

ETHNIC FRACTIONALIZATION, CORRUPTION, AND TRUST IN THE COURTS

by

Sinan Nadarevic



A thesis

submitted in partial fulfillment

of the requirements for the degree of

Master of Arts in Political Science

Boise State University

August 2020

© 2020

Sinan Nadarevic

**ALL RIGHTS RESERVED**

BOISE STATE UNIVERSITY GRADUATE COLLEGE

**DEFENSE COMMITTEE AND FINAL READING APPROVALS**

of the thesis submitted by

Sinan Nadarevic

Thesis Title: Ethnic Fractionalization, Corruption, and Trust in the Courts

Date of Final Oral Examination: 17 April 2020

The following individuals read and discussed the thesis submitted by student Sinan Nadarevic, and they evaluated their presentation and response to questions during the final oral examination. They found that the student passed the final oral examination.

Julie VanDusky-Allen, Ph.D. Chair, Supervisory Committee

Lori Hausegger, Ph.D. Member, Supervisory Committee

Nisha Bellinger, Ph.D. Member, Supervisory Committee

The final reading approval of the thesis was granted by Julie Vandusky-Allen, Ph.D., Chair of the Supervisory Committee. The thesis was approved by the Graduate College.

## ACKNOWLEDGMENTS

I wish to express my sincere appreciation to Julie VanDusky-Allen, the Chair of my Supervisory Committee. She was persistent and patient while providing me with invaluable advice and guidance in writing this thesis. For that, I express my deepest gratitude and many thanks. I also would like to pay my special regards the other members on my committee, Lori Hausegger and Nisha Bellinger, for their valuable feedback. I am also indebted to Alex Severson for his help with methodological logistics using the R-Studio statistical package. I wish to acknowledge the support and great love of my wife, Kelsey. She was patient and supportive when the when the road got rough. I am also indebted to my parents and siblings and my friends. They encouraged me to keep going and this thesis would not have been possible without their input and support.

## ABSTRACT

Prior research has examined the effects of ethnic fractionalization on trust in political institutions. However, most of the literature focuses on a general understanding of political trust, disregarding the relationship between ethnic fractionalization and individual trust in the legal system. I argue that high levels of ethnic fractionalization decrease trust in the courts. To provide empirical support for my theory, I use individual-level survey data from 32 African and Latin American countries from 2013 and I produce two findings. First, using multiple OLS fixed effects regression analysis, I find that ethnic fractionalization decreases trust in the courts. Second, using mediation analysis, I find that ethnic fractionalization indirectly decreases trust in the courts through the mediation effect of corruption. Consequently, ethnic fractionalization is essential to understanding trust in the courts and democratic institutions in general.

## TABLE OF CONTENTS

ACKNOWLEDGMENTS .....	iv
ABSTRACT .....	v
LIST OF TABLES .....	viii
LIST OF FIGURES .....	ix
ETHNIC FRACTIONALIZATION, CORRUPTION, AND TRUST IN THE COURTS..	1
Introduction.....	1
Determinants of Trust in the Courts.....	4
Why Trust Matters .....	5
The Effect of Ethnic Fractionalization on the Trust in the Courts.....	8
Data and Methods .....	16
Trust in the Courts .....	16
Control Variables .....	26
Results.....	29
Direct Effect: Ethnic Fractionalization on Trust in the Courts .....	29
Control Variables .....	31
Indirect Effect: Corruption Mediation .....	33
Country Examples.....	38
Mali.....	38
Botswana.....	39

Peru .....	40
Conclusion .....	41
REFERENCES .....	44
APPENDIX A.....	51
Country Specific Effects .....	51

## LIST OF TABLES

Table 1	Descriptive Statistics of Trust in Courts .....	18
Table 2	Descriptive Statistics for Ethnic Fractionalization .....	20
Table 3	Ethnic Fractionalization Index Across Country Samples .....	21
Table 4	Corruption Perceptions Index Across Country Samples .....	23
Table 5	Descriptive Statistics for Corruption .....	25
Table 6	OLS Regression Results .....	30
Table 7	Mediation Analysis Africa .....	35
Table 8	Mediation Results Africa .....	36
Table 9	Mediation Analysis Latin America .....	37
Table 10	Mediation Results Latin America .....	38



## LIST OF FIGURES

Figure 1	Trust in the Courts in Africa (left) and Latin America (right).....	19
Figure 2	Mediation Effect Diagram .....	26

## ETHNIC FRACTIONALIZATION, CORRUPTION, AND TRUST IN THE COURTS

### **Introduction**

The end of the Cold War brought democratization throughout the world in countries that were not traditionally democratic. In many of the countries, there are high levels of ethnic fractionalization. This is an issue because the extant literature suggests that high levels of ethnic fractionalization pose challenges to favorable political and economic outcomes (Easterly and Levine, 1997; La Porta et al., 1999; Habyarimana et al., 2007). The findings on the effects of ethnic fractionalization (EF)—measured by the probability that two randomly drawn individuals within a country do not share the same ethnicity—on various political and economic outcomes have yielded an unfortunate yet significant pattern regarding ethnic diversity. High levels of EF associate with increased ethnic favoritism, higher levels of corruption, and reduced institutional performance (Hutchison and Johnson, 2011; Lavallé et al., 2008; Newton, 2007; Touchton, 2013). In economics, higher levels of EF have been associated with poor economic growth, lower levels of income, and higher levels of income inequality (Chi et al., 2013; Newton, 2007; Zmerli and Castillo, 2015). Considering these negative consequences, high levels of EF also associate with decreased levels of political trust.

While clear implications from prior research bring to light the challenges between high levels of diversity and political trust in general, there are no studies that examine the effects of EF on trust in the courts and judicial systems at large. That this gap even exists is surprising because there are studies illustrating how EF affects judicial outcomes. For

example, prior research suggests that Arabic judges impose preferential treatment to Arab criminal defendants in Israel (Grossman et al., 2016), while Constitutional Court judges in Bosnia and Herzegovina conspicuously vote along clear ethnic lines (Schwartz and Murchison, 2016). If this is the case, combined with prior findings on the effects of EF on political institutions, EF may have a negative impact on trust in the courts. To fill this gap, I study the effects of ethnic fractionalization on individual levels of trust in the courts.

Thus, in this study, I particularly examine the relationship between levels of ethnic fractionalization and individual-level trust in the courts. This undertaking is important because it can inform policymakers of the various determinants that influence individuals in trusting judicial institutions. By understanding the role of ethnicity in generating trust in the legal system among citizens, judicial institutions in highly ethnically diverse contexts can shape policy according to the particular needs of minorities and groups that are most affected by the status quo. Finally, as a result, when such measures generate higher levels of trust in the courts and the legal system in general, citizens will carry over high trust and confidence into other political institutions and democracy in general.

In this thesis, I argue that ethnic fractionalization has two primary effects on trust in the judicial system. First, EF has a direct negative effect on trust in the courts. Individuals in countries with higher levels of EF should exhibit lower levels of trust in the courts because of ethnic favoritism. Ethnic favoritism is preferential treatment along ethnic lines and it occurs, for example, when judges impose lighter sentences to criminal defendants within the same ethnic group than to defendants in the minority ethnic groups.

Second, EF has an indirect negative effect on trust in the courts through corruption. Prior research suggests that high levels of EF are associated with increased corruption (Cerqueti et al., 2012), and higher levels of corruption are associated with decreased levels of trust in political institutions in general (Freitag and Bühlmann, 2009; Lavallée et al., 2008; Newton, 2007). In ethnically fractionalized countries, ethnic identity operates as another motivator for corruption but along ethnic lines. For example, a judge may disregard the law and resolve a dispute according to the wishes of the judge's nationalist appointing party as a favor for the appointment. As a result, I expect that corruption will mediate the effect of EF on the courts and produce an indirect negative impact on trust.

To provide support for my expectations, I analyze 32 democratic countries from Africa and Latin America using the *Afrobarometer* and the *Latinobarometer* individual-level surveys from 2013. Using a multiple OLS fixed effects regression analysis, I produce two major findings. First, I find that EF has a direct negative effect on trust in the courts. Individuals in countries with higher levels of EF are substantially less likely to exhibit trust in courts than individuals in less fractionalized countries. Second, EF has an indirect negative effect on trust in the courts through a mediation effect of corruption. I confirm findings from prior research showing that EF increases corruption and that corruption decreases political trust, but I add to existing research by finding that EF has an indirect effect through corruption.

In the first section, I analyze the extant literature on EF and trust in courts and outline my theoretical expectations. Then, I describe my data, methods, and the primary variables and hypotheses. The third section examines the results for my primary hypothesis and mediation hypotheses. The last section concludes the paper.

### **Determinants of Trust in the Courts**

The current literature on individual political trust has identified several factors that influence trust in political institutions in general. Scholars typically tend to emphasize how various political and economic indicators—increased corruption, poor institutional legitimacy, low national wealth, and high income inequality—tend to negatively associate with political trust (Alesina et al., 2003; Karakoç, 2013; Keefer and Knack, 2000; Zmerli and Castillo, 2015). For example, a common finding within the political context illustrates how corruption reduces citizens' trust in political institutions (Newton, 2007). When citizens perceive and experience corruption with government authorities, they lose confidence in the political system because they operate under the belief that bribery supersedes the law (Lavallé et al., 2008). This leads to citizens taking matters into their own hands and resorting to self-help methods in resolving legal disputes and obtaining access to public goods (Listhaug and Ringdal, 2008; Marien and Hooghe, 2011). However, findings on EF and trust typically focus on a broad, general understanding of political trust.

Another factor that could influence trust in in political institutions is ethnic fractionalization. In examining the effects of EF, most research emphasizes how high levels of EF tend to produce a negative outlook on the rule of law (Karakoç, 2013; Touchton, 2013). This line of literature argues that minorities operate under the belief that political institutions no longer represent their interests, so there is no incentive to exhibit trust in the political system.

While previous research suggests that EF has a negative effect on trust in political institutions in general, few studies have focused on how EF affects judicial institutions

specifically. This is surprising given that most research focuses on how ethnicity and race affect legal outcomes and whether diverse court composition affects sentencing in criminal cases.<sup>1</sup> For the former, studies illustrate how defendants within the ethnic minority groups receive harsher sentences and are more likely to get incarcerated than defendants in the ethnic majority group (Abrams et al., 2012; Grossman et al., 2016). For the latter, studies have found that courts with diverse ethnic compositions vote along obvious ethnic lines (Schwartz and Murchison, 2016). This thesis addresses this gap by investigating the negative effects of EF on trust in the courts in Africa and Latin America. By focusing particularly on the relationship between EF and citizens' trust in courts, this thesis seeks to make a theoretical contribution to existing literature on ethnic diversity and political outcomes in the context of courts and law.

### Why Trust Matters

It is generally understood that democratic institutions should consist of formal and transparent rules that are publicly understood and respected, and that these institutions should operate on behalf of the public good (Askvik et al., 2010; Devos et al., 2002). The authorities that control these institutions should also refrain from using their positions of power for personal gain. When these conditions are met, individuals tend to exhibit greater trust in and compliance with institutions (Gibson, 1989). When individuals have

---

<sup>1</sup> See Abrams (2012) and Grossman et al. (2016) for how judges within different ethnic groups sentence criminal defendants. See also Schwartz and Murchison (2016) for general examples of ethnic favoritism in ethnically divided societies.

trust in these institutions, they believe that the institution, as a collective entity, is competent, reliable, fulfills its obligation, and acts responsibly (Devos et al., 2002).

Similarly, trust in the courts is necessary for the judicial system to function. When individuals exhibit trust in the courts it makes it easier for the legal system to function because trust promotes popular support for the courts (Askvik et al., 2010; Marien and Hooghe, 2011). Popular support reduces resistance to the courts and legal authorities, making it easier to interpret and uphold the law. Additionally, trust increases the ability to ensure that citizens comply with the law, which results in lowered transaction costs by reducing the need for vigilante justice and extrajudicial methods of dispute resolution. Trustworthy citizens are also more likely to support allocating public resources towards the courts' policy goals, reducing the costs of garnering public support (Marien and Hooghe, 2011).

When citizens exhibit higher levels of trust and confidence in the judicial system, courts are also more likely to abide by the democratic principles of accountability and due process, increasing the ability to protect citizens from unrestrained executive and enforcement agencies that exercise excessive policing authority (Bandes, 1999; Dougherty et al., 2006). For example, Brinks (2006) provides evidence showing how courts in Latin America that check the powers of the executive—Argentina and Uruguay—have substantially higher police homicide prosecution rates than courts in Brazil, where courts are less likely to uphold such prosecutions.

These positive attributes lead to increased diffuse support among citizens—positive attitudes and beliefs towards the court's general institutional legitimacy (Gibson et al., 1998). Diffuse support is achieved over time through consistent positive court

output and commitment to democratic values. The relationship can be self-reinforcing through increased levels of trust between citizens and the judicial system, leading to increased legitimacy (Tyler and Huo, 2002). Citizens are more likely to welcome policy changes from institutions they perceive as legitimate than illegitimate ones (Nelson and Gibson, 2017).

In contrast, distrustful citizens are more likely to perceive the courts as an extension of elite power designed to subjugate them rather than institutions designed to protect their interests (Tyler and Huo, 2002). This results in increased costs of enforcement because courts must utilize additional enforcement mechanisms and other agencies to improve compliance with the law (Karakoç, 2013). Classic examples of how distrust increases costs of legal compliance are tax evasion and fraud (Marien and Hooghe, 2011). Citizens that distrust the courts are more likely to accept illegal permissive behavior, avoid paying taxes, and commit fraud. By evading taxes, citizens engage in free-riding practices, which can result in lost resources for governments to use in upholding the rule of law.

In addition, when citizens perceive the judiciary as distrustful, they are more likely to circumvent the law and seek alternative methods to dispute resolution (Dougherty et al., 2006; Cott, 2006; Marien and Hooghe, 2011; Tyler and Huo, 2002). Cott (2006) elaborates this point in the context of informal institutions in Latin America. For example, as a result of ineffective and corrupted courts in Peru, citizens formed informal policing institutions as an alternative to Peru's formal legal system. Such alternative methods produced deleterious consequences, including cruel punishment, torture, subversion for the rule of law, and death (Cott, 2006).



Given that institutional trust is essential for the functioning of the judicial system, it is important to identify the factors that influence institutional trust. Yet what determines trust consists of a multitude of factors. Most previous research highlights a common set of predictors that determine institutional trust. In particular, some studies focus on how specific political indicators influence institutional trust, such as corruption, confidence in political institutions, and support for democracy (Newton, 2007; Tan and Tambyah, 2011). Other studies focus on how economic indicators such as national wealth and income inequality influence trust (Chi et al., 2013; Newton, 2007; Zmerli and Castillo, 2015). In this analysis, I break from this line of literature by specifically analyzing the relationship of ethnic fractionalization (EF) on trust in the courts. I expect EF to have a negative impact on trust in the courts

#### The Effect of Ethnic Fractionalization on the Trust in the Courts

Below, I analyze two ways in which ethnic fractionalization negatively impacts trust in the courts. First, I analyze the direct effects of EF on trust in the courts through ethnic favoritism. Ethnic favoritism occurs when authorities within the legal system at large show preferential treatment towards individuals within the same ethnic group. For example, there is extensive literature on systematic ethno-racial biases in criminal sentencing within the U.S. legal system, where there is one large majority (Caucasian) and multiple minority groups. In such cases, no reciprocity is required and the favoritism need not be intentional. In contrast, the second way in which EF influences trust in the courts is indirectly through corruption. In such cases, legal authorities show preferential treatment to individuals within the same ethnic group but expect reciprocity through some material means—money, favors, gifts, etc. Unlike the direct effect, the indirect

effect through corruption is intentional and goes beyond mere favoritism. I expect that the perceived favoritism within the judicial context increases as the number of ethnic groups within countries increases. For the remainder of this section, I outline some examples that highlight the distinction between the direct and indirect effects of EF on trust in the courts.

#### Direct Effects of Ethnic Favoritism on Trust in the Courts

Previous research suggests that ethnic minorities cease to trust political institutions because they operate under the belief that their interests are not adequately represented in those institutions based on how those political institutions cater to their needs and their individual experiences during interactions with political authorities (Karakoç, 2013). For example, Karakoç (2013) tests whether Turkish Kurds—the ethnic minority in Turkey—exhibit lower levels of institutional trust than the majority Turks. The author presents evidence showing that the minority Kurds exhibit lower levels of trust in legal institutions, the police, and the parliament than the majority Turks based on ethnicity.<sup>2</sup>

This finding is not surprising and is common across the globe. Tan and Tambyah (2011) present evidence illustrating that ethnic homogeneity increases institutional trust in Confucian Asia. People in homogeneous countries, like South Korea, exhibited the highest levels of trust because a majority of them identified with a single ethnic identity.

---

<sup>2</sup> In a trust index ranging from 0 (lowest) to 10 (highest), Kurds scored a 5.45 in trust for legal institutions compared to 6.38 among Turks; 5.24 in trust for police compared to 6.57 among Turks; and 5.57 in trust for parliament compared to 5.90 among Turks (Karakoç 2013, 100-107).

In contrast, Vietnamese citizens were the least trusting because the majority of individuals did not identify with any particular ethnic identity. Hutchison and Johnson (2011) present evidence illustrating that high ethnic diversity is negatively associated with political trust in Africa because ethnic tensions exacerbate conflict and negatively affect regime stability. And Delhey and Newton (2005) present evidence from a global study showing that ethnic fractionalization significantly reduces trust between people while the homogeneous Nordic countries exhibit high levels of trust. In diverse countries, people trust less in others based on ethnic differences. In contrast, the authors argue that homogeneous countries exhibit higher levels of trust between individuals because people tend to trust others that identify with the same ethnic group.

The lack of trust in the courts among minority groups is not surprising given that judicial outcomes differ for ethnic minorities. Using panel data from appeal cases in Israel, Grossman et al. (2016) present evidence showing that in cases where the judge and the criminal defendant share the same ethnicity—Arab judges and defendants in Israel—there is a 14-20% reduction in incarceration rates and a 15-26% reduction in prison sentencing. Similar ethnic favoritism patterns emerge in Bosnia and Herzegovina (BiH). Schwartz and Murchison (2016) elaborate this point in a study analyzing Bosnian Constitutional Court decisions from 1997-2013. The authors present evidence showing that judges frequently voted according to obvious ethnic lines. Focusing on linear patterns between the petitioners and the judges, their study illustrates that ethno-national preferences and affiliations are clear and substantial predictors of the court's ethnic division and behavior (Schwartz and Murchison, 2016).

In the American context, prior research has consistently presented data illustrating ethnic bias in sentencing practices (Abrams et al., 2012; Curry and Corral-Camacho, 2008; Feldmeyer and Ulmer, 2011; Steffensmeier and Demuth, 2000). Steffensmeier and Demuth (2000) present evidence illustrating that white defendants receive preferential treatment in federal cases where judges use the federal sentencing guidelines. Using court documents compiled by the U.S. Sentencing Commission for the years 1993-1996, the authors find that Hispanic defendants received harsher sentences than white defendants. Additionally, Abrams et al. (2012) provide evidence showing that ethnic minorities are incarcerated at higher rates than whites. Finally, Dougherty et al. (2006) present evidence showing that Hispanics and African Americans exhibit less trust in the judiciary than Caucasians in Georgia (U.S.).

Disparaging treatment in legal outcomes generates negative citizen-level perceptions regarding the judiciary. Using pooled cross-sectional, time-series data from 55 developing countries, Touchton (2013) presents evidence showing that high levels of EF undermine perceptions for the rule of law. He argues that ethnic tensions may inhibit political legitimacy and institutional credibility because political actors favor ethnic identity over national identity and exoteric policy outcomes. Specifically, it becomes increasingly difficult to credibly commit to the rule of law when leading political actors within the dominant ethnic group exhibit ethnic bias at the expense of the minority ethnicities. As a result, individuals may become less likely to have trust in judicial institutions (Keefer and Knack, 2000). As such, as ethnic fractionalization increases, I expect trust in the courts to decrease.

It is important to distinguish how ethnic fractionalization operates in a context where there is one large majority ethnic group and a few minority groups, to a context where there are multiple minority groups without a clear majority group. In the former case, there is clear ethnic favoritism within the judicial system, but the members of the main ethnic group may not perceive the favoritism. Within their position of power, members of the majority group may not be aware that they are giving preferential treatment to members of their own ethnicity at the expense of members of the minority group because they simply do not observe it. Thus, members of the majority ethnicity operate under the belief that the legal system is fair and equal among all groups. As a result, in this type of system, individuals should exhibit higher levels of trust in the courts.

In the latter case—countries with multiple minority groups and no clear majority group—members of all the groups can be both the beneficiary and the victim of ethnic favoritism, meaning that most people have the opportunity to experience ethnic favoritism at some point. As a result, most individuals in this system should exhibit relatively low levels of trust in the courts. Therefore, I expect that higher levels of ethnic fractionalization should negatively impact levels of trust in the courts.

One final point worth discussing is the potential effect of ethnic group size. Though outside of the scope of this article, some research suggests that group size can affect economic development, civil conflict, changes in policy preferences, and political participation (Choi and Kim, 2018; Dimico, 2017; Leighley and Vedlitz, 1999; Wimmer et al., 2009). This line of research is beyond the study of judicial institutions. However, it is not a large leap to expect that perceptions of fairness in the judicial system might vary

for individuals in countries where the groups are virtually the same size in contrast to countries where one group is severely outnumbered. Additionally, perceptions might also vary depending on whether the minority ethnicity is the politically dominant group. However, empirical evidence illustrating concrete patterns is mixed—some is even conflicting (Eifert et al., 2010; Fearon et al., 2007; McCauley, 2014). As such, I leave this point for future research.

#### Indirect Effects of Ethnic Favoritism on Trust in the Courts through Corruption

While EF may directly influence trust in judicial institutions, it may also have an indirect influence on trust in the courts through its impact on corruption. As I discuss more below, EF has a positive effect on corruption (Cerqueti et al., 2012), and corruption has a negative effect on trust in judicial institutions (Freitag and Bühlmann, 2009; Lavallée et al., 2008; Newton, 2007). Cerqueti et al. (2012) confirm prior findings on the positive association between EF and corruption. In ethnically diverse societies, there is more opportunity for an increased number of bribe-takers since each ethnic group is responsible for different regions and agencies within the political power structure. Freitag and Bühlmann, (2009) present evidence showing that when individuals perceive political institutions as incorruptible, they are more likely to exhibit political trust in general and in other people. Finally, Lavallée et al. (2008) present evidence showing that individuals in Sub-Saharan Africa that either experienced or perceived corruption exhibited substantially lower levels of trust in political institutions because they operate under the belief that they have to pay a premium for access to public services and that the corruption is an indicator of institutional failure.

Corruption, or the use of public office for personal gain, has a strong negative impact on judicial institutions. It is not uncommon that judges, like ordinary politicians, take bribes in the forms of money or gifts from attorneys with pending cases, rich business owners, and members of other branches of the government (Buscaglia and Dakolias, 1999; Wallace, 1998). In Brazil, for example, corruption was a widely common practice across the entire judicial system prior to system-wide judicial reforms in the early 2000's. Corrupt courts refused to check the executive branch, leading to thousands of extrajudicial killings of citizens by local police forces (Brinks, 2006). In some cases, such killings were even rewarded. In Bosnia, similar patterns of corruption emerge. Judges often accepted bribes in exchange of leniency in sentencing and granting favorable case dispositions (IJC, 2004). In Bijeljina, a network of bribery within the courts was uncovered. 24 judges and prosecutors engaged in collecting weekly bribes for early release from detention, acquittals, agreements for prosecutors not to appeal cases, and lighter sentences. The weekly bribes amounted to over \$27,000.00 per week (IJC, 2004).<sup>3</sup> When members of the judicial system use their office for personal gain, such practices increase costs by delaying regular cases and favoring wealthy and politically connected parties. Corruption in the courts inhibits the ability of governments to address crime and increases costs of social development by discriminating against the poor (Buscaglia and Dakolias, 1999; Shen et al., 2013).

---

<sup>3</sup> Other examples include judges extorting court employees; money laundering; imposing lenient sentencing to high profile drug dealers; and deliberately delaying cases in order to dismiss without a hearing (Taylor 2005; Zimmerman 2012).

Data that illustrates cases in which ethnicity played a major role in corruption is not as common as the direct effects cases since the distinction is not as obvious. However, there are cases in which ethnicity played the decisive role in corruption and reciprocity was expected—an indirect effect. In Bosnia, the International Criminal Tribunal for the Former Yugoslavia (ICTY) referred multiple war crime cases to a lower Cantonal Court (ICJ, 2004). The composition panel for the Cantonal Court was legally required to represent multi-ethnicity among Bosniaks, Croats, and Serbs. Major nationalist parties from each ethnicity appointed the judges. It was later reported that it became obvious that there were clear agreements between certain judges and appointing nationalist parties on the outcome of the cases. Almost all the defendants were acquitted and those found guilty received preferential treatment evident in the lenient sentences (IJC, 2004).

Ethnic corruption between the appointing executive party and the appointed judges is another consequence of EF's indirect effect on the courts. In Bosnia, judges commonly issued orders according to approaches more favorable to their appointing political parties (IMF, 2017). Similarly, any efforts to reform Serbia's legal system from the 2000's and onwards were marred by ethnic corruption (IMF, 2017). Constant political influence over the appointment and selection of judges was common. Collusion between judges and the appointing party was routine since political parties constantly sought control over the judiciary. Such measures not only evince ethnically influenced corruption where reciprocation is obvious, but also undermine democratic principles of judicial independence and impartiality.



When citizens perceive and experience clear and obvious corruption within the courts, their levels of trust decrease significantly. When individuals must bribe the courts with money or favors to receive a favorable outcome, it becomes increasingly difficult for them to believe that the legal system is legitimate and accountable. If money buys justice, then what purpose does equality under the law serve? Similarly, when individuals are victims of corruption through ethnic favoritism, it become increasingly difficult to believe that courts operate under the democratic principles of equality under the law.

In this vein, I formulate three hypotheses. First, I expect to confirm prior findings that show that high levels of EF increase corruption. Second, I expect to confirm prior findings that illustrate that high levels of corruption reduce institutional trust—trust in the courts in this case. Finally, for the mediation effect, I expect that high levels of EF should indirectly reduce trust in the courts through mediation of corruption. To summarize my theoretical expectations, I formulate the following hypotheses:

*Hypothesis 1: As ethnic fractionalization increases, trust in courts decreases.*

*Hypothesis 2a: As ethnic fractionalization increases, corruption increases.*

*Hypothesis 2b: As corruption increases, trust in courts decreases.*

*Hypothesis 2c: Corruption partially mediates the effect of ethnic fractionalization on trust in courts.*

## **Data and Methods**

### Trust in the Courts

To test my hypotheses, I use *Trust in the Courts* as my dependent variable gathered through individual-level surveys. The first survey was the *Afrobarometer* and it

included 16 African democracies<sup>4</sup> that scored at least a 6 on the POLITY IV measure. The second survey was measured through the *Latinobarometer* databases from 2013. It included 16 Latin American countries<sup>5</sup> that also scored at least a 6 on the POLITY IV measure. I use a multiple ordinary least squares (OLS) fixed effects regression.

I selected Africa and Latin America for my analysis for multiple reasons. First, as I go into more depth below, these surveys yield great variation on the primary variables. The raw data show, to my surprise, that over one-third of individuals in the 16 African countries exhibit a lot of trust in the courts. Conversely, approximately the same amount of Latin Americans indicate that they do not trust the courts at all. Additionally, there is great variation in ethnic fractionalization in the two regions. The African codebook lists over 2,000 different ethnic groups for respondents to choose from and the Latinobarometer codebook lists 7 (Afrobarometer, 2013; Latinobarometer, 2013). Second, these surveys are some of the most commonly used within social science studies that analyze anything from individual assets to infrastructure to political attitudes. Finally, since the democracies in these regions are much younger than the traditional Western democracies, I believe these regions provide ample comparative insight into the various factors that shape how individuals perceive the courts and other democratic institutions in general.

---

<sup>4</sup> Benin; Botswana; Burundi; Cape Verde; Ghana; Kenya; Lesotho; Liberia; Malawi; Mali; Mauritius; Namibia; Senegal; Sierra Leone; South Africa; Zambia.

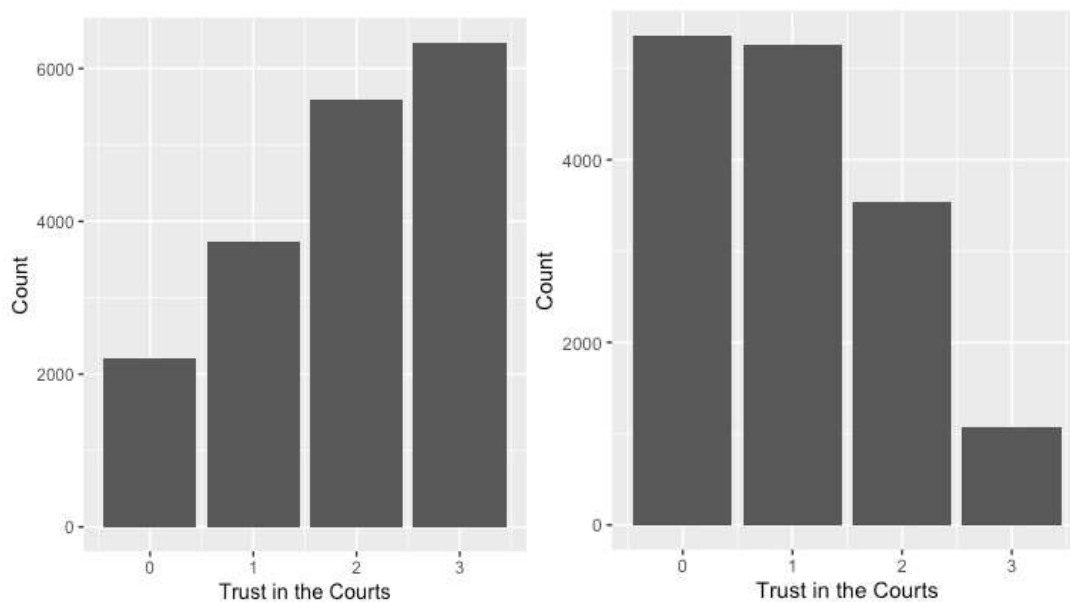
<sup>5</sup> Argentina; Bolivia; Brazil; Chile; Colombia; Costa Rica; Dominican Republic; El Salvador; Guatemala; Honduras; Mexico; Nicaragua; Panama; Paraguay; Peru; Uruguay.

To assess trust in Africa, individuals are asked the following question: “How much do you trust each of the following, or haven’t you heard enough about them to say: Courts of law?” Responses consist of: “Not at all” (0), “Just a little” (1), “Somewhat” (2), and “A lot” (3) (Afrobarometer, 2013).

**Table 1**            **Descriptive Statistics of Trust in Courts**

Survey	Mean	SD	Minimum	Maximum	Range	N
<i>Africa</i>	1.900	1.023	0	3	3	17899
<i>Latin America</i>	1.020	0.930	0	3	3	15220

In Latin America, judicial trust is measured by asking respondents the following questions: “Please look at this card and tell me how much trust you have in [the Judiciary]. Would you say you have a lot (1), some (2), a little (3) or no trust (4)?” (Latinobarometer, 2013). I recoded the answers so that higher values mean more trust and lower values mean less trust, reflecting the responses in the *Afrobarometer* (0 = no trust at all; 3 = a lot of trust). *Figure 1* below displays bar histograms of the number of observations in each survey. In Africa (left), approximately one-third of the respondents indicated that they had “a lot” of trust in the courts. In contrast, approximately one-third of Latin American respondents indicated that they had no trust at all in the judiciary.



**Figure 1 Trust in the Courts in Africa (left) and Latin America (right)**

### Ethnic Fractionalization

My key independent variable is *Ethnic Fractionalization* (EF). To measure EF, I use the Historical Index of Ethnic Fractionalization (HIEF) from Harvard's Dataverse database (Drazanova, 2019).. The HIEF is measured by the probability that two randomly drawn individuals within a country are not from the same ethnic group. Values closer to zero represent countries with the lowest ethnic fractionalization while values closer to 1 represent the highest ethnically fractionalized countries (Drazanova, 2019). As such, I formulate the following hypothesis:

***Hypothesis 1: As ethnic fractionalization increases, trust in courts decreases.***

I selected this variable because it has been updated over time and is one of the most widely used variables in the literature on ethnic diversity and political and economic outcomes (see work cited above) (Alesina et al., 2003; Montalvo and Reynal-Querol, 2002). I chose not to use the Ethnic Power Relations (EPR) variable developed by Vogt et al. (2015). The EPR variable is primarily used in civil conflict studies and measures

ethnic groups' access to state power, links to rebel organizations, and interethnic cleavages. Though it is a reliable variable for the purposes of analyzing ethnic conflict, it is beyond the scope of analyzing trust in the legal system.

**Table 2**            **Descriptive Statistics for Ethnic Fractionalization**

<b>Survey</b>	<b>Mean</b>	<b>SD</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Range</b>	<b>N</b>
<i>Africa</i>	0.696	0.187	0.308	0.889	0.581	16
<i>Latin America</i>	0.427	0.181	0.158	0.639	0.481	16

**Table 3 Ethnic Fractionalization Index Across Country Samples**

Survey and Country	Ethnic Fractionalization Index
<i>Africa</i>	
Benin	0.764
Botswana	0.395
Burundi	0.308
Cape Verde	0.442
Ghana	0.736
Kenya	0.855
Lesotho	0.313
Liberia	0.889
Malawi	0.791
Mali	0.852
Mauritius	0.466
Namibia	0.760
Senegal	0.747
Sierra Leone	0.801
South Africa	0.856
Zambia	0.706
<i>Latin America</i>	
Argentina	0.158
Bolivia	0.572
Brazil	0.559
Chile	0.439
Colombia	0.639
Costa Rica	0.398
Dominican Republic	0.453

El Salvador	0.165
Guatemala	0.511
Honduras	0.229
Mexico	0.587
Nicaragua	0.544
Panama	0.612
Paraguay	0.179
Peru	0.618
Uruguay	0.176

Tables 2 and 3 above display descriptive statistics for ethnic fractionalization for each survey and the ethnic fractionalization index for each country. The greater 0.269 difference in the mean in Africa indicates higher levels of ethnic diversity than in Latin America. Additionally, the higher range in Africa suggests higher variance in EF in Africa than in Latin America.

Within my models, I expect EF to have a direct negative effect on trust and an indirect negative effect on trust through corruption. As such, in addition to controlling for corruption in the OLS regression, I run a mediation analysis in R to examine the effect of EF and corruption on trust. I expect that corruption will have a partial mediation effect between EF and trust in the courts.

**Table 4**      **Corruption Perceptions Index Across Country Samples**

Survey and Country	Corruption Perceptions Index
<i>Africa</i>	
Benin	64
Botswana	36
Burundi	79
Cape Verde	42
Ghana	54
Kenya	73
Lesotho	51
Liberia	62
Malawi	63
Mali	72
Mauritius	48
Namibia	52
Senegal	59
Sierra Leone	70
South Africa	58
Zambia	62
<i>Latin America</i>	
Argentina	66
Bolivia	66
Brazil	58
Chile	29
Colombia	64
Costa Rica	47
Dominican Republic	42



El Salvador	62
Guatemala	71
Honduras	74
Mexico	66
Nicaragua	72
Panama	65
Paraguay	76
Peru	62
Uruguay	27

To measure corruption, I use the 2013 Corruption Perceptions Index (CPI) from Transparency International. The CPI evaluates countries based on how corrupt a country's public sector is perceived to be (Corruption Perceptions Index, 2013). The CPI is a composite index, combining surveys, assessments, and polls from numerous independent institutions that specialize in governance analysis.<sup>6</sup> A country's corruption score is scaled from 0-100, where 0 indicates that a country is most corrupt and a 100 indicates that a country is perceived as very clean (Corruption Perceptions Index, 2013). Though the *Afrobarometer* and the *Latinobarometer* ask individuals questions regarding judicial corruption and corruption in the national government, respectively, I chose the CPI because it is a more uniform measure from a single database and it is a common used indicator of global corruption. I used the 2013 dataset rather than a more recent one to

---

<sup>6</sup> Examples of sources include the World Bank, the World Justice Project Rule of Law Index, African Development Bank Governance Ratings, and Global Insight Country Ratings.

match the years of the barometer and the HIEF surveys. I recoded the variable so higher values mean more corrupt and lower values mean less corrupt.

**Table 5** Descriptive Statistics for Corruption

Survey	Mean	SD	Minimum	Maximum	Range	N
<i>Africa</i>	59.35	10.57	36	79	43	16
<i>Latin America</i>	58.86	14.87	27	76	49	16

Tables 4 and 5 above display individual country-level corruption perceptions index scores and descriptive statistics for corruption. Though the means in each survey are very similar, the standard deviation in Latin America (14.87) is relatively larger than in Africa (10.57), indicating greater variance in corruption in Latin America than in Africa.

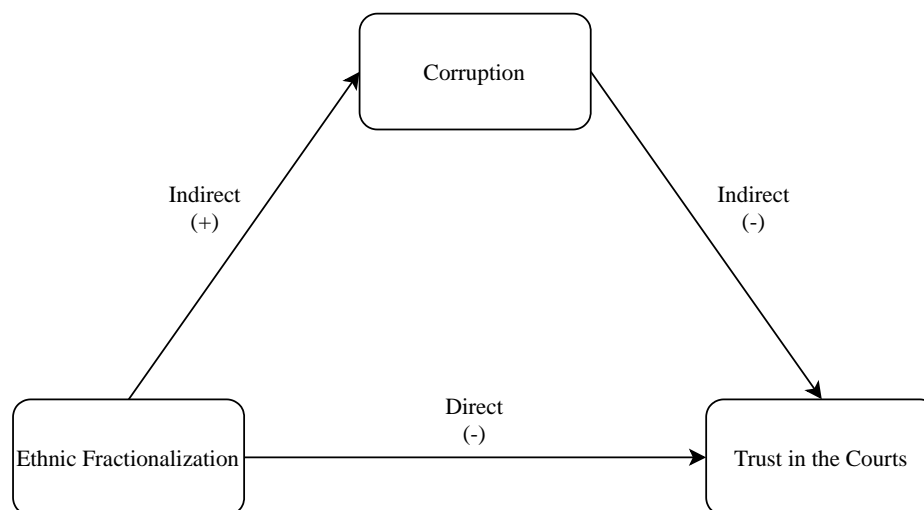
To test prior findings suggesting that EF is associated with corruption (Cerqueti et al., 2012), and that high levels of corruption decrease trust in political institutions (Lavallée et al., 2008), I formulate the following hypotheses:

***Hypothesis 2<sub>A</sub>*: As ethnic fractionalization increases, corruption increases.**

***Hypothesis 2<sub>B</sub>*: As corruption increases, trust in courts decreases**

Finally, to test the mediation effect, I formulate the following mediation hypothesis:

***Hypothesis 2<sub>C</sub>*: Corruption partially mediates the effect of ethnic fractionalization on trust in courts.**



**Figure 2** Mediation Effect Diagram

### Control Variables

I control for other variables associated with trust in political institutions. First, I control for *Trust in the President* and *Trust in the Legislature* also obtained from the two barometer surveys. Generally, respondents that tend to indicate higher levels of trust in the executive and legislative branches will reflect the similar levels of trust in other institutions (Karakoç, 2013). Like the *Trust in the Courts* variable, trust in the executive and the legislative branches is coded zero for no trust and three for maximum trust. I expect that trust in the president and the legislature will positively affect trust in the courts.

Additionally, I control for individual perceptions of *Support for Democracy* and *Satisfaction with Democracy*. Democratic theory suggests that individuals tend to exhibit more trust in democratic governments because of accountability restraints (Hutchison and Johnson, 2011). In Africa, democratic support is measured by asking respondents whether democracy is preferable to any other type of government; whether it is only sometimes preferable to non-democracies; and whether it even matters at all what type of

governments the respondents' countries have (0 = doesn't matter; 3 = democracy preferable). Democratic satisfaction in Africa is measured by asking respondents: "Overall, how satisfied are you with the way democracy works in the country?" The answers range from 0-4 with zero indicating that the country is not a democracy while a four indicates that the respondents are very satisfied with democracy. In Latin America, I recoded democratic support to reflect the scale in Africa, while democratic satisfaction is measured on a scale from 1-4—lowest satisfaction to highest satisfaction. Similarly, I control for country-level democratic indicators. I use POLITY IV (2010) indicators to control for democracy and the length in years of enduring democracy within the countries (POLITY IV, 2010). The POLITY IV (2010) index categorizes countries as democracies if they score a 6 or above. I expect that support for and satisfaction with democracy and the level and duration of democracy will have positive effects on trust in the courts.

I also control for two economic indicators—economic satisfaction, and income inequality. Prior research that explores levels of political or institutional trust commonly controls for economic satisfaction because, generally, higher levels of economic satisfaction are associated with higher political trust. Alternatively, economic hardship is associated with political distrust (Chi et al., 2013; Helmke, 2010; Hutchison and Johnson, 2011; Karakoç, 2013; Zmerli and Castillo, 2015). Both the *Afrobarometer* and the *Latinobarometer* ask individuals how satisfied they are with the general national economic condition in their countries.

In Africa, respondents are asked the following question: "In general, how would you describe: The present economic condition of this country" (1= Very bad; 5 = Very good) (Afrobarometer, 2013). In Latin America, individuals are asked the following

question: “In general, how would you describe the country’s present economic situation?” (Very bad = 5; Very good = 1) (Latinobarometer, 2013). I recoded the values to reflect the *Afrobarometer* surveys—lower values represent “very bad” perceptions while higher values represent “very good” perceptions. I expect that economic satisfaction will have a positive effect on trust in courts.

I also control for *Economic Hardship*. In line with prior research, I expect that individuals experiencing poverty are less likely to trust political institutions (Hutchison and Johnson, 2011). In Africa, respondents are asked: “In general, how would you describe: Your own present living conditions?” Answers range from 1-5 with 1 indicating “very bad” and 5 indicating “very good”. In Latin America, respondents are asked to evaluate their “personal current economic situation” with answers ranging from 1-5 with 1 indicating “very good” and 5 indicating “very bad”. I recoded the values to reflect the African survey—lower values indicate poorer conditions and higher values indicate better conditions. I expect that respondents in the higher categories will exhibit higher levels of trust in the courts.

Similarly, countries with higher levels of income inequality exhibit lower levels of political trust (Chi et al., 2013; Zmerli and Castillo, 2015). To control for income inequality, I use Solt’s Standardized World Income Inequality Database (SWIID).<sup>7</sup> A GINI index measures income distribution in a country across income percentiles (Solt,

---

<sup>7</sup> Of the 32 countries, 27 had GINI scores for 2013. To address the missing data in the five countries, I used a country’s GINI score from the year nearest to 2013 (Lesotho 2010; Mali 2009; Mauritius 2012; Senegal 2011; and Sierra Leone 2011).

2019). The index ranges from 0-100, where a zero indicates perfect equality and a 100 indicates perfect inequality. I expect that countries with higher levels of income inequality will exhibit lower levels of trust.

Finally, I control for various demographic indicators—age, gender, education, and employment. Prior studies that control for these variables have produced mixed results. Some studies have found that older, less educated, and female respondents are more likely to trust political institutions, while other studies have refuted that idea (Karakoç, 2013; Lavallée et al., 2008; Zmerli and Castillo, 2015). I expect that employed respondents will be more likely to trust the judiciary than those without employment and wages.

## **Results**

### Direct Effect: Ethnic Fractionalization on Trust in the Courts

Table 6 displays the OLS regression with fixed effects for Africa and Latin America.<sup>8</sup> For both surveys, I find that ethnic fractionalization is significantly and negatively associated with trust in the courts. In Africa, the results of the fixed effects OLS regression for EF indicate a coefficient of -1.352, suggesting that, all else equal, an increase from the least fractionalized country (Burundi, .308) to the highest fractionalized country (Liberia, .889) decreases trust in the courts by 20%. Model 2 displays the results for Latin America. The results suggest that, all else equal, an increase from the least fractionalized country (Argentina, .158) to the highest fractionalized country (Colombia, .639) decreases trust in the courts by 5.4%.

---

<sup>8</sup> See Appendix for country specific data.

**Table 6 OLS Regression Results**

<i>Trust in the Courts</i>				
	Model 1		Model 2	
	Africa		Latin America	
Ethnic Fractionalization	-1.352***	(0.429)	-0.447**	(0.105)
Corruption	-0.057***	(0.004)	0.001	(0.002)
Trust in President	0.127***	(0.008)	0.126***	(0.008)
Trust in Legislature	0.286***	(0.008)	0.459***	(0.008)
Economic Satisfaction	0.014***	(0.007)	0.015*	(0.008)
Economic Hardship	0.013*	(0.007)	0.034***	(0.009)
GINI	-0.009***	(0.002)	0.019***	(0.006)
POLITY	0.083***	(0.020)	0.127**	(0.052)
Durability	-0.017***	(0.004)	0.006**	(0.003)
Support for Democracy	-0.001	(0.011)	0.019**	(0.008)
Satisfaction with Democracy	0.071***	(0.008)	0.065***	(0.008)
Age	-0.0001	(0.0005)	-0.001***	(0.008)
Sex	-0.003	(0.013)	0.019	(0.013)

Education	-0.008* (0.004)	0.004*** (0.002)
Employment	-0.027* (0.015)	-0.33** (0.013)
Constant	5.554*** (0.349)	-1.914*** (0.546)
Observations	17,899	15,220
R2	0.240	0.366
Adjusted R2	0.239	0.365
Residual Std. Error 15194)	0.893 (df = 17873)	0.741 (df =
F Statistic 25; 15194)	226.247*** (df = 25; 17873)	350.177*** (df =
=====		
=====		
Note: *p<0.1; **p<0.05; ***p<0.01		

The fixed effects OLS regression confirms my main hypothesis (*Hypothesis 1*)

and the effect of EF on trust in the courts achieves statistical significance. Comparing the two surveys, it can be inferred that the higher substantive effect in Africa is due to a higher range of variance in ethnic fractionalization.

### Control Variables

As expected, an increase in corruption has a negative effect on trust in courts in Africa. Achieving statistical significance with a coefficient of -0.057, the results suggests that an increase from the least corrupted country (Botswana with a value of 36) to the highest corrupted country (Burundi with a value of 79) decreases trust in the courts by 61%. In contrast, corruption in Latin America unexpectedly has virtually no effect on trust in the courts within the OLS regression model (.001).

As for the individual-level control variables, trust in the president and the legislature are positively and significantly associated with trust in the courts in both



models. In both Africa and Latin America, an increase from the least trust to the highest trust (0-3), results in a 10% increase in trust in the courts. However, while an increase in trust in the legislature increases trust in the courts in Africa by 21%, trust in the legislature in Latin America increases trust in the courts by 34%.

Additionally, as expected, respondents that were satisfied with the economy and were not experiencing economic hardship are also more likely to trust the courts. In Africa, an increase from not being satisfied with the economy to being very satisfied (1-5) and moving from the worst economic hardship to a positive economic status (1-5), increases trust in the courts by 1%. In Latin America, economic satisfaction also increases trust in the courts by 1% while those not experiencing economic hardship are 3% more likely to exhibit trust in the courts.

Similarly, respondents that were satisfied with democracy also exhibited higher levels of trust in the courts in both surveys. In Africa, increasing democratic satisfaction from the least satisfied to most satisfied (0-4) resulted in a 7% increase in trust in the courts. In Latin America, democratic satisfaction increases trust in the courts by 5%. However, support for democracy in Africa is negatively but insignificantly associated with trust in the courts. In contrast, support for democracy positively and strongly affects trust in the courts in Latin America, but the increase is less than 1%.

As for the country-level indicators, as expected, income inequality is negatively and significantly associated with trust in the courts in Africa. An increase from the country with the least inequality (Liberia, 36.8) to the country with the highest inequality (Namibia, 65.1) results in a 6% decrease in trust in the courts. Unexpectedly, higher levels of income inequality positively and significantly increase trust in the courts in

Latin America. An increase in income inequality from the country with least inequality (Uruguay, 36.6) to the country with the highest levels of inequality (Honduras, 48.7) increases trust in the courts by 6%.

Democracy (polity) is positively and significantly associated with trust in the courts in both surveys as expected with democratic theory. An increase from the least democratic countries to the highest democratic countries results in an 8% increase in trust in the courts in Africa and a 10% increase in trust in the courts in Latin America. However, democratic durability (years as democracy) negatively affects trust in the courts in Africa—a decrease by 17%—and positively affects trust in the courts in Latin America—an increase by 12%.

Finally, in congruence with prior research, demographic variables produced mixed results. In Africa, age and sex did not have a meaningful impact on judicial trust while those that were more educated tended to exhibit lower levels of trust in the courts. In Latin America, older respondents exhibited negative and significant levels of trust in the courts while gender has no meaningful impact on the dependent variable. In contrast to Africa, respondents with more years of education in Latin America exhibited positive and significant levels of trust. Lastly, employed respondents exhibited negative and significant levels of trust in the courts in both surveys.

#### Indirect Effect: Corruption Mediation

Following Baron and Kenny (1986), I took multiple steps to assess the effect of ethnic fractionalization on trust and the mediating effect that ethnic fractionalization has on trust through corruption. I outline this process in Tables 7 and 9 below for Africa and Tables 9 and 10 for Latin America.

In Africa, the first step begins with a basic regression of ethnic fractionalization's direct effect on trust in the courts without the corruption variable to test for significance. After achieving statistical significance with a coefficient of -0.439 in step one, the second step requires a significant relationship between ethnic fractionalization and the mediating variable—corruption. The regression results indicate that ethnic fractionalization has a positive and statistically significant effect on corruption with a coefficient of 22.574—confirming *Hypothesis 2A*. The third step consists of a regression analysis with ethnic fractionalization as the main independent variable with the addition of corruption. The effect of EF on trust in the courts should be smaller in magnitude than the initial effect in step one. Here, the coefficient of EF decreased from -0.439 to -0.261 with the addition of corruption as the mediating variable—suggesting partial mediation. Additionally, step 3 confirms *Hypothesis 2B*, that an increase in corruption leads to a decrease in trust in the courts.

**Table 7**      **Mediation Analysis Africa**

	Step 1 DV: Trust in Courts	Step 2 DV: Corruption	Step 3: DV: Trust in Courts
<i>Ethnic Fractionalization</i>	-0.439*** (0.041)	22.574*** (0.387)	-0.261*** (0.044)
<i>Corruption</i>			-0.008*** (0.001)
<i>Constant</i>	2.203*** (0.029)	43.663*** (0.279)	2.547*** (0.045)
=====			
Observations	17,899	17,899	17,899
R2	0.006	0.159	0.012
Adjusted R2	0.006	0.159	0.012
Residual Std. Error	1.020 (df = 17897)	9.708 (df = 17897)	1.017 (df =
F Statistic	116.095*** (df = 1; 17897)	3395.919*** (df = 1; 17897)	109.043*** (df = 2; 17896)
=====			
Note: *p<0.1; **p<0.05; ***p<0.01			

Finally, after confirming the mediation effect through regression, I ran a bootstrapping method to produce the mediation effect results (see Table 8 below). The *Total Effect* in the results (-0.439) is the total effect of ethnic fractionalization on trust in the courts without the corruption mediator (step 1). The *Average Direct Effect (ADE)* of -0.261 is the direct effect of ethnic fractionalization on trust in the courts after accounting for corruption as the mediator (step 3). Finally, the *Average Causal Mediation Effects (ACME)* subtracts the direct effect from the total effect ( $-0.439 + 0.261 = -0.178$ ), which

equals to a product of a coefficient of ethnic fractionalization in step 2 and a coefficient of corruption in step 3 ( $-0.0078845 \times 22.5738 = -0.17798313$ ). By obtaining this indirect effect with statistical significance, the results confirm *Hypothesis 2c*, that ethnic fractionalization reduces trust in the courts through partial mediation of corruption.

**Table 8      Mediation Results Africa**

	Estimate	95% CI Lower	95% CI Upper	p-value
<i>ACME</i>	-0.178	-0.213	-0.14	0.000 ***
<i>ADE</i>	-0.261	-0.342	-0.17	0.000 ***
<i>Total Effect</i>	-0.439	-0.511	-0.36	0.000 ***
<i>Prop. Mediated</i>	0.406	0.303	0.53	0.000 ***

=====  
 ===  
 Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
 Sample Size Used: 17899  
 Simulations: 500

In Latin America (Table 9 below), the regression model achieved statistical significance between EF and trust in courts with a coefficient of -0.178. In step 2, I confirmed *Hypothesis 2A*—EF has a positive and statistically significant effect on corruption with a coefficient of 10.888. The third step displayed a decrease in the effect of EF from -0.178 to -0.110 when mediating through corruption. Step 3 also confirmed *Hypothesis 2B*—that an increase in corruption leads to a decrease in trust in the courts. After running a bootstrapping simulation (Table 10 below), the *ACME* produced a mediation effect of -0.688, confirming *Hypothesis 2c*: that ethnic fractionalization reduces trust in the courts through partial mediation of corruption.

**Table 9**      **Mediation Analysis Latin America**

	Step 1 DV: Trust in Courts	Step 2 DV: Corruption	Step 3: DV: Trust in Courts
<i>Ethnic Fractionalization</i>	-0.178*** (0.042)	10.188*** (0.661)	-0.110*** (0.042)
<i>Corruption</i>			-0.007*** (0.001)
<i>Constant</i>	1.096*** (0.019)	54.517*** (0.306)	1.464*** (0.034)
=====			
Observations	15,220	15,220	15,220
R2	0.001	0.015	0.013
Adjusted R2	0.001	0.015	0.013
Residual Std. Error	0.929 (df = 15218)	14.760 (df = 15218)	0.924 (df = 15217)
F Statistic	18.361*** (df = 1; 15218)	237.321*** (df = 1; 15218)	98.003*** (df = 2; 15217)
=====			
Note: *p<0.1; **p<0.05; ***p<0.01			

**Table 10      Mediation Results Latin America**

	Estimate	95% CI Lower	95% CI Upper	p-value
<i>ACME</i>	-0.0688	-0.0843	-0.06	0.000 ***
<i>ADE</i>	-0.1095	-0.1866	-0.02	0.000 *
<i>Total Effect</i>	-0.1784	-0.2537	-0.10	0.000 ***
<i>Prop. Mediated</i>	0.3860	0.2595	0.74	0.000 ***

=====  
=====  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
Sample Size Used: 15220  
Simulations: 500

### Country Examples

Exploring cross-country differences is one way future research may want to improve our understanding of ethnic fractionalization and trust in the courts. Nonetheless, a brief examination of some of the countries within Africa and Latin America could be helpful in further developing how ethnic diversity affects trust. This section serves this purpose.

#### Mali

The raw data indicate that Mali is has the lowest level of trust in Africa's samples. About 28% of the respondents expressed that they had no trust at all in the courts. The EF index for Mali is .852, which is well above the average of .696 and near the highest level of .889 (Liberia). Its CPI is 72, the third highest in Africa. Since its independence from France in 1960, Mali has been in a constant state of tension: military coups, ethnic violence, civil conflict, and phases of authoritarian rule. Of course, ethnic fractionalization is not the causal factor of these consequences—but ethnic violence is a

recurring issue in the country. In 2019, ethnic violence led to the collapse of Mali's government and the resignation of its Prime Minister Soumeylou Boubeye Maiga and his cabinet. Ethnic tensions between the Dogon and the Fulani people exacerbated the ethnic conflict and violence within the country. The Fulani were suspected of supporting jihadists, while the Dogon group created a militia to counter the jihadist influence in the region. In March 2019, conflict between the two groups escalated, resulting in 160 deaths. Since 2018, 600 lives have been claimed by ethnic violence (France-Presse, 2019).

It is no surprise that Mali's respondents had the least amount of trust in the courts. Though caution should be exercised in attributing the lack of trust to ethnic fractionalization, Mali's larger political context and ethnic violence plays a large role in citizens' attitudes. Experiences with other political arrangements typically spill over into the judicial context. Thus, the negative consequences of ethnic fractionalization in other contexts in Mali also affect individual levels of trust in the judicial system.

### Botswana

It can be said that Botswana is the opposite case of Mali. Botswana is one of the countries with the highest levels of trust in the courts at 42%. Additionally, Botswana is one of the least fractionalized countries with an EF index at .395, well below the .696 average. Botswana is also the least corrupt country in the African survey with a CPI of 36, well below the 59.35 average. In political and social science literature, Botswana is often deemed the model country in Africa in terms of democratization and development (Samatar, 1997). Since its independence in 1966, Botswana has consistently maintained a stable democracy, upheld the rule of law, and made many economic advancements.



Botswana's high levels of trust are not exclusively due to its low EF score. Nonetheless, it is worth noting that prior research suggests that one key element in Botswana's political and economic successes is largely due to Botswana's policies towards ethnic inclusion and reducing ethnic tensions (Carroll and Carroll, 1997; Samatar, 1997; Werbner, 2002). These policies consist of promoting minority ethnicities in small businesses and entrepreneurship opportunities; ethnically inclusive political policies; and other economic and development policies that explicitly address problems of ethnic tensions. Though these examples do not specifically relate to trust in the legal system, it would be reasonable to expect how the state interests behind these policies can be carried over to the judicial system.

### Peru

In Latin America, Peru placed second as the country with the least amount of trust in the courts. Nearly half (49%) of Peru's citizens indicated that they had no trust at all in the courts. Peru's EF index ranks the second highest in the Latin American survey at .618, well above the .427 regional average. Historically, Peru's case is similar to that of Mali. Peru has experienced military rule and, even with the return to democracy, there is constant political violence, guerilla activity, and urban terrorism. Much of this has been attributed to ethnic tensions between various Indigenous tribes. Ethnic tensions in Peru have increased the spread of guerilla threats, political conflict, and inequality (Bourque and Warren, 1989; Cott, 2006; Figueroa and Barrón, 2005; García, 2003; Thorp et al., 2006).

In the judicial context, low confidence in Peru's judicial system led multiple Indigenous tribes to create their own informal legal systems to resolve disputes (Cott,

2006). Though these informal institutions were initially effective in protecting against theft and other petty criminal activity, many yielded severe punishment and cruelty in sentencing. The long-term effects of such informal institutions undermines judicial legitimacy and credibility. More recently, Helmke (2010) provides evidence showing that low public support in the courts is correlated with political attacks against judges, arbitrary removals of judges, and court packing in Peru. It is no surprise that nearly half of Peru's population exhibits such low levels of trust in the courts. One key element in that observation is ethnic fractionalization.

### **Conclusion**

My results strongly suggest that ethnic fractionalization has a negative effect on trust in the courts. Additionally, EF indirectly decreases trust in the courts through the mediation of corruption. Although cross-country differences may yield particularities in the causal factors in the relationship between high diversity and low levels of trust in the legal system, one implication of this study is that ethnically divided societies can focus on ethnically inclusive policy making within the legal system and the political institutional context in general. Future research is best at parsing out the specifics of such policies.

By linking ethnic fractionalization to low levels of trust in the courts, this study proposes various theoretical contributions to the literature on ethnic fractionalization and political institutions in general. But particularly, it offers insight into the possible reasons, i.e., ethnic favoritism, for why individuals exhibit lowers level of trust in ethnically divided societies. In terms of ethnic fractionalization and corruption, this study confirms prior findings of the positive association between EF and corruption, and corruption and

low levels of institutional trust. But it also adds to this line of literature by closing the circle between the three variables through mediation theory.

Future research may want to focus on how differences in legal traditions in the sampled countries may influence levels of trust in the courts in the context of high ethnic fractionalization. Touchton (2013) accounts for this variable in the context of rule of law, but it may be valuable to an inquiry in trust in the courts. In Latin America, every country practices the Civil Law tradition with the exception of the Republic of Guyana. In Africa, the democratic institutions are much younger and it has a much more diverse colonial history, legal traditions range from Common Law to Civil Law and to mixed legal systems.

Judges in Civil Law systems enforce legislative codes and do not establish precedent. In contrast, Common Law judges have the power to establish binding precedents that can have a substantial impact on citizens. Theoretically, this feature implies that judges in Civil Law systems are not as insulated and independent as Common Law judges (Touchton, 2013). As a consequence, it is reasonable to expect that judges in the Common Law systems are more likely to uphold the rule of law and protect individuals because of the difficulties in overturning precedent, potentially increasing the levels of trust in the courts—assuming that precedent is not biased against certain ethnic groups. Future research can focus on this theoretical expectation and utilize available data to test whether legal tradition features impact individual-level trust in the courts.

Finally, additional country-specific case-analysis could provide valuable insight of cross-country differences since many of the countries sampled in this paper have different ethnic groups. By taking into consideration the ethnically diverse socio-

economic contexts across the country, policymakers could avoid overgeneralizing institutional solutions. Country-specific studies could bring to light the social, economic, and cultural factors that may or may not impact the ways in which individuals interact with the courts and institutions in general.

## REFERENCES

- Afrobarometer. 2013. <https://afrobarometer.org>
- Abrams, David S., Marianne Bertrand, and Sendhil Mullainathan. 2012. "Do Judges Vary in Their Treatment of Race?" *Journal of Legal Studies* 41(2): 347-383.
- Alesina, Alberto, Arnaud Devleeschauwer, William Easterly, Sergio Kurlat, and Romain Wacziarg. 2003. "Fractionalization." *Journal of Economic Growth* 8(2): 155-194.
- Askvik, Steinar, Ishtiaq Jamil, and Tek Nath Dhakal. 2010. "Citizens' Trust in Public and Political Institutions in Nepal." *International Political Science Review* 32(4): 417-437.
- Bandes, Susan. 1999. "Patterns of Injustice: Police Brutality in the Courts." *Buffalo Law Review* 47(3): 1275.
- Baron, Reuben M., and David A. Kenny. 1986. "The Moderator-Mediator Variable Distinction in Social Psychological Research: Conceptual, Strategic, and Statistical Considerations." *Journal of Personality and Social Psychology* 51(6): 1173-1182.
- Bourque, Susan C., and Kay B. Warren. 1989. "Democracy Without Peace: The Cultural Politics of Terror in Peru." *Latin American Research Review* 24(1): 7-34.
- Brinks, Daniel M. 2006. "The Rule of (Non)Law: Prosecuting Police Killings in Brazil and Argentina." In *Informal Institutions and Democracy*, eds. Helmke, Gretchen, and Steven Levitsky. Baltimore: The John Hopkins University Press, 201-226.
- Buscaglia, Edgardo, and Maria Dakolias. 1999. "An Analysis of the Causes of Corruption in the Judiciary." *Law and Policy International Business*: 30: 95.
- Carroll, Barbara W., and Terrance Carroll. 1997. "State and Ethnicity in Botswana and Mauritius: A Democratic Route to Development?" *The Journal of Development Studies* 33(4): 464-486.

- Cerqueti, Roy, Raffaella Coppier, and Gustavo Piga. 2012. "Corruption, Growth and Ethnic Fractionalization: A Theoretical Model." *Journal of Economics* 106(2): 153-181.
- Chi, Eunju, Yangho Rhee, and Hyeok Y. Kwon. 2013. "Inequality and Political Trust in Korea." *Korea Observer* 44(2): 199-222.
- Choi, Hyun Jin, and Dongsuk Kim. 2018. "Coups, Riots, Wars: How Political Institutions and Ethnic Politics Shape Alternative Forms of Political Violence." *Terrorism and Political Violence* 30(4): 718-739.
- Corruption Perceptions Index. 2013. Transparency International: <https://www.transparency.org/cpi2013>
- Cott, Donna Lee Van. 2006. "Dispensing Justice at the Margins of Formality: The Informal Rule of Law in Latin America." In *Informal Institutions and Democracy*, eds. Helmke, Gretchen, and Steven Levitsky. Baltimore: The John Hopkins University Press, 249-273.
- Curry, Theodore R., and Guadalupe Corral-Camacho. 2008. "Sentencing Young Minority Males for Drug Offenses: Testing for Conditional Effects between Race/Ethnicity, Gender and Age during the U.S. War on Drugs." *Punishment and Society* 10(3): 253-276.
- Delhey, Jan, and Kenneth Newton. 2005. "Predicting Cross-National Levels of Social Trust: Global Pattern or Nordic Exceptionalism?" *European Sociological Review* 21(4): 311-327.
- Devos, Thierry, Dario Spini, and Shalom H. Schwartz. 2002. "Conflicts Among Human Values and Trust in Institutions." *British Journal of Social Psychology* 41(4): 481-494.
- Dimico, Arcangelo. 2017. "Size Matters: The Effect of the Size of Ethnic Groups on Development." *Oxford Bulletin of Economics and Statistics* 79(3): 291-318.
- Drazanova, Lenka. 2019. "Historical Index of Ethnic Fractionalization Dataset (HIEF)." <https://doi.org/10.7910/DVN/4JQRCL>. Harvard Dataverse, V1.

- Dougherty, George W., Stefanie A. Lindquist, and Mark D. Bradbury. 2006. "Evaluating Performance in State Judicial Institutions: Trust and Confidence in the Georgia Judiciary." *State and Local Government Review* 38(3): 176-190.
- Easterly, William, and Ross Levine. 1997. "Africa's Growth Tragedy: Policies and Ethnic Divisions." *Quarterly Journal of Economics* 112(4): 1203-1250.
- Eifert, Benn, Edward Miguel, and Daniel N. Posner. 2010. "Political Competition and Ethnic Identification in Africa." *American Journal of Political Science* 54(2): 494-510
- Fearon, James D., Kimuli Kasara, and David D. Laitin. "Ethnic Minority Rule and Civil War Onset." *American Political Science Review* 101(1): 187-193.
- Feldmeyer, Ben, and Jeffrey T. Ulmer. 2011. "Racial/Ethnic Threat and Federal Sentencing." *Journal of Research in Crime and Delinquency* 48(2): 238-270.
- Figueroa, Adolfo, and Manuel Barrón. 2005. "Inequality, Ethnicity and Social Disorder in Peru." *Center for Research on Inequality, Human Security and Ethnicity (CRISE)*:  
<https://assets.publishing.service.gov.uk/media/57a08c68ed915d622c00131f/wp8.pdf>
- France-Presse, Agence. 2019. "Ethnic Violence Leads to the Fall of Mali's Government." *The New York Times*: <https://www.nytimes.com/2019/04/19/world/africa/mali-government-ethnic-violence.html>
- Freitag, Markus and Marc Bühlmann. 2009. "Crafting Trust: The Role of Political Institutions in a Comparative Perspective." *Comparative Political Studies* 42(12): 1537-1566.
- García, María E. 2003. "The Politics of Community: Education, Indigenous Rights, and Ethnic Mobilization in Peru." *Latin American Perspectives* 30(1): 70-95.
- Gibson, James L. 1989. "Understandings of Justice: Institutional Legitimacy, Procedural Justice, and Political Tolerance." *Law and Society Review* 23(3): 469-496.

- Gibson, James L., Gregory A. Caldeira, and Vanessa A. Baird. 1998. "On the Legitimacy of National High Courts." *American Political Science Review* 92(2): 343-358.
- Grossman, Guy, Oren Gazal-Ayal, Samuel D. Pimentel, Jeremy M. Weinstein. 2016. "Descriptive Representation and Judicial Outcomes in Multiethnic Societies." *American Journal of Political Science* 60(1): 44-69.
- Habyarimana, James, Macartan Humphreys, Daniel Posner, and Jeremy Weinstein. 2007. "Why Does Ethnic Diversity Undermine Public Goods Provision?" *American Political Science Review* 101(4): 709-725.
- Helmke, Gretchen. 2010. "Public Support and Judicial Crises in Latin America." *University of Pennsylvania Journal of Constitutional Law* 13(2): 397-412.
- Hutchison, Marc L., and Kristin Johnson. 2011. "Capacity to Trust? Institutional Capacity, Conflict, and Political Trust in Africa, 2000-20015." *Journal of Peace Research* 48(6): 737-752.
- IJC, 2004 . Independent Judicial Commission. Final Report of the Independent Judicial Commission: January 2001–March 2004.
- International Monetary Fund Executive Report. 2017. *Regional Economic Outlook: Europe Hitting its Stride. 2*: 39-96.  
<https://www.imf.org/en/Publications/REO/EU/Issues/2017/11/06/Eurreo1117#chtwo>
- Karakoç, Ekrem. 2013. "Ethnicity and Trust in National and International Institutions: Kurdish Attitudes toward Political Institutions in Turkey." *Turkish Studies* 14(1): 92-114.
- Keefer, Philip, and Stephen Knack. 2000. "Polarization, Politics, and Property Rights: Links Between Inequality and Growth." *Public Choice* 111(1-2): 127-154.
- La Porta, Rafael, Florencio Lopez-de-Silanes, Andrei Shleifer, and Robert Vishny. 1999. "The Quality of Government." *Journal of Law, Economics and Organization* 15(1): 222-279.
- Latinobarometer. 2013. <http://www.latinobarometro.org/lat.jsp>



- Lavallée, Emmanuelle, Mireille Razafindrakoto and François Roubaud. 2008. "Corruption and Trust in Political Institutions in sub-Saharan Africa." *CSAE Conference – Economic Development in Africa* 4-21. <https://hal.archives-ouvertes.fr/hal-01765960/document>.
- Leighley, Jan E., and Arnold Vedlitz. 1999. "Race, Ethnicity, and Political Participation: Competing Models and Contrasting Explanations." *The Journal of Politics* 61(4): 1092-1114.
- Listhaug, Ola, and Kristen Ringdal. 2008. "Trust in Political Institutions." In *Nordic Social Attitudes in a European Perspective*, eds. Heikki Ervasti, Torben Fridberg, Mikael Hjerm, and Kristen Ringdal. Cheltenham, United Kingdom: Edward Elgar Publishing Limited, 131-151.
- Marien, Sofie, and Marc Hooghe. 2011. "Does Political Trust Matter? An Empirical Investigating into the Relation between Political Trust and Support for Law Compliance." *European Journal of Political Research* 50(2): 267-291.
- McCauley, John F. "The Political Mobilization of Ethnic and Religious Identities in Africa." *American Political Science Review* 108(4): 801-816.
- Montalvo, José García, and Marta Reynal-Querol. 2002. "Why Ethnic Fractionalization? Polarization, Ethnic Conflict and Growth." 660: <https://poseidon01.ssrn.com/delivery.php?ID=867004085082102114102102097065068126093005064079075023078069065013012076119003028009122022013006085097000126115062010049064000090082101071069121122112097030084047085001017086126094126094030122112070015013090082072017026124070123086009084103120&EXT=pdf>
- Nelson, Michael J., and James L. Gibson. 2017. "US Supreme Court Legitimacy: Unanswered Questions and an Agenda for Future Research." In *Routledge Handbook of Judicial Behavior*, eds Howard, Robert M., and Kirk A. Randazzo. New York: Routledge, 132-150.

- Newton, Kenneth. 2007. "Social and Political Trust." In *The Oxford Handbook of Political Behavior*, eds. Dalton, Russell J., and Hans-Dieter Klingemann. Oxford: Oxford University Press, 342-361.
- Polity IV. 2010. <https://www.systemicpeace.org/polityproject.html>
- Samatar, Ismail A. 1997. "Leadership and Ethnicity in the Making of African State Models: Botswana Versus Somalia." *Third World Quarterly* 18(4): 687-708.
- Schwartz, Alex, and Melanie J. Murchison. 2016. "Judicial Impartiality and Independence in Divided Societies: An Empirical Analysis of the Constitutional Court of Bosnia-Herzegovina." *Law and Society Review* 50(4): 821-855.
- Shen, Mingming, Ming Yang, Pierre b. Landry, Yangi Tong, Wenfang Tang, Jie Yan, and Jingjing Chai. 2013. "Court Funding and Judicial Corruption in China." *The China Journal* 69: 43-63.
- Solt, Frederick. 2019. "Measuring Income Inequality Across Countries Over Time: The Standardized World Income Inequality Database." SWIID Version 8.2, November 2019.
- Steffensmeier, Darrell, and Stephen Demuth. 2000. "Ethnicity and Sentencing Outcomes in U.S. Federal Courts: Who is Punished More Harshly?" *American Sociological Review* 65(5): 705-729.
- Tan, J. Soo, and Siok K. Tambyah. 2011. "Generalized Trust and Trust in Institutions in Confucian Asia." *Social Indicators Research* 103(3): 357-377.
- Taylor, Matthew M. 2005. "Citizens Against the State: the Riddle of High Impact, Low Functionality Courts in Brazil." *Brazilian Journal of Political Economy* 25(4): 418-438.
- Thorp, Rosemary, Corinne Caumartin, and George Gray-Molina. 2006. "Inequality, Ethnicity, Political Mobilization and Political Violence in Latin America: The Cases of Bolivia, Guatemala and Peru." *Bulletin of Latin American Research* 25(4): 453-480.

- Touchton, Michael. 2013. "Dangers of Diversity: Ethnic Fractionalization and the Rule of Law." *Economics, Management, and Financial Markets* 8(1): 20-40.
- Tyler, Tom R., and Yuen Huo. 2002. *Trust in the Law: Encouraging Public Cooperation with the Police and Courts*. New York: Russell Sage Foundation.
- Vogt, Manuel, Nils-Christian Bormann, Seraina Rügger, Lars-Erik Cederman, Philipp Hunziker, and Luc Girardin. 2015. "Integrating Data on Ethnicity, Geography, and Conflict: The Ethnic Power Relations Data Set Family." *Journal of Conflict Resolution* 59(7): 1327-42.
- Wallace, Clifford J. 1998. "Resolving Judicial Corruption While Preserving Judicial Independence." *California Western International Law Journal* 29(2): 418-438.
- Werbner, Richard. 2002. "Cosmopolitan Ethnicity, Entrepreneurship and the Nation: Minority Elites in Botswana." *Journal of Southern African Studies* 28(4): 731-753.
- Wimmer, Andreas, Lars-Erik Cederman, and Brian Min. 2009. "Ethnic Politics and Armed Conflict: A Configurational Analysis of a New Global Data Set." *American Sociological Review* 74(2): 316-337).
- Zimmermann, Augusto. 2012. "How Brazilian Judges Undermine the Rule of Law: A Critical Appraisal." *International Trade and Business Law Review* 11: 179-217.
- Zmerli, Sonja, and Juan C. Castillo. 2015. "Income Inequality, Distributive Fairness and Political Trust in Latin America." *Social Science Research* 52: 179-192.

## APPENDIX A

**Country Specific Effects**

OLS Regression Results: Country Effects				
	<i>Trust in the Courts</i>			
	Model 1		Model 2	
	Africa		Latin America	
Ethnic Fractionalization	-1.352***	(0.429)	-0.447**	(0.105)
Corruption	-0.057***	(0.004)	0.001	(0.002)
Trust in President	0.127***	(0.008)	0.126***	(0.008)
Trust in Legislature	0.286***	(0.008)	0.459***	(0.008)
Economic Satisfaction	0.014***	(0.007)	0.015*	(0.008)
Economic Hardship	0.013*	(0.007)	0.034***	(0.009)
GINI	-0.009***	(0.002)	0.019***	(0.006)
POLITY	0.083***	(0.020)	0.127**	(0.052)
Durability	-0.017***	(0.004)	0.006**	(0.003)
Support for Democracy	-0.001	(0.011)	0.019**	(0.008)
Satisfaction with Democracy	0.071***	(0.008)	0.065***	(0.008)
Age	-0.0001	(0.0005)	-0.001***	(0.008)
Sex	-0.003	(0.013)	0.019	(0.013)

Education	-0.008*	(0.004)	0.004***	(0.002)
Employment	-0.027*	(0.015)	-0.33**	(0.013)
Botswana	-1.180***	(0.253)		
Burundi	0.061	(0.184)		
Cape Verde	-1.598***	(0.211)		
Ghana	-0.804***	(0.055)		
Kenya	0.625***	(0.050)		
Lesotho	-1.158***	(0.023)		
Liberia	-0.336***	(0.100)		
Malawi	0.726***	(0.039)		
Mali	0.439***	(0.062)		
Mauritius	-0.734***	(0.269)		
Bolivia			0.177	(0.111)
Brazil			0.437***	(0.080)
Chile			-0.254***	(0.051)
Colombia			0.100	(0.169)
Costa Rica			-0.006	(0.196)
Dominican Republic			0.144	(0.100)

El Salvador		-0.038	(-0.038)
Guatemala		0.293***	(0.045)
Honduras		-0.062	(0.084)
Mexico		0.228***	(0.057)
Nicaragua		-1.914***	(0.546)
Panama			
Constant	5.554***	(0.349)	
Observations		17,899	
15,220			
R2		0.240	
0.366			
Adjusted R2		0.239	0.365
Residual Std. Error		0.893 (df = 17873)	0.741 (df =
15194)			
F Statistic	226.247***	(df = 25; 17873)	350.177*** (df
= 25; 15194)			
=====			
=====			
Note: *p<0.1; **p<0.05; ***p<0.01			