# The Perception of Anti-corruption Efficacy in China:
# An Empirical Analysis*

Dr. Hui LI
School of International Relations and Public Affairs
Fudan University
lhui@fudan.edu.cn

Professor Ting GONG
Department of Public Policy
City University of Hong Kong
tgong2@cityu.edu.hk

Mr. Hanyu XIAO
Department of Public Policy
City University of Hong Kong
xiaohy1986@163.com

**The Perception of Anti-corruption Efficacy in China:**

**An Empirical Analysis**

## 1. Introduction

In today's world, governments have been confronted not only by the imperative to combat corruption but also by the question of how to fight it effectively. Controlling corruption is a *sine qua non* for social development and stability because corruption hinders economic growth and increases social inequality in all societies. Corruption also poses a big challenge for governance capacity and may even topple the political legitimacy of government. In China, for more than thirty years since the onset of market-driven reform, the government has attempted to control and prevent corruption by multiple efforts such as anti-corruption campaigns, legal enforcement, and moral education. The effectiveness of these anti-corruption measures has nevertheless been contested. Some scholars considered the Chinese government's anti-corruption endeavour encouraging (Yang, 2004; Ma & Ni, 2008). Yang (2004) suggested, for example, that since the mid-1990s, China not only strengthened anti-corruption laws, but also introduced a long list of institutional mechanisms to combat and prevent corruption. Others argued that the government's battle against corruption was based mainly on political concerns, as anti-corruption campaigns helped shore up its legitimacy when confronted with weakened public trust (Pei, 2006). Still others, while recognizing the government's persistent efforts, held a critical view of China's anti-corruption efficacy (He, 2000; Manion, 2004; Quade, 2007; Gong & Ma, 2009). Intense scholarly debate focussed on the causes, modes, consequences of corruption, and the nature

and effectiveness of anti-corruption reforms. Scant attention has been given to public reactions to the government's anti-corruption drive. As corruption affects people in all walks of life, public views of the government's anti-corruption effort, whether positive or negative, have a significant impact on the extent to which people are willing to support the government's endeavour and, hence, determine the ultimate success of corruption control. Any government that seeks effective solutions to corruption must rely on public support, which provides the much-needed legitimacy for policy enforcement and guides the future direction of anti-corruption endeavour.

To see how Chinese citizens feel about the government's anticorruption policy, we conducted a study of the perceptions and attitudes of Chinese citizens towards the government's anti-corruption effort. Specifically, we focussed on the "sense of anti-corruption efficacy," defined as a person's expectation for positive anti-corruption outcomes, which reflects people's confidence and trust in the government's effort. The higher one's anticipation for the positive outcome of anti-corruption policy is, the stronger one's sense of anti-corruption efficacy; conversely, the lower the anticipation is, the weaker the sense. We addressed the following questions: How does the public react to the government's anti-corruption policy and assess its effectiveness? What factors explain the variation in people's perceptions of anti-corruption efficacy? Based on 1,604 valid questionnaires drawn from the *Survey on the Civil Life in Shanghai* in 2008,[1] we found that two salient factors could exert considerable influence over an individual's view of anti-corruption efficacy. One was the perception of income distribution fairness in society and the other was the attitude

---

[1] This survey was conducted by the Shanghai Academy of Social Sciences in Shanghai in 2008.

towards political influence over income distribution. We assumed that as corruption contributed to social disparity, perceived unfairness in income distribution would exacerbate people's expectation for anti-corruption efficacy. At the same time, however, a tolerant attitude towards the intrusion of political power into income distribution might make people accept the status quo and render them less enthusiastic about the government's anti-corruption reform. Considering the two factors had a sharp opposite relationship with the dependent variable respectively, we further proposed that the tolerance of political intrusion might moderate the perception of social unfairness by weakening its impact on the sense of anti-corruption efficacy. On the contrary, if a person showed a great deal of resentment against unwarranted political influence over income distribution, s/he would have a high expectation for anti-corruption efficacy while feeling strongly against distribution unfairness.

## 1.1 Theoretical background

For a long time, scholars have concentrated on macro-level variables to seek explanations for corruption. They focussed on, for example, national affluence levels, democratic institutions, colonial legacies, and cultural influences (Treisman, 2000, 2007; Fisman & Miguel, 2006; Sun, 2009; Mohammad, 2013). Some associated corruption with the quality of political institutions (Lederman *et al*., 2005; Schatz, 2013) and others attributed it to weak civil society and the lack of free press (Themudo, 2013). These macro-level analyses pinpointed the context in which corruption could arise, its institutional roots, and possible solutions to the corruption problem. However, such structural analysis focussing on macro-level variables would not be enough without a good understanding of public

perceptions and attitudes towards corruption and anti-corruption reform.

In recent years, a growing volume of research began to emphasize the importance of subjective indicators, arguing that they could offer a more complete picture, provide overall assessment, demonstrate public preferences, and be inherently democratic by offering "voice" (Kroll & Delhey, 2013: 15-16). Along this line, scholars and practitioners paid increased attention to the importance of micro-level variables in understanding and controlling corruption, such as public perceptions and attitudes towards corrupt behaviour (e.g., see Margit 2010). Researchers believed that public perceptions "embody local understandings, norms, and rules that serve as touchstones for legitimizing … social action" (Marquis *et al*., 2007: 927), while corruption tended to be perpetuated by social norms (Truex, 2011). The most noticeable effort has been Transparency International's Corruption Perception Index (CPI), which reports annually the ranking of countries based on expert assessments and opinion surveys.[2] Besides, two tracks of scholarly work have developed. One was the study of public perceptions of corruption, which focussed on how people understand and interpret corruption. It was believed that how people perceived corruption reflected their daily experience and served as a good proxy for the phenomenon of corruption in society (Kaufmann & Kraay, 2004; Lambsdorff, 2005). For example, Seligson (2006) analysed the public perceptions of corruption in four Latin-American countries and compared them with the CPI published by Transparency International to explain discrepancies. Li *et al*. (2013) drew on the data of the Barometer Surveys of Asia, Africa and Latin America to conduct a multilevel analysis on perceptions of corruption, which they found significantly correlated

---

[2] For more information about CPI, please retrieve its official website: http://www.transparency.org/research/cpi/ (accessed 23 June 2014).

with personal assessments of the economy, democratic values, and the degree of democratization. Although perceived corruption differed from actual corruption, a high level of perceived corruption could have a devastating impact on people's trust of political institutions (Melgar *et al*., 2010).

The second track of micro-level corruption studies centred on people's attitudes towards corruption and propensities to act against corruption. Different from perception, attitude and propensity define not only how people see things, but also what actions they may take against what they see and therefore have a behavioural dimension. The most common theme in studying people's attitudes towards corruption is tolerance for corruption, namely to what extent people accept corrupt behaviour. Conducting a "corruption acceptance survey," Truex (2011) found that Nepal citizens held different attitudes towards different types of corruption. In general, they were more tolerant of small-scale petty corruption involving gift giving and favouritism than large-scale grant corruption. Konstantinidis and Xezonakis (2013) reported, based on their empirical data, that Greek people tended to accept the exchange between a certain level of corruption and economic benefits. To explore what influenced the level of corruption tolerance, Gong and Wang (2013) drew on a survey of university students in Hong Kong to analyse the impact of the social environment surrounding them. They reported that "the duration of residence in Hong Kong" was negatively correlated with the level of corruption tolerance. The longer people lived in Hong Kong and hence, was more extensively exposed to Hong Kong's relatively clean social environment and its zero-tolerance culture for corruption, the less likely they would develop an accepting attitude towards corruption.

The studies mentioned above had a clear focus on micro-level variables and aimed to

produce grounded theories about the perceived or real causes, modes, and consequences of corruption. However, few examined people's perceptions of the endeavour of the government in tackling corruption and their evaluation of the efficacy of the government's anti-corruption policy. Admittedly, some congruence may exist between people's perceptions or attitudes towards corruption and their opinions on the government's effectiveness in fighting corruption, but the two need to be separated as the latter deals with the government's performance instead of the phenomenon of corruption *per se*. The two do not necessarily correlate with each other. For instance, people may view the level of corruption as considerably high but are happy with the government's endeavour to contain it. On the other hand, it is also possible that despite a low level of corruption, the public still blames the government for not doing enough to completely stamp it out. A recent empirical study found that even in a relatively clean society like Sweden, citizens' perception about corruption had an eroding effect on their support for the democratic system (Linde & Erlingsson 2013). It is, therefore, both theoretically significant and practically important to conduct micro-level analysis of not only people's perception of corruption but also their attitudes towards the government's anti-corruption effort.

## 1.2 The sense of anti-corruption efficacy

In line with micro-level corruption studies, our research focussed on people's sense of anti-corruption efficacy. We derived the notion "anti-corruption efficacy" from an important concept in political science—the "sense of political efficacy," referring to the "feeling that political and social change is possible and that the individual citizen can play a part in

bringing about this change" as coined by Campbell *et al.* in 1954. Political efficacy remains

an important concept today and attracts many studies. Karp & Banducci, for example,

explored how different types of electoral systems affected voters' political efficacy and thus

their political participation (Karp & Banducci 2007). Some other studies examined the

relationships between internet exposure and political efficacy (Kenski & Stroud 2006).

Scholars further distinguished two dimensions of political efficacy: internal and external.

Internal political efficacy concerned the extent to which one was confident in his or her own

ability to influence politics and government, while the external component of political

efficacy referred to the perception of political responsiveness, namely whether the

government responded to public concerns (Steven, 1985).

We extended the concept of political efficacy to the study of corruption by measuring

the "sense of anti-corruption efficacy" in China. Given data constraints, we focussed on the

external sense of efficacy only. We defined anti-corruption efficacy as people's expectation

for the positive effect of the government's anti-corruption endeavour, which denoted the faith

and trust of individual citizens towards government policy. Steven (1985) operationalized

external political efficacy as including, first, whether people believed that public officials

cared much about what the public thought; second, whether elected officials stayed in touch

with the people; and third, whether political leaders were interested in the opinions of the

public, not just their votes. In our study, accordingly, we assumed that the sense of

anti-corruption efficacy would reveal to what extent individual citizens expect the

government's anticorruption effort to alleviate their concerns about corruption and to make

the society clean. A strong sense of anti-corruption efficacy reflects people's high expectation

for the government's drive against corruption to be effectively carried out, whereas a low sense of efficacy indicates people's low expectation for the government's effort. Furthermore, the sense of anti-corruption efficacy is also a good proxy of the degree of public trust in the government's reform and policy against corruption. The stronger an individual's sense of anti-corruption efficacy is, the more confidence he or she may have in the government's battle against corruption. Where there is a socially shared strong sense of anti-corruption efficacy, the government will have a strong mandate from its citizens to push forward anti-corruption reform. In China, the government has engaged in an intensified battle against corruption for more than three decades since the early 1980s. It remains interesting and important to see how the public assesses the government's anti-corruption drive. People's views of the government's anti-corruption efficacy can influence their attitudes towards corruption. If they are not satisfied with the government's effort and civil society is strong enough, people may take matters into their own hands to fight corruption. Otherwise they may be indifferent to corruption, thinking that the government should be solely responsible for controlling it.

The sense of anti-corruption efficacy is different from the perception of corruption, which reflects how people understand corruption and may not necessarily have much to do with the government's effort to control it. Nor should the sense of efficacy be taken as the same as the level of tolerance for corruption, as the latter indicates only people's attitudes towards corruption, not their views of the government's anti-corruption policy. Last, but not least, the sense of anti-corruption efficacy is not an assessment of specific anti-corruption measures and policies. It reflects people's overall view of the government's anti-corruption endeavour and its effectiveness as a whole.

## 2. Hypotheses and Methods

2.1 Hypotheses

What influences a person's expectation for anti-corruption efficacy remains controversial. However, since corruption in the form of rent-seeking, nepotism and other kinds of predatory activity caused by power abuse in public office aggravates social inequality (Gupta *et al*., 2002; Alesina & Angeletos, 2005; Gyimah-Brempong & Camancho, 2006), it is reasonable to assume that a high degree of social unfairness exacerbates people's aversion to corruption and raises their expectation for strong efficacy in anti-corruption reform. The feeling of social unfairness or what is referred to as "macro-injustice" may be reflected in an individual's perception that the income distribution in whole society is unjust (Wegener, 1991) or the perceived incompatibility between his/her lower personal income and higher qualification. According to Uslaner (2008: 27, 53), inequality, mistrust, and corruption could be mutually reinforcing and form a vicious circle where "inequality leads to low trust; low generalized and high particularized trust leads to high levels of corruption, which in turn produces more inequality." Individuals with a higher level of perceived social unfairness in terms of income distribution could develop a stronger expectation for anti-corruption efficacy. We herewith proposed the following hypotheses:

$H_{10}$: The perception of unfairness in income distribution has no significant correlation with the sense of anti-corruption efficacy.

$H_{1a}$: The perception of unfairness in income distribution is positively associated with the sense of anti-corruption efficacy.

Focussing on perceived unfairness of income distribution is nevertheless not enough, as the perception of fairness also has a political dimension; that is, to what extent people would think that unfair income distribution is related to the intrusion of political power. It is true that the impact of political intrusion into income distribution on social inequality remains debatable and that government intervention through certain policies may help alleviate social inequality. However, direct intrusion of political power into economic affairs can be counter-effective and corruptive in a country like China where political power has been highly concentrated and unconstrained.[3] Corrupt collusion between the rich and powerful cannot be overlooked. As some recent studies showed, high-ranking officials and their children were among the richest in China, while successful business people often had guaranteed access to state power and resources as they had strong political connections (Sun & Guo, 2013). The extent to which people tolerate the intrusion of political power into income distribution has an impact on their attitude towards the government's anti-corruption effort. They may be more supportive of anti-corruption reform if they see the intrusion of political power into income distribution as unwarranted and corruptive. They will expect reform to lessen the unfair flow of money into the hands of the already rich and powerful. However, if some individuals tolerate political intrusion in the way described by Hosftede as that "the less powerful person in a society accepts inequality in power and considers it as normal" (Hosftede, 1984: 390), they may not see the necessity of anti-corruption reform and therefore hold a lower expectation for anti-corruption efficacy. Therefore, we hypothesised:

---

[3] We are indebted to an anonymous reviewer for suggesting this point.

$H_{20}$: Tolerance of political intrusion into income distribution has no significant correlation with the sense of anti-corruption efficacy.

$H_{2a}$: Tolerance of political intrusion into income distribution is negatively associated with the sense of anti-corruption efficacy.

In Hypotheses 1 and 2, we assumed that the two independent variables—the feeling of unfairness in income distribution and the tolerance of political intrusion into income distribution—would affect the sense of anti-corruption efficacy separately. However, the two variables might moderate each other when exerting an impact on people's anti-corruption efficacy. To understand fully the dynamics of a citizen's sense of anti-corruption efficacy, we further proposed that the impact of perceived social unfairness on the sense of anti-corruption efficacy was conditioned by an individual's attitude towards the intrusion of political power into income distribution. Generally speaking, a strong feeling against unequal income distribution along with resentment towards unwarranted political influence would increase people's expectation for anti-corruption efficacy. Nevertheless, if people were more tolerant of political intrusion into income distribution or accepted it as normal or necessary, then they could become less interested in anti-corruption reform. This led to our third set of hypotheses:

$H_{30}$：Tolerance of the intrusion of political power into income distribution has no moderating effect on the impact of the perception of unfair income distribution on the sense of anti-corruption efficacy.

$H_{3a}$: Tolerance of the intrusion of political power into income distribution dilutes the

impact of the perception of unfair income distribution on the sense of anti-corruption efficacy.

## 2.2    Procedure and measures

To test these hypotheses, we drew on the data from the *Survey on the Civic Life in Shanghai*, which was conducted by the Shanghai Academy of Social Sciences in 2008. The respondents of the survey were randomly selected from the 11 administrative districts in Shanghai using a cluster sampling strategy known as Probability Proportional to Size (PPS) sampling.[4] The sampling method included multiple stages. The first step was to select at random one to three sub-districts from each administrative district according to the population size. Then, from each sub-district, a number of residential committees were drawn proportionally to its population size, and this led to the selection of 74 residential committees in total through random sampling. Households were subsequently identified, again randomly, through a list of residents provided by each residential committee. Finally, a sample of adults within the sampled households was chosen using a Kish grid to ensure representativeness within households.[5] This survey method ensured that all residents from age 18 to 65 in each district had an equal chance to be selected,[6] while a complete sampling frame of Shanghai residents was not required.

We adopted ordered logistic regression in our data analysis because the dependent variable, "sense of anti-corruption efficacy," is an ordinal variable.[7] However, another

---

[4]  For an introduction about PPS, please refer to Srivastava & Singh (1981).

[5]  See, for example, Kish (1949) for more information about Kish grid.

[6]  The age range was set by the original survey, presumably because some survey questions concerned employment and income. The age variable has no impact on our study.

[7]  In statistics, the ordered logit model is a regression model for ordinal dependent variables. For more detail,

problem required attention during the regression analysis; that was the problem of the cluster effect caused by the complicated sampling method. As the respondents were drawn from 74 residential committees, there was a possibility that those who came from the same residential committee or community might share somewhat similar views on certain matters. If so, the sample could not be regarded as resulting from simple random sampling and this would lead us to overestimate sample precision and underestimate standard errors. We accordingly adjusted standard errors by clustering on residential committee identifications.

In the survey, the dependent variable—the sense of anti-corruption efficacy—was measured by the question "Do you agree with the statement that social inequality will decrease if the government intensifies its anti-corruption efforts?" on a scale from 1 ("strongly disagree") to 4 ("strongly agree").[8] Stronger agreement to the statement would indicate higher expectation for the positive effect of the government's anti-corruption endeavour in reducing social inequality, hence a greater sense of anti-corruption efficacy.

The first independent variable, perceived unfairness in income distribution, was measured by questions at the societal level and personal level respectively. The respondents were asked to rate fairness in income distribution in society as they perceived it by answering the question "Do you think, in general terms, income distribution in our society is fair?" on a 5-point Likert scale (0-4), where 0 indicated "very fair" and 4 indicated "very unfair." A larger number showed a stronger perception of unfair income distribution in society held by the respondent. The assumption was that an individual's view of the general income distribution situation as being fair or not reflects his/her perception of socio-economic

---

see Long and Freese (2003).

[8] The scales were set by the original survey based on the nature of questions. See Croasmun & Ostrom (2011) for more information on Likert scales.

equality in society.

Besides the perceived unfair income distribution in society, we used a second question to measure individual perceptions of distribution fairness at the personal level: "In terms of your educational background, ability, experience and all other relevant factors, do you think you receive a fair income?" This question recorded the respondent's assessment of social fairness based on his or her own income level. Answers to the question were again coded on a 5-point scale from 0 to 4, with 0 being "very fair" and 4 being "very unfair."

The measurement of another independent variable, the tolerance of political intrusion in income distribution, involved two questions. We first asked people "to what extent do think that political power *should* make a difference in income distribution in our society?" This was followed by a second question: "to what extent do you think political power has made a difference in income distribution?" The respondents were asked to rate their answers on a scale of 0-4 ranging from "no difference," "little difference," "some difference," "significant difference," to "very significant difference." The difference between an individual's answers to these two questions was then recorded.[9] If a person thought that political power actually made much more difference than it was supposed to, it would mean that the person did not accept the intrusion of political power as it was unwarranted. On the other hand, if a person believed that political power had played a role as much as it should or could even play a stronger role than it did, then this respondent showed an accepting attitude towards the influence of political power over income distribution.

---

[9] It should be noted that we measured this variable in a relative term. Our rationale is that people may think the same regarding the former question while their answers to the latter question are different. Thus, these respondents may have different perceptions of unwarranted political influence. By adopting a relative measure, we expect to solve this problem.

Gender, age, income, education and party membership were included in the analysis as control variables. Among them, gender was set as a dichotomous variable coded with 0 and 1. Age was set as a continuous variable coded from 18 to 65. In the original dataset, party membership included three categories: member of the Chinese Communist Party (CCP), member of non-CCP parties (*minzhu dangpai*) and no membership. We coded CCP membership as 2, membership of a non-CCP party as 1, and no party membership as 0. We used the "individual gross income of the preceding month" as the measurement of a respondent's income status. Since the number was a long-tail variable coded between 0 and 21,000, we took the logarithm of individual monthly income. In the original dataset, education consisted of 14 different and very detailed categories. For example, postgraduates were divided into full-time and part-time students, and middle schools were separated into regular and vocational ones. We consolidated the data by re-coding them according to three categories: education at the primary level = 0; at the secondary level = 2; and at tertiary level or above = 3. Table 1 provides a statistical description of all the relevant variables.

Table 1 about here

## 3. Results

### 3.1 Descriptive statistics

The survey results showed, first of all, that a majority of the respondents had a strong sense of income distribution unfairness. Among them, 69.1% considered the overall income distribution in society unfair (Figure 1). Nearly half, 49.8%, had a feeling of unfairness at the

individual level, believing that their personal income did not match their professional qualifications and they were underpaid (Figure 2).

Figure 1 and Figure 2 about here

At the same time, a high expectation for anti-corruption efficacy was evident. As shown in Figure 3, 85.6% of the respondents strongly agreed or agreed with the statement that if the government intensified its anti-corruption effort, unfair income distribution could be alleviated and only 13.37% either strongly disagreed or disagreed.

Figure 3 about here

The results concerning the respondents' attitudes towards political influence over income distribution are shown in Figure 4. As mentioned in the previous section, this variable was measured by the difference between the answers to two survey questions, ranging from -4 to 3.[10] A negative difference meant that the respondent considered the influence of political power over income distribution unwarranted as it played a stronger role than it should, while a positive difference or no difference ("0") indicated that the respondent accepted the influence of political power over income distribution as normal. Following this measurement, we found that 40.4% of the respondents considered the role of political power in income distribution excessive, but the majority (59.6%) had a somewhat accepting attitude.

---

[10] Arithmetically, we were expected to get a variable ranging from -4 to 4. However, our data only observed 3 as the largest value. It means that no respondent thought political power should make a "very significant difference"(4) in income distribution.

Figure 4 about here

3.2     Results from regression analysis

The regression results are shown in Table 2. The control variables such as gender, age, educational level, the logs of income, and party membership were brought in to form a benchmark for comparison (Model 1). None of these demographic factors was found to bear a significant impact on the sense of anti-corruption efficacy. Models 2, 3 and 4 were constructed to reveal the regression results on the relationships of the core independent variables with the dependent variable. Specifically, in Model 2, the perceptions of unfairness at the societal level were positively correlated with the sense of anti-corruption efficacy at the highest level (p<0.000). In model 3, the perceptions of unfairness at the individual level also showed a significant correlation with our dependent variable in the same direction (p=0.010). Hence, the null hypothesis ($H_{10}$) that the perception of unfairness in income distribution had no significant correlation with the sense of anti-corruption efficacy was rejected, and our first hypothesis about the positive relationship between the perception of unfairness in income distribution and the sense of anti-corruption efficacy ($H_{1a}$) was confirmed.

The relationship between the tolerance of political intrusion into income distribution and the sense of anti-corruption efficacy were tested through Model 4. On the contrary, a significant negative correlation was found between the tolerance of political intrusion into income distribution and the sense of anti-corruption efficacy (p<0.000). On that basis, the null hypothesis ($H_{20}$) that the tolerance of political intrusion into income distribution had no

significant correlation with the sense of anti-corruption efficacy was rejected. In line with our second hypothesis, those who found unwarranted political influence over income distribution unacceptable held a higher expectation for anti-corruption efficacy. When the tolerance of political intrusion and perceived unfairness in society and at the personal level were controlled respectively (Model 5 and Model 6), the robustness of the regression results of Model 2, 3 and 4 was further tested. In Model 5, the tolerance of political intrusion ($p<0.000$) and perceived unfairness in society ($p<0.000$) both showed a significant correlation with the dependent variable when included in the same model. Model 6 in which we included the tolerance of political intrusion ($p<0.000$) and the perceived unfairness at the personal level ($p=0.001$) still showed a very strong correlation with the sense of anti-corruption efficacy. Overall, the results came out as expected: the perceptions of social and personal unfairness were positively associated with the sense of anti-corruption efficacy, while the tolerance of political influence over income distribution had a negative impact on the sense of anti-corruption efficacy. Moreover, the goodness-of-fit results in Model 5 (Pseudo R square=0.043) and Model 6 (Pseudo R square=0.036) were much higher than the results in Model 2 (Pseudo R square=0.021) and Model 3 (Pseudo R square=0.011). Hypotheses 1 and 2 were thus both confirmed.


Table 2 about here


The interaction terms of "tolerance of political intrusion*perceived social unfairness" and "tolerance of political intrusion*perceived unfairness at the personal level" were used in

Model 7 and Model 8 to test Hypothesis 3. That was to measure the possible moderating effect of the attitude towards political intrusion on the relationship between the perceived unfairness in income distribution and the sense of anti-corruption efficacy. Model 7 revealed a negative correlation between the interaction term "tolerance of political intrusion*perceived social unfairness" and the dependent variable with the highest significance level ($p < 0.000$). Moreover, Model 7 had the highest goodness-of-fit (Pseudo R square=0.052) in all of our models. Although the interaction term of "tolerance of political intrusion *perceived unfairness at the personal level" had no statistical significance in Model 8 ($p=0.467$), the direction of coefficient was consistent with our hypothesis as negative. Hence, our third hypothesis was at least partially confirmed. The null hypothesis $H_{30}$ that the tolerance of the intrusion of political power into income distribution has no moderating effect on the impact of the perception of unfair income distribution on the sense of anti-corruption efficacy was rejected. We could still say with confidence that holding a tolerant attitude towards political intrusion into income distribution may moderate the impact of perceived social unfairness on people's sense of anti-corruption efficacy.

Figure 5 illustrates the conditional effect of the interaction between the tolerance of political intrusion and the perception of social unfairness. The abscissa (x-coordinate) represents the degree of tolerance of political influence over income distribution, while the ordinate (y-coordinate) is the marginal effect of distribution unfairness on the sense of anti-corruption efficacy. The positive impact of income distribution unfairness on the sense of anti-corruption efficacy gradually increases when the tolerance level for political intrusion decreases. For those who have the lowest tolerance for unwarranted political influence (i.e.,

-4 in Figure 5), the marginal impact of social unfairness on anti-corruption efficacy reaches the highest. However, as the tolerance level increases, especially when it reaches 2 or more, the conditional effect of social unfairness on the sense of anti-corruption efficacy becomes negative. On that basis, we may predict that an accepting attitude towards political intrusion into income distribution weakens the positive impact of perceived social unfairness on anti-corruption reform.

Figure 5 about here

**Discussion**

The regression results confirmed the proposed relationships among the three variables—the perception of unfair income distribution, tolerance of power intrusion into income distribution, and sense of anti-corruption efficacy. As illustrated in Figure 6, the first explanatory variable of income distribution unfairness is positively associated with the dependent variable—the sense of anti-corruption efficacy, while the second explanatory variable, the extent to which political intrusion is tolerated, has a negative impact on it. Furthermore, the interactive term (tolerance of political intrusion*distribution unfairness) is found to be negatively associated with the sense of anti-corruption efficacy. That is to say, tolerance of political intrusion into income distribution dilutes the positive impact of the perception of unfair distribution on people's expectation for anti-corruption efficacy.

Figure 6 about here

Our findings contribute to the understanding of the relationship between corruption and

social inequality. The more corrupt a bureaucratic system is, the more inequality it will produce, both politically and economically. Social inequality, including power monopoly and unequal distribution of income and resources, may in turn lead to stronger social expectation for anti-corruption reform. In China's post-reform period, although the economy grew rapidly and the living standard of the public greatly improved, people's feeling of happiness has not increased subsequently. An important reason is that income distribution in China has become increasingly skewed towards the upper strata of society, while the majority of citizens remain "frustrated achievers" who have achieved higher incomes in absolute terms but are dissatisfied with their income situation in comparison with the upper income groups (Brockmann *et al*., 2009: 403). Scholars pointed out that an entrenched powerful economic elite emerged in China after more than thirty years of economic reform.[11]  Employing resources, privileges and political connections, they could easily engage in rent-seeking, speculation, nepotism and other corrupt activities to continue to enrich themselves. This has resulted in a "sense of relative deprivation" among the public; that is, the "felt distributive injustice" (Crosby & Gonzalez-Intal, 1984: 141) appears when people feel they are deprived in comparison with others in society.

    Perceived unfairness and the resulting aspiration for fairness in income distribution may render people more supportive of the government's action against corruption. Because corruption enlarges the gap between the rich and the poor, fighting corruption is expected to help bring income distribution back to a desired level. Scholars found that people's perceptions of corruption were highly correlated with how they assessed their own economic

---

[11]  See, for example, Sun Liping, Walking out of the Transition Trap, The Economic Observer: www.eeo.com.cn, 24th Feb. 2012. Details are available at: http://www.chinainnovations.org/Item/35264.aspx (accessed 6th Sept. 2013).

status. They reported that those who were satisfied with their personal income situation tended to consider the government relatively clean, while those who were not very happy with their own economic status often considered the government corrupt (Li *et al.*, 2013). The results of our study further confirm that people tend to attribute perceived unfairness in income distribution to corruption in the government or to the rich having control of the government and therefore are anxious to see the government taking effective action against corruption.

The results of our analysis nevertheless also show that to what extend people accept the intrusion of political power into income distribution negatively affects people's sense of anti-corruption efficacy and can weaken the positive impact generated by the perception of unfair income distribution. This is in line with the observation of some scholars that there was a tendency among some Chinese people to accept an authority's actions uncritically, to be somewhat insensitive to procedural and distributive justice, and to be more or less likely to have role-constrained interactions with authorities (Lee *et al.*, 2000). There is a danger, as Turner (2013) warmed, that in societies where hierarchy is accepted as being a natural order of things, inequality may be considered the result of karma, and deference may be accorded to the elite.

Our research presented a nuanced picture of what accounts for people's expectation for anti-corruption efficacy. In Shanghai, as in the rest of China, the decades of market reform have delivered a great deal in terms of economic growth, and national and personal wealth. However, without an effective solution to corruption and a fair system of income distribution, the real effect of economic development on the lives of the general public is dubious. Despite

improvement in living conditions, people may think negatively about social fairness and feel unhappy about their personal income in comparison with others. The findings in this study are consistent with this assessment. We saw the majority of the people surveyed showing dissatisfaction with fairness in income distribution either at the personal level or broadly as a social problem. However, our study also revealed that many respondents held a somewhat tolerant attitude towards the intrusion of political power into income distribution. We further found that the tolerance of political intrusion had a moderating effect on people's expectation for the efficacy of anti-corruption efforts launched by the government. Normally, with deepening grievances against unfair income distribution, people would develop strong expectation for the government to take effective anti-corruption measures to promote social justice and equality. Our study suggests, however, that if people accept the intrusion of political power into income distribution as normal, they may not attribute unfair distribution to political corruption, and therefore may not expect social unfairness to be corrected by anti-corruption reform.

**Conclusions**

Our findings have important implications. First, to what extent people hold high expectation for the government to make effective effort to control corruption is determined by both economic and political factors. Although people may be dissatisfied with unfair income distribution and attribute it to political intrusion, their aspiration for the government to take effective counter measures, such as anti-corruption reform, depends on to what extent they

can tolerate unwarranted political influence over income distribution. Those who attribute social unfairness to excessive political influence tend to develop stronger expectation for anti-corruption efficacy, while those who don't hold a weaker expectation. This leads to the second implication of our research: anti-corruption is a multifaceted endeavour, which requires more than just control measures directly against corruption. Our findings show that public support for anti-corruption endeavour hinges on other factors such as people's views about social fairness and about the role of political power in influencing income distribution. In China, the government has engaged in a long battle against corruption by feverish crackdowns and routine policing, but its campaign-style enforcement has failed to meet the public expectation for anti-corruption efficacy. The problem is not as simple as whether a right anti-corruption strategy has been chosen or not. Rather, it goes beyond the corruption issue *per se* to relate to the role of political power in social (re)distribution, as indicated by our findings. If the root of the corruption problem–the unwarranted political influence over income distribution–is not addressed, anti-corruption efficacy can hardly be achieved.

Our research has limitations. Although we obtained the data from Shanghai, a major metropolitan area with the largest population in the country, and expected it to be representative of all China, we should treat the findings cautiously. Whether they can be applied to other locations in China needs to be further tested with nationwide data. While it is likely that similar attitudes exist among people in other societies, especially those where inequality and corruption are both great, more research is needed to make the findings here more rigorous and applicable to other cultural settings.

## References

Alesina, A., & Angeletos, G.M. (2005). Corruption, inequality, and fairness, *Journal of Monetary Economics,* 52, 1227–1244.

Brockmann, B., Delhey, J., Welzel, C., & Yuan H. (2009). The China puzzle: Falling happiness in a rising economy. *Journal of Happiness* 10, 387-405.

Campbell, A., Gurin, G., & Miller, W. E. (1954). *The voter decides*. Evanston, IL: Row, Preston.

Chong, A., & Gradstein, M. (2007). Inequality and institutions. *Review of Economics and Statistics* 89, 454–65.

Croasmun, J. T. and Ostrom, L. (2011). Using Likert-type scales in the social sciences, *Journal of Adult Education*, 40, 19-22.

Crosby, F., & Gonzalez-Intal A. M. (1984). Relative deprivation and equity theories. In Folger R. (ed.), *The sense of injustice: Social psychological perspectives* (pp. 141-166). New York, NY: Plenum.

Fisman R., & Miguel, E. (2006). Cultures of corruption: Evidence from diplomatic parking tickets. Working paper, retrieved 10 March 2014, http://www.nber.org/papers/w12312.pdf?new_window=1.

Gong, T. and Ma, S. K. (ed.) (2009). *Preventing corruption in Asia: Institutional design and policy capacity*. London: Routledge.

Gong, T. and Wang, S. (2013). Indicators and implications of zero tolerance of corruption: The case of Hong Kong, *Social Indicators Research,* 112, 569-586.

Gupta, S., Davoodi, H., & Alonso-Terme, R. (2002). Does corruption affect income inequality and poverty? *Economics of Governance,* 3, 23–45.

Gyimah-Brempong, K., & Camacho, S.M. (2006). Corruption, growth, and income distribution: Are there regional differences? *Economics of Governance,* 7, 245–269.

He, Z. (2000). Corruption and anti-corruption in reform China, *Communist and Post-communist Studies*, 33, 243-270.

Hofstede, G. (1984). The cultural relativity of the quality of life concept, *The Academy of Management Review* 9, 389-398.

Karp, J. A., & Banducci, S. A. (2007). Political efficacy and participation in twenty-seven democracies: How electoral systems shapes political behaviour. *British Journal of Political Science* 37, 1-24.

Kaufmann, D. and Kraay, A. (2004). Governance matters III: New indicators for 1996-2002 and methodological challenges. Transparency International (ed.) *Global Corruption Report 2004* (p302-06). London: Pluto Press.

Kenski, K., & Stroud, N. J. (2006). Connections between internet use and political efficacy, knowledge, and participation. *Journal of Broadcasting & Electronic Media*, 50, 173-192.

Kish, L. (1949). A procedure for objective respondent selection within the household, *Journal of American Statistical Association*, 44, 380-387.

Konstantinidis, I., & Xezonakis, G. (2013). Sources of tolerance towards corrupted politicians in Greece: The role of trade offs and individual benefits. *Crime, Law & Social Change*, 60, 549-563.

Kroll, C., & Delhey, J. (2013). A happy nation? Opportunities and challenges of using subjective indicators in policymaking. *Social Indicators Research* 114, 13-28.

Lambsdorff, J. (2005). *The Methodology of the 2005 corruption perceptions index.* Transparency International and University of Passau.

Lee, C., Pillutla, M., & S. Kenneth (2000). Law, power-distance, gender and organizational justice. *Journal of Management* 26, 685–704.

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

Li H., Tang, M., & Huhe, N. (2013). *Does democratization colour citizen's ideas: The role of democracy as the contextual condition of corruption perceptions*. Working Paper,

presented at: Comparative Politics: Global Perspective and Chinese Issues, Center For Comparative Political Development Studies, Fudan University, Shanghai, China.

Linde, J., & Erlingsson, G. Ó. (2013). The eroding effect of corruption on system support in Sweden. *Governance: An International Journal of Policy, Administration, and Institutions* 26, 585-603.

Long, J. S., and Freese, J. (2005). *Regression Models for Categorical Dependent Variables Using Stata*, College Station, TX: Stata Press.

Ma, J., & Ni, X. (2008). Toward a clean government in China: Does the budget reform provide a hope? *Crime, Law and Social Change* 49, 119-138.

Manion, M. (2004). *Corruption by design: Building clean government in mainland China and Hong Kong*. Cambridge, MA: Harvard University Press.

Margit, T. (2010). Why do people engage in corruption? The case of Estonia. *Social Forces* 88, 1257-1280.

Marquis, C., Glynn, M. A., & Davis, G. F. (2007). Community isomorphism and corporate social action. *Academy of Management Review* 32, 925-945.

Melgar, N., Rossi, M., & Smith, T. (2010). Research note: The perception of corruption. *International Journal of Public Opinion Research*, 22, 120-131.

Mohammad, H. (2013). Administrative culture and incidence of corruption in Bangladesh: A search for the potential linkage. *International Journal of Public Administration*, 36, 996-1006.

Pei, M. (2006). *China's trapped transition: The limits of developmental autocracy*. Harvard University Press.

Quade, E. A. (2007). The logic of anticorruption enforcement campaigns in contemporary China. *Journal of Contemporary China*, 16, 65-77.

Schatz, F. (2013). Fighting corruption with social accountability: A comparative analysis of social accountability mechanisms' potential to reduce corruption in public administration. *Public Administration and Development* 33, 161-174.

Seligson, M. A. (2006). The measurement and impact of corruption victimization: Survey evidence from Latin America. *World Development* 34, 381-404.

Sun, Y. (2009). Does democracy check corruption? Insights from China and India. *Comparative Politics*, 42, 1-19.

Sun, W., & Guo, Y. (2013). Political power and social inequality: The impact of the state. Sun W., & Guo, Y. (ed). In *Unequal China: The political economy and cultural politics of inequality*. New York: Routledge, 12-26.

Srivastava, A.K., & Singh, D. (1981). A sampling procedure with inclusion probabilities proportional to size. *Biometrika*, 68, 732-734.

Steven, E. (1985). Reciprocal effects of participation and political efficacy: A panel analysis. *American Journal of Political Science* 29, 891-913.

Themudo, N. S. (2013). Reassessing the impact of civil society: Nonprofit sector, press freedom, and corruption. *Governance* 26, 63-89.

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

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.

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

Turner, M. (2013). Why is it so difficult to reform some Asian bureaucracies? Building theory from Cambodian evidence. *Public Administration and Development* 33, 275-285.

Uslaner, E.M. (2008). *Corruption, inequality, and the rule of law: The bulging pocket makes the easy life*, Cambridge University Press.

Wegener, B. (1991). Relative deprivation and social mobility: Structural constraints on distributive justice judgments, *European Sociological Review*, 7, 3-18.

Yang, D.L. (2004). *Remaking the Chinese leviathan: Market transition and the politics of*

*governance in China*. California: Stanford University Press.

You, J.S., & Khagram, S. (2005). A comparative study of inequality and corruption, *American Sociological Review* 70, 136-157.

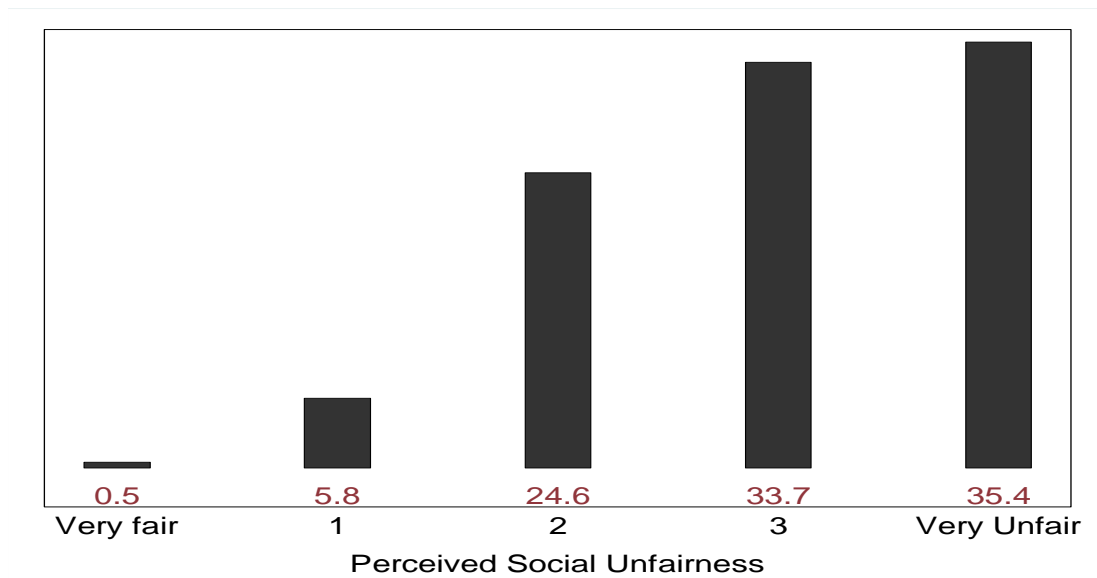**Figure 1      Distribution of Perceived Social Unfairness (%)**



|  | 0.5 | 5.8 | 24.6 | 33.7 | 35.4 |
| Very fair | 1 | 2 | 3 | Very Unfair |

Perceived Social Unfairness

**Figure 2      Distribution of Perceived Unfairness at Personal Level (%)**



|  | 3.2 | 12.2 | 33.9 | 26.4 | 22.5 | 1.7 |
| Vary Fair | 1 | 2 | 3 | Very Unfair | Missing |

Perceived Unfairness at Personal Level
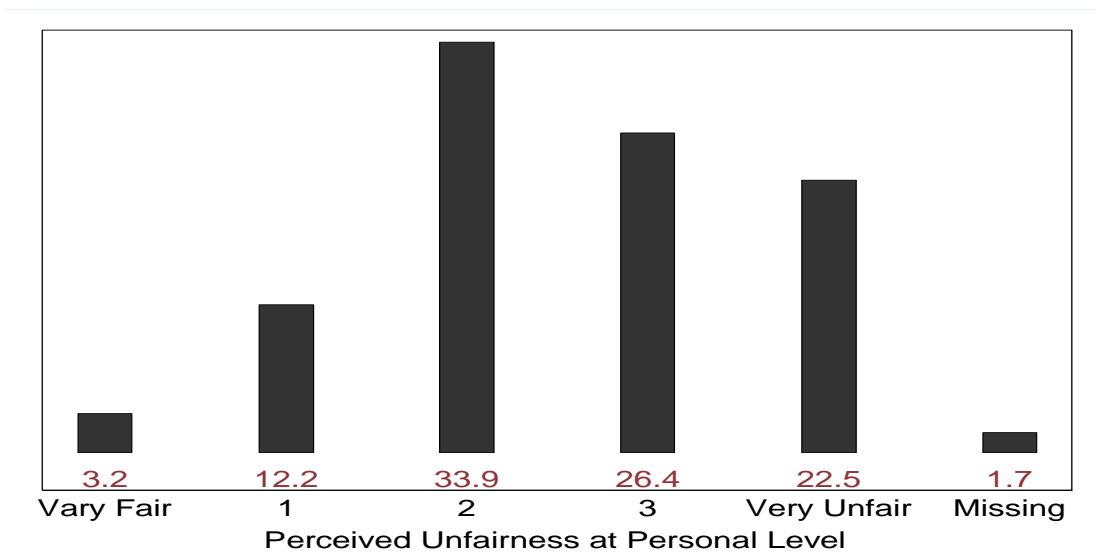
**Figure 3      Distribution of Sense of Anti-corruption Efficacy (%)**
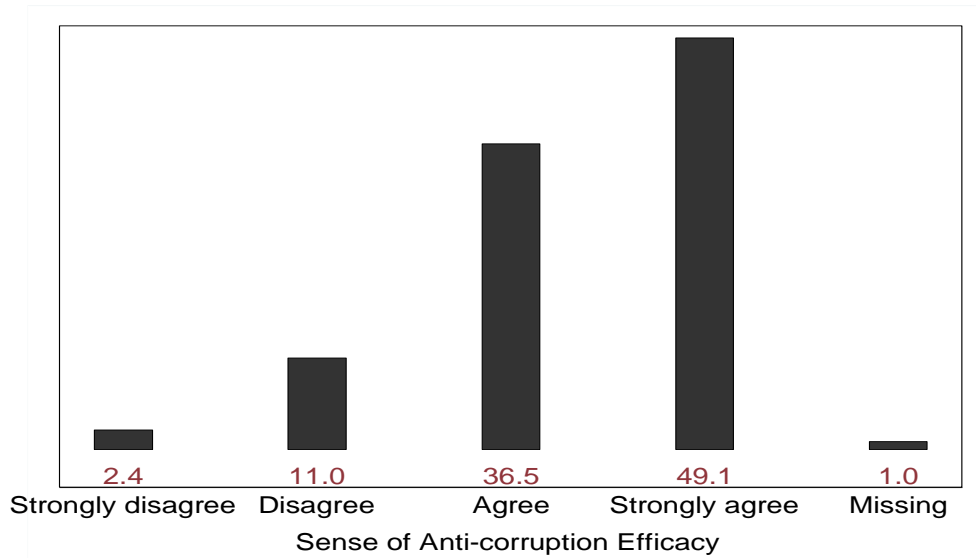


**Figure 4      Distribution of Tolerance of Political Intrusion into**
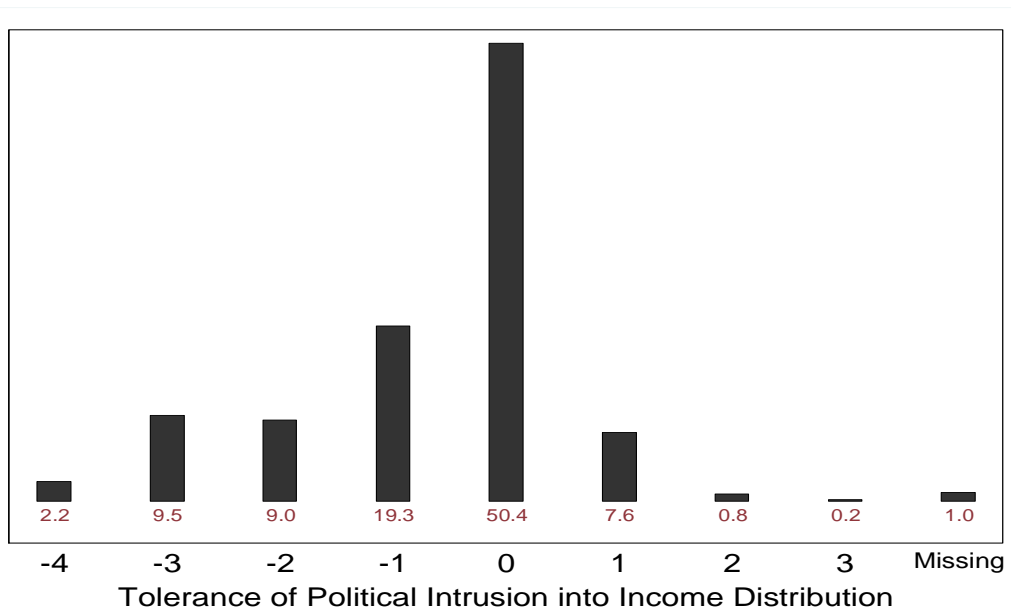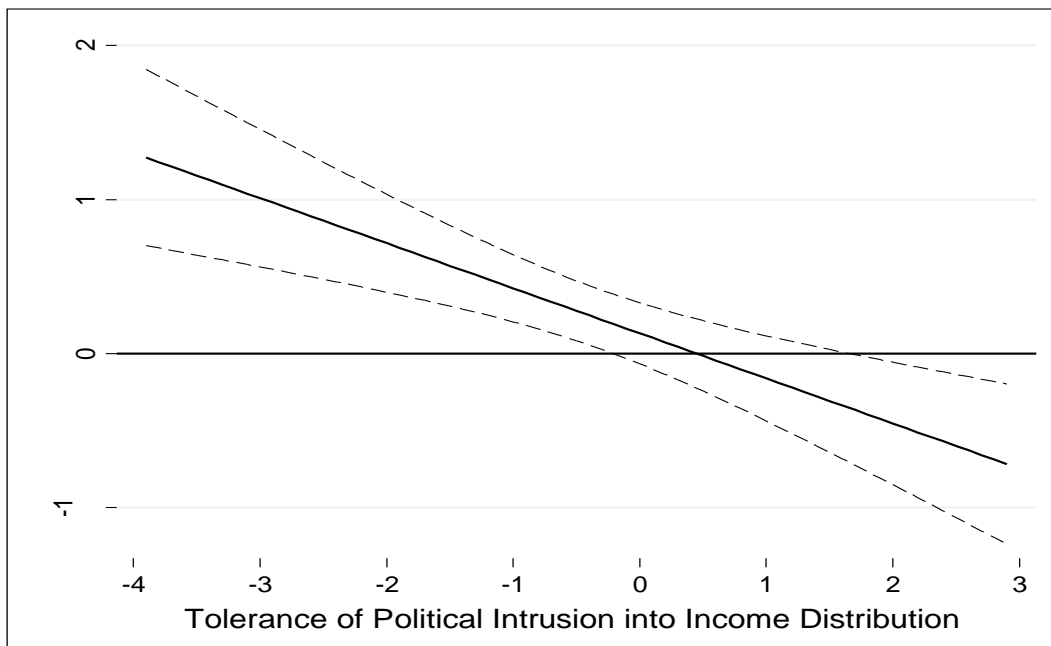
**Income Distribution (%)**

**Figure 5      Marginal Effect of Perceived Social unfairness on Sense of**

**Anti-corruption Efficacy**



Note: The abscissa (x-coordinate) denotes the sense of political power as the cause of income
unfairness, ranging from the lowest (left side) to the highest sense (right), while the ordinate
(y-coordinate) presents the marginal effect of distribution unfairness on the sense of anti-corruption
efficacy. The two dashed lines denote predictive margins with 95% confidence interval.

**Figure 6      Power Distance, Distribution Unfairness, and Sense of Anti-corruption**

**Efficacy**



IV = independent variable
DV = dependent variable
H = hypothesis
"-" = negative relationship
"+" = positive relationship