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# DOES THE PERCEPTION OF GOVERNMENT INTEGRITY DIFFER ACROSS REGIONS? A COMPARATIVE STUDY BETWEEN SEVERAL SUB-SAHARAN AND ASIAN COUNTRIES

## Abstract

The study seeks to examine if the perception of government integrity differs or is similar across regions, mainly when some factors have been included in the assessment. The paper focuses on six sub-Saharan (Mali, Nigeria, Cameroon, Zambia, Angola, and South Africa) and Asian countries (Japan, South Korea, China, Malaysia, Thailand, and Singapore) from 2016 to 2020. A nested pooled OLS regression model was employed. Government integrity was used as a predicted variable, whereas economic freedom and one government indicator (absence of violence) were independent variables. The obtained results yielded some differentiation for both regions. For instance, Sub-Saharan countries reacted positively to government spending, while the opposite reaction was detected in Asian countries. In terms of similarities, inflation has a negative impact on government integrity for both regions. In contrast, trade freedom and addressing unemployment by including it in the government's agenda are seen as a proxy of good governance. The findings also show that labor freedom is only perceived negatively in sub-Saharan countries.

On the other hand, FDI inflows show a positive effect for both regions, but it is only significant for sub-Saharan countries. Similarly, the absence of violence contributes positively to the degree of government integrity perception. This study is one of the first to conduct a comparative analysis between two regions in the context of determining factors that affect government integrity perceptions. Overall, the paper provides good insights for policymakers and official representatives to enhance the level of the state's economic freedom.

## Keywords

economic freedom, government integrity, sub-Saharan countries, Asian countries, political stability

## JEL Classification

F63, L51, P51

## INTRODUCTION

Government integrity has a cardinal role in promoting governmental progress by showcasing if the adopted instruments and policies by public institutions have been fulfilled to their utmost. However, the integrity concept remains artificial, making it harder to track it. Notably, the sole method of checking the concept above is only through consecutive monitoring of the development process, but this might take longer, particularly when the investigated sector falls in the long-term category. Bossaert and Demmke (2005) noted the emergence of a new world order in which the public projects, as a result, put enormous pressure on governments to use information, resources, and the power conferred to them for their intended goals. The study warned that prominent unethical conduct from officials would retrospectively affect them, reducing the trust level of citizens and leading to collective dissatisfaction.



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Attaining a certain degree of integrity in government and public administration is much more of a behavioral obstacle than a problem of institutional design. In other words, citizens are more obsessed with redesigning the whole structure of public institutions, either by creating new institutions and demolishing the previous ones or re-electing new official representatives, which in the worst cases is layered by the already existing ones. Hence, they pour a lot of energy and resources into an already broken system rather than implementing integrity and values in the hearts and minds of public servants (Evans, 2012).

The study compares several selected sub-Saharan (Mali, Nigeria, Cameroon, Zambia, Angola, and South Africa) with six other Asian countries (Japan, South Korea, China, Malaysia, Thailand, and Singapore). The aim is to examine whether the integrity perception differs across these countries, particularly when factors such as economic freedom and the absence of violence have been included in their integrity evaluation. It is argued that government integrity can be different depending on the level of the state's development and government competency. For instance, it is questionable that citizens from more developed countries (Asian) would likely have similar concerns as African countries (Sub-Saharan) and vice-versa.

## 1. LITERATURE REVIEW

### 1.1. Economic freedom

Integrity implies that governmental bodies and agencies operate technically and theoretically with the absence of corruption. However, the concept of integrity is broader than the absence of corruption (Spigelman, 2004), not only in the sense that public officials accept bribes but in the broader sense of observing a proper practice. This implies that governmental institutions are expected to carry out and execute the power bestowed upon them for the primary purpose that this power was conferred and for no other purpose. Rosmi and Syamsir (2020) circumscribed integrity as a human quality in which an individual elected by the public portrays honest characteristics, such as responsibility, trustworthiness, transparency, and maturity. All these qualities merge with the person's decisions and the service they deliver; hence, they are not affected by personal gain.

Although integrity is much broader than corruption, both concepts fall under the exact definition and complement each other. Nguyen and Pham (2018) investigated the effect of the economic freedom index on government integrity in several selected ASEAN countries from 1999 to 2018. The sub-components of the economic freedom variables indicated that business freedom, property rights, labor freedom, and investment freedom contribute positively to integrity perception by diminishing the degree of corruption. In contrast, the government spending factor and financial

freedom exert a negative effect. Further, Apergis et al. (2012) analyzed the association between economic freedom and corruption. The study used a different scale to measure corruption (an "objective measure corruption" rather than "subjective cross-country corruption"). In other words, the number of governmental bodies convicted of corruption-related crimes was considered. According to the panel error correction results, economic freedom has a negative effect on corruption in the long run. They also found bidirectional causality between economic freedom and corruption in both the short and long run. Chafuen and Guzman (2000) demonstrated a negative relationship between economic freedom and corruption.

Graeff and Mehlkop (2003) investigated the effect of various components of economic freedom on the government integrity level. The result identified a particular pattern. Indeed, a free economy possesses a strong association with corruption and lowers the amount of integrity perception among citizens toward their officials. However, it might differ depending on the country's level of development (rich or poor). Moreover, other studies indicated a similar conclusion, where more freedom in the context of economics leads to a lower level of corruption (Paldam, 2002). However, contrary to the general belief "that economic freedom components reduce corruption and ultimately boosts integrity perception" (Ades & Di Tella, 1997), it is somehow inaccurate. Only a partial effect can be witnessed, or some of the components could have a direct impact on corruption but not a complete, collective positive effect. For instance, economic

freedom is a multidimensional phenomenon that can be applied in several societal sectors; however, it is crucial to determine which aspects of economic freedom impact corruption more (Gwartney et al., 2008; Messick, 1996).

The role that economic freedom plays as a deterrent to corruption has been supported by Pieroni and d'Agostino (2013). The study pooled data from various firms in different countries. They used multilevel models to analyze the relationship between economic freedom and corruption. The study also assessed the impact of each economic freedom component separately on the predicted variable (corruption). It was suspected that the level of impact of all areas (economic freedom) would not affect corruption equally. The findings showed that FDI and other economic freedom representative indexes could decrease corruption. However, for that to happen, a salient governmental regulation should be first established; otherwise, unlawful competition will take place. For example, when the authority emphasizes economic openness, such as “trade liberalization,” it would inevitably lead national firms to favor inefficient local firms rather than more efficient, foreign ones, thus increasing the degree of corruption on the expanse of economic freedom (Faber & Gerritse, 2012).

Shleifer and Vishny (1993), Mauro (1997), and Acemoglu and Verdier (2000) concluded that greater state control of the economy would lead public authority to turn to unethical activities and weaken government integrity perception. This result has been validated by Krueger (1974), who highlighted that a more significant restriction on economic activities would cause greater corruption. Similarly, Saha and Ali (2017) examined the role of economic freedom in curbing corruption by focusing on MENA countries from 1984 to 2013. In addition, they investigated political freedom factors alongside economic activities. According to the regression's result, an interactive association had been found between corruption, government size, and economic and political freedoms. The result also suggested a reduction could be noticed in corruption when each of the former variables increases. Whereas the robustness result demonstrated an increase in income augments corruption, but only for rich natural resource countries (Saha & Ali, 2017). Indeed, once accepted by pub-

lic officials, corruption establishes its own shape, moving from a mere unreported, clandestine gain shape to a more systematized position as part of permanent income. Civil service and bureaucracy become purely moneymaking organizations, negatively affecting citizens' trust (Rashid, 1981).

Shen and Williamson (2005) applied a structural equation-based analysis on 91 nations to investigate factors that contribute to the perception of corruption among citizens. The findings revealed that economic openness positively affects citizens' perception in the sense of declining corruption in government, thus validating public officials' legitimacy in the eyes of citizens. Moreover, Saha and Su (2012) used quantile regression to catch the effect of economic freedom and democracy as factors controlling the degree of corruption in 100 countries. The results indicated that although economic freedom and democracy can combat corruption, both concepts should complement each other. While economic freedom is substantial, achieving a certain threshold of democracy is a prerequisite that, if attained, will generate a certain level of economic freedom in most cases. On the other hand, Saha et al. (2009) and Billger and Goel (2009) found that overall economic freedom does not assist in reducing corruption, especially in most corrupt countries.

## 1.2. Government integrity

To better grasp the integrity concept, many studies have applied integrity in their study by implementing it in different prominent sectors that require a certain degree of integrity, such as environment, public budget allocation, and infrastructure performance. For example, Copeland and Taylor (1997) reported that integrity is a salient element in terms of driving the government to attain environmental solutions better. The aim was to comprehend how GDP per capita affects CO<sub>2</sub> emissions. According to their findings, CO<sub>2</sub> emission depends on the government's truth determination to enact environmental policies and assign resources toward environmental improvement. Halkos and Paizanos (2016), Sa. Katircioglu and Se. Katircioglu (2018), Ike et al. (2020), Dirir (2022), and Chizema and Pogrebna (2019) also interpreted integrity through the lenses of environmental morals and trade, perhaps because it is the

easiest path of interpreting something totally so abstract. These studies noted that fiscal policies initiated by the government could positively affect environmental quality in the long run. However, for this to realize, governmental integrity should be at an optimal level (Halkos & Paizanos, 2016; Sa. Katircioglu & Se. Katircioglu, 2018). Therefore, when the government integrity level becomes transparent, trade's harmful effect on the environment becomes less significant due to adopting suitable policies (Ike et al., 2020).

Chang (2015) revealed that countries with higher corruption and less integrity tend to degrade the environment through excessive trade liberalization. In contrast, the reverse effect (improving environmental quality) can be noticed in countries with higher integrity. Shah et al. (2019) and Gani (2012) noted that implementing solid integrity among civil servants is a prerequisite to reaching a clean and sustainable environment. However, Laville (2021) argues that government integrity has significantly failed to ameliorate energy efficiency. The arguments involved that "G7 governments are falling behind by not investing more in technologies that promote fast decarbonization of their economies." Nevertheless, the empirical results of Shah et al. (2022) highlighted that R&D and financial development play a cardinal role in achieving energy efficiency. However, government integrity has the same important role as the latter variables in achieving green energy and closing the gaps more quickly.

Similarly, Alhassan et al. (2020) applied a method of moment quantile regression (MMQR). It was found that government integrity positively affects environmental performance. Finally, Kitt et al. (2021) investigated integrity alongside the level of trust and competency of the government. The findings demonstrated that all the factors strongly impact citizens' perceptions when adopting climate policies. However, the findings also yielded that acquiring support from citizens for carbon tax may be more challenging, as it requires citizens to believe positively about the government's intentions and values. This indicates that competency might be enough to cajole citizens about the government's actions. However, when the adopted policies project more obvious personal outcomes or gains (carbon taxation), it is more likely to be opposed by citizens and backlashed negatively to the government.

Moving away from environmental issues, scholars stressed that foreign direct investments pour into countries with high human integrity. However, the linkage between FDI and human rights is inherently contradictory and persisting, and little evidence can be made to support something so symbolic. S. Blanton and R. Blanton (2007) employed a system of simultaneous equations to examine the reliability of the assumption above. The result showed that respect for human rights has a significant positive effect on FDI, and countries with a higher emphasis on human right integrity enjoy a decent level of foreign direct inflows. Similarly, Shen and Williamson (2005) employed a structural equation modeling to investigate the association between political rights, press freedom, government integrity, economic freedom, and state strength, concluding that all the factors are positively associated.

On the other hand, Kenny (2009), Gillanders (2014), and Shoufeng (2016) noted that government integrity is negatively correlated to infrastructure quality, which implies that a low level of integrity can impede infrastructure improvement. Similarly, Liu and Luo (2019) demonstrated that weak government integrity will likely undermine Chinese national infrastructure by diminishing the efficiency of transportation infrastructure and impacting the level of direct investment.

## 2. METHODOLOGY

This study collected several data related to six African (Mali, Nigeria, Cameroon, Zambia, Angola, and South Africa) and Asian countries (Japan, South Korea, China, Malaysia, Thailand, and Singapore) over five years, starting from 2016 to 2020. Government integrity, the primary predicted variable, was used as a proxy for citizens' perception of their official representatives. The indicator was taken from the heritage foundation. The foundation assesses this variable from 0% (worst) to 100% (perfect score), and countries that scored higher than 50 (mostly Asian countries) are equal or closer to 100. Surprisingly, even some Asian countries have difficulties in reaching a favorable score, except Singapore (90%).

The other indicators used as independent variables were similarly collected from the heritage founda-

tion website since they are all sub-components of the economic freedom variable, in which they play a representing role on behalf of the economic freedom indicator. Therefore, selecting them as independent variables is deemed adequate. They are composed of government spending, labor freedom, and trade freedom, followed by inflation, unemployment rate, and foreign direct investment. At the same time, the absence of violence was taken from the World Bank and included in the sub-Saharan countries' evaluation.

The collected data were imported to Stata version 14.2, where a pooled OLS nested regression was employed. Stepwise regression or nested regression demonstrated the single-partial effect of key explanatory variables(s) on the outcome variable (Adeleye et al., 2017), besides showing any significant change in the explanatory variable as additional regressors are added. Finally, the Breusch-Pagan test for heteroskedasticity was conducted on both data (Sub-Saharan and Asian countries) and yielded a constant homoskedastic result (0.214 and 0.464).

### 2.1. Model specification

In order to estimate government integrity for both Asian and Sub-Saharan countries and identify the impact and the relationship between government integrity (dependent variable) and economic freedom and absence of violence (independent variables), the following equations were developed (Hayes & Cai, 2007).

#### Equation 1. Sub-Saharan countries

$$GOI_{it} = \beta_0 + \beta_1 GS_{it} + \beta_2 LPF_{it} + \beta_3 TRF_{it} + \beta_4 UNP_{it} + \beta_5 INF_{it} + \beta_6 FDI_{it} + \beta_7 PV_{it} + \varepsilon_{it}, \tag{1}$$

#### Equation 2. Asian countries

$$GOI_{it} = \beta_0 + \beta_1 GS_{it} + \beta_2 LPF_{it} + \beta_3 TRF_{it} + \beta_4 UNP_{it} + \beta_5 INF_{it} + \beta_6 FDI_{it} + \varepsilon_{it}, \tag{2}$$

where *GOI* denotes government integrity, *GS* is government spending, *LPF* stands for labor freedom, *TRF* is the level of trade freedom, *INF* and *FDI* each of them represents inflation, and foreign direct inflows, while *PV* is political stability and

absence of violence. However, the *PV* variable is only included in Equation 1, which represents the sub-Saharan countries,  $\beta$  is parameters, *i* observation of all the explanatory variables, while  $\varepsilon$  is the error component of the equation.

## 3. DATA ANALYSIS AND EMPIRICAL RESULTS

### 3.1. Descriptive statistics analysis

Tables 1 and 2 briefly articulate the descriptive statistics for both regions. According to Table 1, labor freedom and trade freedom are high for Asian countries, with each of them scoring greater than 70%. In comparison, trade freedom is at its peak for sub-Saharan Africa, in contrast to the mean of labor freedom (Table 2). However, the maximum value of labor freedom (African countries) is 84%, contrary to trade freedom. This implies that during the past years, sub-Saharan African countries have emphasized adopting policies that improve labor openness. Similarly, a high percentage of government spending can be seen for both regions, 80.15 and 74.77, respectively. While inflation is highly present in sub-Saharan countries, on the other hand, government integrity seems stronger in Asian countries (60.57), showing a perfect score.

**Table 1.** Summary of descriptive statistics for selected Asian countries

Variables	Mean	Median	Max	Min	Std. dev.
GOI	60.576	53.4	95.100	34.7	19.463
GS	74.778	74.3	91.100	46.2	12.81
LPF	71.145	67.95	92.600	50.6	12.169
TRF	81.685	81.7	94.800	72.4	6.032
UNP	3.005	3.3	4.700	.626	1.22
INF	1.213	1.045	3.800	−9	1.07
FDI	39,619.855	10,983.05	139,043.492	−2,250	48,464.86

**Table 2.** Summary of descriptive statistics for selected Sub-Saharan countries

Variables	Mean	Median	Max	Min	Std. dev.
GOI	29.221	27	47.593	12.178	11.424
GS	80.15	84.375	96.500	50.1	11.712
LPF	54.652	50.997	84.000	38.1	13.163
UNP	10.053	7.55	27.300	3.4	7.502
TRF	66.171	65.85	77.280	53.4	7.015
INF	6.813	3.7	32.378	−1.8	8.704
FDI	1,709.082	624.706	14,363.559	−5,732.491	3,660.621
PV	−.995	−.788	0.047	−2.201	.82

### 3.2. Multicollinearity test

The correlation results of sub-Saharan countries indicate a weak negative relationship between government integrity (GOI), foreign direct investment (FDI), labor freedom (LPF), government spending (GS), and inflation (INF) (Table 4). It is also clear from the correlation test that government integrity (GOI) has a moderate relationship with trade freedom (TRF), which is 0.724. Similarly, a moderate negative association can be intercepted between government spending (GS) and political stability (PV) at  $-0.774$ .

Table 3 reflects Asian countries' multicollinearity results. It is noticed that GOI has a negative relation with GS, INF, and FDI, which are  $-0.113$ ,  $-0.345$ , and  $-0.079$ , respectively. On the other hand, it appears that LPF has a moderate positive association with GOI. Finally, the VIF for both sub-Saharan and Asian countries presents values less than 8, which is the threshold of rejecting the presence of multicollinearity. Therefore, the model is safe from multicollinearity.

### 3.3. Nested pooled OLS regression results

OLS regression was used to test the causal relationship between the perception of government integrity, economic freedom indicators, and political stability.

First, adding one variable after another was employed before including all the variables together, as can be seen from columns (7) and (6) of each table. According to Table 5, all the selected variables are significant and have a noticeable effect on government integrity perception. However, two variables, labor freedom and inflation, show a negative effect. On the other hand, keeping in line with the findings, Table 5 also indicates a positive association between foreign direct investment inflows and government integrity; however, it is only significant for sub-Saharan. Finally, political stability and the absence of terrorism were included for the African countries because most African countries are fragile states. In most cases, this has undermined the development of several countries in the continent. The PV factor assesses if the absence of terrorism or conflicts (mostly internal conflicts) contributes to citizens' inclination to perceive the government's integrity positively. However, the PV variable is not included for the Asian countries, as most states are at peace, except for Japan and South Korea, for their tense relationship with North Korea. However, both countries are considered the safest countries in the world. Moreover, it is a favorite destination for many tourists. While other countries, such as Singapore, Thailand, and Malaysia, are not undergoing any internal and external conflicts during the selected period of this study (2016–2020), thus omitting to include the variable above (PV) in their respective assessment.

**Table 3.** Correlation and VIF results of Asian countries

Variables	1	2	3	4	5	6	7	VIF
GOI	1	–	–	–	–	–	–	–
GS	$-0.113$	1	–	–	–	–	–	3.276
LPF	0.741	0.194	1	–	–	–	–	4.606
TRF	0.658	0.495	0.704	1	–	–	–	7.014
INF	$-0.345$	$-0.222$	$-0.247$	$-0.409$	1	–	–	1.442
UNP	0.093	$-0.393$	$-0.099$	$-0.401$	0.345	1	–	2.624
FDI	$-0.079$	0.146	0.027	$-0.298$	0.071	0.561	1	3.654

**Table 4.** Correlation and VIF results of sub-Saharan countries

Variables	1	2	3	4	5	6	7	8	VIF
GOI	1	–	–	–	–	–	–	–	–
GS	$-0.372$	1	–	–	–	–	–	–	3.816
LPF	$-0.305$	0.515	1	–	–	–	–	–	4.244
TRF	0.724	$-0.404$	0.005	1	–	–	–	–	2.382
INF	$-0.485$	0.014	0.455	$-0.239$	1	–	–	–	2.565
UNP	0.668	$-0.501$	0.118	0.699	$-0.077$	1	–	–	3.423
FDI	$-0.045$	$-0.131$	0.182	$-0.11$	0.331	0.169	1	–	1.299
PV	0.512	$-0.774$	$-0.474$	0.369	0.095	0.444	0.043	1	3.449

According to Table 5, the absence of violence (PV) has a strong positive effect on government integrity. Thus, when the national government invests in the stability of the country (internally and externally) by providing security and safety for their citizens, the level of government integrity increases alongside citizens' satisfaction.

Table 6 shows Asian countries' findings and demonstrates significant results except for the foreign direct investment variable. For instance, government spending positively affects government integrity in sub-Saharan Africa, while the opposite effect was detected in Asian countries. In addition, labor freedom positively impacts government integrity in Asian

**Table 5.** OLS results of Sub-Saharan countries

Sub-Saharan countries							
Variables	1	2	3	4	5	6	7
GS	-.363** (.171)	-0.286 (.201)	0.151 (.147)	0.036 (.166)	.388** (.161)	.41** (.162)	.56*** (.139)
LPF	-	-0.134 (.179)	-.337*** (.12)	-0.201 (.152)	-.472*** (.141)	-.488*** (.141)	-.273** (.131)
TRF	-	-	1.316*** (.211)	1.156*** (.236)	.766*** (.215)	.832*** (.222)	.743*** (.184)
INF	-	-	-	-0.276 (.197)	-0.111 (.163)	-0.139 (.165)	-.398** (.154)
UNP	-	-	-	-	.907*** (.235)	.855*** (.239)	.63*** (.206)
FDI	-	-	-	-	-	0.003 (0.002)	.004* (0.003)
PV	-	-	-	-	-	-	6.647*** (1.892)
_cons	58.321*** (13.853)	59.422*** (14.041)	-51.524** (19.933)	-37.282 (22.044)	-35.143* (17.678)	-40.264** (18.253)	-47.671*** (15.085)
Observations	30	30	30	30	30	30	30
R-squared	0.139	0.156	0.663	0.687	0.807	0.816	0.882

Note: Standard errors are in parentheses; \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1 indicate significance at 1%, 5%, and 10%, respectively. GS: Government spending, LPF: Labor freedom, TRF: Trade freedom, INF: inflation, UNP: addressing unemployment, FDI: Foreign direct investment, PV: Political stability and absence of terrorism.

**Table 6.** OLS results of Asian countries

Asian countries						
Variables	1	2	3	4	5	6
GS	-0.171 (.285)	-.42** (.165)	-.703*** (.173)	-.7*** (.17)	-.636*** (.153)	-.675*** (.229)
LPF	-	1.346*** (.173)	.77*** (.245)	.807*** (.242)	.633*** (.224)	.593** (.286)
TRF	-	-	1.675*** (.559)	1.429** (.577)	1.915*** (.541)	2.036** (.760)
INF	-	-	-	-2.569 (1.842)	-3.471** (1.668)	-3.323* (1.818)
UNP	-	-	-	-	4.333** (1.563)	3.999* (2.151)
FDI	-	-	-	-	-	0.002 (0.001)
_cons	73.373*** (21.634)	-3.822 (15.782)	-78.4** (28.485)	-58.023* (31.566)	-102.091*** (32.229)	-106.009*** (36.985)
Observations	30	30	30	30	30	30
R-squared	0.013	0.695	0.773	0.789	0.84	0.841

Note: Standard errors are in parentheses; \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1 indicate significance at 1%, 5%, and 10%, respectively. GS: Government spending, LPF: Labor freedom, TRF: Trade freedom, INF: inflation, UNP: addressing unemployment, FDI: Foreign direct investment.



countries (0.593), significant at 5%. Conversely, the sub-Saharan region shows a negative effect of  $-0.273$ , significant at 5%.

Similarities can be detected in both regions regarding trade freedom (TRF) and inflation (INF). Notably, sub-Saharan and Asian countries react positively to the level of trade freedom as it has a positive impact on government integrity at (0.743) and (2.036), each of them significant at 1% and 5%, respectively. Therefore, an increase of 1% and 5% in trade freedom improves government perception integrity by 74% and 2.036%. At the same time, inflation in both regions will result in a decline in government integrity perception. In addition, addressing unemployment (UNP) also have a significant and positive effect on government integrity (model 7 and model 6), with a 0.63 coefficient, significance at 1%, for sub-Saharan and a coefficient of 4 for Asian countries, significant at 10%.

## 4. DISCUSSION

The current study examined the impact of economic freedom and the absence of violence on the perception of government integrity in two different regions, Sub-Saharan (Mali, Nigeria, Cameroon, Zambia, Angola, and South Africa) and Asian countries (Japan, South Korea, China, Malaysia, Thailand, and Singapore). Comparing the current findings with the result of the previous studies, the results coincide with Swaleheen et al. (2019) and Thach and Ngoc (2021), who confirmed a negative association between government spending and integrity. Indeed, Swaleheen et al. (2019) agree that extensive spending from the government would ultimately lead to creating opportunities for private gains. Therefore, Asian countries negatively perceive the amount spent by the government, particularly when the allocated expenditure does not sufficiently generate its desired results or, in some cases, when it is spent needlessly in undesirable sectors. Furthermore, without changes in the factors influencing the allocational propensities, increases in governmental revenue may attract more other lavish sectors, in which demanding a share of the spending amount could be inevitable. However, this is only in the Asian context. While for the Sub-Saharan regions, the percep-

tion of spending could be perceived positively. There is no reason to suppose that the government has a high marginal inclination to spend for development purposes. Therefore, a simple allocation to an area could be seen as a substitute for integrity among sub-Saharan countries, regardless of the beneficial sector.

Furthermore, both regions react differently to labor market openness. A negative impact can be noticed in the sub-Saharan context, while the reverse effect is present in Asian countries. A similar result was found by Graeff and Mehlkop (2003). Thus, economic indicators such as labor freedom have a certain degree of impact on government integrity. However, it differs depending on the level of countries' development (whether rich or poor). In the case of this paper, only Sub-Saharan countries reacted negatively to labor freedom, which is justifiable merely because labor freedom is overshadowed by the existing unemployment in these countries, therefore contributing scarcely to the integrity evaluation among sub-Saharan citizens.

In the similarities spectrum, trade freedom positively affects government integrity, thus matching the same results of Thach and Ngoc (2021). Friendlier regulations toward trade (promoting lenient tariffs and improving logistic infrastructure) will subsequently increase the perception of integrity among the public by projecting them (the government) as more reliable, honest, and responsible. Indeed, more investment in trade freedom reinforces the legitimacy of the government in the eyes of citizens. Moreover, unlike labor freedom, trade freedom is much easier for the government to address trade increases, innovation, and economic growth. However, with the slightest troubles, labor freedom will require different internal policies for the authority to embrace, which in some instances, is hindered by the lack of accountability and misappropriation of national funds. Likewise, inflation indicates a negative result which is in line with Akça et al. (2012), Samimi et al. (2012), and Özşahin and Üçler (2017), arguing that a rise in prices will be regarded as a proxy for weak governmental integrity. In the worst case, it will retroactively affect public authority in the sense of undermining citizens' trust in their government.

Similarly, addressing unemployment has a positive effect on the perception of integrity. Asian countries react positively when their government addresses unemployment by taking adequate measures to reduce the unemployment rate; the same goes for sub-Saharan countries. The current finding is in line with Georgescu (2012). Citizens consider policies in favor of their needs, where the government addresses a societal issue (environment, unemployment, gender, violence) as a positive factor of governmental integrity. On the other hand, foreign direct investment (FDI) positively affects integrity perception. However, despite showcasing a positive value, it is only significant for sub-Saharan countries, perhaps

because Asian countries such as Japan, South Korea, Singapore, and China are already developed in the sense of industrialization attainment. Hence, the usual frequency of perceiving foreign direct inflows as a proxy of government probity among Asian citizens is relatively low compared to one decade ago. This result is consistent with Uroos et al. (2022). Finally, the PV variable shows a positive effect on government integrity. A particular reason for this result may be: when authority preserves the peace and minimizes engaging in direct or indirect conflicts by turning to non-violence alternatives, the level of integrity increases. This result supports Shabbir et al. (2016) and Kesar et al. (2022).

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## CONCLUSION

Integrity is much broader than corruption, although many authors have been examining the concept from a corruption outlook. Moreover, the perception of integrity also differs from country to country, depending on citizens' needs. The current study examined the impact of economic freedom and the absence of violence on the perception of government integrity in two different regions (Sub-Saharan and Asian countries).

According to the OLS findings, trade freedom and addressing unemployment has a positive impact on the government integrity level. At the same time, inflation in the country negatively affects citizens' perceptions by reducing the government's probity. Additionally, sub-Saharan countries react positively to government spending, while the reverse reaction is noticed in the Asian context. Similarly, labor freedom is only positive for the selected Asian countries, owing to the favorable policies and laws that encourage laborers' rights. On the other hand, FDI inflow positively affects both regions, although it is only significant for sub-Saharan countries. Political stability and the absence of terrorism were included in the sub-Saharan assessment. The result yielded a positive effect, deducing that peace and the absence of conflicts contribute considerably to the level of appreciation among citizens toward their government, thus fostering its legitimacy and integrity across the region.

The policy implication of these results is not far-fetched. First, the evaluation of government and policy-makers is undermined by the extent of the freedom they provide to their citizens in the sense of easing restrictions on the economy. Therefore, leaders in these countries, particularly sub-Saharan, are advised to invest more in policy tools that promote economic openness at the national level. Nonetheless, many African countries emphasize economic freedom, namely Nigeria, but at a rising cost of poor integrity among officials. Furthermore, citizens are more prone to establish their judgment through the activities undertaken by the government, in which they address a societal or economic issue. Hence, poor performance affected by a lack of integrity could impede citizens' trust in their representatives. As a result, concerted efforts must be directed to more emphasis on economic freedom, generating a certain degree of governmental integrity in the eyes of citizens while simultaneously benefiting from the support of the public. Consequently, this will produce a two-way consensus, one based on satisfaction while the other involves fostering legitimacy.

## AUTHOR CONTRIBUTIONS

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