Values in Finance[1]

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Abstract

Implicit in current distrust in the finance industry is the idea that finance professionals are unethical. We test this hypothesis using a unique data set on values of CFAs in 2016 paired with the World Value Survey. Our results are inconsistent with the idea that finance professionals are systematically less ethical than members of the population. Consistent with research suggesting finance is a high skill industry, finance professionals are highly achievement oriented. Both achievement orientation and the structure of the financial system help explain attitude gaps towards income inequality, government ownership, individual responsibility, competition, the role of hard work and wealth. While many are asked what they think about financiers, our results suggest that asking financiers what they think opens new questions about the links between values and trust.

"Values: strong ethics and client-centric focus, such as empathy and loyalty in putting clients first, are the values needed by an investment professional or organization for trust to be granted." CFA Institute (XXXX)

1. Introduction

In 2007, the banking industry was the second most trusted industry in the Edelman Trust Barometer (Edelman, 2007). Trust in banks dropped by 50% in 2009 (Edelman, 2009) and has not recovered. In the last five years, the finance industry has been the least trusted industry (Edelman, 2019). Since trust is linked to ethics and values, the lack of trust in finance suggests two hypotheses. The first is that the values of finance professionals are different – in particular, less ethical – than the values of others. The second is that the structure of the financial industry affects values. We test these hypotheses using data from the World Value Survey and a unique global survey of values of Chartered Financial Analysts (CFA).

Ex ante it is not obvious that the values of financials professional should be different than the values of others. Personal values are abstract desirable goals that serve as guiding principles in peoples' lives (Kluckhohn, 1951; Rokeach, 1973; Schwartz, 1992). Importantly, the literature on values argues many of their features are determined early in life (Daniel *et al.* 2012; Bilsky *et al.* 2013; Cieciuch, Davidov, and Algesheimer, 2015) and may even be genetic (Knafo and Spinath, 2011; Zacharopoulos *et al.*, 2016). For the values of finance professionals to be different, the values theory thus suggests that they must be selected, i.e. the people who work in finance must be fundamentally different from people outside of finance.[3]

If finance professionals are selected, then the structure of the industry must play a role in attracting individuals with specific value profiles. In this case, we should also expect attitudes of finance professionals to be different. In contrast to values, attitudes are shaped by personal experiences. To test for this selection effect, we compare the values and attitudes of CFA members to those in the general population across more than 50 countries using the Schwartz 11-item values inventory and an attitude question. We then examine whether the structure of the finance industry plays a role in explaining patterns in values and attitudes.

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[3] While priorities may differ systematically with age and other life circumstances, these circumstances are often chosen on the basis of value priorities (Bardi *et al.*, 2014).

We follow Adams and Giannetti (2012), who examine the role of CEO values in executive compensation, and focus on the four Schwartz values that have been most consistently linked to moral reasoning or ethical judgment: the self-transcendence values of benevolence and universalism and the self-enhancement values of power and achievement. Lan et al. (2010) use Rests's (Rest et al. 1999) Principled Score (P-score) to measure moral reasoning in a sample of 108 MBA students and argue that theory most clearly supports a relationship between the P-score and universalism and benevolence and their diametrically opposed values power and achievement.[4] They hypothesize that universalism and benevolence should be positively related to moral reasoning and power and achievement should be negatively related to moral reasoning.

If distrust of the financial sector is due to people's experience with unethical finance professionals, we might expect finance professionals to emphasize power and achievement values more and universalism and benevolence values less than typical members of the population. However, a greater emphasis on power and achievement values need not imply that finance professionals are immoral. In a longitudinal study of MBA students, Frieze, Olson, Murrell and Selvan (2006) show that power and achievement values are correlated with future success. Students with greater emphasis on these values worked longer hours, changed jobs more, were promoted more often and had higher salaries. Thus, power and achievement values may also be measures of unobservable quality. However, to the extent that we can proxy for quality using standard economic variables such as income, a finding that finance professionals emphasize these values more could be suggestive.

To measure attitudes, we use the following question (V96-V101 in the 2012 version) from the World Value Survey:

Now I'd like you to tell me your views on various issues. How would you place your views on this scale? 1 means you agree completely with the statement on the left; 10 means you agree completely with the statement on the right; and if your views fall somewhere in between, you can choose any number in between.

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[4] The formal definitions of these values are as follows: achievement = personal success through demonstrating competence according to social standards; power = social status and prestige, control or dominance over people and resources; benevolence = reserving and enhancing the welfare of those with whom one is in frequent personal contact (the "in-group"); universalism = understanding, appreciation, tolerance, and protection for the welfare of all people and for nature; self-direction: independent thought and action; choosing, creating, exploring.

Incomes should be made more equal	*We need larger income differences as incentives for individual effort*
Private ownership of business and industry should be increased	*Government ownership of business and industry should be increased*
Government should take more responsibility to ensure that everyone is provided for	*People should take more responsibility to provide for themselves*
Competition is good. It stimulates people to work hard and develop new ideas	*Competition is harmful. It brings out the worst in people*
In the long run, hard work usually brings a better life	*Hard work doesn't generally bring success—it's more a matter of luck and connections*
People can only get rich at the expense of others	*Wealth can grow so there's enough for everyone*

In contrast to values, we are relatively agnostic on the extent to which we expect finance professionals to have different attitudes than others. Previous literature suggests that attitudes towards income inequality vary with income. Since wages in finance are known to be higher, we might expect finance professionals to rate attitudes to the right of the schedule above.

We examine 5 characteristics of the financial sector that we believe are most likely to be linked to values and attitudes. First, we examine the extent to which the financial sector has undergone deregulation. Philppon and Resehef (2012) and Boustanifar, Grant and Reshef (2018) show that deregulation is associated with increased human capital and wages in the financial sector. Since education is linked to values and attitudes may vary with wealth, ceteris paribus we might expect the value profiles of finance professionals to be more different in countries in which the financial sector is less regulated. We follow Boustanifar, Grant and Reshef (2018) and use financial reform data from Abiad, Enrica, and Tressel (2008). From Barth, Caprio Jr, Levine, (2013), we take measures of supervisory power, government ownership, the extent to which banks take actions to mitigate moralz hazard, private monitoring and external governance as these are measures that are most clearly linked to governance of the financial sector.

Our data on finance professionals consists of answers to an electronic survey that we designed in collaboration with the CFA Institute. CFA members are experienced investment

professionals with extensive experience in investment decision-making. Regular members must meet the following requirements: possess a bachelor's degree, pass the CFA Level I exam (with an average pass rate of 40% from 2007 to 2016) or the Standards of Practice Examination, possess 4 years of professional work experience in investment decision-making, and provide three professional references. The vast majority (more than 90%) of CFA members are charterholders. CFA charterholders must pass three qualifying exams (CFA Program exams for Levels I, II, and III), have 4 years of work experience in investment decision making, and be a member of the CFA Institute. About 80 percent of survey respondents report their current job. The five most common jobs are portfolio manager (20.1%), research analyst (13.0%), consultant (6.4%), risk analyst (5.8%), and corporate financial analyst (5.3%).

The CFA Institute sent the survey to its members in May 2016.[5] The survey included questions about demographics, values and attitudes. To facilitate comparison of CFA responses to members of the population, we adopt the same wording as in the World Value Survey on questions pertaining to values (A189 to A199 in the WVS), attitudes (V96-V101) and income (X047). The population benchmark consists of data on values and attitudes from the 6th wave (responses between 2010 and 2014) of the World Value Survey. Our final sample contains data on values of more than 4000 CFAs and XXX members of the population in more than 50 countries. To the best of our knowledge, this is the largest existing data set on values of finance professionals and members of the population.

To test our hypotheses, we first regress the values and attitudes of individuals on a CFA dummy and control variables. We then interact the CFA dummy with financial structure variables. To address potential omitted variable bias related to education and income, we restrict our sample to individuals with university degrees and control for income. We also control for gender since a large literature argues that women have different value profiles than men (Adams and Funk, 2012; Adams, Barber and Odean, 2017) and women are less likely to be CFAs (Adams, Barber and Odean, 2017). Since values have a cultural foundation and characteristics of the financial sector, other than the ones we examine, may relate to both the decision to become a CFA and values and attitudes, we also include country fixed effects. These country fixed effects also control for other country-level characteristics that may affect both the decision to become a CFA and values and attitudes, such as GDP. In the interaction regressions, including country fixed effects means we can no longer identify the effect of

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[5] Readers can view a video rendering of the online survey on youtube: https://youtu.be/B3dZsB-7Yhs.

financial structure, but we can still identify the coefficients on the interaction terms of financial structure with the CFA dummy.

The evidence does not support the idea that finance professionals, as proxied by CFAs, are less ethical in the sense of emphasizing self-transcendence values less. While they emphasize achievement more, they do not emphasize power. Instead of being consistent with selection on ethics, the results appear more consistent with selection on skill consistent with Phillipon and Reshef's (2012) and Boustanifar, Grant and Reshef's (2018) evidence that wages and skills are higher in finance.

When it comes to difference in attitudes, however, we observe substantial differences between finance professionals and members of the population. CFAs are more likely to believe that income inequality provides incentives, government ownership should not be increased, people have personal responsibility, competition is not harmful, hard work brings success and wealth can grow so there is enough for everyone. To the extent that attitudes are shaped by the environment rather than being intrinsic, the results suggest that people in finance are not fundamentally different (beyond emphasizing achievement) but working in the finance industry gives rise to significantly different attitudes. Consistent with this idea, we find that the structure of the finance industry has some explanatory power for attitudes.

Our paper is related to a growing literature that studies the effects of culture on economic outcomes. Most of this literature focuses on the relationship between country-level measures of culture and macroeconomic outcomes (see Guiso, Sapienza, and Zingales (2006) for a survey). Unlike other survey papers in the literature, we are able to survey the entire population of CFAs. This limits concerns about potential sample selection bias for this type of financier.

2. Data and methods

Our data set consists of a combination of CFA member data, CFA survey data, country- and state-level data from a variety of sources, and World Value Survey data on individuals from the general population of countries with CFA members.

CFA Member Data

Our first dataset consists of age, gender, and country location for all CFA members (more than 135,000 members). CFA members are experienced investment professionals with extensive experience in investment decision-making. CFA regular members must meet the

following requirements: possess a bachelor's degree, pass the CFA Level I exam (with an average pass rate of 40% from 2007 to 2016) or the Standards of Practice Examination, possess 4 years of professional work experience in investment decision making, and provide three professional references. The vast majority (more than 90%) of CFA members are charterholders. CFA charterholders must pass three qualifying exams (CFA Program exams for Levels I, II, and III), have 4 years of work experience in investment decision making, and be a member of the CFA Institute.

-Insert Table 1 about here-

Besides geography and gender, the only data we have for virtually all CFA members is age. The mean age of members is 41.8, ranging from a low of 35.6 in India to a high of 46.7 in Japan for countries with at least 300 members.

The CFA Survey

Our second dataset consists of answers to an electronic survey that we designed in collaboration with the CFA Institute. The CFA Institute sent the survey to its members in May 2016. The survey included questions about demographics, values and attitudes. To facilitate comparison of CFA responses to members of the population, we adopt the same wording as in the World Value Survey on questions that we us to compare CFA members to the population.

The survey response rate was 3.8%, which is in the same ballpark but slightly below the 5-8% response rate observed in the CFO survey of Ben-David, Graham, and Harvey (2013). For the same data set, Adams, Barber and Odean (2017) document modest response bias related to age, gender, experience, and country. For example, women are 0.7% more likely to respond than men, those in their 20s and 30s are less likely to respond than those over 40, those with long experience as a charterholder are less likely to respond, and response rates are somewhat lower in China and Hong Kong. Since these response biases are modest, we use unweighted observations in the main analysis for simplicity.

From this survey, we obtain data on basic demographic characteristics including age, education (bachelors, masters, or PhD), family characteristics (marital status and children), and self-reported income decile. We do not use data on occupation since the 6th wave of the World Value Survey does not include occupational codes. To the extent that finance professionals are also represented in the World Value Survey, we expect this to work against our finding of any differences in values and behavior.

-Insert Table 2 about here-

We present descriptive statistics for demographic characteristics in panel A of Table 2.

The World Values Survey (WVS)

Personal values are abstract desirable goals that people strive to attain (e.g. Rokeach, 1973) and that occupy an important place within individuals' social psychology (Hitlin and Piliavin, 2004). Because values transcend particular situations, they are well suited for comparing CFA members in different countries. Researchers have shown that values predict a variety of actions and that these relations appear to be causal (Sagiv, Sverdlik and Schwarz, 2011; Verplanken and Holland, 2002).

We measure values as in Schwartz (1992) since the 6th Wave of the World Value Survey contains a population baselines for the Schwartz 10-item values inventory. Schwartz identifies 10 basic human values that are recognized by all cultures and that leave out no major value that is meaningful across societies. These values are labelled tradition, conformity, achievement, benevolence, universalism, power, security, self-direction, stimulation and hedonism and are grouped into four categories of self-transcendence, self-enhancement, conservation and openness to change. Some values are compatible with each other, while others conflict with each other in the sense that actions that promote one of them are likely to impede the attainment of the other. In the 6th Wave of the WVS, the question measuring benevolence was replaced with a different question in some countries. We surveyed CFAs using the 11-item value inventory, but the WVS for any one country contains only 10 values.

Respondents completing the Schwartz portrait value questionnaire answer the question "How much like you is this person" when presented with the following portraits for the four values we examine.

Achievement: Being very successful is important to this person; to have people recognize one's achievements.

Power: It is important to this person to be rich; to have a lot of money and expensive things.

Benevolence (original): It is important for this person to help the people nearby; to care for their well-being.

Benevolence (substitute): It is important to this person to do something for the good of society.

9

Universalism: Looking after the environment is important to this person; to care for nature and save life resources.

Answers are provided in six options ranging from "very much like me" to "not like me at all." The similarity judgments are transformed into a 6-point numerical scale and used to infer the respondents' own values. We code the answers in the CFA data and the WVS so that they are increasing in agreement from 1 to 6, i.e., 6 represents the response "very much like me." In our empirical analysis, value scores are calculated after deducting the individual's mean response across the 11 item quetion. For example, an individual who characterizes the tradition portrait as "very much like me" while characterizing the other value portraits as "like me" or "somewhat like me" will have a tradition score greater than zero and larger than the other value scores.

To create our values sample, we restrict the WVS data to countries in which CFA members are located and to members of the population of the same age as CFA members and append it to our CFA data. For the 57 item survey, Schwartz (2009) argues that respondents should be dropped if they leave 15 or more items blank or choose a particular response (e.g. choose a response of 6) more than 35 times. Adopting these cutoffs to account for the smaller number of items in the 11 item survey, we drop individuals (834 CFA members and 15,597 members of the WVS) who have more than 3 missing value items or who choose the same response more than 6 times. Following Schwartz and as discussed in the preceding paragraph, we create value scores by subtracting the mean individual response to the 11-item survey from each value. Since the attitude questions are asked as a group, for consistency we also subtract the mean individual response for the 6 attitudes.

We also map the demographic data from the CFA survey to demographic data from the WVS. Marital status, the presence of children, and education are sometimes missing in the CFA and WVS dataset. Rather than delete these observations, we code them as unmarried, no children, and no college degree and construct dummy variables for missing marital status, missing child status, and missing education status.

Financial Structure

We use the last available data on financial reforms (for 2008) from the Abiad, Detragiache, and Tressel (2008) dataset. The dataset includes measures of financial reform along seven dimensions: (1) credit controls, (2) interest rate controls, (3) entry barriers/pro-competition measures, (4) banking supervision, (5) privatization, (6) international capital

flows, (7) and securities market policies. We provide more details on these indices in the Online Appendix. We use the aggregate measure of financial reforms that is the sum of all indices, normalized to be between 0 and 1. Larger values of the reform index mean fewer restrictions on the financial sector.

From Barth, Caprio and Levine (2013) we use 2011 data …

Descriptive Statistics

In panel B of Table 2, we present descriptive statistics on demographics, values and attitudes for WVS and CFA survey as well as the difference between the two. In the general population, we have over 50,000 observations around the world from the WVS. In this table, we restrict the CFA sample to those who have data on at least one value.

The profile of CFA members differ from the general population in ways one might expect. CFA members are less likely to be women, are more educated, and are wealthier than those in the general population. CFA members are also slightly younger, are more likely to be married, but are less likely to have children.

In the last rows of this table, we present the key value scores on achievement XXX. In the general population, XXpeople place greater weight on tradition and conformity and less weight on achievement than the other Schwartz values. In contrast, CFA members place much less weight on tradition, similar weight on conformity, and more weight on achievementXX. In sum, CFA members are more achievement oriented and much less tradition oriented that the general population, but have similar conformity values.XX

3. **Results**

   3.1 **Values and attituded: Is there a CFA gap?**

We first consider whether values and attitudes differ between CFA members and the general population. To formally test for differences in values, we estimate a regression where the dependent variable is the value score for a person and the key independent variables is a dummy variable for CFA members. To highlight the role of education, in Table 4 we first use the entire sample of CFAs and population members and control only for ln(age), marital status, and the presence of children and then add education.[6] In Table 5 we restrict the sample to employed CFAs and employed members of the population with a university degree and include dummy variables for each level of income and country fixed effects. For the country

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[6] Results are similar if we use a saturated model with dummy variables for each age decile.

effects, we group all countries with fewer than 300 CFA members into one group. Throughout the paper we cluster all standard errors at the original country level.

In Tables 5 and 6, we mirror the analysis of values using attitudes as dependent variables.

-Insert Table 3 about here-

-Insert Table 4 about here-

-Insert Table 5 about here-

-Insert Table 6 about here-

When we benchmark CFAs against the full population in Table 3, we observe that CFAs score lower on universalism, but higher on both measures of benevolence. They also score higher on achievement than members of the population. However, these correlations become less pronounced once we compare CFAs to the educated population. CFAs are more benevolent and more achievement-oriented than educated members of the population, but only achievement-orientation survives the inclusion of country fixed effects.

The evidence does not support the idea that finance professionals, as proxied by CFAs, are less ethical in the sense of emphasizing self-transcendence values less. While they emphasize achievement more, they do not emphasize power. Instead of being consistent with selection on ethics, the results appear more consistent with selection on skill consistent with Phillipon and Reshef's (2012) and Boustanifar, Grant and Reshef's (2018) evidence that wages and skills are higher in finance.

When it comes to difference in attitudes, however, we observe substantial differences between finance professionals and members of the population. CFAs are more likely to believe that income inequality provides incentives, government ownership should not be increased, people have personal responsibility, competition is not harmful, hard work brings success and wealth can grow so there is enough for everyone. All but two coefficients on the CFA dummy in Table 5 are statistically significant at the 1% level; the others are significant at the 5% and 10% level. University education and income do not seem to explain these differences. All of the coefficients on CFA except for those in column II (Income=Incentives) and columns IX and X (Luck and Connections) are still statistically significant at the 1% level. To the extent that attitudes are shaped by the environment rather than being intrinsic, the results suggest that people in finance are not fundamentally different (beyond emphasizing achievement) but working in the finance industry gives rise to significantly different attitudes.

However, it is debatable whether these attitudes are undesirable. Presumably, one would prefer to invest with a financier who believes in hard work than one that doesn't, for example.

3.3 The structure of the finance industry and gaps in values and attitudes

To examine whether the structure of the finance industry is relevant for understanding values and attitudes of finance professionals, we first examine whether structure has some explanatory power for values and attitudes within the sample of CFAs (Tables 7). We then examine whether structure has some explanatory power for CFA-population gaps (Tables 8 and 9). To better isolate the role of structure, we restrict our analysis to employed CFAs and educated and employed members of the population. Because financial structure variables are highly correlated, we enter them into the regressions one by one. Since this increases the dimensionality of the results, we suppress the coefficients on all control variables in the tables and stack the regression coefficients for the different financial structure variables. Thus, each cell in Table 7 reports the regression coefficient on CFA in a regression involving the value or attitude in the top row and the financial structure variable in the left-most column. Similarly, each group of 3 vertical cells in Tables 8 and 9 reports the regression coefficient on CFA, a financial structure variable and the interaction between the two in a regression involving the value or attitude in the top row and the financial structure variable in the left-most column.

-Insert Table 7 about here-
-Insert Table 8 about here-
-Insert Table 9 about here-

The results in Table 7 suggest that the structure of the financial sector may be associated with both values and attitudes of finance professionals. For example, while countries in which banks take more actions to mitigate moral hazard are associated with lower universalism, they are also associated with lower self-enhancement values of both achievement and power and higher benevolence. The results are suggestive that in countries in which banks take more responsibility for mitigating moral hazard, there is positive selection on ethics. It is also noticeable that both supervisory power and private monitoring are most significantly correlated with attitudes in the same direction as in Tables 5 and 6. However, identification of the role of financial structure in Table 7 is difficult since financial structure may be correlated with other macro-economic variables, including culture.

13

Tables 8 and 9 allow us to better isolate the role of financial structure from other country level effects. In the fixed effects specifications, the structure variable that seems to be associated with positive selection relative to the population is moral hazard, which is associated with lower achievement orientations. The structure variables that are associated with negative selection are external governance (lower universalism), financial reform (lower benevolence) and supervisory power (lower universalism and benevolence). While the results are suggestive—the results for supervisory power, for example are consistent with the literature on perquisite taking in regulated industries—they do not

A in Tables 7, private monitoring appears to have a lot of explanatory power for

4. Sensitivity to the US

5. Conclusion

Implicit in current distrust in the finance industry is the idea that finance professionals are unethical. We test this hypothesis using a unique data set on values of CFAs in 2016 paired with the World Value Survey. Our results are inconsistent with the idea that finance professionals are systematically less ethical than members of the population. Consistent with research suggesting finance is a high skill industry, finance professionals are highly achievement oriented. Both achievement orientation and the structure of the financial system help explain attitude gaps towards income inequality, government ownership, individual responsibility, competition, the role of hard work and wealth. While many are asked what they think about financiers, our results suggest that asking financiers what they think opens new questions about the links between values and trust.

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Appendix Variable Definitions

Schwartz values (A189 to A199 in the WVS)

Here we briefly describe some people. Please read each description and think about how much each person is or is not like you.

Each question should be answered using the following six point Likert Scale:

1	2	3	4	5	6
Very much like me	Like me	Somewhat like me	A little like me	Not like me	Not like me at all

1. Thinking up new ideas and being creative is important to this person; to do things in one's own original way.

2. It is important to this person to be rich; to have a lot of money and expensive things.

3. Living in secure surroundings is important to this person; to avoid anything that might be dangerous.

4. It is important to this person to have a good time; to "spoil" oneself.

5. It is important to this person to do something for the good of society.

6. It is important for this person to help the people nearby; to care for their well-being.

7. Being very successful is important to this person; to have people recognize one's achievements.

8. Adventure and taking risks are important to this person; to have an exciting life.

9. It is important to this person to always behave properly; to avoid doing anything people would say is wrong.

10. Looking after the environment is important to this person; to care for nature and save life resources.

Tradition is important to this person; to follow the customs handed down by one's religion or family.

Attitudes (V96-V101 in the WVS)

Now I'd like you to tell me your views on various issues. How would you place your views on this scale? 1 means you agree completely with the statement on the left; 10 means you agree completely with the statement on the right; and if your views fall somewhere in between, you can choose any number in between.

Incomes should be made more equal	*We need larger income differences as incentives for individual effort*
Private ownership of business and industry should be increased	*Government ownership of business and industry should be increased*
Government should take more responsibility to ensure that everyone is provided for	*People should take more responsibility to provide for themselves*
Competition is good. It stimulates people to work hard and develop new ideas	*Competition is harmful. It brings out the worst in people*
In the long run, hard work usually brings a better life	*Hard work doesn't generally bring success—it's more a matter of luck and connections*
People can only get rich at the expense of others	*Wealth can grow so there's enough for everyone*

Income (X047 in the WVS).

Consider an income scale on which 1 indicates the lowest income group and 10 the highest income group in your country. We would like to know in what group your household is. Please, specify the appropriate number, counting all wages, salaries, pensions and other incomes that come in. (WVS)

<10 Point Likert Scale, 1 lowest income group to 10 highest income group>

Bank Structure variables from Barth, Gerard Caprio Jr, Ross Levine, (2013)

Category	Name	Variable	Definition
Official Supervisory Action Variables	Sup_Power	Official Supervisory Power	Whether the supervisory authorities have the authority to take specific actions to prevent and correct problems.
Private Monitoring Variables	PrivateMonitoring	Private Monitoring Index	Measures whether there incentives/ability for the private monitoring of firms, with higher values indicating more private monitoring.
Deposit Insurance Scheme Variables	MoralHazard (*)	Various Factors Mitigating Moral Hazard	Degree to which actions taken to mitigate moral hazard.
Market Structure Indicators (from Journal of Financial Intermediation, JFI)	GovernmentBanks	Government-Owned Banks	The extent to which the banking system's assets are government owned.
External Governance Variables (from Rethinking Bank Regulation book) (*)		External Governance Index	Sum of (X.I) + (X.II) + (X.III) + (X.IV)

Financial reform data from Abiad, Enrica, and Tressel (2008)

Name	Description
finreform	Financial Reform Index, 0 to 21, sum of seven components
Finreform_n	Financial Reform Index, normalized to be between 0 and 1

Table 1 **Descriptive Statistics on CFA Members by Country and Region**

Table 2 Descriptive Statistics

Table 3 CFAs versus population: values

The dependent variable is the score from the 11-item Schwartz value survey. The sample is the combined CFA sample and WVS sample.

VARIABLES	Self-transcendence						Self-enhancement			
	Universalism		Benevolence (original)		Benevolence (new)		Power		Achievement	
	I	II	III	IV	V	VI	VII	VIII	IX	X
CFA	-0.089	-0.151**	0.042	0.005	0.208***	0.135***	-0.102	0.007	0.246***	0.195***
	[0.065]	[0.061]	[0.058]	[0.062]	[0.039]	[0.041]	[0.071]	[0.066]	[0.049]	[0.056]
Ln(age)	0.551***	0.552***	0.386***	0.391***	0.326***	0.333***	-0.591***	-0.596***	-0.487***	-0.477***
	[0.053]	[0.052]	[0.064]	[0.064]	[0.038]	[0.039]	[0.086]	[0.086]	[0.057]	[0.056]
University		0.082**		0.044		0.095***		-0.144**		0.063
		[0.033]		[0.046]		[0.034]		[0.061]		[0.038]
Missuniversity		0.261***		-0.381		-0.001		-0.281***		-0.413***
		[0.051]		[0.250]		[0.039]		[0.076]		[0.057]
Married	-0.017	-0.021	-0.013	-0.015	-0.026	-0.030	0.131**	0.137**	0.065***	0.062***
	[0.028]	[0.028]	[0.047]	[0.046]	[0.023]	[0.022]	[0.055]	[0.054]	[0.023]	[0.022]
Missmarried	-0.362***	-0.366***	-0.050	-0.051	-0.020	-0.024	0.247*	0.253**	0.096	0.094
	[0.089]	[0.089]	[0.112]	[0.111]	[0.136]	[0.135]	[0.127]	[0.125]	[0.071]	[0.071]
Kids	0.017	0.025	0.046	0.049	0.051**	0.060**	-0.073	-0.087	-0.002	0.002
	[0.032]	[0.032]	[0.035]	[0.034]	[0.025]	[0.023]	[0.056]	[0.054]	[0.025]	[0.025]
Misskids	0.146***	0.153***	0.269***	0.268***	-0.304***	-0.297***	-0.063	-0.074	-0.017	-0.016
	[0.046]	[0.046]	[0.055]	[0.054]	[0.036]	[0.035]	[0.066]	[0.066]	[0.052]	[0.052]
Female	0.147***	0.147***	0.131***	0.132***	0.083***	0.084***	-0.161***	-0.162***	-0.134***	-0.133***
	[0.015]	[0.015]	[0.030]	[0.030]	[0.019]	[0.019]	[0.021]	[0.021]	[0.017]	[0.016]
Constant	-1.743***	-1.770***	-1.060***	-1.084***	-0.882***	-0.930***	1.333***	1.389***	1.718***	1.666***
	[0.198]	[0.200]	[0.231]	[0.230]	[0.143]	[0.150]	[0.359]	[0.368]	[0.192]	[0.188]
Observations	56,862	56,862	26,674	26,674	54,128	54,128	56,848	56,848	56,761	56,761
R-squared	0.038	0.039	0.024	0.024	0.018	0.020	0.031	0.034	0.029	0.030

Table 4 CFA versus educated population: values

The dependent variable is the score from the 11-item Schwartz value survey. The sample is the employed CFAs sample and employed members of WVS with a university degree.

VARIABLES	Self-transcendence						Self-enhancement			
	Universalism		Benevolence (original)		Benevolence (new)		Power		Achievement	
	I	II	III	IV	V	VI	VII	VIII	IX	X
CFA	-0.079	-0.056	0.042	-0.001	0.146***	0.055	-0.046	-0.015	0.161***	0.124*
	[0.058]	[0.057]	[0.069]	[0.091]	[0.043]	[0.063]	[0.067]	[0.081]	[0.057]	[0.068]
Ln(age)	0.635***	0.641***	0.407***	0.397***	0.487***	0.458***	-0.654***	-0.585***	-0.523***	-0.544***
	[0.085]	[0.084]	[0.054]	[0.050]	[0.048]	[0.046]	[0.080]	[0.072]	[0.068]	[0.055]
married	0.035	0.037	0.007	-0.002	-0.020	-0.020	0.060	0.055	0.017	0.009
	[0.033]	[0.033]	[0.046]	[0.041]	[0.038]	[0.033]	[0.041]	[0.037]	[0.036]	[0.035]
Missmarried	-0.300***	-0.214**	0.080	0.125	-0.003	0.001	0.130	0.094	0.119	0.130
	[0.098]	[0.100]	[0.112]	[0.101]	[0.165]	[0.179]	[0.145]	[0.154]	[0.087]	[0.100]
Kids	-0.061**	-0.055**	0.049*	0.046*	0.009	0.005	0.019	-0.004	0.018	0.005
	[0.027]	[0.025]	[0.025]	[0.024]	[0.026]	[0.025]	[0.050]	[0.044]	[0.034]	[0.028]
Misskids	-0.033	-0.198***	0.202***	0.016	-0.297***	-0.379***	0.073	0.215***	0.005	-0.010
	[0.045]	[0.055]	[0.065]	[0.102]	[0.067]	[0.136]	[0.075]	[0.075]	[0.070]	[0.086]
Female	0.190***	0.196***	0.124***	0.128***	0.120***	0.095**	-0.170***	-0.171***	-0.062*	-0.054
	[0.029]	[0.029]	[0.040]	[0.037]	[0.039]	[0.038]	[0.033]	[0.030]	[0.033]	[0.033]
1. INCOME RANK	0.167	0.188	-0.109	-0.090	-0.003	0.001	-0.070	-0.091	-0.147	-0.137
	[0.176]	[0.176]	[0.102]	[0.122]	[0.109]	[0.123]	[0.157]	[0.157]	[0.164]	[0.160]
2. INCOME RANK	0.089	0.107	-0.115	-0.114	-0.172*	-0.175*	-0.192	-0.167	-0.106	-0.079
	[0.158]	[0.155]	[0.116]	[0.116]	[0.100]	[0.095]	[0.121]	[0.103]	[0.130]	[0.124]
3. INCOME RANK	0.096	0.116	-0.143	-0.129	-0.182**	-0.206**	-0.003	0.019	-0.128	-0.096
	[0.151]	[0.150]	[0.149]	[0.146]	[0.085]	[0.078]	[0.108]	[0.105]	[0.126]	[0.127]
4. INCOME RANK	0.125	0.146	-0.204**	-0.200**	-0.104	-0.143**	-0.048	-0.014	-0.058	-0.031
	[0.128]	[0.129]	[0.080]	[0.076]	[0.073]	[0.069]	[0.087]	[0.077]	[0.086]	[0.086]
5. INCOME RANK	-0.022	-0.004	-0.166*	-0.139	-0.050	-0.094*	-0.068	-0.029	-0.102	-0.055
	[0.145]	[0.145]	[0.090]	[0.085]	[0.066]	[0.051]	[0.086]	[0.083]	[0.093]	[0.094]
6. INCOME RANK	-0.019	-0.003	-0.233***	-0.203**	-0.042	-0.092	-0.015	0.020	-0.073	-0.039
	[0.139]	[0.139]	[0.086]	[0.079]	[0.066]	[0.057]	[0.078]	[0.075]	[0.093]	[0.099]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
7. INCOME RANK	-0.089	-0.074	-0.248***	-0.213**	-0.099	-0.154***	0.049	0.092	0.090	0.112
	[0.142]	[0.142]	[0.089]	[0.084]	[0.064]	[0.054]	[0.085]	[0.085]	[0.089]	[0.092]
8. INCOME RANK	-0.123	-0.105	-0.287***	-0.247**	-0.097	-0.153***	0.119	0.165*	0.043	0.069
	[0.138]	[0.138]	[0.101]	[0.096]	[0.065]	[0.056]	[0.099]	[0.094]	[0.094]	[0.094]
9. INCOME RANK	-0.177	-0.161	-0.327***	-0.294***	-0.153**	-0.223***	0.230**	0.307***	0.065	0.105
	[0.132]	[0.133]	[0.080]	[0.079]	[0.059]	[0.059]	[0.095]	[0.099]	[0.086]	[0.090]
10. INCOME RANK	-0.105	-0.091	-0.297***	-0.260**	0.021	-0.022	0.203*	0.275**	0.113	0.153
	[0.148]	[0.145]	[0.105]	[0.104]	[0.079]	[0.081]	[0.107]	[0.107]	[0.093]	[0.093]
Constant	-1.988***	-1.861***	-0.907***	-1.116***	-1.328***	-0.937***	1.449***	0.995***	1.924***	2.108***
	[0.350]	[0.357]	[0.224]	[0.220]	[0.202]	[0.170]	[0.294]	[0.238]	[0.240]	[0.225]
Country effects		Yes		Yes		Yes		Yes		Yes
Observations	9,554	9,554	5,100	5,100	9,378	9,378	9,554	9,554	9,552	9,552
R-squared	0.038	0.047	0.021	0.043	0.029	0.054	0.029	0.059	0.028	0.058

Table 5 CFA versus population: attitudes

The dependent variable is the score from the 11-item Schwartz value survey. The sample is the combined CFA sample and WVS sample.

VARIABLES	Income= Incentives		More Government		Individual Responsibility		Competition Bad		Luck and Connections		Wealth Potential	
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
CFA	0.879***	0.709***	-2.365***	-2.147***	1.016***	1.046***	-0.860***	-0.658***	-0.333*	-0.400**	1.649***	1.438***
	[0.123]	[0.139]	[0.101]	[0.104]	[0.254]	[0.297]	[0.119]	[0.129]	[0.195]	[0.196]	[0.118]	[0.106]
Ln(age)	-0.516***	-0.505***	0.188	0.178	0.083	0.085	0.080	0.068	-0.017	-0.014	0.202	0.209
	[0.156]	[0.160]	[0.145]	[0.148]	[0.180]	[0.184]	[0.095]	[0.094]	[0.098]	[0.098]	[0.138]	[0.137]
University		0.223**		-0.288***		-0.041		-0.264***		0.088		0.279***
		[0.104]		[0.088]		[0.122]		[0.067]		[0.065]		[0.088]
Missuniversity		0.191		-0.427***		-0.306**		-0.273***		0.143		0.641***
		[0.154]		[0.113]		[0.151]		[0.090]		[0.105]		[0.123]
Married	0.333***	0.324***	-0.092*	-0.081	0.000	0.002	-0.215***	-0.205***	-0.152**	-0.155**	0.126	0.115
	[0.080]	[0.080]	[0.054]	[0.052]	[0.105]	[0.104]	[0.064]	[0.062]	[0.067]	[0.066]	[0.076]	[0.076]
Missmarried	0.047	0.037	-0.187	-0.174	0.641**	0.643**	-0.280	-0.269	-0.116	-0.120	-0.102	-0.114
	[0.482]	[0.478]	[0.182]	[0.177]	[0.307]	[0.305]	[0.249]	[0.247]	[0.141]	[0.142]	[0.263]	[0.259]
Kids	-0.091	-0.071	0.120**	0.093*	0.023	0.019	0.055	0.031	-0.130*	-0.122*	0.026	0.053
	[0.066]	[0.064]	[0.050]	[0.047]	[0.098]	[0.094]	[0.066]	[0.066]	[0.067]	[0.066]	[0.073]	[0.074]
Misskids	0.719***	0.735***	0.317***	0.293***	-1.506***	-1.511***	0.079	0.059	-0.457***	-0.450***	0.836***	0.859***
	[0.154]	[0.153]	[0.112]	[0.108]	[0.162]	[0.161]	[0.094]	[0.095]	[0.097]	[0.098]	[0.137]	[0.135]
Female	-0.242***	-0.240***	0.186***	0.185***	0.036	0.036	0.035	0.033	-0.046	-0.046	0.044	0.045
	[0.047]	[0.047]	[0.031]	[0.030]	[0.052]	[0.052]	[0.038]	[0.039]	[0.036]	[0.036]	[0.040]	[0.041]
Constant	1.943***	1.846***	-0.591	-0.479	0.720	0.724	-1.556***	-1.444***	-0.705*	-0.740*	0.129	0.029
	[0.542]	[0.572]	[0.519]	[0.543]	[0.663]	[0.697]	[0.378]	[0.385]	[0.378]	[0.381]	[0.496]	[0.511]
Observations	56,017	56,017	54,489	54,489	56,244	56,244	55,825	55,825	56,268	56,268	55,140	55,140
R-squared	0.019	0.020	0.066	0.068	0.010	0.011	0.012	0.014	0.004	0.004	0.026	0.028

Table 6 CFA versus educated population: attitudes

The dependent variable is the standardized value (mean 0, standard deviation 1) of the transformed score from the 11-item Schwartz value survey. The sample is the employed CFAs sample and employed members of WVS with a university degree. Panel A mirrors the analysis in Table 4. Panel B replicates Panel A with a control for achievement orientation. Controls are suppressed in panel B.

Panel A

VARIABLES	Income= Incentives		More Government		Individual Responsibility		Competition Bad		Luck and Connections		Wealth Potential	
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
CFA	0.485***	0.169	-2.026***	-1.694***	1.278***	1.489***	-0.674***	-0.678***	-0.244	-0.133	1.166***	0.848***
	[0.121]	[0.173]	[0.105]	[0.177]	[0.291]	[0.378]	[0.121]	[0.112]	[0.169]	[0.182]	[0.105]	[0.162]
Ln(age)	-0.368***	-0.476***	-0.144	-0.021	0.004	0.035	0.249**	0.233**	-0.121	-0.099	0.390***	0.340***
	[0.125]	[0.102]	[0.119]	[0.104]	[0.164]	[0.161]	[0.109]	[0.115]	[0.114]	[0.100]	[0.144]	[0.115]
Married	0.220**	0.168*	-0.045	0.008	0.056	0.056	-0.163**	-0.167**	-0.238***	-0.228***	0.171**	0.165**
	[0.087]	[0.085]	[0.065]	[0.064]	[0.099]	[0.096]	[0.073]	[0.071]	[0.073]	[0.073]	[0.072]	[0.066]
Missmarried	0.017	-0.136	-0.057	0.254	0.487	0.021	-0.310	-0.131	-0.298**	0.002	0.159	-0.013
	[0.341]	[0.427]	[0.177]	[0.308]	[0.366]	[0.305]	[0.276]	[0.298]	[0.132]	[0.146]	[0.300]	[0.392]
Kids	-0.142	-0.065	0.132**	0.053	0.100	0.042	-0.019	0.006	-0.025	-0.026	-0.038	-0.002
	[0.091]	[0.078]	[0.062]	[0.059]	[0.095]	[0.085]	[0.058]	[0.060]	[0.052]	[0.056]	[0.072]	[0.061]
Misskids	0.226	0.356	0.372***	-0.048	-1.243***	-0.354	0.374***	0.065	-0.031	-0.674*	0.296	0.662
	[0.188]	[0.346]	[0.123]	[0.326]	[0.229]	[0.306]	[0.079]	[0.131]	[0.105]	[0.342]	[0.198]	[0.467]
Female	-0.317***	-0.293***	0.282***	0.249***	-0.064	-0.037	0.189***	0.197***	0.001	0.010	-0.089	-0.122**
	[0.080]	[0.079]	[0.054]	[0.052]	[0.088]	[0.079]	[0.049]	[0.048]	[0.069]	[0.068]	[0.058]	[0.051]
1. INCOME RANK	-1.254**	-1.207**	0.361	0.327	0.647	0.565	0.008	0.070	0.689	0.736	-0.491	-0.525
	[0.498]	[0.506]	[0.392]	[0.392]	[0.428]	[0.415]	[0.413]	[0.392]	[0.531]	[0.528]	[0.380]	[0.359]
2. INCOME RANK	-0.792*	-0.767	0.097	0.029	0.881***	0.781**	-0.130	-0.046	0.476*	0.485*	-0.589*	-0.523*
	[0.460]	[0.466]	[0.327]	[0.303]	[0.330]	[0.293]	[0.284]	[0.280]	[0.253]	[0.253]	[0.304]	[0.283]
3. INCOME RANK	-0.695*	-0.684	-0.133	-0.210	0.880**	0.866***	-0.120	-0.027	0.302	0.315	-0.302	-0.306
	[0.389]	[0.412]	[0.252]	[0.217]	[0.330]	[0.283]	[0.253]	[0.231]	[0.292]	[0.299]	[0.297]	[0.265]
4. INCOME RANK	-0.362	-0.354	-0.056	-0.139	0.476	0.504**	-0.085	0.011	0.332	0.338	-0.371	-0.394*
	[0.343]	[0.366]	[0.213]	[0.194]	[0.294]	[0.234]	[0.229]	[0.211]	[0.250]	[0.260]	[0.241]	[0.224]

5. INCOME RANK	-0.275	-0.272	-0.167	-0.266	0.235	0.293	-0.012	0.093	0.049	0.062	0.119	0.070
	[0.348]	[0.376]	[0.213]	[0.170]	[0.320]	[0.254]	[0.223]	[0.207]	[0.250]	[0.257]	[0.252]	[0.219]
6. INCOME RANK	-0.099	-0.104	-0.318	-0.411**	0.074	0.168	0.079	0.161	0.062	0.072	0.145	0.094
	[0.363]	[0.383]	[0.202]	[0.162]	[0.294]	[0.224]	[0.221]	[0.206]	[0.247]	[0.251]	[0.232]	[0.215]
7. INCOME RANK	0.118	0.104	-0.220	-0.311*	-0.133	-0.027	0.072	0.141	-0.059	-0.046	0.166	0.117
	[0.338]	[0.362]	[0.196]	[0.156]	[0.265]	[0.196]	[0.226]	[0.212]	[0.237]	[0.240]	[0.226]	[0.198]
8. INCOME RANK	0.265	0.251	-0.228	-0.332*	-0.227	-0.134	0.020	0.094	-0.223	-0.197	0.333	0.292
	[0.340]	[0.369]	[0.208]	[0.173]	[0.263]	[0.192]	[0.224]	[0.213]	[0.250]	[0.250]	[0.250]	[0.225]
9. INCOME RANK	0.289	0.237	-0.363*	-0.438**	-0.154	-0.051	0.017	0.080	-0.316	-0.267	0.482**	0.421**
	[0.358]	[0.385]	[0.209]	[0.171]	[0.269]	[0.214]	[0.248]	[0.241]	[0.259]	[0.261]	[0.226]	[0.195]
10. INCOME RANK	0.192	0.108	-0.219	-0.240	-0.236	-0.118	0.162	0.155	-0.402	-0.357	0.455**	0.429**
	[0.392]	[0.414]	[0.222]	[0.215]	[0.266]	[0.238]	[0.250]	[0.244]	[0.287]	[0.280]	[0.225]	[0.210]
Constant	1.866***	2.265***	0.466	0.452	0.748	-0.043	-2.453***	-2.283***	-0.301	-0.457	-0.299	0.033
	[0.549]	[0.470]	[0.422]	[0.415]	[0.698]	[0.665]	[0.438]	[0.458]	[0.449]	[0.414]	[0.508]	[0.448]
Country Fixed effects		Yes		Yes		Yes		Yes		Yes		Yes
Observations	9,501	9,501	9,429	9,429	9,519	9,519	9,510	9,510	9,520	9,520	9,414	9,414
R-squared	0.042	0.069	0.195	0.215	0.054	0.084	0.035	0.058	0.020	0.030	0.086	0.112

Table 6, Panel B controlling for achievement

VARIABLES	Income= Incentives		More Government		Individual Responsibility		Competition Bad		Luck and Connections		Wealth Potential	
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
CFA	0.462***	0.144	-2.020***	-1.689***	1.269***	1.488***	-0.661***	-0.666***	-0.239	-0.127	1.175***	0.851***
	[0.121]	[0.177]	[0.104]	[0.180]	[0.289]	[0.376]	[0.118]	[0.109]	[0.167]	[0.178]	[0.106]	[0.168]
Achievement	0.132***	0.161***	-0.041	-0.053**	0.065*	0.055	-0.078***	-0.105***	-0.042	-0.055**	-0.038	-0.004
	[0.034]	[0.031]	[0.026]	[0.024]	[0.033]	[0.036]	[0.028]	[0.023]	[0.028]	[0.027]	[0.039]	[0.029]
Constant	1.643***	1.959***	0.530	0.554	0.622	-0.173	-2.319***	-2.073***	-0.237	-0.356	-0.205	0.062
	[0.548]	[0.470]	[0.417]	[0.399]	[0.681]	[0.657]	[0.432]	[0.447]	[0.442]	[0.402]	[0.512]	[0.453]
Controls included	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Country fixed effects		Yes		Yes		Yes		Yes		Yes		Yes
Observations	9,485	9,485	9,414	9,414	9,504	9,504	9,494	9,494	9,504	9,504	9,399	9,399
R-squared	0.045	0.073	0.195	0.216	0.054	0.084	0.037	0.062	0.021	0.031	0.086	0.112

Table 7 Financial structure and values and attitudes of CFAs

Each cell in Table 7 reports the regression coefficient on CFA in a regression involving the value or attitude in the top row and the financial structure variable in the left-most column. No fixed effects since collinear with structure variables

VARIABLES	Self-transcendence Values					Attitudes					
					Self-enhancement Values					Luck and	
	Universalism	Benevolence (original)	Benevolence (new)	Power	Achievement	Income= Incentives	More Government	Individual Responsibility	Competition Bad	Connections	Wealth Potential
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
Finreform_n	-0.315	0.051	-0.069	-0.341**	-0.095	-0.289	0.678	1.618*	-0.524	-0.438	-1.051*
	[0.233]	[0.156]	[0.173]	[0.136]	[0.134]	[0.529]	[0.757]	[0.833]	[0.448]	[0.631]	[0.552]
Sup_Power	-0.026*	0.019**	0.024**	-0.004	-0.008	0.030	-0.087	0.154**	-0.068**	-0.113***	0.084*
	[0.015]	[0.009]	[0.011]	[0.011]	[0.010]	[0.030]	[0.062]	[0.065]	[0.034]	[0.042]	[0.042]
GovernmentBanks	0.006***	-0.001	-0.002	0.001	0.002*	-0.001	0.002	-0.013**	0.007	0.004	0.002
	[0.001]	[0.001]	[0.002]	[0.001]	[0.001]	[0.006]	[0.007]	[0.006]	[0.006]	[0.005]	[0.006]
MoralHazard	-0.107**	0.086**	0.080*	-0.062**	-0.052*	0.015	-0.119	0.290*	-0.143	-0.139	0.100
	[0.045]	[0.035]	[0.047]	[0.028]	[0.029]	[0.120]	[0.142]	[0.151]	[0.097]	[0.123]	[0.129]
PrivateMonitoring	-0.041*	0.036***	0.053***	-0.006	-0.003	0.092***	-0.151***	0.192***	-0.124***	-0.171***	0.162***
	[0.023]	[0.010]	[0.014]	[0.011]	[0.010]	[0.032]	[0.035]	[0.048]	[0.028]	[0.037]	[0.025]
External-GovernanceIndex	-0.024	-0.001	0.028	0.003	0.022	0.082	-0.045	-0.049	-0.037	-0.140*	0.185**
	[0.033]	[0.031]	[0.028]	[0.030]	[0.030]	[0.062]	[0.054]	[0.052]	[0.057]	[0.075]	[0.082]

Table 8 Financial structure and values of CFAs and educated members of the WVS

Each group of 3 vertical cells in Tables 8 and 9 reports the regression coefficient on CFA, a financial structure variable and the interaction between the two in a regression involving the value or attitude in the top row and the financial structure variable in the left-most column.

| VARIABLES | Self-transcendence | | | | | | Self-enhancement | | | |
| | Universalism | | Benevolence (original) | | Benevolence (new) | | Power | | Achievement | |
	I	II	III	IV	V	VI	VII	VIII	IX	X
CFA	0.637*	-0.092	-0.265	-0.096	0.485**	0.811*	-0.542	-0.426	0.562	0.354
	[0.331]	[0.321]	[0.381]	[0.446]	[0.223]	[0.420]	[0.389]	[0.594]	[0.364]	[0.373]
Finreform_n	0.528**	1.270***	-0.269	0.920	0.419	0.451	-1.152**	-2.231***	0.142	-0.335
	[0.255]	[0.306]	[0.442]	[0.568]	[0.285]	[0.357]	[0.438]	[0.656]	[0.325]	[0.220]
CFA#Finreform_n	-0.835**	0.032	0.336	0.053	-0.396	-0.858*	0.645	0.465	-0.421	-0.260
	[0.360]	[0.350]	[0.467]	[0.551]	[0.250]	[0.441]	[0.439]	[0.631]	[0.399]	[0.401]
CFA	0.791***	0.378	-0.150	0.365	0.210	0.740***	-0.463	-0.596	0.043	0.171
	[0.266]	[0.236]	[0.485]	[0.550]	[0.269]	[0.259]	[0.399]	[0.385]	[0.242]	[0.285]
Sup_Power	0.043***	0.061***	0.006	0.024	0.033	0.001	-0.054	-0.083**	-0.028	-0.023
	[0.014]	[0.016]	[0.039]	[0.022]	[0.021]	[0.015]	[0.034]	[0.037]	[0.017]	[0.019]
CFA#Sup_Power	-0.075***	-0.037*	0.016	-0.033	-0.010	-0.060***	0.040	0.051	0.011	-0.004
	[0.022]	[0.021]	[0.043]	[0.049]	[0.022]	[0.022]	[0.034]	[0.032]	[0.022]	[0.021]
CFA	-0.161***	-0.076	0.195*	0.114	0.087*	-0.023	0.073	0.044	0.156**	0.129***
	[0.052]	[0.054]	[0.111]	[0.159]	[0.051]	[0.066]	[0.087]	[0.075]	[0.059]	[0.036]
GovernmentBanks	-0.003	-0.003	0.008	0.004	-0.005**	-0.003	0.009**	0.010**	0.001	-0.001
	[0.002]	[0.003]	[0.006]	[0.007]	[0.002]	[0.003]	[0.004]	[0.004]	[0.002]	[0.002]
CFA#GovernmentBanks	0.008***	0.003	-0.008	-0.005	0.003	0.006	-0.007*	-0.006	0.003	-0.001
	[0.003]	[0.004]	[0.007]	[0.007]	[0.003]	[0.006]	[0.004]	[0.007]	[0.002]	[0.006]
CFA	0.090	-0.120	-0.180	-0.137	0.148	0.119	-0.062	0.029	0.365***	0.430***
	[0.136]	[0.107]	[0.171]	[0.186]	[0.115]	[0.169]	[0.159]	[0.178]	[0.079]	[0.085]
MoralHazard	0.030	0.086	-0.079	0.005	0.083	0.094	-0.171	-0.265	-0.009	-0.008
	[0.060]	[0.094]	[0.082]	[0.112]	[0.058]	[0.074]	[0.115]	[0.174]	[0.093]	[0.052]

CFA#MoralHazard	-0.105	0.050	0.165	0.087	-0.024	-0.067	0.064	-0.017	-0.106	-0.207**
	[0.082]	[0.075]	[0.103]	[0.119]	[0.067]	[0.093]	[0.110]	[0.101]	[0.096]	[0.078]
CFA	0.752*	0.330	-1.576***	-2.178***	0.112	0.146	-0.427	-0.535	0.333	-0.004
	[0.421]	[0.416]	[0.438]	[0.441]	[0.327]	[0.367]	[0.647]	[0.500]	[0.533]	[0.783]
PrivateMonitoring	0.024	0.048	-0.144***	-0.088***	0.069**	0.091*	-0.064	-0.081	-0.005	-0.006
	[0.043]	[0.077]	[0.050]	[0.024]	[0.029]	[0.047]	[0.069]	[0.130]	[0.043]	[0.054]
CFA#PrivateMonitoring	-0.087*	-0.040	0.182***	0.253***	-0.012	-0.012	0.048	0.054	-0.016	0.014
	[0.045]	[0.040]	[0.053]	[0.051]	[0.035]	[0.040]	[0.070]	[0.048]	[0.054]	[0.076]
CFA	1.011	2.162*	0.095	-1.751	-1.683	-1.643	-2.158**	-2.155	-0.869	-2.054
	[1.181]	[1.253]	[1.533]	[1.548]	[1.128]	[1.048]	[0.996]	[1.371]	[1.656]	[1.875]
ExternalGovernanceIndex	0.012	0.009	0.029	-0.039	-0.050	0.001	-0.109	-0.055	0.002	-0.044
	[0.048]	[0.100]	[0.077]	[0.041]	[0.072]	[0.037]	[0.068]	[0.124]	[0.090]	[0.083]
CFA#ExternalGovernanceIndex	-0.064	-0.142*	-0.011	0.109	0.110	0.109	0.143**	0.137	0.071	0.141
	[0.078]	[0.082]	[0.100]	[0.099]	[0.072]	[0.069]	[0.062]	[0.090]	[0.104]	[0.117]
Country fixed effects		Yes		Yes		Yes		Yes		Yes

Table 9 Financial structure and attitudes of CFAs and educated members of the WVS

Each group of 3 vertical cells in Tables 8 and 9 reports the regression coefficient on CFA, a financial structure variable and the interaction between the two in a regression involving the value or attitude in the top row and the financial structure variable in the left-most column.

VARIABLES	Income= Incentives		More Government		Individual Responsibility		Competition Bad		Luck and Connections		Wealth Potential	
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
CFA	1.152	1.877***	-2.309***	-3.378***	-2.584**	-2.465**	0.628	0.386	1.278*	1.285	1.827**	2.246**
	[0.777]	[0.648]	[0.812]	[0.704]	[1.000]	[0.956]	[0.509]	[0.619]	[0.707]	[0.767]	[0.758]	[1.003]
Finreform_n	0.878	-0.067	-0.301	0.357	-1.820**	-1.161	0.540	-0.668	0.667	0.435	0.041	1.131
	[0.808]	[1.230]	[0.848]	[1.261]	[0.802]	[1.228]	[0.446]	[0.776]	[0.408]	[0.741]	[0.834]	[1.028]
CFA#Finreform_n	-0.821	-1.959***	0.309	1.872**	4.387***	4.459***	-1.466**	-1.205*	-1.690**	-1.569*	-0.719	-1.548
	[0.857]	[0.698]	[0.893]	[0.800]	[1.170]	[1.170]	[0.585]	[0.656]	[0.802]	[0.919]	[0.854]	[1.076]
CFA	0.414	0.817	-1.964**	-3.047***	-2.131	-0.366	0.203	-0.833	1.925***	1.693**	1.511***	1.655***
	[0.986]	[0.856]	[0.897]	[0.633]	[1.316]	[1.754]	[0.639]	[0.734]	[0.705]	[0.719]	[0.554]	[0.364]
Sup_Power	0.027	-0.075	-0.055	0.003	-0.123**	-0.044	-0.001	0.019	0.039	0.041	0.110**	0.054
	[0.077]	[0.086]	[0.047]	[0.049]	[0.057]	[0.058]	[0.042]	[0.069]	[0.031]	[0.043]	[0.044]	[0.048]
CFA#Sup_Power	-0.002	-0.058	-0.013	0.109*	0.296**	0.159	-0.065	0.017	-0.170***	-0.151**	-0.043	-0.069**
	[0.087]	[0.075]	[0.074]	[0.059]	[0.113]	[0.159]	[0.056]	[0.064]	[0.061]	[0.068]	[0.047]	[0.033]
CFA	0.285	-0.131	-2.158***	-1.613***	1.779***	1.886***	-0.773***	-0.757***	-0.191	-0.147	1.050***	0.759***
	[0.192]	[0.091]	[0.153]	[0.216]	[0.252]	[0.361]	[0.127]	[0.139]	[0.175]	[0.285]	[0.145]	[0.144]
GovernmentBanks	-0.014	-0.000	-0.002	-0.011*	0.017***	0.007	0.003	0.006	0.006*	0.007*	-0.011**	-0.009**
	[0.012]	[0.010]	[0.008]	[0.006]	[0.006]	[0.007]	[0.005]	[0.006]	[0.003]	[0.004]	[0.005]	[0.004]
CFA#GovernmentBanks	0.015	0.024**	0.005	-0.013	-0.032***	-0.026*	0.003	0.001	-0.003	-0.003	0.012**	0.016*
	[0.012]	[0.009]	[0.009]	[0.008]	[0.008]	[0.015]	[0.006]	[0.011]	[0.005]	[0.009]	[0.006]	[0.008]
CFA	0.878*	0.612*	-1.933***	-2.090***	0.110	0.853**	-0.533***	-0.681**	0.000	0.165	1.460***	1.121***
	[0.440]	[0.355]	[0.283]	[0.229]	[0.311]	[0.319]	[0.189]	[0.292]	[0.215]	[0.210]	[0.293]	[0.305]
MoralHazard	0.275	-0.134	-0.128	0.339**	-0.491***	-0.456**	-0.026	0.019	0.014	-0.132	0.353**	0.375

	[0.239]	[0.278]	[0.166]	[0.165]	[0.170]	[0.196]	[0.104]	[0.119]	[0.098]	[0.154]	[0.156]	[0.242]
CFA#MoralHazard	-0.334	-0.332	0.009	0.310**	0.883***	0.508*	-0.109	-0.027	-0.158	-0.255	-0.283	-0.189
	[0.272]	[0.205]	[0.178]	[0.143]	[0.214]	[0.288]	[0.126]	[0.161]	[0.158]	[0.157]	[0.189]	[0.174]
CFA	1.308	2.243***	-2.153*	-3.456***	-3.755***	-2.675***	1.423**	0.849*	2.015**	1.749*	1.127	1.234**
	[1.276]	[0.826]	[1.112]	[0.745]	[1.063]	[0.869]	[0.606]	[0.473]	[0.849]	[1.005]	[0.932]	[0.585]
PrivateMonitoring	0.205	-0.065	-0.136	0.107	-0.310***	-0.175	0.069	-0.004	0.005	0.008	0.166*	0.134
	[0.126]	[0.150]	[0.113]	[0.112]	[0.089]	[0.149]	[0.058]	[0.079]	[0.069]	[0.107]	[0.091]	[0.180]
CFA#PrivateMonitoring	-0.112	-0.221***	0.019	0.176**	0.557***	0.451***	-0.213***	-0.161***	-0.216**	-0.197*	-0.032	-0.042
	[0.136]	[0.079]	[0.123]	[0.081]	[0.111]	[0.091]	[0.066]	[0.047]	[0.090]	[0.105]	[0.101]	[0.065]
CFA	-2.605	-0.813	0.642	1.029	6.098**	4.327	-0.837	-1.341	1.008	-0.565	-4.316**	-2.586
	[2.498]	[2.450]	[2.520]	[1.981]	[2.323]	[2.608]	[1.273]	[1.939]	[1.609]	[2.148]	[1.677]	[1.779]
ExternalGovernanceIndex	-0.084	-0.187	0.103	0.214**	0.252**	-0.164	-0.053	0.119	-0.139	-0.010	-0.080	0.028
	[0.150]	[0.209]	[0.140]	[0.082]	[0.104]	[0.198]	[0.083]	[0.096]	[0.084]	[0.166]	[0.141]	[0.245]
CFA#ExternalGovernanceIndex	0.185	0.070	-0.164	-0.193	-0.347**	-0.219	0.031	0.055	-0.047	0.049	0.341***	0.234*
	[0.164]	[0.153]	[0.167]	[0.131]	[0.153]	[0.175]	[0.082]	[0.132]	[0.103]	[0.138]	[0.107]	[0.123]
Country fixed effects	Yes		Yes		Yes		Yes		Yes		Yes	