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Fraudulent Values. Materialistic Bosses and the Support for Bribery and Tax Evasion

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Introduction

Are capitalists more likely than others to justify 'immoral' acts such as bribery or tax evasion? This chapter investigates the conditions under which this is the case. While qualitative studies continue to document the nuances, mechanisms, and practices of cheating and fraud among capitalists, quantitative work that tests the presence of fraud in modern economic life across a wide range of societies is scarce. Using recent survey data representing 47 countries (World Values Survey 2005-2009 wave; 66,500 individuals), this chapter aims to rectify this gap.

I proceed by presenting two alternative views about the role of fraud within capitalism: one supposing that fraud stems from a dysfunctional form of capitalism and another supposing that fraud is intrinsic to capitalism. I then combine some ideas from these approaches by investigating both stable and variable components of capitalism in relation to fraud. Namely, I suppose that structural incentives within capitalism to maximize profit are universal, while individual support of fraud would be variable, depending on an individual's materialistic values. Following this, four ideal-types are established that combine these two dimensions in order to test their empirical interplay with fraud support. Thereafter fraud support is tested across a wide sample using logistic regression models. Results indicate that the justifiability of fraud is driven by an aspect of capitalist culture that is malleable: the adherence to materialistic values. Fraud support does not emerge only from having a key position in the capitalist class.

Fraud and the 'Nature' of Capitalism

Fraud is often depicted as the result of "bad apples," lone individuals who violate a set of well-recognized, well-policed, and functional norms. Yet such labeling of white collar crime, for instance in the media, tends to ignore the institutionally fraudulent nature of some corporations (see Benediktsson, 2010). More broadly, explaining fraud through 'bad apples' sidesteps the question of whether or not modern businesses as a whole tend to function with fraud as an underlying norm. In contrast to the 'bad apple' view, fraud can be seen as an everyday business practice, but one that is seldom caught and not systematically reported upon.

Yet even among scholars who agree that the normative structure of neoliberalism is to blame for fraud, there are contrasting ways in which fraud is linked to capitalism. For instance, fraud can be seen as either the result of an 'incomplete' or undeveloped capitalism or as a the natural byproduct of a pure, unfettered capitalism. In the first case, it is argued that modern capitalism has taken a neoliberal turn which results in a more fraud-supportive normative structure. Such claims suggest that neoliberalism may be an inauthentic form of capitalism (Wiegratz, 2010; 2012). This implies that fraudulent outcomes may therefore be reduced by 'repairing' fraudulent capitalism, fixing its socio-cultural structure, for instance by rolling back neoliberalism. In the second case, in contrast, scholars claim rather that neoliberalism is not merely a corrupt mutation; rather it is the epitome of a capitalism that is exploitative and fraudulent at its core because its ethos of profit maximization tends to align practices and expectations toward its fulfillment using any means available, including fraud (Swader, 2013). If the latter case is correct, fraud cannot be reduced by 'fixing' capitalism; instead, fighting fraud implies the regulation of, rolling back of, capitalism itself.

The above discussion raises three important questions about the links between capitalism and fraud: (1) the extent to which *variations* in capitalism (see Hall and Soskice, 2001) can be linked to fraud, (2) whether there are *common* fraud-conducive features across capitalist systems as a whole, and (3) the long-term intrinsic *tendency* of capitalism toward fraud. This chapter addresses questions one and two empirically and speculates on the third question in the conclusion based on these empirical results. Regarding common features, I suggest that the structural demands on a capitalist enterprise, and thus, of those who are in charge of it, to *achieve profit through the most efficient techniques available* is a universal. However, I also suggest there is cultural variability in the *individual profit motive*. In other words, although capitalist systems may universally reward profit maximization, even when it is achieved through undetected fraudulent means, the likelihood of individuals to be personally invested in profit maximization can vary substantially. I will outline how these two features may interact in producing fraud.

Structural Rewards for Profit Maximization: The Capitalist Class

A capitalism-intrinsic view of fraud assumes that the capitalist mode of economic action and production implies an inherent exploitation: extraction of surplus value of some kind. This core 'mission' is housed in a class of people, the owners of productive capacities (see Marx, 1961). If they are successful in their surplus extraction work, made possible by their ability to direct the means of production they own and manage, members of this class are rewarded with more surplus capital for their enterprises and for their personal share in such enterprise activity. In their work, they make use of techniques - the capitalist 'tricks of the trade', *which include cheating and fraud* - in order to achieve the maximum possible gain. Fraud is seen here as an additional technique of profit-enhancement that will reward those who implement it successfully and disadvantage those (through denying maximum profit) who do not. Profit can almost always be further increased through various forms of covert cheating, to include deception. If fraud is indeed intrinsic to capitalism's incentive structure, then those who are 'in charge' of capitalist enterprises should be more likely to justify it.

There is indeed evidence that members of the capitalist class learn to cultivate economic success through adopting a moral flexibility (such as lying, cheating, or stealing) (Swader, 2009) that helps them to achieve it. Some examples of moral flexibility are illustrated in *The Capitalist Personality* (Swader, 2013), wherein former-communist businessmen (from Eastern Germany, Russia, and China) talk about having transformed their former value of 'open honesty' into something called 'trader's honor' during their adaptations to capitalist culture in the post-socialist setting of the 1990's and early 2000's. Their former value of 'open honesty' prescribed telling their associates everything they knew as well as keeping their promises within the context of trade relations. This became problematic for salespersons because they also knew their own product was overpriced and the competitor's was of better quality. On the other hand, the new 'trader's honor' only demanded that you 'keep your word'. In this way, it was more functional than open honesty for business exactly because it imposed *fewer* moral restrictions. These businessmen also learned to pay their workers "less than they were worth" in order to maximize their profits, thus dispatching (not without qualms) with another moral restriction that impeded profit maximization: that of non-exploitation. If, by "morality", we refer to the rules of proper conduct in interactions with other people, the above changes signify a neoliberal normative system that equates to a *reduction* in the scope of morality. Individuals are still governed by norms, but these self-focused norms become less restrictive in terms of how people should conduct themselves *in relation to others*. In this way, such norms are, analytically speaking, less moral.

Therefore, theoretically the bosses of capitalist enterprises are particularly likely to have internalized the value set most useful for the 'capitalist' role, including any values of deviance that may be profitable, such as support for fraud. I use the term bosses to describe those survey respondents who are "employers" and "office managers", and I contrast them with professionals, manual workers/supervisors, farmers, or those in the armed forces. I label managers alongside employers as 'bosses' because both have the same institutional incentives and tools to maximize profit for their enterprise. Moreover, the inclusion of managers in the 'boss' category does not change the empirical relationship between bosses and fraud. These bosses represent the 'capitalist class' by virtue of their occupying structural roles within workplaces in economies in various stages of capitalist development. They are the ones who are most often directing the capital-enhancing activities within modern enterprises.

The Individual Profit Motive: Psychological Materialism

Fraud potential is not merely a result of one's structural class position as the head of an enterprise - it is not only reducible to the capitalist 'tricks of the trade'. Modern capitalism also has a culture that encourages personal profit, consumption, and material luxury, which are far removed from the now obsolete Weberian ascetic ethic (Weber, 2003; Veblen, 2004; Swader, 2013). This culture can be called psychological materialism, and it refers to the personal drive to acquire wealth.

In social psychological literature, such materialism has been linked to egoism, the "Machiavellian" manipulation of other people for personal gain, relationship instability, and competitiveness (Kasser *et al.*, 2003). This 'Machiavellianism' arises because materialist values involve a mode of valuation which tends to be means-ends oriented, instrumental, with an ultimate value, *material gain*, which hierarchically arranges other values and other people, and especially the prosocial moralities governing the interaction between people, beneath it. Therefore, materialists should be more likely to have anti-social traits or to commit deviant acts in order to achieve their aims.

In comparison to the class-based, structural dimensions of capitalist involvement, being materialistic supplies an internal personal drive and temptation to commit fraud *in order to become rich*. If I am correct, support for fraud does not depend merely on one's location within the economic structure; it also depends on the extent to which a person has internalized materialistic values.

Fraud Support and Four Ideal-Types

By fraud, I refer to illegal business practices that employ deception for the purpose of financial gain. However, instead of measuring fraudulent *behavior*, I measure pro-fraudulent *attitudes*. This is because it is very difficult to get accurate self-reports of wrongdoing within an interview or survey context. I observe fraud support through a survey question asking whether respondents think 'cheating on taxes' is justifiable. This is equivalent to tax fraud. However, I also make use of a question dealing with corruption more broadly: whether respondents justify the payment of bribes. Bribery fits into the wider category of 'cheating the public', and more particularly, deceiving the public through undermining formal and transparent processes (such as allocation of procurement contracts). Moreover, both tax fraud and bribery are means for businesses to cheat in order to maximize profit. In this sense, fraud is seen as an additional, albeit illegal, technique for further maximizing profit extraction.

How might such 'fraud support' differ according to a person's 'boss' status and their values? A good way to demonstrate the interaction between class position (the 'tricks of the trade') and materialist values (the desire to become rich) is by comparing the two dimensions within a two-by-two table (See Table 4.1). This leads to four different ideal-types: 1) the traditional, intrinsic valuers, 2) the unmotivated capitalists, the 3) disempowered materialists, and 4) the 'fraudsters'. Such types give us a theoretical linchpin against which to test the effects of class position and materialistic values in different combinations. By comparing the empirical reality with these types, we can judge the adequacy of the theoretical constructs.

Table 4.1 ideal-types Combining Class Position and Materialism

<Table 4.1 HERE>

The combination of the socialized, technical, class-based fraud-knowledge possessed by bosses and the personal materialistic drive to accumulate wealth may reach its maximum potential in the materialistic boss, which I call the 'fraudster'. Materialistic bosses would theoretically have both the technical means (e.g. profit calculation, extraction techniques) and the incentive (material gain) to engage in fraud.

In comparison, bosses who are not materialistic might not be as driven to commit fraud in order to get a 'piece of the economic pie'. Such bosses can be labeled 'unmotivated capitalists'. They may be seen as professionally ineffective, as they lack the personal desire to accumulate wealth that might harmonize with their profit extraction at work.

Other people may be materialistic, but they lack the institutional support, ties, position, and technical mastery to commit fraud. They may be called 'disempowered materialists'. Since they do not occupy a businessperson position, they lack the technical knowledge and capital access to successfully accumulate profit on a large scale that could be further enhanced through fraud.

Finally, many people neither occupy positions as owners or managers nor are materialistic; these are our ideal-typical 'traditionalists'. They are neither materialistic nor have the technical know-how or access to commit fraud. Such persons could be seen as traditional, intrinsic valuers (as opposed to instrumental, profit-oriented ones).

I also aim to determine whether fraud support varies across more and less advanced capitalist societies; I control for the level of economic development by classifying societies as OECD, post-communist (hereafter known as "PC"), or developing. Overall, PC societies should have the highest levels of fraud support because of 'over-adaptation' to capitalism, the pendulum-effect by which they adapted to an essentialized (neoliberal) image of capitalism (Swader, 2013) amid high overall corruption and low institutionalization of rule of law. Fraud support should be weakest in developing countries in keeping with a lower degree of capitalist development, and the fraud degree in the OECD should be high but still less than in the PC states.

Testing Fraud Support

I use logistic regression modeling to predict individual likelihoods to highly justify fraud support (defined as the top 35% of justifying bribery and cheating on taxes) based on a variety of characteristics, such as the individual's boss status, materialism, income, the importance of helping others, country type, age, and gender.

The broadest set of quantitative data available, comprising the most countries, for such an analysis is the World Values Survey. I use the recent 2005-9 wave (66,500 individuals sampled from 47 countries) because it contains adequate indicators of materialistic values, professional status, and fraud support. The countries represented in this analysis are displayed with their exact sample sizes in Table 4.2.

Table 4.2 Countries and Sample Sizes

<Table 4.2 HERE>

Source: World Values Survey 1981-2014 Longitudinal Aggregate v.20150418

Descriptive data for each of the variables used in the analysis can be found in Table 4.3. The following represent operationalizations of key concepts and expectations linked to them:

The *justifiability of bribery and of cheating on taxes* are chosen to represent the outcome (dependent variable) of fraud support. These were combined into one additive index. The distribution, as for most deviant beliefs and actions, is highly abnormal, with the majority (56%) of people ranking both items with a "zero" out of 10 in justifiability. I dichotomized the index to compare those who are in the top 35% (2 or higher on a scale of 0 to 18) of deviance justifiability on this index with those who are not. This indicator represents a 'moderately high' level of fraud support for these two serious deviant acts. Stricter and more liberal operationalizations of fraud support have both been tested, and the results are not substantially different from this 'moderately high' version.

I measure *position in the capitalist structure, the 'boss' role*, through the respondent's profession as either an employer or white-collar manager. Employers and managers have the same mandate to implement the principles of capitalist business management. I expect such bosses to be more likely than non-bosses to justify deviant acts, such as cheating on taxes or committing bribery, because such under-the-table dealings may provide additional technical means for them to achieve success through maximizing profit.

Psychological materialism is measured through a variable asking to which extent the individual sees her/himself as someone for whom 'being rich is important'. This item was split into those who agree with this

statement and those who do not. This is superior to Inglehart's 'materialism/post-materialism index' (Inglehart and Welzel, 2005) for my purpose, because that index involves questions about one's ideal society rather than about one's own individual goals. Materialism should represent the personal profit-incentive for committing fraudulent acts. Therefore the 'importance of being rich' should predict fraud support.

Boss-materialist types. I constructed four class-materialism ideal-types based on the materialism and boss dimension interplay (see again Table 4.1). I suppose that the highest fraud support is found among materialistic bosses, the 'fraudsters,' and the least among non-materialistic non-bosses, the 'traditionalists'. I do not have preconceptions about the fraud support rates of the 'unmotivated capitalists' or the 'disempowered materialists', except that they should embody greater fraud support than the traditionalist.

As a representation of prosociality, I control for the *importance of helping others*. I expect it to negatively correlate with anti-social varieties of deviance, because it should limit the commission of crimes that may hurt the wider society. Respondents were asked whether they consider themselves to be people for whom helping others is important. In contrast, I did not control for religiosity because the importance of helping others variable is a more direct measure of the prosociality I expect religiosity to potentially impart. In addition, 'helping others' is empirically more successful than religiosity as a negative predictor of fraud support (WVS Longitudinal Aggregate v.20150418). Typically, authors such as Inglehart and Welzel refer to this prosocial dimension as "post-materialist" (Inglehart and Welzel, 2005), indicating a focus away from survival and more on self-expression and creativity seated in modern societies. I prefer the "prosocial" label because it is less biased in its relationship to economic development.

Country type is measured as either *OECD*, *Post-communist*, or *Developing* ('others' were not kept in the dataset; societies that are members of both OECD and PC categories were coded as PC). I presume that fraud support patterns may be different in societies at different stages of economic development. Research (Swader 2013, chapter 9) supports a hypothesis that class and materialism in PC societies should equate with the highest levels of fraud support because of over-adaptation to capitalism, and this effect should be weakest in developing countries.

A respondent's *income* is measured on a one to ten scale. Income is a measure of economic success and thereby also of the tools, such as fraud, that may be necessary to achieve such success. Therefore, I control for it and expect it to correlate with greater fraud support.

Values research on the *gender* question shows women to be more compassionate, less competitive, and less materialistic than men (Beutel and Marini, 1995; Swader, 2013, appendix C). In addition, women are much less likely to commit crimes. I therefore control for gender, expecting women to be less supportive of fraud.

Finally research shows that almost all forms of deviance *decline with age*. I control for age in order to take this into account, with the expectation that older respondents are less supportive of fraud.

Table 4.3 Descriptive Statistics of Key Variables

<Table 4.3 HERE>

Source: World Values Survey 1981-2014 Longitudinal Aggregate v.20150418

I employ logistic regression modeling (using SPSS 22 software) to predict the likelihood of an individual having a high (top 35% of sample) justifiability of cheating on taxes and bribery, based on the above characteristics. I calculated four models: one analysis for all individuals pooled together and three separate analyses for individuals from OECD, PC, and developing countries in order to assess different dynamics.

Results

Bivariate Analysis

When comparing various predictors directly with fraud support, without taking other variables into account, bosses have only a slightly higher degree of fraud support than non-bosses. This difference is statistically significant but quite small in scale.

Moreover, in all societies fraud support rises steeply with income only to drop off slightly within the highest income group. PC societies start with the lowest level of fraud support but have the steepest rise with income. Developing societies start off with higher fraud support, but the income-related rise is more moderate. The OECD starts with lower fraud support levels, and this rises moderately with income, but the 'taper off' in the OECD is minor compared to PC and developing societies. A similar trend is observed with psychological materialism; each step higher in materialism equates to a greater mean in fraud support until the highest levels of materialism. Fraud support diminishes slightly at the highest two degrees of materialism, although it is still much higher than among those who are not materialistic at all. Developing countries start off with higher fraud support at lower levels of materialism, but country types become indistinguishable at the higher levels of materialism.

What happens when the boss and materialism variables are combined into four ideal-types and fraud support is analyzed across them? I find that (see Table 4.4) fraudsters have the highest degree of fraud support, followed by disempowered materialists, followed by traditionalists and unmotivated capitalists, and the latter two are indistinguishable (these results are statistically significant and confirmed by ANOVA). Moreover, these results are the same whether we consider bribery support, tax evasion support, or both.

Table 4.4 Fraud Support by Boss-Materialism Types

<Table 4.4 HERE>

Source: World Values Survey 1981-2014 Longitudinal Aggregate v.20150418

Multivariate Analysis

The above bi-variate analyses do not account for all relevant factors simultaneously. For instance, the income effect could be due to the fact that those with higher incomes are more materialistic, and the real effect is from materialism. I can control for this within logistic regression models, which show the likelihoods of deviance support after controlling for all recognized factors.

Results of this more sophisticated analysis (see Table 4.5) demonstrate, in terms of our controls, a significant age effect across all models, whereby older age is equivalent to lower support for fraud. This is in keeping with strong findings on deviance, which recognize that deviance diminishes with age. Being female in OECD countries is also strongly linked to lower fraud support, but this effect is not found in developing or PC countries. Also higher income in our sample is strongly and directly linked to a higher support for fraud. The final control, representing the prosociality of the respondent, the importance of helping others, is very strongly linked to less fraud support, as expected. This is true of all country types.

Regarding this study's main explanatory variables, the class-materialism ideal-types, indeed the main hypothesis about these is supported. Being a 'fraudster' (materialistic boss) raises fraud support drastically in every sample; the likelihood for this group is nearly double that of traditionalists in PC and OECD societies, and it is 25% higher than for the traditionalists in developing societies. Traditionalists, as expected, have the lowest degree of fraud support.

Moreover, the materialist value set matters much more than class position ('being a boss') in all samples. Although less fraud-supportive than 'fraudsters', disempowered materialists (materialists who are not bosses) are much more likely than traditionalists to support fraud in every sample. In contrast, being a boss in of itself (an 'unmotivated capitalist') has no effect. Therefore, disempowered materialists support fraud more than traditionalists, but traditionalists and unmotivated capitalists are equal in fraud support.

In terms of country type, the PC societies have a slightly exaggerated 'fraudster' effect. This is in keeping with findings (Swader, 2013) indicative of a pendulum-effect of excessive moral flexibilization in some spheres in PC societies. However, the impact of materialism alone ('disempowered materialists') is equally

strong in the OECD and PC countries. Overall, developing societies display much weaker boss-materialism ideal-type effects on fraud-support. In other words, the materialistic-boss and fraud-support link is most established within the OECD and PC countries. Finally, the OECD does have slightly lower levels of fraud-support, but these country-type indicators' effects are very small compared to other factors. There is substantially more variation between individuals within country types than between country types. In other words, values matter much more than country type in predicting fraud support.

Table 4.5 Logistic Regression Results: Likelihood of being in the top 35% of justifiability of bribery and cheating on taxes

<Table 4.5 HERE>

Source: World Values Survey 1981-2014 Longitudinal Aggregate v.20150418

Reframing of Results

A practical way to illustrate these findings is to compare the model's estimates for people of various characteristics. For instance, across country types I can predict the fraud support of (a) poor, older, non-materialistic women; with (b) male fraudsters; with (c) 'disempowered materialist' males who have other middle-range characteristics; with (d) 'unmotivated capitalist' males; with (e) prosocial, male fraudsters (see Table 4.6). These results show how likely each of these subpopulations is to support fraud. They illustrate that fraud support can vary drastically, from our low estimate, of a poor, prosocial, and older woman in a developing country (18%) to a young, fraudster male in a PC country (84%). One of the more vivid results is the importance of prosocial values. They may greatly reduce the likelihood of even a young, rich, 'fraudster' male to support fraud (from 84% for an 'anti-social' person to 53% for a fully prosocial person).

Table 4.6 Predicted Fraud Support Based on Logistic Regression Results

<Table 4.6 HERE>

Source: World Values Survey 1981-2014 Longitudinal Aggregate v.20150418

Discussion

To summarize, materialistic bosses ('fraudsters') are indeed the most supportive of bribery and tax evasion. However, being a boss only enhances fraud justification in connection with the individual desire to become rich. In contrast, traditionalists and non-materialistic bosses ('unmotivated capitalists') have the weakest degree of fraud support. Non-boss materialists ('disempowered materialists') exhibit greater fraud support than traditionalists but less than fraudsters. Therefore, the 'class' component of capitalism activates toward fraud support only in combination with psychological materialism. This implies that a variable feature of capitalism (materialistic values) contributes the most to the support for fraud. In addition to this, fraud support is substantially offset by the prosocial values spurred by economic development processes.

In terms of overall fraud support across country types, on the surface, developing countries display the highest, PC countries have mid-range, and the OECD has the lowest fraud support. Why is this the case? There is very little difference in prosociality between countries, so this is an unlikely cause. There are differences in the size of the 'fraudster' class, but PC countries surprisingly have the fewest fraudsters, while developing countries have the most. Rather the biggest gap across country types is in materialism. Ineffective capitalists are three times more common in the OECD than in developing or PC states, and disempowered materialists are half as common in the OECD compared to other two. This means the OECD is less materialistic as a whole, which may slow the spread of fraud. There is evidence that OECD societies developed their reserve of post-materialist values (Inglehart and Welzel, 2005) in the course of, or in reaction to, economic development. These values appear to provide a counterforce to the sharper edges of capitalism. In addition, the OECD has a more substantial and functioning legal infrastructure that may better work to catch particular forms of fraud. Post-communist states, by comparison, in adapting to an essentialized capitalism, embraced materialism wholeheartedly without establishing welfare-states that may spur a value

set distinct from materialism. At the same time, PC state institutions only poorly regulate fraudulent business practices.

While OECD and PC societies have slightly lower fraud support levels overall, fraud support in these countries increases substantially with materialism and the materialistic-boss status. In comparison, traditional societies have slightly higher starting levels of fraud support, but this is less affected by materialism and class position. In other words, despite the average fraud levels, the effects of the class-materialism ideal-types are strongest in PC countries, followed by the OECD, followed by developing countries. Thus fraud can be predicted by the same model despite country type. This ability of class-materialism combinations to predict fraud support in diverse societies suggests that fraud operates according to a common underlying dynamic, a background structural-cultural capitalist logic that unifies how fraud is incentivized.

Most importantly, the data make very clear that country types really do not matter that much in predicting fraud support. Individual characteristics - income, prosocial values, and the boss-materialism relationship - are far more powerful predictors.

These data do not directly represent fraudulent *behaviors*. Rather I analyzed the *justifiability* of fraud, which is something different. However, individual self-reports in surveys about actual criminal behaviors cannot be trusted, which is why fraud-support measures are used instead. Moreover, I analyze an outcome of moderately high (the top 35%) fraud support for the quite serious crimes of tax evasion and bribery. It is reasonable to assume that some of the individuals in this high support category are more inclined to actually commit fraud than those who are not.

A zone for further research surfaces in our gender findings. In contrast with expectations that females should have a lower degree of fraud support, after controls we have found that this holds true only in the OECD. Women are less likely to support fraud, but our model has successfully explained *why* in PC and developing countries. For instance, women are much more likely to be prosocial, which explains much of the 'female effect' on lower fraud support. However, some other unidentified gender difference remains in the OECD which makes women less likely to support fraud. This is also indicated by the fact that women in the OECD especially are much less likely to belong to the 'fraudster' ideal-type (66% of OECD fraudsters are men, compared to 50% in PC countries and 56% in developing countries).

Conclusion

This chapter's empirical results now allow me to address the question of capitalism's intrinsic 'tendency' in relation to fraud. I claim that this tendency is woven into the neoliberal normative culture, because it is precisely this culture which symbolizes the 'unencumbered' core of capitalism and which at the same time promotes the activation of fraud support (through materialistic values). At the same time, a defiant response to this tendency is also revealed in the form of cultural and political movements (such as the growth of prosocial values and the state regulation of markets) which successfully resist neoliberal culture. This interplay can be seen as part of Karl Polanyi's 'double movement' (2001): the first movement is characterized by market-driven cultural disembedding, and the second movement is where social forces respond to, and against, the most destructive possibilities of economic transformation, lest society be fully uprooted. In this sense, these findings highlight the simultaneous need, and possibility, for counteracting materialistic culture.

The outcome of this chapter is optimistic: the negative repercussions of one dominant aspect of modern economic culture, materialistic values, may be at least partially offset by highlighting another subordinate aspect - prosocial values - *even within the capitalist class*. Because values are malleable, these findings provide a point of intervention which could allow us to counterbalance potentially undesirable normative changes in relation to capitalism. The continuous nurturing, at the grassroots, of values - whether creativity/arts, family, spirituality, or simple leisure - that may compete with psychological materialism is one central mode of accomplishing this. The state may also play out an intentional value-policy role by fighting poverty, encouraging equality, supporting families, fostering spirituality, or promoting the arts. The resulting prosocial values may have a large impact in keeping capitalists from cheating based on their own moral prohibitions. Naturally, the above interventions assume hybrid forms of capitalism which recognize that market societies must continue to be politically regulated in the first place.

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Table 4.1

	Non-materialist	Materialist
Non-boss	Traditional, intrinsic valuation	Disempowered materialist
Boss	Unmotivated capitalist	Fraudster'

Table 4.2

Country/Region	Country Type		
	Developing	Post-Communist	OECD
Argentina	1,002	0	0
Brazil	1,500	0	0
Burkina Faso	1,534	0	0
Cyprus	1,050	0	0
Egypt	3,051	0	0
Ethiopia	1,500	0	0
Ghana	1,534	0	0
India	2,001	0	0
Indonesia	2,015	0	0
Iraq	2,701	0	0
Jordan	1,200	0	0
Malaysia	1,201	0	0
Mali	1,534	0	0
Morocco	1,200	0	0
Rwanda	1,507	0	0
Serbia and Montenegro	1,220	0	0
South Africa	2,988	0	0
Thailand	1,534	0	0
Trinidad and Tobago	1,002	0	0
Uruguay	1,000	0	0
Zambia	1,500	0	0
Bulgaria	0	1,001	0
China	0	1,991	0
East Germany	0	1,076	0
Georgia	0	1,500	0
Hungary	0	1,007	0
Moldova	0	1,046	0
Poland	0	1,000	0
Romania	0	1,776	0
Russia	0	2,033	0
Slovenia	0	1,037	0
Ukraine	0	1,000	0
Viet Nam	0	1,495	0
Australia	0	0	1,421
Canada	0	0	2,164
Chile	0	0	1,000
Finland	0	0	1,014
France	0	0	1,001
Great Britain	0	0	1,041
Japan	0	0	1,096
Mexico	0	0	1,560
Netherlands	0	0	1,050
Norway	0	0	1,025
Sweden	0	0	1,003
Turkey	0	0	1,346
United States	0	0	1,249
West Germany	0	0	988

Table 4.2

Total	33,774	15,962	16,958
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Table 4.3

	N	Minimum	Maximum	Mean	Std. Deviation
Age centered at 41	80,239	-26	57	0.22	16.52
Female	80,396	0	1	0.51	0.50
Income	73,524	0	9	3.55	2.33
Helping others	70,292	0	5	3.72	1.14
Disempowered materialist (vs. traditionalist)	55,760	0	1	0.35	0.48
Ineffective capitalist (vs. traditionalist)	55,760	0	1	0.06	0.23
Fraudster (vs. traditionalist)	55,760	0	1	0.03	0.18
PC (vs. Developing)	80,493	0	1	0.20	0.40
OECD (vs. Developing)	80,493	0	1	0.28	0.45
Top 30% Fraud Support	73,433	0	1	0.35	0.48

Table 4.4

	%	N	Std. Deviation
Traditionalist	34%	30,227	.47
Disempowered materialist	42%	18,794	.49
Unmotivated capitalist	34%	3,094	.47
'Fraudster'	47%	1,868	.50
Total	37%	53,983	.48

Table 4.5

	Overall (Pooled)		PC		OECD		Developing	
	B	Exp(B)	B	Exp(B)	B	Exp(B)	B	Exp(B)
Constant	0.32	1.37	0.24	1.27	0.00	0.00	0.42	1.52
age (centered at 41)	-0.01	0.99	-0.01	0.99	-0.01	0.99	0.00	1.00
Female (0-1)	-0.09	0.91	0.00	0.00	-0.34	0.71	0.00	0.00
Income (0-9)	0.04	1.04	0.06	1.06	0.02	1.02	0.03	1.03
Helpothers (0-5)	-0.25	0.78	-0.30	0.74	-0.18	0.84	-0.27	0.77
Disempowered Materialists (vs. Traditionalist)	0.22	1.24	0.36	1.44	0.37	1.45	0.09	1.09
Unmotivated Capitalists (vs. Traditionalist)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fraudster (vs. Traditionalist)	0.41	1.50	0.68	1.98	0.54	1.71	0.23	1.26
PC (vs. Developing)	-0.09	0.92						
OECD (vs. Developing)	-0.20	0.82						

All results with a B and Exp(B) other than zero are significant at the .05 level or better.

Table 4.6

Type	% Expected to be in top fraud-support category		
	PC	OECD	Developing
61 year old, female, poorest, prosocial, traditionalist	18%	19%	27%
21 year old, rich, male, antisocial, fraudster	84%	72%	74%
41 year old, mid income, female, mid pro-sociality, disempowered materialist	50%	40%	47%
41 year old, mid income, female, mid pro-sociality, unmotivated capitalist	41%	32%	45%
21 year old, rich, male, prosocial, fraudster	53%	52%	42%