Figure to: Martin Paldam

The cross-country pattern of corruption. Economics, culture and the seesaw dynamics

Not covered: **Covered by study:** Main growth loop Regula-Infla-**GDP** tion tion complex **Omitted variables: Corruption** Investment in physical & human capital, etc. Growth Demo-Culture cracy (seesaw)

Figure 1. The causal structure assumed and some omitted parts of the structure

Note: The grey arrows and the grey box are not discussed, while everything in black is included. The unbroken black arrows are estimated. Their widths indicate the importance found. Broken arrows point to relations found, but not estimated. The shaded arrow from corruption to growth is estimated the wrong way, but found to be weak.

 \mathbf{A} LA Corruption index WW O \bigcirc OCWHIP Res WE 1 8 9 Log to GDP per capita - PPP 7 10 6

Figure 2. Corruption and the level of GDP per capita (average 1994-96 PPP method)

Note: Sources: IBRD Data (World Development Indicators CD-Rom). The markers are used for cultural areas as discussed in Section 4. They are: A is Africa, LA is Latin America, O is Oriental, OC is Old Communist, WE is West European and Res is the residual group. The countries in each group are listed in Table 5.

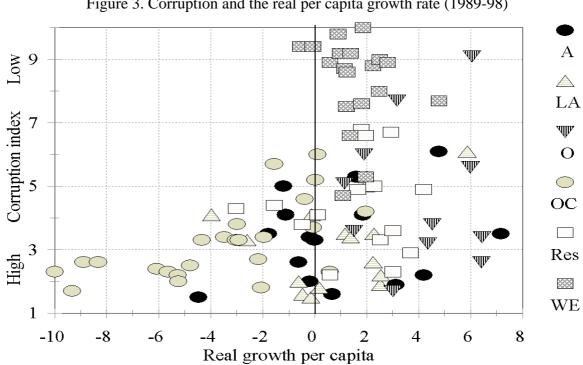
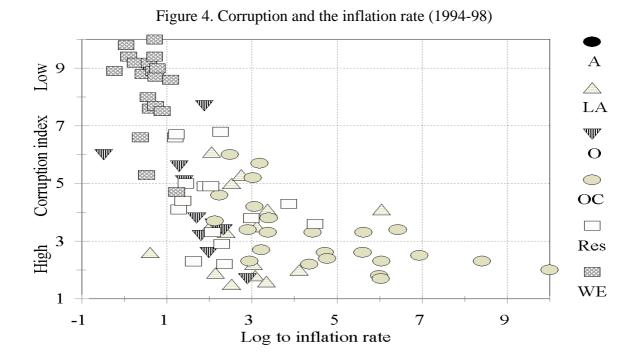


Figure 3. Corruption and the real per capita growth rate (1989-98)



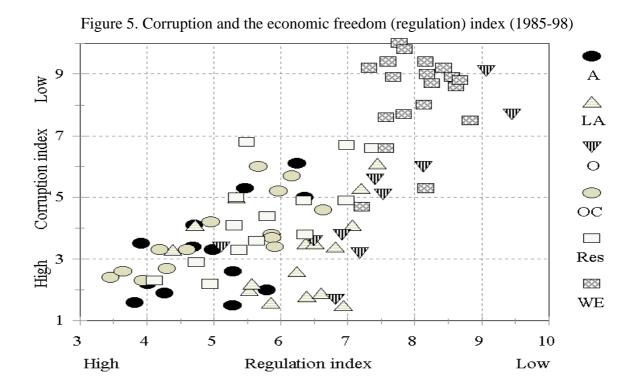


Figure 6. The pattern of cultural clusters according to the culture theory

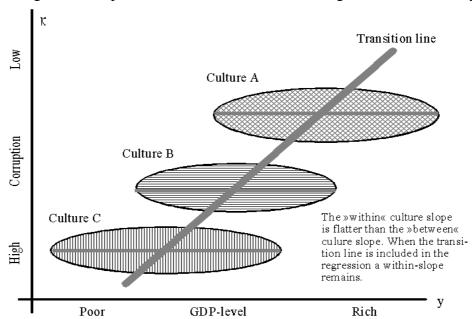


Figure 7. The pattern of cultural clusters according to the seesaw theory of Section 6

