



BEYOND THE SOFT LAW- HOW THE LEGISLATOR CAN RULE THE SOCIAL RESPONSIBILITY?

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Abstract: *Values are often linked with nations or regions, and the relationship between values and behaviour is well established. Aim: The aim of the study is to provide a multi-dimensional description of economic values across several countries and to link these values with gross national income, a proxy to wealth. Method: Cross sectional country-level data on five economic values (from the World Values Survey) were related to GNI per capita data (from the World Bank). The relationship of each economic variable with GNI were calculated. Results: Complete data for 65 countries were available. The data revealed certain economic values (e.g., Private ownership being favoured above government ownership of business and industry) are significant predictors of GNI. Other economic values (e.g., Competition as being good or harmful) are not significant predictors of GNI. Discussion: Certain economic values are present in countries where levels of wealth is high. Formal or mainstream support for these values may contribute to wealth creation. Conclusion: Country-level wealth can be explained by differences in the economic values regarded in specific countries. Wealth may increase if these values are endorsed.*

Key words: *Economic values, World Values Survey, gross national income, GNI, World Bank*

Presentation Outline



INTRODUCTION



AIM OF THE
RESEARCH



METHODOLOGY



RESULTS



DISCUSSION



CONCLUSIONS



Introduction

1. The association between values and behaviour
2. National boundaries and cultural identity
3. Economic values and prosperity
4. Change of values



Introduction

1. The association between values and behaviour
 - Individual attitudes
 - Social norms
 - Situational factors



Introduction

2. National boundaries and cultural identity
 - Markers of cultural context
 - World Values Survey
 - GLOBE (Global Leadership and Organizational Behaviour Effectiveness) Study



Introduction

3. Economic values and prosperity

- Culture: Protestant work ethic, emphasizing hard work, thrift, and delayed gratification
- Free market versus social welfare states
- Risk aversion and stability preference



Introduction

4.1 Change of values

- Socioeconomic factors
- Technological advancements
- Globalization
- Cultural and generational



Introduction

4.2 Change of values - Interventions

- Educational system
- Tax incentives
- Social safety nets and minimum wage legislation
- Legislation (e.g. environmental protection)



Aim of the Research

The aim of the study is to provide a multi-dimensional description of economic values across several countries and to link these values with gross national income, a proxy to wealth.

This may influence policy makers to enhance wealth through stimulating certain values.



Method

1. No sampling – all countries for which data was available



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2. Values data from World Values Survey (WVS – 7th wave)

Economic Values as per the WVS

Item	Scores between 1 and 5	Scores between 6 and 10	Coding
Q106	Incomes should be made more equal	There should be greater incentives for individual effort	+
Q107	Private ownership of business and industry should be increased	Government ownership of business and industry should be increased	-
Q108	Government should take more responsibility to ensure that everyone is provided for	People should take more responsibility to provide for themselves	+
Q109	Competition is good	Competition is harmful	-



Method

1. No sampling – all countries for which data was available
2. Values data from World Values Survey (WVS – 7th wave)
3. GNI data from the World Bank
 - GNI is defined as “per capita ... the dollar value of a country’s final income in a year divided by its population using Atlas methodology” (WB, 2023a).
 - The Atlas conversion ... is an ... adjustment to reduce exchange rate changes (vs USD) caused by inflation.



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4. Aligned WVS and WB data – Table



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5. Calculated the correlation between WVS and WB data



Results

TOTAL: N=94 278

LOW: Northern Ireland (N=447), followed by Chili, Cyprus and Uruguay, with N=1 000 each.

HIGH: Netherlands (N=4 554), followed by Great Britain (N=4 403) and Canada (N=4 018).

Bulgaria: N=1 566 (Data from the online analyses).



Results

NOTE: Sample drawn per country, of people aged 18 or older, regardless of nationality, citizenship, or language.

Age: 43.41, with a standard deviation of 16.579.

Sex: 43 510 men and 48 343 women.



Results

Values per Country and Gross National Income (GNI)

Country	Q106	Q107	Q108	Q109	Sum	GNI
Albania	5.69	4.5	5.94	2.45	6.67	6 110
Andorra	6.14	5.06	4.47	3.13	6.10	—
Argentina	5.53	6.03	4.99	4.83	5.41	9 960
Armenia	7.48	5.88	4.80	3.38	6.25	4 850
Australia	6.20	5.05	5.31	3.60	6.21	57 170
Austria	4.88	4.87	6.46	3.57	6.22	52 760
Azerbaijan	5.47	5.83	4.21	4.33	5.38	4 900
Bangladesh	3.96	4.98	4.26	3.44	5.45	2 570
Belarus	6.02	4.71	6.24	3.44	6.52	6 940
Bolivia	6.43	6.49	5.74	5.05	5.65	3 290
Bos-Herz1	4.04	6.88	4.87	3.71	5.08	6 810
Brazil	5.06	4.92	3.54	3.76	5.48	7 740
Bulgaria	6.02	6.04	6.42	3.25	6.28	11 200



Results

Descriptive statistics

	Q106	Q107	Q108	Q109	Sum	GNI
N	90	90	90	90	90	87
Mean	6.03	5.49	5.31	3.86	5.94	21470
Std. Dev.	0.994	0.699	0.916	0.741	0.388	22679
Minimum	3.96	3.72	2.54	1.76	5.01	940
Maximum	9.02	7.51	7.89	7.14	7.07	90600
Skewness	0.482	0.152	-0.305	0.646 [#]	0.078	1.248 ^{##}
Kurtosis	0.469	0.026	0.571	3.287 ^{##}	0.172	0.535
S-W	0.980	0.993	0.983	0.955 [*]	0.992	0.814 ^{**}

Note: [#] $z > 1.96$, ^{##} $z > 2.57$; ^{*} $p < .01$, ^{**} $p < .001$; S-W= Shapiro-Wilk test for normality; Sum=Q106+(11-Q107)+Q108+(11-Q109) divided by 4.



Results

Correlation analyses (Pearson r to the left of the diagonal and Spearman rho to the right)

	Q106	Q107	Q108	Q109	Sum	GNI
Q106	—	.385 ^{***}	-.078	-.071	.375 ^{***}	-.456 ^{***}
Q107	.349 ^{***}	—	-.305 ^{**}	.257 [*]	-.450 ^{***}	-.576 ^{***}
Q108	-.125	-.273 ^{**}	—	.060	.590 ^{***}	.379 ^{***}
Q109	-.098	.139	.278 ^{**}	—	-.499 ^{***}	-.124
Sum	.456 ^{***}	-.454 ^{***}	.500 ^{***}	-.438 ^{***}	—	.292 ^{**}
GNI	-.316 ^{**}	-.551 ^{***}	.341 ^{**}	-.130	.312 ^{**}	—

Note. ^{*} $p < .05$, ^{**} $p < .01$, ^{***} $p < .001$; Sum=Q106+(11-Q107)+Q108+(11-Q109) divided by 4.



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GNI
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Discussion

Literature

Complex relationship – but comprehensible / coherent

Method

Large sample of countries

WVS data is “funny”



Discussion

Results

Q107: Private ownership key to development

TOTAL: $\rho = .292$, $\rho^2 = .085$

Thus, 8% of variance in GNI declared by economic values



Discussion

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Q107: Private ownership key to development

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Q107: Private ownership key to development

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Conclusion

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Conclusion

Economic values are not the primary drivers of GNI

Q107 and Q108 may serve as policy guidelines

Overestimating the importance of values is irresponsible

Behaviour driving values is problematic: Cognitive dissonance