How the Public Perceives Hidden Corruption: Opinion Leadership and Elite Cues

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Abstract
Citizens frequently judge the extent of corruption among political elites despite having little opportunity to observe it directly. Existing research shows that public perceptions are closely tied to everyday experiences of petty corruption but offers limited explanation for how citizens perceive grand corruption occurring at the highest levels of government. This article argues that public perceptions of hidden grand corruption are shaped through opinion leadership: elites provide informational cues that allow citizens to form judgments about grand corruption they cannot directly observe. Using Eurobarometer surveys covering 28 European countries from 2005 to 2022, combined with expert-based corruption measures, this article distinguishes between grand and petty corruption on both the perception and observed dimensions. The analyses show that citizens' perceptions and experiences correspond closely to petty corruption but not to grand corruption, whereas elites' assessments track both forms. Error correction models further indicate that public perceptions of grand corruption adjust toward elite assessments in both the short run and the long run, even after accounting for observed corruption. These findings suggest that agreement between elite and public corruption perceptions reflects informational dependence rather than shared observation, extending theories of opinion leadership to a domain where citizens cannot directly observe the object of political judgment.

Keywords: corruption; public opinion; opinion leadership; corruption perceptions; Europe

Introduction

Citizens routinely make political judgments about events and behaviors they cannot directly observe. They evaluate whether governments manage the economy competently, whether public officials act in the public interest, and whether political leaders abuse public office, despite having little firsthand access to the underlying facts. Such judgments are essential to democratic accountability because they shape public opinion, electoral behavior, and political participation (Healy and Malhotra 2013). Understanding how citizens form beliefs about hidden political phenomena is therefore a central question in political behavior and public opinion research (Zaller 1992; Bullock 2011).

Corruption presents perhaps the most demanding test of this question. While petty corruption may be encountered through everyday interactions with public officials, grand corruption, which involves presidents, ministers, legislators, and senior bureaucrats, is deliberately concealed from public view (Johnston 2005; Rose-Ackerman and Palifka 2016). Ordinary citizens rarely witness illicit exchanges among political elites or possess firsthand knowledge of hidden transactions within government (Rose-Ackerman and Palifka 2016; Mungiu-Pippidi 2015). If citizens cannot directly observe grand corruption, how do they nevertheless come to perceive its existence?

Much of the existing literature implies that they should not. Citizens' judgments about how widespread corruption is tend to rest on the instances most available to them, above all the everyday bribery they or

those around them encounter in dealings with the state (Köbis et al. 2015; Olken 2009). Because those instances are almost entirely of low-level, administrative corruption, public perceptions track petty corruption closely but relate only weakly to forms of corruption citizens cannot directly observe (Charron 2016; Donchev and Ujhelyi 2014; Razafindrakoto and Roubaud 2010). If corruption perceptions are primarily experience-based, citizens should perceive petty corruption far more readily than the grand corruption they cannot directly experience.

Yet empirical evidence suggests otherwise. Across countries, citizens routinely express views about whether national political elites are corrupt, punish governments implicated in corruption scandals through elections, and, in some cases, mobilize collectively against alleged corruption by senior officials. The mass anti-corruption demonstrations that swept Romania in 2017, the candlelight protests that brought millions of South Koreans into the streets over the corruption scandal surrounding President Park Geun-hye, and the months of nationwide protests that drove Guatemalan President Otto Pérez Molina from office over a customs-fraud scheme, all show citizens reacting forcefully to corruption at the highest levels of government (Bauhr and Charron 2018; Bauhr and Grimes 2014; Ares and Hernández 2017). These reactions concern forms of corruption that ordinary citizens neither directly observe nor personally experience, yet they nevertheless shape political behavior and democratic accountability.

This contradiction raises an important theoretical question. The puzzle is not whether citizens perceive grand corruption, which they clearly do, but how they acquire perceptions of corruption that lie beyond their direct experience. Existing research offers two broad accounts. The first emphasizes experiential learning, arguing that citizens extrapolate from their own encounters with petty corruption and experiences shared within their immediate social networks to infer broader patterns of corruption (Olken 2009; Razafindrakoto and Roubaud 2010; Donchev and Ujhelyi 2014; Charron 2016). The second points to informational processes. A long tradition of research in political behavior holds that when a matter lies beyond what citizens can verify for themselves, they form judgments by drawing on the cues of better-informed actors (Zaller 1992; Sniderman et al. 1991). Existing research has established that information shapes corruption perceptions (Corbacho et al. 2016; Charron and Annoni 2021), but it has paid much less attention to whether, and for which forms of corruption, public perceptions follow the assessments of the better-informed. This article argues that opinion leadership governs perceptions of the corruption citizens cannot observe.

This article develops that argument and tests it, using eight waves of Special Eurobarometer corruption surveys covering the 28 member states of the European Union from 2005 to 2022, matched to expert measures of grand and petty corruption from the Varieties of Democracy (V-Dem) project and to the Corruption Perceptions Index (CPI). The evidence unfolds in two steps. First, citizens' perceptions and experiences of corruption align with petty corruption but are essentially unrelated to grand corruption, whereas the elite index is associated with both. The public, that is, tracks petty corruption but little of grand corruption; elites track both. Second, an error correction model indicates that public perceptions of grand corruption adjust toward elite assessments over time, in both the short and long run, a pattern more consistent with informational dependence than with shared observation.

This article makes three contributions. First, it advances research on political information and opinion formation by explaining how citizens form judgments about hidden political phenomena, extending theories of opinion leadership to corruption, a domain in which direct observation is largely impossible. Second, it

refines the experiential account of corruption perceptions rather than simply opposing it, showing that experience and information govern different forms of corruption: experience anchors perceptions of petty corruption, while perceptions of grand corruption track elite assessment. Third, it offers a new interpretation of the relationship between elite and public corruption perceptions. Rather than treating their correspondence simply as evidence that both groups respond to the same underlying reality, the article shows that elite assessments also help shape public judgments about corruption beyond citizens' direct experience.

Experience or Information? Two Accounts of Corruption Perception

Understanding how citizens perceive corruption they cannot directly observe requires bringing together two largely separate strands of research. The dominant view holds that corruption perceptions are grounded in personal experience and therefore primarily reflect petty corruption. The alternative emphasizes informational processes, arguing that citizens frequently rely on cues from better-informed actors when evaluating political phenomena. Each captures something real, yet the two lead to different expectations about whether and how citizens perceive hidden corruption. Working through this tension is essential for explaining why ordinary citizens hold clear views about a form of corruption they rarely witness firsthand.

The dominant explanation in the corruption perception literature is experiential. A large body of research argues that citizens' perceptions of corruption are rooted in their everyday interactions with public officials and in the experiences shared through their immediate social networks (Seligson 2002; Olken 2009; Razafindrakoto and Roubaud 2010; Donchev and Ujhelyi 2014; Charron 2016). Studies comparing survey-based perceptions with reported bribery consistently find that public perceptions correspond most closely to the forms of corruption citizens directly encounter, particularly low-level bribery in interactions with police officers, licensing officials, hospitals, schools, and other street-level bureaucrats (Charron 2016). Although perceptions are also influenced by contextual factors such as economic performance, media attention, and institutional quality, direct experience remains the principal source from which citizens infer whether corruption is widespread (Donchev and Ujhelyi 2014).

The experiential account has a ready answer: citizens extrapolate, inferring corruption at the top from the petty corruption they meet below. On this reading, people treat the petty corruption they encounter as a signal of what happens out of sight, inferring malfeasance at the top from the bribery they meet below. Such extrapolation is psychologically plausible: citizens routinely gauge how widespread a phenomenon is from the instances available to them and from the behavior they take to be normal around them, so those who experience or witness petty corruption may conclude that corruption pervades the state as a whole (Corbacho et al. 2016; Köbis et al. 2015; Tversky and Kahneman 1976).

Yet petty and grand corruption are distinct phenomena, and the one is a poor gauge of the other. They occur in different arenas and among different actors, so the amount of petty corruption citizens encounter may say little about how much grand corruption occurs out of sight (Ang 2020; Rose-Ackerman and Palifka 2016). Consistent with this, perception-based and experience-based measures of corruption are only weakly correlated across countries, and among states that rank as highly corrupt on expert perceptions there is wide variation in citizens' reported experience of bribery (Treisman 2007). The prevalence of petty corruption thus does not imply that grand corruption is rampant, and its absence does not imply that grand corruption has been curbed.

A different strand of research offers an alternative explanation for how citizens form judgments about political phenomena beyond their direct experience. Rather than assuming that individuals rely exclusively on personal experience, scholars of political behavior argue that citizens routinely form opinions using information supplied by others (Jerit and Zhao 2020; Zaller 1992). Citizens place the greatest weight on actors they perceive as both knowledgeable and trustworthy, while discounting those whose competence or motives they question. The same message can persuade when it comes from a credible source but have little influence when it does not (Lupia and McCubbins 1998; Miller and Krosnick 2000). For this reason, elite assessments are especially likely to shape mass opinion because they are backed by recognized expertise and privileged access to political information (Jerit and Zhao 2020; Lupia and McCubbins 1998).

This informational perspective has been widely applied to elections, public policy, and democratic accountability. Studies show that elite discourse shapes citizens' positions on taxation, welfare, immigration, foreign policy, and evaluations of government performance by providing informational cues that citizens use to interpret complex political realities (Carmines and Stimson 1989; Lenz 2012; Druckman et al. 2013). Corruption follows the same informational logic. Citizens learn about corruption not only through their own experiences but also through information conveyed by investigative journalism, judicial investigations, expert assessments, and elite political discourse, all of which interpret and communicate political realities before they reach the broader public (Zaller 1992; Lupia and McCubbins 1998; Druckman et al. 2013). Hidden corruption therefore represents a political domain in which informational cues are expected to play an important role in shaping public perceptions.

Each of these channels has been documented in existing research. Coverage of corruption scandals in the news media shapes what citizens believe about the integrity of their leaders and how they vote, with electoral penalties largest where reporting is most extensive (Costas-Pérez et al. 2012; Chang et al. 2010). Judicial and administrative disclosure works similarly: prosecutions, audits, and official investigations make otherwise hidden transactions public, and such revelations move citizens' evaluations and behavior even when they had no prior knowledge of the wrongdoing (Ferraz and Finan 2008). And the assessments of experts and political actors, whose vantage point spans the top of the state, circulate through elite discourse to reach a public that cannot see these arenas for itself. Because information from these channels is supplied rather than observed, it is filtered through the perceived credibility of its source and through citizens' prior political loyalties, so that the same revelation can register differently across the electorate (Miller and Krosnick 2000; Anduiza et al. 2013). What citizens believe about grand corruption is therefore shaped by the flow of political information available to them.

Taken together, these two perspectives provide complementary but incomplete accounts of corruption perceptions. The experiential perspective explains why citizens accurately perceive corruption they encounter in everyday life but offers little explanation for how they evaluate corruption that remains hidden from public view. The informational perspective suggests that citizens can form judgments about unobservable political phenomena by relying on better-informed actors. Although a growing body of work connects information, media, and elite cues to corruption perceptions, it has rarely distinguished the visible from the hidden forms or asked whether perceptions of the hidden form track elite assessment over time. The next section builds on these two perspectives to explain how citizens form perceptions of corruption under different informational conditions.

Opinion Leadership and the Perception of Hidden Corruption

The empirical signature of opinion leadership is that mass opinion moves in response to elite signals, adjusting toward the positions and assessments that elites supply (Lenz 2012; Miller and Krosnick 2000). This pattern follows from a simple observation about the limits of citizens' direct knowledge. On many of the matters over which they hold opinions, citizens have no way to gather the relevant facts for themselves and therefore rely on the cues of actors who are better placed to know (Carmines and Stimson 1989; Zaller 1992). This reliance is not irrational. Citizens can reach sensible conclusions by using credible informational shortcuts, provided they can identify sources whose knowledge and incentives make them trustworthy guides (Lupia and McCubbins 1998). Where citizens can observe a matter directly, the scope for opinion leadership is limited because personal experience competes with, and can override, elite cues. Where they cannot observe it, elite cues become one of the few available sources of information, and public opinion should track them more closely.

Corruption is an almost ideal domain in which to observe this dynamic, because its two forms sit at opposite ends of the observability spectrum. Petty corruption is observable to citizens through experience, allowing perceptions to be anchored in firsthand experience rather than external information (Olken 2009; Razafindrakoto and Roubaud 2010). By contrast, grand corruption is largely inaccessible to direct observation. Citizens therefore have limited opportunities to verify it independently and must instead rely on information supplied through intermediaries (Jerit and Zhao 2020; Mutz 1998; Zaller 1992). Grand corruption is thus the limiting case for opinion leadership: a phenomenon that citizens cannot see, about which they nonetheless hold definite and consequential perceptions, and for which elite assessment is the most plausible source of those perceptions.

Two premises about who can observe what follow from this account. The first is that the public observes petty corruption but not grand corruption, which means mass perceptions and experiences of corruption should correspond to petty corruption and not to grand corruption (Olken 2009). The second is that elite judgment observes both forms. While ordinary citizens know only the corruption they personally meet, elites whose work brings them into sustained contact with government, and into the networks through which information about it circulates, encounter it more widely and at more levels (Dahlström and Wängnerud 2015; Rose-Ackerman and Palifka 2016). Their judgment therefore rests on both firsthand contact and a broader flow of information, spanning the petty and the grand. These premises are not themselves the object of the test; they are its precondition, and the article verifies them descriptively before turning to the hypothesis. The hypothesis concerns what follows once the premises hold. If the public cannot observe grand corruption, yet holds perceptions of it, and if those perceptions move together with elite assessment, then the information most plausibly flows from elites to the public. This is opinion leadership, and it yields a single testable claim about the dynamics of public opinion.

Hypothesis 1: The public's perception of grand corruption follows elite perception of corruption over time, adjusting toward its long-run relationship with elite assessment.

Figure 1 sets out the structure of the argument. Actual grand and petty corruption sit at the top. Two arrows run from the corruption forms into elite perception, because elites observe both. A single arrow runs from petty corruption into public perception, because the public observes only petty corruption. There is deliberately no arrow from grand corruption to public perception, because the public usually does not observe grand corruption; the absence of that arrow is the observational premise stated visually. The

remaining arrow runs from elite perception to public perception. That arrow is opinion leadership, and it is the only route in the diagram by which any information about grand corruption reaches the public. Hypothesis 1 is the claim that this arrow is real and can be detected in the way public perception of grand corruption tracks elite assessment over time.

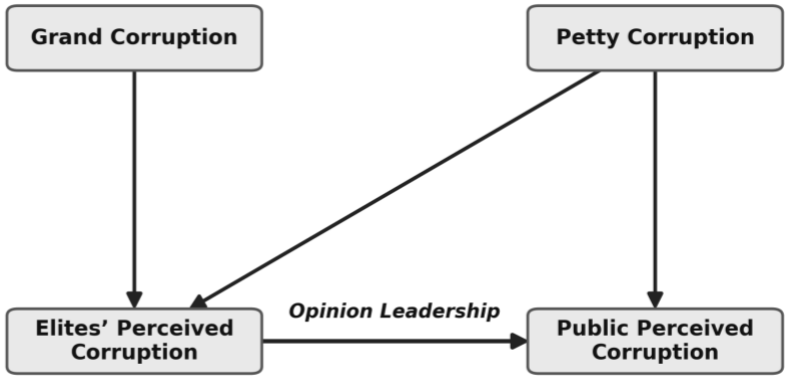

Figure 1. The opinion leadership account of corruption perception. Solid arrows denote direct observation (top to bottom) or influence (elite to public). Elites observe both grand and petty corruption; the public observes only petty corruption and cannot observe grand corruption, so no arrow runs from grand corruption to public perception. The public's perception of grand corruption arises only through the elite-to-public arrow, which is opinion leadership.

Data and Methods

The analysis covers the 28 member states of the European Union across the eight Special Eurobarometer surveys that carry the corruption module between 2005 and 2022 (European Commission 2005–2022). These surveys provide a rare source of cross-national data that consistently distinguishes citizens' perceptions of different forms of corruption over nearly two decades, making them well suited to examining differences between perceptions of grand and petty corruption. Each wave draws a nationally representative sample of about a thousand respondents per country.

Public perceptions of grand and petty corruption

The measures of corruption perceptions are derived from a common battery of survey questions asking whether the giving and taking of bribes and the abuse of power are widespread in different areas of national life. Responses are coded one if a respondent identifies a sphere as corrupt and zero otherwise. Country-year measures are calculated as the percentage of respondents identifying each sphere.

Perceived *grand* corruption is measured as the percentage of respondents identifying national politicians as an area where corruption is widespread (mean about 52, ranging from 20 to 82). Perceived *petty* corruption is measured as the average percentage identifying corruption in six routine public-service settings: the police or customs service, officials issuing building permits, officials issuing business permits, the public health system, the education system, and inspectors (mean about 36, range from 9 to 69). The choice of survey items reflects both the theoretical distinction between grand and petty corruption and the

need for consistent measurement across all eight survey waves.[1]

Public experience of corruption, used only to establish the observational premise, is the share of respondents who report having experienced or witnessed a case of corruption in the previous twelve months (mean about 8 percent, ranging from under 1 to about 30). Like all survey self-reports, these items are subject to social-desirability and non-response pressures, which are likely to understate direct experience in particular; the analysis therefore treats the perception measures as primary and the experience measure as corroborating evidence.

Elite and observed corruption measures

Elite perceptions of corruption are measured using Transparency International's Corruption Perceptions Index (CPI) (Transparency International 2005–2022), with the scale reversed so that higher values indicate higher perceived corruption (mean about 36, ranging from 4 to 67 across country-years)[2]. The CPI aggregates perceptions of corruption from business executives and country experts from independent surveys. It is used here as a proxy for the broader climate of elite perception of corruption that enters public discourse through media reporting, political debate, and other channels of information. The argument is not that citizens respond to the CPI itself, but that mass perceptions track the elite perceptions it captures.

To capture the *observed* or underlying levels of grand and petty corruption, the article uses the two component corruption indices from the V-Dem project (Coppedge et al. 2024): the executive corruption index (*v2x_execorr*), which measures bribery and embezzlement by rulers and cabinets and corresponds to *grand* corruption, and the public-sector corruption index (*v2x_pubcorr*), which measures bribery in the public sector at large and corresponds to *petty* corruption. Both are rescaled to run from 0 to 100. Although both the CPI and the V-Dem indices rely on expert judgment, they serve different purposes in the analysis. The CPI records experts' overall perception of corruption, whereas the V-Dem indices are indicators that capture the prevalence of specific forms of corrupt behaviors. The V-Dem measures here serve a closer proxy for underlying corruption and are used as controls for changes in corruption itself. As a robustness check, the article also uses the single-bidding rate in public procurement, an administrative-data measure derived from official tender records and the core component of the Corruption Risk Index (Fazekas and Kocsis 2020) as an alternative proxy for underlying corruption.

Controls

The dynamic models include a standard set of political and economic controls, each entered in the error correction form described below. From the V-Dem project, the models include freedom of expression and alternative sources of information (*v2x_freexp_altinf*), liberal democracy (*v2x_libdem*), the media environment, measured by the extent to which print and broadcast media are critical of the government (*v2mecrit*), civil society participation (*v2x_cspart*), the rule of law (*v2x_rule*), and educational equality

[1] Two candidate items are handled with care. Political parties would be a natural addition to the grand measure on theoretical grounds, but the separate parties item exists only from 2013; it is therefore reserved for a robustness check rather than the main measure, which changes little because at the country level the politicians item and a politicians-plus-parties measure correlate above 0.95 where both exist. Public tenders, a plausible site of grand corruption, is likewise reserved for a robustness variant. The judicial sphere is excluded because it fits neither category cleanly.

[2] The CPI changed from a 0–10 to a 0–100 scale in 2012; the 2005–2011 scores are rescaled to 0–100 (multiplied by ten), and all scores are reversed (100 minus CPI) so that higher values denote more corruption.

(*v2peedueq*). From the World Bank, the models include the log of GDP per capita (World Bank 2024). They also include an indicator for recent accession to the European Union, equal to one for states that joined in or after 2004, which captures the distinctive corruption profiles and institutional environments of the post-communist member states (Treisman 2007).[3] These variables capture the political, informational, and economic conditions that prior work has shown to shape corruption perceptions (Charron 2016; Donchev and Ujhelyi 2014). Descriptive statistics for all variables appear in Appendix A.

The error correction model

Public perceptions in a given wave are not independent of the perceptions that preceded them. This article therefore models the dynamics of public perception with a single-equation error correction model, which separates the short-run response of public opinion to elite assessment from the long-run relationship between the two and the speed at which public opinion returns to that relationship. For country *i* in wave *t*, letting Grand denote public perception of grand corruption, CPI denote elite perception, and Z denote the vector of controls, the model is

$$\Delta \text{Grand}_{it} = \alpha + \beta_1 \Delta \text{CPI}_{it} + \beta_2 \text{CPI}_{i,t-1} + \varphi\, \text{Grand}_{i,t-1} + \gamma' \Delta Z_{it} + \delta' Z_{i,t-1} + \varepsilon_{it}.$$

The dependent variable is the change, from one wave to the next, in public perception of grand corruption. The coefficient β_1 on the contemporaneous change in elite perception is the short-run effect: how much public perception moves within a wave when elite perception moves. The coefficient φ on the lagged level of public perception is the error correction, or adjustment, parameter; a negative value means that public perception is pulled back toward its long-run relationship with elite assessment, and its magnitude is the share of any gap closed per wave. The long-run relationship itself is recovered from the two lagged levels: in equilibrium the level of public perception settles at minus (β_2 divided by φ) times the level of elite perception, so that the implied long-run multiplier is $-\beta_2/\varphi$. Controls enter as a contemporaneous change and a lagged level, matching the treatment of the elite measure. All models are estimated by ordinary least squares with standard errors clustered by country.

Results

The observational premise: what the public and the elites can see

Table 1 reports how each perception measure relates to the observed grand and petty corruption, pooled across the four waves of Eurobarometer from 2013 to 2022 for which all four measures are available (n = 111).[4] The pattern is consistent with the premise. The public's perception of petty corruption correlates 0.604 with the V-dem's observed petty corruption but only 0.271 with the V-dem's observed grand corruption, and its experience of corruption correlates 0.582 with observed petty corruption but only 0.444 with observed grand corruption; in each case the alignment with petty corruption is significantly stronger by Steiger's test for dependent correlations. The public's perception of grand corruption, by contrast,

[3]The thirteen post-2004 members (coded 1) are the ten states of the 2004 enlargement (Cyprus, Czechia, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia), Bulgaria and Romania (2007), and Croatia (2013); the fifteen pre-2004 members are coded 0.

[4]Table 1 is estimated on the four waves (2013-2022) for which all four measures are available. On the full eight-wave sample the CPI correlates 0.623 with V-dem's observed grand and 0.756 with V-dem's observed petty corruption (n = 217), so the pattern for the elite measure is not specific to the shorter window.

correlates 0.079 with observed grand corruption and 0.125 with observed petty corruption, neither distinguishable from zero nor from each other. Citizens register the petty corruption they encounter, but their perception of grand corruption does not follow the observed high-level corruption, consistent with the premise that the public cannot directly observe grand corruption. The elite index behaves differently: it correlates 0.643 with observed grand and 0.797 with observed petty, tracking both forms strongly and indicating that elites are broad observers whose assessments track the whole corruption environment.

Table 1. Correlations between perception measures and forms of corruption, 2013-2022

Measure	r with observed grand	r with observed petty	Steiger z
Elite: Corruption Perceptions Index	0.643***	0.797***	−3.18**
Public: perception of petty corruption	0.271**	0.604***	−4.83***
Public: experience of corruption	0.444***	0.582***	−2.10*
Public: perception of grand corruption	0.079	0.125	−0.58

*Note: Pearson correlations pooled across country-years (n = 111). Observed grand and petty corruption are the V-Dem executive and public-sector corruption indices, themselves correlated at 0.66. The Steiger z tests whether each measure aligns more with petty than with grand corruption; a positive value indicates stronger alignment with petty corruption. * p < 0.05, ** p < 0.01, *** p < 0.001.*

Figure 2 makes the contrast visible: the public's perception of grand corruption sits near zero against both indices, while the elite index tracks them both. The remainder of the paper asks whether, despite this blindness, the public comes to hold perceptions of grand corruption that move with elite assessment.

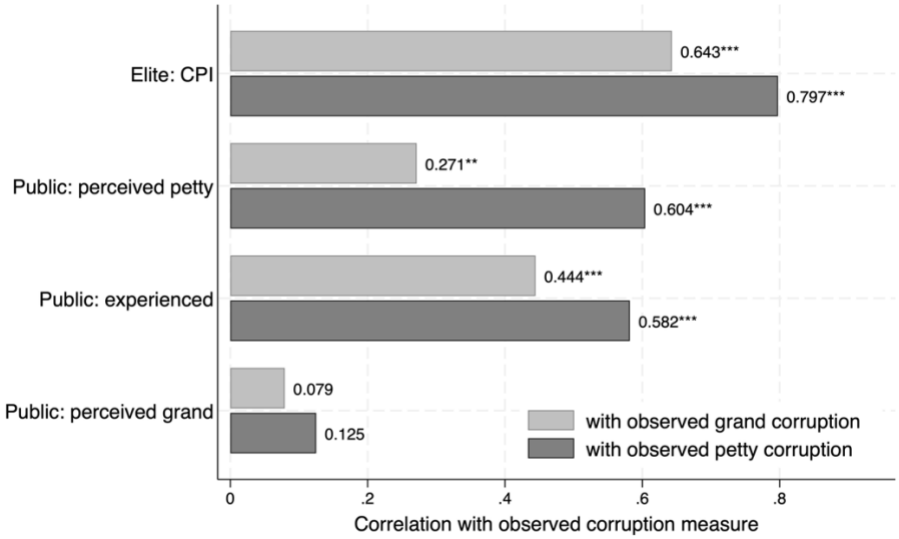

Figure 2. Correlation of each perception measure with observed grand and petty corruption, 2013-2022 (n = 111). Light bars show the correlation with V-dem's observed grand corruption; dark bars show the correlation with V-dem's observed petty corruption. Elites track both forms; the public tracks petty corruption through perception and experience but does not track grand corruption.

Testing Hypothesis 1: does public perception of grand corruption follow elite perception?

Table 2 reports the error correction estimates for Hypothesis 1, using all eight waves. Across the three specifications, the short-run coefficient β_1 on the change in elite perception is positive and significant,

including in the baseline that contains only the error correction terms. The long-run coefficient β_2 on lagged elite perception is likewise positive and significant, and the adjustment parameter φ on the lagged dependent variable is negative and significant, indicating that public perception is drawn back toward its long-run relationship with elite perception rather than drifting away from it. Moving from the baseline to the extended model adds the full battery of political and economic controls, and the full model adds the observed grand and petty corruption indices; across both steps the elite coefficients change little, which suggests that the association is not merely an artifact of both communities tracking real corruption. The implied long-run multiplier, reported in the table, stabilizes around 0.720 once controls enter.

Table 2. Opinion leadership: change in public perception of grand corruption, 2005-2022

	Baseline	Extended	Full
Δ CPI (β_1, short-run)	0.801*** (0.219)	0.988*** (0.226)	0.970*** (0.240)
CPI (t−1) (β_2, long-run)	0.166*** (0.044)	0.391*** (0.105)	0.412*** (0.088)
Public grand perception (t−1) (φ)	-0.432*** (0.069)	-0.546*** (0.087)	-0.572*** (0.075)
Political and economic controls	No	Yes	Yes
Observed corruption controls	No	No	Yes
Implied long-run multiplier	0.384	0.716	0.720
Observations	189	189	189
R-squared	0.300	0.398	0.444

*Note: Dependent variable is the wave-to-wave change in public perception of grand corruption (the share naming national politicians as corrupt). Ordinary least squares with standard errors clustered by country in parentheses. Political and economic controls and observed corruption controls each enter as a contemporaneous change and a lagged level. The long-run multiplier is $-\beta_2/\varphi$. * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.*

The estimated effects are not only statistically reliable but substantively large. The dependent variable, the share of citizens naming national politicians as corrupt, has a mean of about 52 percentage points and a standard deviation of about 13, and the reversed CPI runs from 4 to 67 with a standard deviation of about 16 and a typical wave-to-wave change of about 4 points. In the baseline, the short-run coefficient of 0.801 means that a one-point rise in elite-perceived corruption is associated with a same-wave rise of eight-tenths of a point in the public's perception of grand corruption; a typical wave-to-wave shift in elite perception moves public perception by roughly three points within the same wave. The long-run relationship is larger still. With a long-run multiplier of about 0.720, a country whose elite-perceived corruption is permanently one standard deviation higher, about sixteen points, has in equilibrium an eleven- to twelve-point higher share of citizens perceiving grand corruption; across the full observed range of the elite measure, roughly sixty points from the least to the most corrupt country, the implied long-run difference approaches forty-five points, which is most of the range of the dependent variable. The adjustment parameter, between -0.432 and -0.572, indicates that the public closes between 43 and 57 percent of any gap from this long-run relationship at each wave. Since the waves are about two years apart, this is fairly rapid adjustment, and the negative sign indicates a stable, convergent adjustment, with public perception drawn toward the elite anchor.

Read together, the two steps trace the full path of the argument. The public cannot directly observe grand corruption and barely tracks it, while elites observe and track both forms; and the public's perception of grand corruption nonetheless follows elite assessment, quickly and substantially. Because the route of

direct observation is closed to the public, the most plausible remaining explanation is that elite judgments supply the public with its picture of a corruption it cannot see. This pattern is consistent with the opinion leadership mechanism of Figure 1, visible in the dynamics of mass opinion.

Robustness checks

The result survives an extensive battery of alternatives, reported in full in Appendix B. The first set asks whether the finding depends on how grand corruption is operationalized on the public side, since the main measure rests on a single survey item. Appendix Table B1 re-measures grand corruption four ways: national politicians alone (the main measure), all levels of politicians combined, politicians together with public tenders, and, on the shorter window where the item exists, politicians together with political parties. If the result were an artifact of one item, it should not persist across these variants; it does. The elite effect remains positive and significant in every eight-wave variant. In the politicians-plus-parties variant it also reaches significance once controls are included, even on the smaller four-wave subsample.

The second set asks whether the elite-public association is merely both sides tracking the observed corruption, which would undercut the opinion leadership interpretation. Appendix Table B2 holds observed corruption constant in several ways, entering the V-Dem executive index alone, the public-sector index alone, both together, and, as an external check, the single-bidding rate in public procurement. This last measure is the central component of the objective Corruption Risk Indicators (CRI) of Fazekas and Kocsis (2020), built from official tender records rather than perceptions. Unlike the perception-based indices, this measure is empirically distinct from the CPI, which lets it hold observed corruption constant without absorbing the elite-perception signal. If the association merely reflected shared tracking of reality, holding the actual level constant would attenuate the elite coefficients. Instead they are essentially unchanged: both the short-run and long-run elite coefficients stay positive and significant across every one of these controls, including the one drawn from an entirely different data source.

The third set asks whether the finding depends on the estimator or on unmodeled heterogeneity. Appendix Table B3 adds country fixed effects, which absorb any stable national differences, and two-way fixed effects, which additionally absorb any common pan-European shock in a given wave, such as a continent-wide wave of scandal coverage; it also reports a level autoregressive distributed-lag specification and a pure first-difference specification that drops the error correction terms entirely. The short-run elite effect remains positive and significant throughout, and the level specification returns the same long-run multiplier of about 0.720. Across every specification in Appendix Table B3 the conclusion holds: public perception of grand corruption moves with elite assessment, in a direction and of a magnitude that a direct-observation account cannot readily explain, given that the public cannot directly observe the phenomenon it is perceiving.

The fourth set asks whether the results depend on the pre-2012 CPI data. Transparency International revised the CPI's aggregation methodology in 2012 so that pre- and post-2012 scores may not be directly comparable. Even so, this methodological change is unlikely to drive the results for two reasons. First, the model exploits within-country change and long-run adjustment rather than comparisons of absolute levels, and only one of the seven wave-to-wave transitions (2011–2013) spans the methodological break. Second, because the elite perception measure enters the model only in differenced and lagged form, the estimates are largely insensitive to a common shift in the underlying scale. That said, to further rule out any remaining

concern, Appendix Table B4 re-estimates the model using only the post-2012 waves, with all changes and lagged variables recalculated within that period. The results remain substantively unchanged. The long-run relationship and the error-correction term remain statistically significant, while the short-run effect remains positive and becomes statistically significant once the control variables are included.

Conclusion

This article has shown that citizens can see petty corruption, and their perceptions and experiences of it track reality. They cannot directly observe grand corruption, yet they hold perceptions of it that track elite assessment closely and quickly, closing about half of any gap from the long-run relationship at each wave. For the form of corruption that matters most for high politics, public perception appears to be less an independent reading of reality than a construct shaped by elite information. The puzzle with which the article began, how citizens perceive a phenomenon they cannot observe, is best explained by opinion leadership: the perception appears to arrive from those who can observe it.

The finding speaks to three debates. For the measurement of corruption, it implies that the convergence of indices and public opinion should not be read as evidence that either captures the reality of grand corruption; both may be tracking the same elite-anchored signal, and validation exercises that treat mass-elite agreement as confirmation need to distinguish the forms of corruption being agreed upon (Donchev and Ujhelyi 2014; Kraay and Murrell 2016). The perception-versus-experience debate that has animated this literature looks different once the two forms are separated: experience validates the public's perceptions of petty corruption, but little in the citizen's own environment validates its perceptions of the grand (Charron 2016; Razafindrakoto and Roubaud 2010). For the study of public opinion, it extends the logic of opinion leadership to a domain where the informational asymmetry between elites and citizens is close to total and the object of perception is by design hidden, a hard case in which the public nonetheless tracks elite cues. Grand corruption is in this sense a limiting case for the cue-taking literature: where an issue is not merely complex but unobservable, elite cues are very nearly the only input, and the public's dependence on them is at its greatest (Bullock 2011; Zaller 1992). For the political consequences of corruption, it suggests that where those consequences flow from perceptions of grand corruption, from the protests in Bucharest to the punishment of implicated parties at the ballot box, they flow in part through the elite construction of what the public believes (Bauhr and Charron 2018; De Vries and Solaz 2017).

The framework developed here also points beyond the present study. Because it turns on observability rather than on anything peculiar to corruption, it should extend to other political phenomena that citizens routinely judge but cannot witness, from the competence with which governments manage the economy to the conduct of foreign policy, wherever mass opinion may be led by those with a clearer view (Lenz 2012; Zaller 1992). It also directs attention to the supply side of opinion leadership: which actors citizens treat as credible on corruption, and how their perceptions move when that supply is contested, polarized, or captured. Most immediately, the analysis is confined to a set of European democracies with relatively free media, which is precisely the channel through which elite cues are assumed to travel; whether the same division of observational labor governs corruption perceptions where the information environment is more constrained, and elite cues are supplied by a narrower or more captured set of actors, is an open and important question, and one to which the framework developed here can be extended.

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Appendix A. Descriptive statistics

Table A1 reports descriptive statistics for every variable used in the analysis. The public measures, the reversed CPI, and the two observed corruption indices are available for all 217 country-waves; corruption experience is available from the 2013, 2017, 2019, and 2022 waves; the controls are available for the 189 country-waves that enter the differenced models. V-Dem index variables (freedom of expression, liberal democracy, civil society participation, rule of law) and the two observed corruption indices are on a 0 to 100 scale; the media environment and educational equality are reported on their original V-Dem interval scales; log GDP per capita is a natural logarithm; the public measures and corruption experience are percentages of respondents.

Table A1. Descriptive statistics

Variable	N	Mean	SD	Min	Max
Public perception of grand corruption	217	51.61	12.50	19.90	82.23
Public perception of petty corruption	217	35.67	12.32	9.19	69.32
Public experience of corruption	165	8.04	6.01	0.40	29.67
Elite perception (CPI, reversed)	217	35.77	16.35	4.00	67.00
Observed grand corruption (V-Dem)	217	12.40	15.11	0.30	76.90
Observed petty corruption (V-Dem)	217	11.78	12.70	0.10	63.60
Freedom of expression	189	93.35	7.18	60.10	99.20
Liberal democracy	189	76.38	10.63	33.70	89.60
Log GDP per capita	189	10.28	0.64	7.97	11.74
Media environment	189	2.25	0.81	-0.12	3.42
Civil society participation	189	86.82	9.35	54.60	98.70
Rule of law	189	91.77	9.22	57.30	99.90
Educational equality	189	2.27	0.70	0.46	3.54

Note: N is the number of country-waves. The public measures and corruption experience are country means of individual responses, multiplied by 100. The reversed CPI is oriented so that higher values indicate more corruption. Observed grand and petty corruption are the V-Dem executive and public-sector corruption indices, rescaled to 0-100.

Appendix B. Robustness of the opinion leadership result

The three panels below report the robustness checks summarized in the main text. In every table the dependent variable is the change in public perception of grand corruption, the focal coefficient is Δ CPI (the short-run effect of elite perception), and CPI(t−1) is the long-run term. All models are estimated by OLS with standard errors clustered by country (in parentheses). Unless noted, the sample is the eight waves 2005-2022 across 28 countries. * p < 0.05, ** p < 0.01, *** p < 0.001.

Table B1. Alternative dependent-variable operationalizations

Dependent variable	Sample (N)	Baseline Δ CPI	Baseline CPI(t−1)	Full Δ CPI	Full CPI(t−1)
Grand = national politicians (main)	2005–2022 (189)	0.801** (0.219)	0.166*** (0.044)	0.970*** (0.240)	0.412*** (0.088)
Grand = all politician levels	2005–2022 (189)	0.635** (0.200)	0.135** (0.038)	0.779** (0.228)	0.366*** (0.080)
Grand = politicians + public tenders	2005–2022 (189)	0.617*** (0.164)	0.177*** (0.046)	0.729*** (0.173)	0.282*** (0.070)
Grand = politicians + political parties	2013–2022 (83)	0.356 (0.256)	0.132** (0.042)	0.789** (0.216)	0.476** (0.153)

Note: Each row re-measures public perception of grand corruption. "Baseline" includes only the error-correction terms (Δ CPI, CPI(t−1), and the lagged dependent variable); "Full" adds all political and economic controls and the observed grand and petty corruption indices. The politicians-plus-parties measure is available only from 2013, which shortens the sample; its baseline short-run coefficient is not significant on the four-wave sample but is significant once controls enter.

Table B2. Alternative treatment of common causes

Observed-corruption control	N	Δ CPI	CPI(t−1)
Extended, no observed-corruption control	189	0.988*** (0.226)	0.391*** (0.105)
+ observed grand only (V-Dem)	189	0.972*** (0.230)	0.438*** (0.097)
+ observed petty only (V-Dem)	189	0.995*** (0.234)	0.392*** (0.095)
+ observed grand and petty (full)	189	0.970*** (0.240)	0.412*** (0.088)
+ CRI single bidding (2011–2022)	110	1.005** (0.223)	0.353** (0.126)

Note: All rows use the main dependent variable (the public perceive that national politicians are corrupt) with the full set of political and economic controls, varying only how observed corruption is held constant. The first row does not control the observed corruption. The second to fourth rows enter the V-Dem executive and public-sector indices, alone and together. The final row enters the single-bidding rate in public procurement (Fazekas and Kocsis 2020), an objective corruption-risk proxy constructed from official tender records rather than perceptions and available for the 2011 to 2022 waves. The single-bidding rate correlates only 0.54 with the reversed CPI across countries and 0.24 in within-country change, so it holds observed corruption constant without duplicating the elite-perception signal.

Table B3. Alternative estimators and dynamic specifications

Specification	N	Δ CPI	CPI(t−1)
Full model (reference)	189	0.970*** (0.240)	0.412*** (0.088)
+ country fixed effects	189	1.042** (0.305)	0.755** (0.243)
+ two-way fixed effects (country and wave)	189	0.764** (0.268)	0.510** (0.184)
Level ADL (DV in levels)	189	0.970*** (0.240)	0.720*** (0.128)
Pure first difference (Δ CPI only)	189	0.805*** (0.218)	—
Pure first difference (+ Δ controls)	189	0.851*** (0.229)	—

Note: All rows use the main dependent variable. Country and two-way (country and wave) fixed effects are added to the differenced model; the two-way specification absorbs any common pan-European shock in a given wave. The level ADL row estimates the dependent variable in levels on its own lag and current and lagged CPI, with the implied long-run multiplier reported in the final column. The pure first-difference rows drop the error-correction and lagged-level terms entirely. Across every specification the short-run Δ CPI remains positive and significant.

Table B4. Post-2012 CPI only (waves 2013–2022)

	Baseline	Extended	Full
Δ CPI (β_1, short-run)	0.316 (0.248)	0.789** (0.242)	0.696** (0.209)
CPI (t−1) (β_2, long-run)	0.152** (0.045)	0.401** (0.116)	0.412** (0.135)
Public grand perception (t−1) (φ)	−0.319** (0.093)	−0.427*** (0.101)	−0.520*** (0.105)
Political and economic controls	No	Yes	Yes
Observed corruption controls	No	No	Yes
Implied long-run multiplier	0.476	0.939	0.792
Observations	83	83	83
R-squared	0.216	0.470	0.535

*Note: As in Table 2, but restricted to the post-2012 CPI waves, with all changes and lags recomputed within that window so that no difference spans the 2011/2013 methodology break. Dependent variable is the wave-to-wave change in public perception of grand corruption. Ordinary least squares with standard errors clustered by country in parentheses. Political and economic controls and observed corruption controls each enter as a contemporaneous change and a lagged level. The long-run multiplier is $-\beta_2/\varphi$. * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.*