
<td>1504</td>
<td>6 strata representing 6 geographical areas based on the six districts, each sub-stratified by urban and rural areas</td>
<td>Respondents were selected in clusters of 8 interviews in urban areas and 12 in rural areas</td>
<td>Sample consists of 156 sampling points (enumeration districts) including the 9 municipalities (2 cities and 7 towns) and 32 villages (out of 172 villages and communities in the country).</td>
<td>±2.5</td>
</tr>
<tr>
<td>Bolivia</td>
<td>3018</td>
<td>9 strata representing the departments of the country: La Paz, Santa Cruz, Cochabamba, Ouro, Chuquisaca, Potosi, Pando, Tarija and Beni, each sub-stratified by urban and rural areas</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas</td>
<td>154 PSUs and 336 FSUs, including all 9 departments. 1909 respondents surveyed in urban areas and 1109 in rural areas</td>
<td>±1.79</td>
</tr>
<tr>
<td>Brazil</td>
<td>2482</td>
<td>5 strata representing 5 main geographical regions: north, northeastern, mid-west, southeastern and south, each sub-stratified by urban and rural areas</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas</td>
<td>54 PSUs and 178 FSUs, including 17 states of the 27 of Brazil. 2135 respondents surveyed in urban areas, 347 in rural areas</td>
<td>±1.79</td>
</tr>
<tr>
<td>Chile</td>
<td>1965</td>
<td>9 strata representing the 3 main geographical regions: north, Center, and south, each sub-stratified by urban and rural areas. Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas</td>
<td>91 PSUs and 245 in rural areas. 1720 respondents surveyed in urban areas and 245 in rural areas</td>
<td>±2.21</td>
</tr>
<tr>
<td>Colombia</td>
<td>1506</td>
<td>6 strata representing the 6 main geographical regions: Atlantic, Bogota, Central, Oriental, Pacific, Antiguos Territorios Nacionales, each sub-stratified by urban and rural areas</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas</td>
<td>56 PSUs and 226 FSUs, including 26 of the 32 departments of Colombia. 1110 respondents surveyed in urban areas and 396 in rural areas</td>
<td>±2.53</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>1500</td>
<td>5 strata representing 3 main geographical regions: metropolitan area, San José, the rest of the central valley and areas beyond the central valley, each sub-stratified by urban and rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas</td>
<td>29 PSUs (cantons) and 194 FSUs, including all 7 provinces in Costa Rica. 949 respondents surveyed in urban areas and 551 in rural areas</td>
<td>±2.5</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>1500</td>
<td>4 strata representing the 4 main geographical regions: Santo Domingo metropolitan area, north, east, and south, each sub-</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in</td>
<td>57 PSUs and 238 FSUs, including 31 provinces in the Dominican Republic. 1096 respondents</td>
<td>±2.52</td>
</tr>
<tr>
<td>Country</td>
<td>Sample Size</td>
<td>Description</td>
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<td>Surveyed in Rural Areas</td>
<td>Margin of Error</td>
</tr>
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<td>-------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-------------------------</td>
<td>-------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Ecuador</td>
<td>3000</td>
<td>6 strata representing the 3 main geographical regions: coast, highlands, and Amazon, each sub-stratified by urban and rural areas. A larger sample was drawn for the Amazon region because of its small population.</td>
<td>66 PSUs and 222 FSUs, including all departments in El Salvador. 963 respondents surveyed in urban areas, 587 in rural.</td>
<td>±1.79</td>
<td></td>
</tr>
<tr>
<td>El Salvador</td>
<td>1550</td>
<td>Stratified by size of the municipalities, each sub-stratified by urban and rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>±2.49</td>
</tr>
<tr>
<td>Guatemala</td>
<td>1504</td>
<td>5 strata representing 5 main geographical regions: metropolitan, northeastern, southeastern, southwestern, and northwestern, each sub-stratified by urban and rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas, 10-12 in rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>±2.5</td>
</tr>
<tr>
<td>Guyana</td>
<td>1540</td>
<td>7 strata representing the seven main geographical regions: the five coastal regions, region 10 and an area that includes regions 1, 7, 8 and 9, each sub-stratified by urban and rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>±2.5</td>
</tr>
<tr>
<td>Honduras</td>
<td>1596</td>
<td>Stratified by regions. Sub-stratified by urban and rural</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>±2.45</td>
</tr>
<tr>
<td>Jamaica</td>
<td>1504</td>
<td>4 strata representing the 4 main geographical regions: Kingston metropolitan region, Surrey, Middlesex, Cornwall, each sub-stratified by urban and rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>±2.53</td>
</tr>
<tr>
<td>Mexico</td>
<td>1562</td>
<td>4 strata representing the 4 main geographical regions: north, Midwest, central region and south, each sub-stratified by urban and rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>±2.48</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>1540</td>
<td>6 strata representing the 6 main geographical regions: Metropolitan Area, Central, North, North-Pacific, South-Pacific and Caribbean, each sub-stratified by urban and rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>±2.5</td>
</tr>
<tr>
<td>Panama</td>
<td>1536</td>
<td>Sample stratified by regions: metropolitan area, oriental, central, and occidental region, each sub-stratified by urban and rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>Respondents were selected in clusters of 6-8 interviews in urban areas and 10-12 in rural areas.</td>
<td>±2.5</td>
</tr>
</tbody>
</table>

± = Margin of Error
**National probability sample designs of voting-age adults were employed in each country. Face-to-face interviews were in most countries conducted in Spanish. In some Spanish speaking countries, interviews were conducted in other languages for monolingual speakers: Bolivia (Quechua and Ayamara); Ecuador (Quicha); Guatemala (Mam, K’iche’, Kaqchikel, Q’echi, Achi, and Ixil). In Brazil, interviews were conducted in Portuguese; in Jamaica, Guyana, and Trinidad and Tobago interviews were conducted in English; in Suriname Dutch and Sranan Tongo.**

Source: LAPOP (http://www.vanderbilt.edu/lapop/core-surveys.php)
## Appendix B: Question formulations and coding (English and Spanish)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Question wording</th>
<th>Coding</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Normative Support for Democracy</strong></td>
<td>[Give the respondent card &quot;E&quot;] Now we are going to use another card. The new card has a 10-point ladder, which goes from 1 to 10, where 1 means that you strongly disapprove and 10 means that you strongly approve. I am going to read you a list of some actions that people can take to achieve their political goals and objectives. Please tell me how strongly you would approve or disapprove of people taking the following actions:</td>
<td>0=Strongly disapprove</td>
</tr>
<tr>
<td>E5</td>
<td>Of people participating in legal demonstrations. How much do you approve or disapprove? <em>Que las personas participen en manifestaciones permitidas por la ley. ¿Hasta qué punto abrueba o desaprueba?</em></td>
<td>0=Strongly disapprove</td>
</tr>
<tr>
<td>E8</td>
<td>Of people participating in an organization or group to try to solve community problems. How much do you approve or disapprove? <em>Que las personas participen en una organización o un grupo para tratar de resolver los problemas de las comunidades. ¿Hasta qué punto abrueba o desaprueba?</em></td>
<td>0=Strongly disapprove</td>
</tr>
<tr>
<td>E11</td>
<td>Of people working for campaigns for a political party or candidate. How much do you approve or disapprove? <em>Que las personas trabajen en campañas electorales para un partido político o candidato. ¿Hasta qué punto abrueba o desaprueba?</em></td>
<td>0=Strongly disapprove</td>
</tr>
<tr>
<td><strong>Satisfaction with Democracy</strong></td>
<td>In general, would you say that you are very satisfied, satisfied, dissatisfied or very dissatisfied with the way democracy works in [country]? (1) Very satisfied, (2) Satisfied, (3) Dissatisfied, (4) Very dissatisfied. <em>En general, ¿usted diría que está muy satisfecho(a), satisfecho(a), insatisfecho(a) o muy insatisfecho(a) con la forma en que la democracia funciona en (Pais)?</em></td>
<td>0=Very dissatisfied</td>
</tr>
<tr>
<td>PN4</td>
<td>In your opinion, is [country] very democratic, somewhat democratic, not very democratic or not at all democratic. (1) Very democratic, (2) Somewhat democratic, (3) Not very democratic, (4) Not at all democratic. <em>En su opinion, ¿(Pais) es un país muy democrático, algo democrático, poco democrático, nada democrático?</em></td>
<td>0=Not at all democratic</td>
</tr>
<tr>
<td><strong>Institutional Trust</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
[Give card “C” to the respondent]. On this card there is a ladder with steps numbered 1 to 7, where 1 is the lowest step and means NOT AT ALL and 7 the highest and means A LOT. For example, if I asked you to what extent do you like watching television, if you don’t like watching it at all, you would choose a score of 1, and if, in contrast, you like watching television a lot, you would indicate the number 7 to me. If your opinion is between not at all and a lot, you would choose an intermediate score. So, to what extent do you like watching television? Read me the number. [Make sure that the respondent understands correctly].

I am going to ask you a series of questions. I am going to ask you that you use the number provided in the ladder to answer. Remember, you can use any number.

<table>
<thead>
<tr>
<th>B10a</th>
<th>To what extent do you trust the justice system? ¿Hasta qué punto tiene confianza en el sistema de justicia?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=not at all</td>
</tr>
<tr>
<td></td>
<td>6=a lot</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B11</th>
<th>To what extent do you trust the Supreme Electoral Tribunal? ¿Hasta qué punto usted tiene confianza en el Tribunal Supremo Electoral?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=not at all</td>
</tr>
<tr>
<td></td>
<td>6=a lot</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B13</th>
<th>To what extent do you trust the National Congress? ¿Hasta qué punto tiene confianza en el Congreso Nacional?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=not at all</td>
</tr>
<tr>
<td></td>
<td>6=a lot</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B21</th>
<th>To what extent do you trust the political parties? ¿Hasta qué punto tiene confianza usted en los partidos políticos?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=not at all</td>
</tr>
<tr>
<td></td>
<td>6=a lot</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B31</th>
<th>To what extent do you trust the Supreme Court? ¿Hasta qué punto tiene usted confianza en la (Corte Suprema de Justicia)?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=not at all</td>
</tr>
<tr>
<td></td>
<td>6=a lot</td>
</tr>
</tbody>
</table>

**INDEPENDENT VARIABLES**

**Corruption Experience**

<table>
<thead>
<tr>
<th>Police officer (EXC2)</th>
<th>Has a police officer asked you for a bribe in the last twelve months? (0) No, (1) Yes. ¿Algún agente de policía le pidió una mordida (o soborno) en los últimos 12 meses?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=No</td>
</tr>
<tr>
<td></td>
<td>1=Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Government employee (EXC6)</th>
<th>In the last twelve months did any government employee ask you for a bribe? (0) No, (1) Yes. ¿En los últimos 12 meses, algún empleado public le ha solicitado una mordida (o soborno)?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=No</td>
</tr>
<tr>
<td></td>
<td>1=Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Municipality (EXC11)</th>
<th>In the last twelve months, did you have any official dealings in the municipality/local government? If the answer is No → mark 99. If it is Yes → ask the following: In the last twelve months, to process any kind of document like a permit, for example, did you have to pay any money beyond that required by law? (0) No, (1) Yes. ¿Ha tramitado algo en el municipio/delegación en los últimos 12 meses? Para tramitar algo en el municipio/delegación, como un permiso, por ejemplo, durante el último año, ¿ha tenido que pagar alguna suma además de lo exigido por la ley?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=No</td>
</tr>
<tr>
<td></td>
<td>1=Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Courts (EXC14)</th>
<th>In the last twelve months, have you had any dealings with the courts? If the answer is No → mark 99. If it is Yes → ask the following: Did you have to pay a bribe to the courts in the last twelve months? (0) No, (1) Yes. ¿En los últimos 12 meses, tuvo algún trato con los juzgados? ¿Ha tenido que pagar una mordida (coima) en los juzgados en este último año?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0=No</td>
</tr>
<tr>
<td></td>
<td>1=Yes</td>
</tr>
</tbody>
</table>
Health services (EXC15)

Have you used any public health services in the last twelve months? **If the answer is No → mark 99. If it is Yes → ask the following:** In order to be seen in a hospital or a clinic in the last twelve months, did you have to pay a bribe? (0) No, (1) Yes. ¿Usó servicios medicos públicos (del Estado) en los últimos 12 meses? En los últimos 12 meses, ¿ha tenido que pagar alguna mordida (o soborno) para ser atendido en un hospital o en un puesto de salud?

School (EXC16)

Have you had a child in school in the last twelve months? **If the answer is No → mark 99. If it is Yes → ask the following:** Have you had to pay a bribe at school in the last twelve months? (0) No, (1) Yes. En el último año, ¿tuvo algún hijo en la escuela o colegio? En los últimos 12 meses, ¿tuvo que pagar alguna mordida (o soborno)?

**Corruption Perceptions**

Public officials (EXC7)

Taking into account your own experience or what you have heard, corruption among public officials is (1) Very common, (2) Common, (3) Uncommon, or (4) Very uncommon? Teniendo en cuenta su experiencia o lo que ha oído mencionar, ¿la corrupción de los funcionarios publicos en el país está muy generalizada, algo generalizada, poco generalizada, o nada generalizada?

Government (N9)

Now, using the same ladder, [continue with card C: 1-7 point scale] NOT AT ALL 1 2 3 4 5 6 7 A LOT

To what extent would you say that the current administration combats government corruption? ¿Hasta qué punto diría que el gobierno actual combate la corrupción en el gobierno?

**CONTROL VARIABLES**

Satisfaction with the incumbent government (M1)

Speaking in general of the current administration, how would you rate the job performance of President [NAME CURRENT PRESIDENT]? [Read the options] (1) Very good, (2) Good, (3) Neither good nor bad (fair), (4) Bad, (5) Very bad. ¿Hablando en general acerca del gobierno actual, ¿diría usted que el trabajo que está realizando el Presidente [NOMBRE EL PRESIDENTE ACTUAL] es muy bueno, bueno, ni bien ni mal (regular), mal, muy mal?

Corruption Permissiveness (EXC18)

Do you think given the way things are, sometimes paying is bribe is justified? (0) No, (1) Yes. ¿Cree que como están las cosas a veces se justifica pagar una mordida (o soborno)?

Sex (Q1)

[Note down; do not ask] Sex: (1) Male (2) Female

Age (Q2)

How old are you? ____ years

Education (ED)

How many years of schooling have you completed? ____ Year ____ (primary, secondary, university, post-secondary not university) = ____ total number of years [Use the table below for the code] None (0); Primary (1-6); Secondary (7-12); University (13-18+); Post-secondary, not university (13-15).
### Appendix C: GLLAMM estimates of fixed effects models

**GLLAMM estimates of fixed effects (Model 3) in Analyses I, II, and III**

<table>
<thead>
<tr>
<th>Predictor Variables</th>
<th>Institutional Trust</th>
<th>Satisfaction with Democracy</th>
<th>Normative Support for Democracy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Model 3</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intercept</td>
<td>46.936*** (.1020)</td>
<td>56.329*** (1.430)</td>
<td>71.168*** (1.365)</td>
</tr>
<tr>
<td>Corruption experience</td>
<td>-1.533*** (.270)</td>
<td>-1.009*** (.287)</td>
<td>-0.469 (.270)</td>
</tr>
<tr>
<td>Public officials somewhat corrupt</td>
<td>-1.060* (.502)</td>
<td>2.263*** (.627)</td>
<td>2.519*** (.655)</td>
</tr>
<tr>
<td>Public officials very corrupt</td>
<td>-4.998*** (.673)</td>
<td>0.573 (.953)</td>
<td>3.580*** (.882)</td>
</tr>
<tr>
<td>Political corruption</td>
<td>-4.882*** (.192)</td>
<td>-2.058*** (.141)</td>
<td>-0.284 (.174)</td>
</tr>
<tr>
<td>Corruption Permissiveness</td>
<td>-.902* (.396)</td>
<td>-.571 (.484)</td>
<td>.211 (.542)</td>
</tr>
<tr>
<td>Incumbent Government</td>
<td>-4.119*** (.531)</td>
<td>-6.673*** (.563)</td>
<td>.023 (.330)</td>
</tr>
<tr>
<td>Male</td>
<td>-.048 (.287)</td>
<td>.501 (.323)</td>
<td>1.428*** (.351)</td>
</tr>
<tr>
<td>Age</td>
<td>.031 (.026)</td>
<td>.021 (.015)</td>
<td>.021 (.021)</td>
</tr>
<tr>
<td>Education</td>
<td>-.031 (.096)</td>
<td>-.037 (.053)</td>
<td>.594*** (.073)</td>
</tr>
</tbody>
</table>

| **Variance Components**              |                     |                             |                                 |
| Country-level                        | 57.479 (8.596)      | 44.737 (16.097)             | 44.790 (11.657)                 |
| -2LL                                 | -121611.71          | -126359.92                  | -133656.97                      |