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## Article

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## THE EFFECT OF SOCIAL PROGRESS AND EDUCATION ON CORRUPTION: A CONTINGENCY THEORY PERSPECTIVE

Hatidža Jahić<sup>1</sup>, Merima Činjurević<sup>2</sup>

### ABSTRACT

*Corruption, commonly defined as the abuse of public power for private gain, is a widespread phenomenon in many countries of the world where its consequences have serious problems. The main purpose of this study is to investigate the moderating role of national culture on the social progress-corruption link and education-corruption link. It was hypothesized that social progress and education restrict corruption, and that the magnitude of these effects are contingent upon conditions of national culture. The data set for this study was obtained from secondary sources and it included the following measures: (1) the corruption perception index by Transparency International; (2) the social progress index provided by the non-profit organization the Social Progress Imperative; (3) the education index by United Nations Development Programme, and (4) the scores of Hofstede's national culture dimensions. These measures were gathered for 84 countries across five continents (Europe, Africa, Asia, North America, and South America). Support was found for the main effect of social progress on corruption as well as for the main effect of education on corruption. Consistent with a contingency theory, the findings indicate that both social progress-corruption link and education – corruption link are moderated by power distance and individualism. However, support for the moderating effect of two other national culture dimensions (masculinity and uncertainty avoidance) was not found. This study emphasizes the importance of a holistic approach in formulating anti-corruption policies and provides implications for policy-making to reduce corruption.*

**Keywords:** corruption, national culture, education, social progress

**JEL:** I25, I28

### 1. INTRODUCTION

Corruption is a problem faced today by both, developed and developing countries; however its scale is significantly different in these two sets of countries. Corruption is commonly defined as abuse of public power and position for gaining private benefits and gains. As such it is considered to be a limiting factor of economic growth and development since it is considered to be a sign of weak institutions (institutional framework and institutional quality), lack of rule of law, and high levels of economic, social and political inequalities and insecurities.

On the other side, contemporary economic literature gives education a central role in the development and growth processes promoting the planned long – term investment in human capital as a key to welfare of the society. The role of education is understood through two dimensions, i.e. economic and social, where economic dimension presents the improvement in the efficiency and effectiveness of knowledge transfer from the educational system *per se* to the real sector of the economy due to the improvements of the existing knowledge and the creation of the new knowledge and skills. The second important dimension of education is its social role in the decrease of budgetary and other spending for health, judiciary, social protection, etc. due to the improvement in the education system.

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The education system settings, ways of teaching and learning and what is being thought are very dependent on the general culture, dominant and shared norms, values, customs, etc. This may also lead to different perception of corruption in societies with different cultures. The purpose of this study is to investigate the impact of social progress and education on corruption from a contingency theory point of view. Contingency theory posits that effectiveness of a solution depends on the conditions under which the solution is implemented (Galbraith 1973). Therefore, the aim is not only to find the most effective solution in general, but to find the optimal match between a solution and its context (Sims, Gong, & Ruppel 2012). Anchored in the idea of contingency theory, the present study attempts to find the answers to the following research questions:

RQ1: Does national culture moderate the effect of social progress on corruption?

RQ2: Does national culture moderate the effect of education on corruption?

The present study makes a twofold contribution to the current literature. First, the study investigates the direct (main) effect of social progress and education on corruption. Second, in line with a contingency theory, this study explores the moderating effect of national culture on social progress – corruption link as well as on education-corruption link.

This paper is organized as follows. After Introduction, Section two provides and discusses the review of contemporary literature on corruption, its factors and effects followed by Section three where the explanation of methodology and data sources of the study are provided. Section four presents the model used in the analysis followed by the discussion. The final section provides main concluding remarks of the paper.

## 2. LITERATURE REVIEW AND RESEARCH FRAMEWORK

### 2.1. Corruption, social progress and education

Corruption has been analyzed from political, economic and social views in political and economic literature respectively. In the

political sense, a weak rule of law and the lack of transparency and accountability systems enable political leaders and elites in general to practice corruptive behavior. Political literature discusses corruption as a result of democracy deficit in the society (Waren 2004). “Power tends to corrupt,” remarked Sir John Acton, “and absolute power corrupts absolutely.” According to some authors (de Leon 1993; Thompson 1995; Porta & Vannucci 1999) corruption is both, a symptom and a cause of dysfunctional democracies.

Economic literature, especially the literature that followed Douglass North’s ideas of institutional economics, puts institutions and their quality in the center of development and growth processes. However, institutional (positive) impact on the growth and development is limited if corruption is present. Authors such as Mauro 1995; Knack & Keefer 1997; Wei 1997; Olson 2000; Friedman *et al.* 2000; Meon & Sekkat 2005 have shown the negative impact of corruption on GDP growth and investments. Mauro (1995) has further discussed the negative impact of corruption on economic growth by discussing further problems of efficiency in the resource allocation process. Other negative effects of corruption present in the literature are problems of crime increase, divisions and inequalities, conflict, and low civic engagement (Mocan 2008; Chatterjee & Ray 2014). This is known in the literature as “sand the wheels” hypothesis. Opposite to this, “grease the wheels” hypothesis presents the views of the positive impact of corruption on economic growth and development. This is mainly discussed in the works of Leff (1964), Leys (1965), Huntigton (1986), Anechiarico & Jacobs (1996), and others. The common idea behind this view is that the corruption (mostly in the form of bribery) is actually used to complete necessary administrative procedures and processes that are required, thus reducing the transaction costs and improving the efficiency of state apparatus. The basic idea is that corruption as an informal institution in such systems compensates for bad and inefficient governance. Acemoglu & Veidier (2000), Meon & Weill (2010), Mendoza *et al.* (2015) argue that when country’s institutions are weak and low, performing corruption is a useful tool to “grease the wheels”, especially

on the micro (enterprise) level. The studies by Huntington (1986), Alesina & Perotti (1994), Seligson (2002), Mendez & Sepulveda (2006), and Ferraz & Finan (2011) deal with the analysis of the relationship between corruption and different forms of political regimes, their legitimacy and accountability. Authors such as Huntington 1986 and Alesina & Perotti 1994 argue in particular that the non-democratic regimes are more effective in economic growth and development promotion because in the case of developing countries democratic systems can put an additional pressure on their already very unstable and weak institutions.

Corruption analysis is present in the literature set that deals more with the social impact of corruption. This literature discusses the issues such as respect and legitimacy of political leaders and trust among others. Very often, corruption is viewed as one of the biggest obstacles to full implementation of economic, social and political reforms and as the final result delays the completion of the transition process of previously centrally planned economies. Kaufmann & Siegelbaum (1996) and later Johnson *et al.* (1997, 1998, 2000) have identified corruption as an important issue for transition countries especially focusing on the privatization reforms. Corruption can also affect citizen trust in the state as a whole or in some particular sector. Radin (2013) has shown the effect of corruption on the lack of citizen trust in the public health care sector in Croatia. Gatti, Paternostro & Rigolini (2003) have used individual – level data for 35 countries in order to analyze the microeconomic determinants of attitudes towards corruption. Their findings show that women, employed, less wealthy and older individuals are more averse to corruption.

Given the literature demonstrates the relation between corruption and the capacity of a society to meet the basic human needs of its citizens, establish the building blocks that allow citizens and communities to enhance and sustain the quality of their lives, and create the conditions for all individuals to reach their full potential, the following hypothesis is proposed:

H1: Increase in the level of social progress in a country reduces the level of national corruption.

The previous research suggest that higher level of human development, including wealth, education, and health, encourages more individuals to collectively seek social justice and enhanced moral standards, leading to lower level of corruption. Based on this, the following hypothesis is proposed:

H2: Increases in the level of education in a country reduces the level of national corruption.

## 2.2. Contingency effect of national culture

Corruption is a complex social phenomenon and as such it can also be influenced by the specific cultural setting or what Grodeland (2013) calls as an “expression” of culture. Nichols (1999) has criticized the “one size fits all” approach when it comes to the “universal” anti-corruption instruments thus implicating the need for cultural understanding of the corruption perception across countries. In this light Grodeland (2013) suggests that citizens in the Western Balkans have contradictory views on corruption and anti-corruption reforms. In the investigation of public perception, types of corruption and anti-corruption efforts, the author finds that citizens equate corruption with bribery and that helping one another is considered to be a part of social logic (patronage and existing nepotism viewed as a necessary mechanism for success). Although previous studies have examined the direct effect of national culture on corruption (Cheung & Chang 2008; Davis & Ruhe 2003; Pržulj & Kostadinović 2014), the contingency effect of national culture has been rarely investigated in the corruption literature (Sims, Gong & Ruppel 2012). Thus, in the present study we explored the impact of national culture dimensions on the relation between social progress and corruption and on the relation between education and corruption. To capture national culture in the present study, we applied Hofstede’s (1980) cultural dimensions. We chose to integrate the particular Hofstede scores for the primary dimensions of national culture - power distance, individualism, masculinity, and uncertainty avoidance.



Power distance refers to “the extent to which the members of a society accept that power in institutions and organizations is distributed unequally” (Hofstede 1985, p. 347). The ability to monitor corruption and to implement anti-corruption measures and policies can be hindered by a high level of power distance. In high power distance countries, power-less people are less likely to defend their rights of equal access to opportunities and they are more likely to accept the corrupt behavior of people who have power. Thus, the following hypotheses are proposed:

H3a: The relation between social progress and national corruption is moderated by the degree of power distance in the national culture such that the lower the degree of power distance, the stronger the relation between social progress and corruption.

H4a: The relation between education and national corruption is moderated by the degree of power distance in the national culture such that the lower the degree of power distance, the stronger the relation between education and corruption.

Individualism, as opposed to collectivism, captures whether individuals primarily cater to their own needs instead of acting in the interest of their group (Hofstede & Bond 1984). People in individualistic national culture tend to express their opinions freely, even in situations when their opinions do not match with the opinions of others (members of family, friends, colleagues, etc.) However, in collective culture, people are more prone to hold their opinions for the sake of creating and maintaining good relations with others. Thus, when many group members are engaged in corrupted behavior, people from individualistic cultures will rely on their personal norms and protest against such behavior. However, when collectivism is high, people are more likely to follow social norms and dismiss their knowledge about corrupted behavior and they are less likely to protest against corrupted behavior. Thus, the following hypotheses are proposed:

H3b: The relation between social progress and national corruption is moderated by the level of individualism in the national

culture such that the higher the level of individualism, the stronger the relation between social progress and corruption.

H4b: The relation between education and national corruption is moderated by the level of individualism in the national culture such that the higher the level of individualism, the stronger the relation between education and corruption.

Masculinity is defined as “a situation in which the dominant values of society are success, money, and things” (Hofstede 1980). In a masculine culture, values like achievement, advancement, and gathering of money and power are more important than the values like building relationships, empathy, and modesty, which are considered to be more important in a feminine culture. In a culture where people value quantity of life (i.e. high masculinity) more than the quality of life (i.e. high femininity), corruption affects the distribution of resources, which in turn affect the quantity of possessions that one may acquire. Therefore, in masculine culture, people are less likely to tolerate their achievement of material success if material corruption is thwarted by the corrupted behavior of others. Furthermore, more educated people are more likely to have achievement, success, and power at the center of their lives and they are less likely to accept the corrupted behavior of others. Thus, the following hypotheses are proposed:

H3c: The relation between social progress and national corruption is moderated by the level of masculinity in the national culture such that the higher the level of masculinity, the stronger the relation between social progress and corruption.

H4c: The relation between education and national corruption is moderated by the level of masculinity in the national culture such that the higher the level of masculinity, the stronger the relation between education and corruption.

The fourth cultural dimension, uncertainty avoidance, assesses “the extent to which the members of a society feel uncomfortable with uncertainty and ambiguity and leads them to support beliefs promising certainty

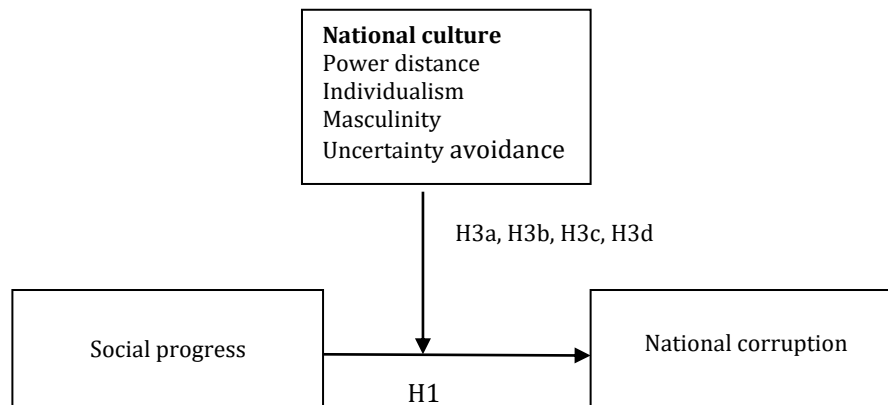
and to maintain institutions protecting conformity” (Hofstede 1985, p. 347). In cultures characterized by a high level of uncertainty avoidance, people are not optimistic about their ability to influence decisions made by those in power. As high uncertainty avoidance indicates low willingness to introduce the change, people are less willing to engage in activities that might lead to the reduction of corruption. Thus, the following hypotheses are proposed:

H3d: The relation between education and national corruption is moderated by the level of uncertainty avoidance in the national culture such that the lower the level of uncertainty avoidance, the

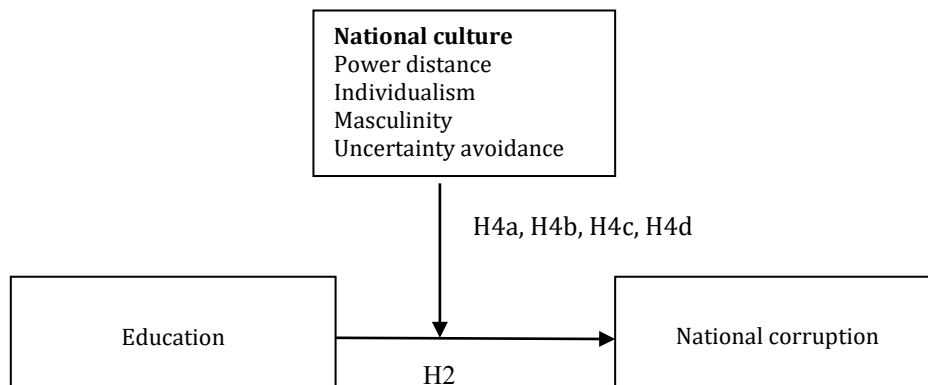
stronger the relation between social progress and corruption.

H4d: The relation between social progress and national corruption is moderated by the level of uncertainty avoidance in the national culture such that the lower the level of uncertainty avoidance, the stronger the relation between education and corruption.

In line with the previous discussion, we created the research framework that captures the hypothesized links between the variables of interest (Figure 2.1.).



Model 1: Social progress, national culture, and corruption



Model 2: Education, national culture, and corruption

Figure 2.1. Research framework

### 3. METHODOLOGY

To test the research hypotheses and to examine the relationships between the variables depicted in the research framework (Figure 2.1.), we have used four datasets from the secondary

sources: (1) the corruption perception index by *Transparency International*; (2) the social progress index provided by the non-profit organization the *Social Progress Imperative*; (3) the education index by the *United Nations Development Programme*, and (4) the scores of

Hofstede's national culture dimensions. Four data sets provide independent and credible data for international comparisons of the level of corruption, social progress, education, and national culture. The sample for this study included the data gathered for 84 countries, located on five continents (see Appendix A for a list of countries). The inclusion of countries was limited by the secondary data available for corruption perception index, social progress index, education index, and national culture.

### 3.1. Measures

#### 3.1.1. Dependent variable: corruption

In our analysis, national corruption level (dependent variable) is measured using Corruption Perception Index released by *Transparency International* for the year 2016. Since a higher corruption perception index (CPI) indicates a low level of corruption, with 100 indicating no perceived corruption and 0 representing a high level of perceived corruption, these measures were reversed by subtracting each CPI score from 100 to create a measure of national corruption. For our sample, reversed CPI scores ranged from 10 to 83, with higher score indicating higher level of national perception.

#### 3.1.2. Independent variables: social progress and education

*Social progress.* Social progress index (SPI) indicates the "capacity of a society to meet the basic human needs of its citizens, establish the building blocks that allow citizens and communities to enhance and sustain the quality of their lives, and create the conditions for all individuals to reach their full potential" (Porter, Stern & Green 2016). This index focuses on three dimensions: basic human needs, foundations of well-being, and opportunity. To comprehensively measure social progress, our study uses the overall social progress index released by the US-based non-profit organization the *Social Progress Imperative* for the year 2016. For our sample, SPI scores ranged from 39.7, indicating low level of social progress, to 90.09, indicating high level of social progress.

*Education.* Education is measured by the education component of Human Development Index (HDI) i.e. Education Index. The Education Index has two components. The first component is the mean years of schooling for adults aged 25 years and older and the second component is the expected years of schooling for children of school going age. Education index scores were obtained for the year 2013 from the *United Nations Development Programme*. In our sample, education index ranged from 0.250 to 0.909.

#### 3.1.3. Moderating variable: National culture

National culture is measured in terms of Hofstede's four dimensions of national culture: power distance, individualism, masculinity, and uncertainty avoidance. Values for each of the scores of the four dimensions of national culture were obtained from Hofstede's website (Hofstede National Culture). For our sample, power distance ranged from 1, indicating low level of power distance, to 100, indicating a high level of power distance. Individualism dimension score ranged from 6, indicating a collective culture, to 89 which indicated individualistic culture. Masculinity ranged from 5 (feminine national culture) to 100 (masculine national culture). Uncertainty avoidance dimensions score ranged from 13, representing a national culture with the lowest level of uncertainty avoidance, to 100, representing the highest level of uncertainty avoidance.

### 3.2. Statistical procedure

Regression analysis was used to test the direct link between social progress and corruption as well as to test the direct link between education and corruption. Following the suggestion of Aiken and West (1991), all independent variables were mean-centered prior to testing the moderating effects of national culture dimensions. The hypotheses concerning the moderating effects of national culture dimensions were tested by constructing a baseline model of regression analysis that shows the main effect of social progress and education on corruption. Interaction terms were entered into the model to test the moderating role of

national culture dimensions. Data analysis was performed in software SPSS Statistics 22.0

#### 4. ANALYSIS AND RESEARCH FINDINGS

Table 4.1. shows the descriptive statistics and correlations for the variables included in the

first research model. As proposed in Hypothesis 1, the significant relation between social progress and corruption is supported with a correlation value of  $-0.845$  ( $p < 0.01$ ). This relation is also displayed as Model 1a in Table 4.2. The higher the level of social progress is in a country, the lower the corresponding level of national corruption.

Table 4.1. Descriptive statistics and correlations for the first model (Social progress – Corruption)

	Mean	s.d.	Corruption	Social progress	Power distance	Individualism	Masculinity
Corruption	51.83	19.369					
Social progress	70.36	13.094	$-0.845^{**}$				
Power distance	64.68	21.658	$0.695^{**}$	$-0.579^{**}$			
Individualism	38.36	21.186	$-0.734^{*}$	$0.686^{**}$	$-0.678^{**}$		
Masculinity	47.71	19.784	0.199	$-0.065$	0.168	0.007	
Uncertainty avoidance	65.85	21.241	0.034	$0.219^{*}$	0.192	$-0.162$	0.069

Note:  $n=84$ ;  $^{**}p<0.01$ ;  $^{*}p<0.05$

To test Hypothesis 3a, power distance and interaction term consisting of power distance and social progress were added to the baseline model. As shown in Table 4.2., the interaction effect was positive and significant (Model 2:  $\beta$

$=0.155$ ;  $p<0.01$ ). Figure 4.1. depicts the result of the simple slope analysis that shows the interaction effect of social progress and power distance on corruption.

Table 4.2. Regression results of social progress and national culture on corruption

	Model 1	Model 2	Model 3	Model 4	Model 5
Social progress	$-0.845^{**}$	$-0.691^{**}$	$-0.772^{**}$	$-0.833^{**}$	$-0.916^{**}$
Power distance		0.203			
Individualism			$-0.082$		
Masculinity				$0.134^{*}$	
Uncertainty avoidance					$0.235^{**}$
Social progress x power distance		$0.175^{**}$			
Social progress x individualism			$-0.271^{**}$		
Social progress x masculinity				$0.024$	
Social progress x uncertainty avoidance					$-0.045$
Adjusted $R^2$	0.711	0.792	0.802	0.726	0.758
F	205.374	106.654	113.189	74-368	87.520

The slope of social progress is steeper within the low power distance cultures than within the high power distance cultures. Therefore, power distance dampens the relationship

between social progress and corruption, suggesting that increase in social progress will impede corruption more effectively in cultures characterized by low power distance.



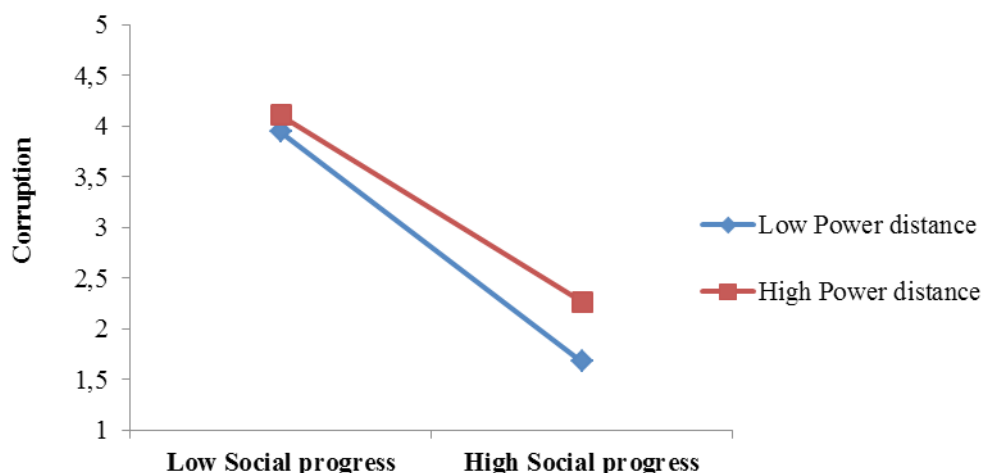


Figure 4.1. Moderating effect of power distance on the relation between social progress and corruption

To test hypothesis H3b, individualism and the interaction term of social progress and individualism were added to the baseline model. The interaction term of social progress and individualism was negative and significant (Model 3:  $\beta = -0.271$ ;  $p < 0.01$ ). Following the suggestions of Aiken and West (1991) and

Dawson (2014), we plotted the interaction effect in Figure 4.1. As depicted in Figure 4.2, at higher levels of individualism, the relationship between social progress and corruption becomes more negative i.e. individualism strengthens the negative relationship between social progress and corruption.

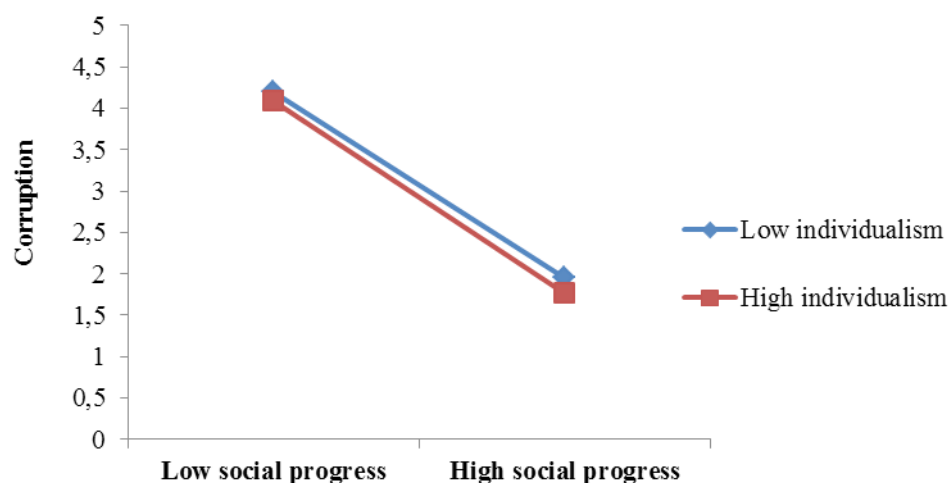


Figure 4.2. Moderating effect of individualism on the relation between social progress and corruption

However, the results presented in Table II do not support hypotheses H3c (Model 4:  $\beta = 0.024$ ;  $p > 0.05$ ) and H3d (Model 5:  $\beta = -0.045$ ;  $p > 0.05$ ), which posit that the effect of social progress on corruption is shaped by the level of masculinity of national culture and the level of uncertainty avoidance. Thus, the nature of the effect of social progress on national corruption

does not differ among masculine and feminine cultures. In addition, the direct link between masculinity of national culture and corruption was found to be insignificant ( $\beta = 0.134$ ;  $p > 0.01$ ), indicating that the level of masculinity of national culture is not a significant predictor of national corruption level. On the other hand, the direct link between avoidance uncertainty

and corruption was found to be positive and statistically significant ( $\beta = 0.235$ ;  $p < 0.01$ ), suggesting that a higher degree of uncertainty avoidance leads to a higher level of national corruption.

Table 4.3. Descriptive statistics and correlations for the second research model (Education Index – Corruption)

	Mean	Sc.D.	Corruption	Education Index	Power distance	Individualism	Masculinity
Corruption	51.83	19.369					
Education Index	0.666	0.1669	-0.706**				
Power distance	64.68	21.658	0.695**	-0.599**			
Individualism	38.36	21.186	-0.734*	0.706**	-0.678**		
Masculinity	47.71	19.784	0.199	-0.127	0.168	0.007	
Uncertainty avoidance	65.85	21.241	0.034	0.197	0.192	-0.162	0.069

Table 4.3. shows the descriptive statistics and correlations for the variables included in the second research model. As proposed in Hypothesis 2, the direct negative link between education and corruption is supported (Model 1:  $\beta = -0.706$ ;  $p < 0.01$ ). In terms of moderated effect of national culture dimensions on the link between education and corruption, our results support the moderation role of two dimensions, namely power distance and individualism, providing support for the hypotheses H4a and H4b. As shown in Table 4.4., the interaction effect of power distance and education on

corruption was positive and significant (Model 2:  $\beta = 0.178$ ;  $p < 0.05$ ). Thus, power distance dampens the relationship between education and corruption, suggesting that increase in education will impede corruption more effectively in cultures characterized by low power distance. Furthermore, the interaction term of education and individualism on corruption was negative and statistically significant (Model 3:  $\beta = -0.308$ ;  $p < 0.01$ ), indicating that individualism strengthens the negative link between education and corruption.

Table 4.4. Regression results of education index and national culture on corruption

	Model 1b	Model 2b	Model 3b	Model 4b	Model 5b
Education index	-0.706**	-0.523**	-0.595**	-0.693**	-0.693**
Power distance		0.330			
Individualism			-0.188		
Masculinity				0.072	
Uncertainty avoidance					0.154*
Education index x power distance		0.178*			
Education index x individualism			-0.308**		
Education index x masculinity				0.074	
Education index x uncertainty avoidance					0.130
Adjusted R <sup>2</sup>	0.492	0.659	0.651	0.496	0.528
F	81.347	54.549	52.583	28.217	31.735

The interaction term of education and masculinity is not significant, suggesting that the effect of education on corruption does not differ among masculine national culture and feminine national culture. Furthermore, interaction term of education and uncertainty

avoidance is not significant, suggesting that uncertainty avoidance does not moderate the relationship between education and corruption. Thus, hypotheses H4c and H4d were not supported.

## 5. DISCUSSION AND CONCLUSION

The results of this study indicate that as social progress increases, corruption decreases accordingly. Thus, countries with the capacity to meet the human needs of their citizens, to sustain and enhance the quality of their lives, and to create the conditions for all citizens to reach their full potential, are less likely to experience increased levels of national corruption. Furthermore, the results of the present study show that countries with higher level of education are more likely to exhibit lower levels of national corruption. However, social progress and education do not fully explain the variation in nation's level of corruption. As indicated by the findings of this study, two national culture dimensions (power distance and individualism) moderate the relation between social progress and corruption as well as the relation between education and corruption. More precisely, our findings suggest that the link between social progress (education) and corruption is stronger in cultures characterized by lower power distance. In a low power distance culture, people are expecting that those in power will act legitimately and fairly use their authority. Thus, people expect to be treated equally and/or fairly, and they do not approve any kind of unearned privileges. On the other hand, in a high power distance culture, people are accustomed to accepting self-behaviors from those in power. Thus, proportional increases in social progress (education) lead to the lower change in corruption in high power distance cultures than they do in low power distance cultures. The results of the present study also indicate that the link between social progress (education) and corruption is stronger in national cultures characterized by a higher level of individualism. This implies that the proportional increases in social progress (education) lead to less change in corruption levels in collective cultures than in the individualistic cultures.

The findings of the present study have important implications for policy makers. Since social progress is a significant predictor of national corruption, we suggest that anti-corruption policies should be formulated with the understanding that corruption can be

decreased by the improvement of a society's capacity to meet human needs of its citizens, to sustain and enhance the quality of their lives, and to create the conditions for citizens to reach their full potential. When citizens are poorly educated, when they do not have opportunity to satisfy their basic needs and/or reach their full potential, they may be unaware of their rights to influence political leaders (Hors, 2000). Thus, by placing focus on the development issues, like education, health, employment, and poverty, governments might be effective in their corruption battles. Given that the results of this study demonstrate that power distance and individualism play a contingency role in the social progress – corruption link as well as education – corruption link, it is advisable for policy makers to consider cultural issues when formulating anti-corruption strategies. Policy makers are also advised to be very wise when examining the usefulness and applicability of the best anti-corruption practices from other countries/national cultures, since these practices may not lead to the same desired outcome in collective vs. individualistic national cultures or low power vs. high power national cultures.

Taking this into consideration further research should focus amongst other things on the assessment of the effectiveness of specific anti-corruption policy measures in individual vs. collective cultures. This would enable corruption targeting on a custom-based level. The relationship between social progress, education and corruption was not studied in the transition countries context. Transition countries are dealing with very specific, changed environment and high levels of corruption. One of open questions that remains is what kind of culture(s) exists in the transition countries and which (specific) policy measures could be used to fight the persistent corruption.

Appendix A: Sample of countries (n=84)

Continent	Countries
Africa	Angola, Burkina Faso, Egypt, Ethiopia, Ghana, Kenya, Lebanon, Malawi, Morocco, Mozambique, Namibia, Nigeria, Philippines, Senegal, Sierra Leone, South Africa, Tanzania,
Asia	Bangladesh, China, India, Indonesia, Iran, Iraq, Israel, Japan, Jordan, Kuwait, Lebanon, Malaysia, Nepal, Pakistan, Philippines, Saudi Arabia, Thailand, United Arab Emirates.
Europe	Albania, Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Netherlands, Norway, Poland, Portugal, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey*, Ukraine, United Kingdom
North America	Canada, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Jamaica, Mexico
South America	Argentina, Brazil, Chile, Columbia, Ecuador, Peru, Panama, Uruguay, Venezuela

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