CULTURE AND THE RULE OF LAW (RoL)

How national culture influences the stability and robustness of the RoL?

A comparative quantitative analysis

György Gajduschek; Centre for Social Sciences, Hungary

Prepared for: RCSL Annual Conference, Bangor, 3-6 September 2024

The real-life problem

- Democratic backsliding
- Decline of liberal democracy and constitutionalism
- Etc.

A specific arrangement in post-communist countries, but an increasingly Worldwide phenomenon

Attack on the democratic institutions (e.g. Division of Powers and the Rule of Law)

Populist leaders arguing that they present the society over the elite, majority over minorities and this is legitimized by the most important element of democracy: elections

Rule of Law (RoL), or several items of it, such as division of powers, minority and fundamental right as well as institutions guaranteeing these, such as judicial power hinder or block their endeavour to serve the general public / majority. (Mudde: *The populist Zeitgeist*)

The scholarly problem (a gap?)

- For legal scholars RoL is a „legal problem" to be identified in the law (legal text), whereas in real life it is more about how laws are applied in the practice (Law enforcement,, adjudication – with English terminology) – lack of empirical research.
- Empirical research typically by political scientists: RoL as part of *liberal* democracy, but this view is recently questioned
  - In political practice by populist leaders; RoL (separation of powers, fundamental right limit their action to „serve the people's will"
  - In academia – e.g. counter-majoritarian theory (a small elite sets up what is RoL to be fit to)
- Sociology of law is to research the conditions of RoL, but this research is quite scarce (unlike for democracy, elections, etc.)

- Various relevant contextual factors -,could be similar to democracy (economic conditions /GDP/cap./, social conditions /cleavages, GINI, ethnic, religious division/, political, historical /independence vs. occupation-colonization; what type), etc.) One – increasingly researched – element is culture.
- Two approaches to the Culture – RoL relationship
  - General culture – this presentation addresses this (see: Licht, A. N., Goldschmidt, C., & Schwartz, S. H. (2007). Culture rules: The foundations of the rule of law and other norms of governance. *Journal of comparative economics*, 35(4), 659-688.)
  - Legal (political) culture, specifically about law: (some WVS, Eurobarometer data; Gibson, J. L., & Caldeira, G. A. (1996). The legal cultures of Europe. Law & Society Review, 30(1), 55-85.
  - *Note: culture is considered a slowly-changing phenomenon – potential endonegeity is excluded – questionably. E.g. (a) Inglehart-Welzel (earlier: Marx) : economy explains cultural change; (b) Sociology of law: changing laws (death penalty, homosexuality) may also influence culture; (c) Ways of handling the problem. Sometime strange in the literature. (E.g. Licht et al.)

The problem to be approached:

- legal scholars: too much on legal text, not enough on reality, especially if RoL is damaged (i.e. written laws are irrelevant for the practice)
- political scientists: more realistic-empirical, useful starting point but separation of majority principle and RoL, gets problematic
- need for sociology of law approach (scarce; Hertogh 2024)

Culture and RoL relationship

- General, national culture: less relevant, several theoretical problems; but validated data available, and seemingly relevant – used here
- Legal culture: evidently more relevant but theoretically not constructed (what contains legal culture and how its elements are elated), and empirical data are scarce.

Dependent and independent variables

DEPENDENT: ROL INDEXES:
- Used World Justice Project (WJP) data of 2022, but besides overall WJP score, rearranging sub-indexes:
  - Thin RoL
  - Substantive RoL
  - Overall RoL (the above 2)
  - Democracy
  - Citizens expectation (order, predictability, defence)

* Note: RoL is conceived as a normative ideal; i.e. its content is fixed and attitudes are measured to this ideal – but not changed by that

INDEPENDENT EXPLANATORY VARIABLES
- Inglehart-Welzel (2+2 dimensions) Wave 5 and 7
- Hofstede's 6 dimensions (several countries)
- Schwartz 7 dimensions
- GLOBE 2004 (2*9 /practice and values) (several countries)
- Minkov-Kaasa (2002) 2 dimensions
- CONROL VARIABLE; here
  - GDP/cap
  - Unemployment
  - Governemnt spending (5 of GDP)
  - GINI – not, too small N

Dependent variables: RoL indicators. several options but generally considered most elaborated World Justice Project (WJP). Includes representative citizen surveys. (For analysing change: Freedom House may be better for its almost five decade dataset.)

Questions about indexes generally: Theoretically questionable. Standardized method to assess very different arrangements. Professional elite opinion (Hertogh). Etc. Still for a worldwide comparative statistical analysis this is the only potentially feasible tool. Furthermore, various indexes correlate on high level. (Ginsburg-Versteeg 2021)

WJP consists 8 factors and altogether 43 sub-indexes. From these, I have created indexes that refer to the thin-formal RoL (law functions as law) and substantive RoL (minority and fundamental rights); Full RoL indicator simply the sum of these two. Democracy refers to division of powers, citizens opportunity to influence decisions, etc. These are also used in the subsequent analysis.

Independent: Various national culture indexes

- Schwartz – theoretically based 7 dimensions; most frequently used for RoL analysis
- Hofstede – the most widely known in social sciences 6 dimensions
- Inglehart – well known for social and political scientist addressing worldwide differences, 2 dimensions

- Welzel – similar, but less well known than Inglehart, based also on World Value Survey (WVS) data, 2 dimensions
- Globe 2004, several countries but not based on popular survey 2*9 dimensions (reminiscent to Hofstede and Schwartz)
- Kaasa-Minkov: most recent, perhaps most sophisticated including most countries

Regression: R squares – how well culture explains RoL?

Main point: a very strong explanatory power 50+% of the variance is explained

Notes: WJP Overall indicator „works" typically better than the specific ones. Why? Perhaps large weight of corruption.

	WJP Full	ThinRoL	SubstantiveRoL	FullRoL	Democracy	N
Inglehart Wave 5 (2)	0,619	0,613	0,535	0,621	0,557	72
Inglehart Wave 7 (2)	0,739	0,715	0,653	0,724	0,659	89
Welzel Wave 5 (2)	0,516	0,48	0,485	0,518	0,493	78
Welzel Wave 7 (2)	0,741	0,689	0,714	0,742	0,717	89
Hofstede (6)	0,585	0,592	0,521	0,585	0,527	101
Schwartz (7)	0,505	0,465	0,548	0,519	0,51	78
Globe_Practice (9)	0,619	0,657	0,537	0,633	0,523	62
Globe_Value (9)	0,634	0,637	0,535	0,615	0,513	62
Kaasa-Minkov (2)	0,673	0,658	0,611	0,683	0,604	105

The table shows the relationship between cultural indicators and the various indicators of the RoL. The first is the overall RoL indicator of WJP.

So called linear regression models were applied, that is: using all dimensions in a giver model we checked the statistical relationship between culture a RoL indicators. For instance, the first cell with data (0,619) means that the two dimensions of Inglehart based on data of wave 5 of WVS and Overall RoL indicated are statistically related by this value (0,619). This is an adjusted R square value that is between 0 (absolutely no statistical relationship) to 1,0 (perfect deterministic relationship). It is generally considered that an R^2 value above 0,5 is very high, indicating strong co-variance between the dependent and independent variable. In everyday terms R^2 may be interpreted like: how well can you forecast the value of the dependent variable based on the knowledge of independent variables' value. Although R^2 indicates only statistical (not causal) relationship, based on our background knowledge we may reasonably presume that is dominantly culture that influences RoL and not the other way around, especially not in short (i.e. a few decades) term. That is why we may speak about the

'explanatory power' of – various – cultural models and indicators.

Control – contextual variables

- WJPFull „explained" by GDP/cap.; Unemployment, Government spending: 0,663 (adjusted R square)
- WJP_Full „explained" solely by GDP: 0,651
- Minimal difference
  Unemployment,
  Government spending – have no real explanatory power.
  I omitted them from the further analysis
- But GDP/capita alone has almost the same, or even higher explanatory power as some cultural dimension-sets.
- Next: Regressions with cultural dimension-sets + GDP/cap

Based on the data reviewed in the table, we may conclude that the explanatory power of cultural variables generally, and especially of the two dimensional models based on dozens of questions of the WVS (Inglehart, Welzel, Kaasa-Minkov) have an especially high explanatory power. We also tested some, so called control variables. How strong their explanatory power is for the RoL indexes, compared to and/or together with cultural dimensions. We tested to following variables:

- GDP/capita – as the most widely used indicator of general welfare in a country
- GINI index was planned to be utilized but the index was available for only less than 60 countries not used for regression analysis. (Working on the problem.)
- Unemployment rate as a potential indicator of social tensions
- Government spending as a possible indicator of the government effort of handling social challenges and potentially levelling social extreme differences

Regression analysis indicates clearly that only GDP/capita data is relevant, however, it is highly

Specific (correlation) analysis indicates that GINI index may also be relevant, though much less than GDP

GDP added

- The explanatory power of all models got higher with the GDP data included
- But
  - For cultural variables with lower explanatory power GDP added more. E.g. for Schwartz to WJPFull increased from 0,505 to 0,734 (45%)
  - For those that worked well anyway the impact is much smaller. E.g. 0,741 to 0,814 (10%)
- Still the explanatory power of GDP/ca. Is quite high: well over 50%; whereas cultural dimension-sets have also above 50%, still the two together is only around 70-80%. Why?
  - Most likely, and economics literature seem to support this, culture greatly influences welfare (economy) but also the political-legal system. Eg. Protestant ethics is „good for" democracy, presumably RoL and efficient market economy.
  - i.e. culture influences RoL directly but also via control variables
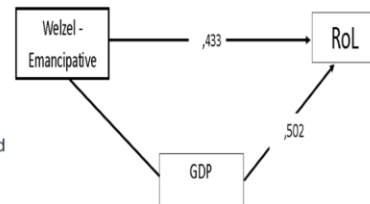
This and the next slide shows how GDP/cap and cultural data influence RoL indicators.

Besides GDP has a strong explanatory power in itself, it may increase the explanatory power if added to cultural dimensions. The next slide (slide 8) shows some data regarding the strongest models. We also found that adding GDP data is especially important in case of cultural models with lower explanatory power.

In the graph we can see, that there is a complex relationship between (a) RoL indexes, (b) cultural dimensions and (c) GDP data. As it is widely discussed in economics literature (especially institutional and behaviourist economics) culture largely influences GDP too. From the point of view of RoL culture influences directly and also indirectly, via GDP RoL.

Direct and indirect effects of cultural variables – WJP_Full (tested on the two, models that explain the most without GDP – standardized Betas)

	Cultural only		GDP included		
	Adjusted R^2	Std.Beta	Adjusted R^2	Std.Beta	Via GDP
Welzel	,741		,813		
Traditional vs. Secular-Rational		-,134		,005	*-,119*
Emancipative (individual autonomy)		,944		,433	*,502*
GDP/cap				,510	
Inglehart	,739		,820		
Traditional vs. Secular-Rational		,416		,265	*,138*
Survival vs. Self-Expression		,544		,238	*,325*
GDP/cap				,500	

Next steps

- Involving cultural proxies (that are fact, not self-reported), such as religion, education level, etc.
- Better understanding of the impact of specific cultural dimensions that appear in several studies. (Requires in-depth analysis of the available studies.) Eg.
  - Individualism-collectivism (Hofstede, Globe, somewhat Schwartz or Inglehart-Welzel)
  - Power distance
  - Etc.
- Besides robustness also stability: change in RoL level
- Longer-run in the project:
  - Start to analyse data available form surveys specifically related to the legal system and the RoL. Eg. Trust, readiness to commit unlawful actions (tax-fraud), choice between immediate and just decision vs. legal process.
  - Star study individual countries
  - Special surveys in 9 countries.

Further research:

We started to identify major dimensions strongly influencing RoL. The problem here is that those models that use dimensions that may be interpreted relatively well (e.g. individualism-collectivism, power-distance) present weaker explanatory power than two-dimensional models, which, however, is difficult to interpret in a simple way.

Presented here is a snapshot picture. The next issue is change, namely the dependent variable is the change of RoL (e.g. deterioration) and we look for the explanation of the tendency.

Next stage of the research is to go to individual country level; that is to a great extant, change from the quantitative to the qualitative approach that may allow to analyze individual cases, variances in the story and look for cause-effect type of relationships.

Thank You

Questions,

Comments?