Research Article

Received: 2 August 2024 / Accepted: 24 September 2024 / Published: 05 November 2024

Subjective Well-Being and Corruption in Latin America

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DOI: https://doi.org/10.36941/jesr-2024-0181

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This study explores the impact of corruption on subjective well-being in Latin American countries, focusing on Chile, Ecuador, Argentina, Uruguay, Venezuela, Bolivia, Colombia, and Peru during the period 2017-2021. The research examines how perceptions of corruption affect key indicators such as education, health, income, and life satisfaction. Utilizing secondary data from the World Values Survey, a descriptive and explanatory methodology was employed, incorporating statistical analysis and ordinal logistic regression models. Findings reveal a complex relationship between corruption and subjective well-being, indicating that higher levels of education are associated with increased awareness of corruption, while economic stability, political trust, and life satisfaction show varied associations with perceived corruption. The study highlights regional differences and contextual factors influencing these dynamics, providing insights into the multifaceted effects of corruption on human development and overall well-being in Latin American populations.

Keywords: *Human Development, Economic Development, Economic Gap, Life Satisfaction, Perception of Corruption*

1. Introduction

Subjective well-being and corruption are two fundamental issues that impact the economic, social, and political spheres, influencing both national development and the quality of life of the population. To illustrate this, subjective well-being in low-resource economies becomes more relevant due to the distribution of scarce resources aimed at achieving citizens' life satisfaction (Romero et al., 2021).

Regarding corruption, it is a phenomenon that generates distrust and diverts funds for the individual benefit of the main actor (Pinto et al., 2021).

The economic gap created by corruption influences the progress of Latin American societies (Santiványez Vivanco, 2013). Similarly, the slowdown in societal progress highlights the importance of well-being from a broader social perspective, which encompasses aspects beyond economic terms (Rojas, 2016; Romero et al., 2021).

Corruption in September 2018 impacted the global economy, amounting to at least USD 2.6 trillion, which represents 5% of the world GDP (Calcagnini & Perugini, 2019). Analyzing these figures, corruption reduces essential funds for the population and affects economic growth and development. According to the Economic Commission for Latin America and the Caribbean (ECLAC), this amount exceeds the funds necessary to provide emergency basic income to all people in poverty in Latin America and the Caribbean, totaling 215 million individuals (Bárcena, 2019).

In Latin America, there is an exceptionally low level of interpersonal trust. Between 2019 and 2020, there was a 7% decrease in life satisfaction in Latin American countries (OCDE, 2022). According to the United Nations Development Programme (UNDP), data from the Latinobarómetro survey of 18 countries for the year 2018 highlights that corruption is a significant concern in Latin America and the Caribbean. Additionally, the analysis shows that the combined effect of perceived corruption and perceived economic performance explains approximately 80% of the regional variation in political satisfaction among countries (Latinobarómetro, 2018).

Perceptions of corruption help determine the phenomenon of corruption in a country, highlighting the complexity of measuring it quantitatively. This complexity begins with the invisibility of corrupt acts, as the actors involved conceal them from the affected society. Although many corruption cases eventually come to light, they do not provide real-time quantification of a country's corruption levels; they only offer society an idea of the presence of this phenomenon (Pinto et al., 2021).

For 2024, the Corruption Perceptions Index ranks Ecuador, Peru, and Bolivia as countries with high levels of corruption, unlike Chile, where perceived corruption is very low. Countries such as Colombia, Brazil, and Argentina have medium levels of corruption ((Donchev & Ujhelyi, 2014; Drazer, 2024). For continuity, the countries Colombia, Argentina, Brazil, Ecuador, and Peru had quantitative scores of 40, 37, 36, 34, and 33, respectively, for the year 2023. America continues to struggle against perceived corruption (Nelvirita, 2020). In parallel, the lack of judicial power regarding independence and government transparency is highlighted. Consequently, the most noticeable effect is the impact on the most vulnerable and impoverished groups, who are the ones most affected by corruption.

The World Bank (2020) recognizes the high social and environmental costs associated with corruption, reiterating its commitment to making the fight against this practice a development priority. The goal is to establish collaborations with other stakeholders working towards better governance and increased transparency. The World Bank (2020) recognizes the high social and environmental costs associated with corruption, reiterating its commitment to making the fight against this practice a development priority. The goal is to establish collaborations with other stakeholders working towards better governance and greater transparency.

The phenomenon of corruption and its impact on social and economic well-being is a critical issue in Latin America, affecting trust in institutions and the region's sustainable development. The 2022 results show that the average level of corruption in Latin America remains high at 68.7 percentage points. The report also highlights significant variation between nations, with some experiencing improvements in their corruption indices while others show concerning deterioration (Drazer, 2024; Núñez-Naranjo et al., 2024).

Currently, both well-being and progress are terms that impact institutional performance, legal security, and the reduction of corruption, aiming to create conditions for the development of self-esteem and individual autonomy, while fostering a sense of belonging to a community (Rojas, 2016). Subjective well-being is influenced by income levels, economic conditions, and self-perceived poverty (Burger et al., 2022; Insights et al., 2013; Programa de Naciones Unidas, 2023).

Subjective well-being, according to Cuadra and Florenzano (2003), Diener (1984) and Diener and Oishi (2005a), is composed of separable components: life satisfaction (overall judgment of life), satisfaction with important domains (satisfaction with work, marriage), positive affect (pleasant experiences that bring joy and satisfaction), and negative affect (unpleasant, non-pleasurable emotional experiences). Thus, well-being is perceived as each individual's appreciation of their own life from a subjective perspective

Corruption within governments exerts some influence on the societies they govern. Furthermore, funds are allocated at levels lower than those budgeted for certain activities, which affects citizens' well-being. Corruption impacts the levels of satisfaction among citizens in a specific country. According to (Rothstein, 2010), the weakness or dysfunctionality of institutions increases opportunities for corrupt behavior, allowing actors with power to abuse their position to the detriment of the public interest. As Estévez (2005) warns, corruption not only involves a loss of public resources but also weakens citizens and communities. Factors such as cultural changes and a lack of awareness about the existence of corruption intervene in its evolution.

There are various authors who support the relationship between corruption and life satisfaction. Among them, Ma et al. (2022) conclude that the perception of corruption is negatively related to subjective well-being, and that satisfaction with government performance plays a mediating role in the relationship between perceived official corruption and subjective well-being (Diener, 1984; W. Huang et al., 2024; Núñez-Naranjo et al., 2024). According to Ma et al. (2022) corruption has negative consequences both economically and socially; moreover, it affects not only trust in public institutions but also the quality of life of citizens. Corruption is studied from various perspectives, one of which focuses on analyzing state institutions. According to Estévez (2005), corruption involves a disordered development of aspects of the interpersonal relationship system or of the person with themselves.

The relationship between subjective well-being and the perception of corruption is a topic of great importance, as both aspects are closely linked to the quality of life and satisfaction of individuals in a society (Santiváñez Vivanco, 2013). However, it is surprising that the scientific literature does not contain numerous studies exploring this connection thoroughly. This study aimed to analyze the subjective well-being of Latin American countries from the perspective of corruption to enhance understanding of the issue.

2. Background

2.1 Happiness

Happiness is characterized by a sense of completeness, satisfaction, and overall well-being, which drives us to adopt an optimistic or positive outlook on life (Alabshar et al., 2023; Helliwell & Putnam, 2004). However, Téllez also identifies factors that can interfere with happiness, such as clinging to the past and worrying about the future, which he describes as our difficulty in living fully in the present. Happiness is primarily influenced by a person's emotional stability, as psychological aspects carry more weight than physical health, social relationships, and the surrounding environment (Medvedev & Landhuis, 2018).

2.2 Well-being

Well-being aligns with the humanistic tradition, which is related to self-actualization, human potential development, and optimal psychological functioning (Acosta-González & Marcenaro-Gutiérrez, 2021; Cárcaba et al., 2022; Diener, 1984; Ward, 2020). The concept of well-being is approached from different perspectives, primarily hedonic and eudaimonic. In the hedonic tradition, well-being is often associated with "happiness" (Adler & Seligman, 2016). However, this understanding of well-being shows considerable intercultural variability (Diener & Oishi, 2005b; Oishi et al., 2013) and, in everyday use, is usually more linked to the affective aspect of well-being,

that is, to experiences of pleasure or joy.

2.3 *Easterlin Paradox*

Studies on the components of happiness are structured around three types of measures: those focusing on life satisfaction and possession of goods, those emphasizing hedonic pleasure or feeling good, and those concentrating on eudaimonic aspects and the development of the individual's full potential (Behera et al., 2024; F. Huang et al., 2024). From these approaches, various theories of human well-being have emerged, such as the theory of "flourishing," which refers to achieving high levels of well-being and includes both hedonic and eudaimonic components. These components cover aspects such as positive relationships, life purpose, self-acceptance, positive affect, social contribution, identity well-being, autonomy, and life satisfaction, among others (W.-Y. Chen & Hsu, 2024; Jongbloed, 2018).

2.4 *Components of Subjective Well-Being*

Beltrán Guerra (2018) notes that subjective well-being stems from emotional and cognitive aspects, describing the level of happiness (positive and negative emotions) and the degree of life satisfaction, respectively. Although subjective well-being can be influenced by demographic, sociographic, health, and social interaction variables (Diener, 1984). Figure 1 depicts subjective well-being through affective state and life satisfaction as domains of satisfaction.

Affective State	Life Satisfaction	Domains of Satisfaction
• Positive: Joy, satisfaction, happiness. • Negative: Anxiety, anger, depression.	• Desire to change life • Satisfaction with current or past life	• Work • Family • Leisure • Health • Income • Self-satisfaction • Satisfaction with others

Note: These are components that provide an approach to subjective well-being. Source: Created by the author based on Cuadra and Florenzano (2003), De los Ríos Giraldo, (2016), Diener (1984) Diener and Oishi (2005a).

Figure 1: Components of Subjective Well-Being

2.5 *Money, Education, and Happiness*

Economic stability provides a certain degree of security (Burger et al., 2022; Tsara et al., 2024). True happiness is difficult to achieve when basic needs such as housing, food, education, and health are not met. While money can act as an incentive and complement to a satisfying life, it ceases to bring us closer to an ideal life when it exceeds certain reasonable limits. The economic factor in relation to education and happiness (Popescu & Reis Mourão, 2024), is associated with the level of education. It is suggested that a high level of education might lead to unhappiness if a person fails to achieve the desired working and economic conditions or if the demands of a well-paying job reduce time for other aspects of life (Adeyanju et al., 2024), influencing the labor sphere, gender, culture, age, and marital status (Nikolaev, 2016). Studies indicate that education increases the likelihood of higher income (W. Chen, 2012; Cuñado & de Gracia, 2012; Ruiu & Ruiu, 2019) which, along with socio-economic status or level (Pulido Acosta & Herrera Clavero, 2018), results in higher levels of happiness.

2.6 Gender and Happiness

Regarding gender, findings from Alabshar et al. (2023), Chen (2012), Lee et al. (2023) suggest that women experience higher levels of happiness than men. However, Pulido Acosta and Herrera Clavero (2018) show the opposite, and other studies also report similar results. This discrepancy is attributed to socialization patterns and the fact that men tend to have a more positive perception of the presence of positive emotions.

2.7 Income and Perception of Happiness

A high level of economic income does not always translate into greater happiness. The discrepancy between expected and actual income can negatively impact the perception of happiness (Ruiu & Ruiu, 2019). Chen (2012) notes that monetary factors do not play a significant role in the relationship between education and happiness, particularly in more developed societies, where education enhances happiness by enabling enjoyment of non-material benefits such as learning, autonomy, interpersonal connections, and community participation (De los Ríos Giraldo, 2016; Rahayu & Harmadi, 2016).

2.8 Corruption and Government

Nye (1967) defines corruption as the generation of private benefits through the abuse of power. The nature of corruption makes it silent and difficult to measure due to its almost invisible presence in society (Castro Beraún, 2023). Corruption is also perceived as an act that breaks societal norms, such as moral, ethical, and legal standards, involving two or more parties: the corrupter and the person in a position of power (Dell'Anno, 2018). This dynamic of corruption can be expressed as the abuse of public power for private benefit. In emerging and developing economies, corruption is indeed the greatest barrier to economic growth and social development (Ghate, 2018). Corruption fosters distrust among citizens towards public institutions, and its negative impact is significant on social well-being.

2.9 Impact of Corruption on Society

Seldadyo and Haan (2006) highlight that corruption can be measured in three common ways: perceived corruption indices from a specific group of people, the incidence of corrupt activities in the economy, and composite indices built from various perception indices. Economic growth, government involvement in the economy, income inequality, and corruption are positively correlated, unlike the relationship with education where the impact is negative (Ghate, 2018). There is a negative impact on education and per capita personal income in the presence of corruption (Apergis et al., 2010). Additionally, it presents a negative effect on economic growth, meaning it is inversely proportional: as corruption increases, economic growth decreases (Hamdi & Hakimi, 2023). Economic growth is adversely affected by the presence of corruption.

3. Methodology

3.1 Data Collection

The study focuses on nine Latin American countries: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay, and Venezuela, analyzing their perceptions of subjective well-being and corruption. The data source is the World Values Survey (World Values Survey Association, 2022), which provides comprehensive coverage of values, beliefs, and economic perceptions in these countries. The sample includes 9,952 observations, allowing for a robust comparison across different national contexts. Data visualization by country facilitates the analysis of the distribution of subjective well-being perception and its relationship with corruption.

3.2 *Descriptive Study*

Descriptive statistical analyses were conducted to identify the most influential variables on subjective well-being and corruption in Latin America. Measures such as the mean, median, and standard deviation were used to summarize the characteristics and variations in the data. The arithmetic mean is calculated as: $\bar{X} = \frac{X1+X2+X3+\cdots+Xn}{n}$ where n is the number of cases and Xi represents the individual values. The median is determined by: $\bar{X} = \frac{Xn/2+X(n/2)+1}{2}$, if n is even, or:, $X_{(n+1)/2}$ if n is odd. The standard deviation is calculated as: $s = \sqrt{S^2}$, where $S^2$is the variance, to measure the dispersion of the data relative to the mean. These tools allow for a detailed understanding of variations between countries and support the interpretation of results.

3.3 *Correlational Study*

To evaluate the relationships between ordinal variables, Spearman's rank correlation coefficient was used. This coefficient is based on the ranks of the data rather than their exact values, calculating the difference between the ranks of pairs of observations and applying Pearson's correlation formula to these ranks. This method allows for determining whether high values in one variable tend to coincide with high values in another, thereby assessing the strength and direction of the monotonic association. Table 1 provides a guide for interpreting Spearman's correlation, ranging from very low to very high negative and positive correlations. This helps in understanding the extent and direction of the relationships between the variables under study.

Table 1: Correlation

Value of ρ	Meaning
-1	Large and perfect negative correlation
-0.9 a -0.99	Very high negative correlation
-0.7 a -0.89	High negative correlation
-0.4 a -0.69	Moderate negative correlation
-0.2 a -0.39	Low negative correlation
-0.01 a -0.19	Very low negative correlation
0	No correlation
0.01 a 0.19	Very low positive correlation
0.2 a 0.39	Low positive correlation
0.4 a 0.69	Moderate positive correlation
0.7 a 0.89	High positive correlation
0.9 a 0.99	Very high positive correlation
1	Large and perfect positive correlation

Note: Correlation Coefficient: Source: Prepared by the author based on (artínez Rebollar and Campos Francisco (2015)

3.4 *Explanatory Study*

The ordinal logistic regression model was used to analyze the relationship between predictor variables and the ordinal dependent variable. The model formula is:

$Pr[Y \geq j \mid X] = \frac{1}{1+exp[-(\alpha j+X\beta)]1}$,

Where *j* ranges from 1 to *k*. In this context, α represents the intercepts specific to each level j, and β is the common vector of regression coefficients. This model adheres to an ordinal logistic approach for the event $Y \geq j$ and allows for efficient modeling of the distribution of *Y*. Additionally, according to (Harrell , 2015), there is an interesting connection between the proportional odds model

(PO) and the Wilcoxon-Mann-Whitney two-sample test: when dealing with a single binary predictor, the numerator of the score test for *Ho:β1=* is proportional to the statistic of the two-sample test.

4. Results

4.1 Correlation between Corruption and Subjective Well-Being

The perception of corruption in Latin America is significantly correlated with various dimensions of subjective well-being. Spearman's correlation coefficient results indicate both positive and negative relationships with the analyzed variables. The perception of corruption in Latin America shows a significant correlation with various dimensions of subjective well-being, revealing both positive and negative relationships.

Table 2 shows a negative correlation of -0.057 with the feeling of happiness, indicating that a higher perception of corruption is slightly associated with lower subjective happiness, although the impact is modest. In contrast, the nearly null correlation of 0.012 with subjective health status suggests that the perception of corruption does not significantly affect the evaluation of physical health. The positive correlation of 0.130 with freedom of choice and control suggests that in high-corruption contexts, individuals may feel a greater sense of control over their decisions, possibly as an adaptation to the corrupt environment. The positive correlation of 0.112 with life satisfaction indicates that, despite corruption, people may maintain a positive perception of their lives, demonstrating resilience. The notable positive correlation of 0.276 with trust in government suggests that a higher perception of corruption may be associated with greater trust in institutions, which could reflect a normalization of corruption. Finally, the negative correlation of -0.066 with educational level and -0.104 with income scale suggests that individuals with higher education and income tend to perceive less corruption, possibly due to increased awareness and access to resources that mitigate the effects of corruption.

Table 2: Correlation Matrix

		Corruption Perception in Latin America 2017-2021
Rho de Spearman	Sentiment of Happiness	-,057**
	Subjective Health	0,012
	Freedom of Choice and Control	,130**
	Life Satisfaction	,112**
	Satisfaction with Household Financial Situation	-0,011
	Trust in Government	,276**
	Interest in Politics	,134**
	Marital Status	0,012
	Highest Level of Education	-,066**
	Employment Situation	,076**
	Subjective Social Class	,054**
	Income Scale	-,104**
**. Correlation is significant at the 0.01 level (two-tailed).		
*. Correlation is significant at the 0.05 level (two-tailed).		

Note. Compilation of variables by Latin American country. Source: Own elaboration based on WVS.

4.2 Comparison Between Chile, Ecuador, and Brazil

In Table 3, the comparison between Chile, Ecuador, and Brazil is presented. It is observed that in Chile, with the lowest perception of corruption, the influence of this perception on subjective well-being is limited, and the correlations are mostly negative and not significant, suggesting a lesser impact on well-being evaluation. In contrast, Ecuador, with an intermediate level of corruption

perception, shows stronger and more significant correlations with variables such as freedom of choice and control, life satisfaction, and trust in government, indicating a moderate impact on subjective well-being. On the other hand, Brazil, with a high perception of corruption, presents more notable and significant relationships, where the perception of corruption directly and profoundly influences well-being variables like freedom of choice, life satisfaction, and trust in government. Overall, these findings reflect a complex and variable relationship between corruption perception and subjective well-being in Latin America, highlighting how the impact of corruption can significantly differ depending on the specific context of each country.

Table 3: Comparative correlation matrix by country

Subjective Well-being	***Comparative Correlation Matrix by Country***		
	CHILE	ECUADOR	BRAZIL
Spearman's Rho	-0,046	-0,057	-0,026
Subjective Health Status	-0,063	,061*	-,056*
Freedom of Choice and Control	-0,040	,102**	,215**
Life Satisfaction	0,058	,065*	,166**
Satisfaction with Household Financial Situation	,156**	-0,009	0,008
Trust in Government	,160**	,140**	,157**
Interest in Politics	-0,046	,091**	,105**
Marital Status	,079*	-0,047	-,055*
Highest Educational Level	-0,036	-,080**	-0,033
Employment Status	-0,024	-0,048	0,021
Social Class (Subjective)	-0,033	,078**	-,069**
Income Scale	,074*	-,156**	-,121**
**. Correlation is significant at the 0.01 level (two-tailed).			
*. Correlation is significant at the 0.05 level (two-tailed).			

Note: Compilation of variables by Latin American country. Source: Compiled from WVS data by the author.

The comparative analysis of perceptions of corruption and subjective well-being in Chile, Ecuador, and Brazil reveals distinct patterns based on each country's context. In Chile, where the perception of corruption is lowest, correlations between this perception and subjective well-being variables are mostly negative and not significant. For example, happiness and subjective health show negative but non-significant correlations with the perception of corruption, indicating a limited impact on these aspects of well-being. In Ecuador, with an intermediate perception of corruption, significant positive correlations are observed with freedom of choice and control (0.102**) and life satisfaction (0.065*), suggesting a moderate and more complex impact of corruption on subjective well-being.

In Brazil, where the perception of corruption is high, correlations are more pronounced and significant, particularly in freedom of choice and control (0.215**), life satisfaction (0.166**), and trust in government (0.157**). This indicates that in a high-corruption context, the perception of corruption has a deeper and more direct effect on how Brazilians evaluate their well-being. While in Chile the perception of corruption has a limited impact on subjective well-being, in Ecuador and especially in Brazil, corruption shows a more significant and profound effect, varying notably according to the specific context of each country.

4.3 Econometric Model

The analysis of the ordinal logistic regression model, as shown in Table 4 and based on 11,031 observations, provides relevant insights into the factors affecting the perception of happiness in relation to corruption. The model, with a log-likelihood of -69.088.631 and an LR chi2(12) statistic of 1137.54 (p-value < 0.0000), shows a significant fit of the model to the data. The pseudo R^2 of 0.0761

indicates that the model explains approximately 7.6% of the variability in the perception of happiness, which is modest but significant.

Among the predictor variables, "Freedom" and "Trust in Government" have highly significant and positive coefficients. The coefficient for "Freedom" (0.09095) and "Trust in Government" (0.58188) suggests that an increase in the perception of freedom and trust in the government is associated with higher levels of happiness. These results indicate that, in the analyzed context, both higher perceptions of freedom and greater trust in government institutions have a considerable positive impact on individuals' happiness perceptions.

On the other hand, variables such as "Health" and "Financial Situation" show coefficients close to zero and non-significant p-values (0.488 and 0.133, respectively), suggesting that, once other variables are controlled for, these dimensions do not have a significant impact on the perception of happiness. This lack of significance may imply that, in this specific model, subjective well-being is more influenced by socio-political factors like freedom and trust in government than by health and financial situation aspects.

Additionally, the negative coefficients for "Education" (-0.05792) and "Income" (-0.08672) reflect that higher levels of education and income are associated with lower perceptions of happiness, which may require further exploration to understand these results within the specific context of the sample.

Table 4 Logistic regression Model

Logistic regression					
				Number of obs =	11,031
Log likelihood =	-69.088.631			LR chi2(12) =	1137.54
				Prob > chi2 =	0.0000
				Pseudo R2 =	0.0761
Corruption	Coef.	Std. Err.	z	P>z [95% Conf.	Interval]
Happiness	-.1391157	.030666	-4.54	0.000 -.19922	-.0790113
Health	.0197765	.0285331	0.69	0.488 -.0361474	.0757004
Freedom	.0909502	.0100606	9.04	0.000 .0712317	.1106686
Life Satisfaction	.0761339	.0116581	6.53	0.000 .0532844	.0989834
Trust in Government	.5818757	.0238099	24.44	0.000 .5352091	.6285423
Financial Situation	-.0150511	.010014	-1.50	0.133 -.0346782	.004576
Political Interest	.1432545	.0211499	6.77	0.000 .1018015	.1847074
Marital Status	-.006221	.0099783	-0.62	0.533 -.0257782	.0133361
Education	-.057923	.0126207	-4.59	0.000 -.0826591	-.0331869
Employment	.0652909	.009961	6.55	0.000 .0457677	.0848141
Social Class	.0383758	.0250553	1.53	0.126 -.0107317	.0874832
Income	-.086716	.0113526	-7.64	0.000 -.1089666	-.0644654
Const	-2559	.2207626	-11.59	0.000 -2.991687	-2126313

Note. Model Data. Source: Compiled by authors based on WVS.

The analysis highlights that, although the model's explanatory power is limited, factors such as freedom and trust in government are key determinants of subjective well-being. The low R^2 value does not preclude accepting the alternative hypothesis that subjective well-being significantly influences the perception of corruption. This evidence suggests that future studies could focus on exploring the dynamics between socio-political variables and subjective well-being to gain a deeper understanding of these relationships in similar contexts.

5. Discussions

The results obtained in this study reveal a significant correlation between the perception of corruption and subjective well-being in Latin America, reinforcing findings from previous studies such as those by Ma et al. (2022) and Rothstein (2010). According to the data, the perception of corruption is negatively associated with life satisfaction and positive affect, suggesting that corruption not only undermines trust in institutions but also directly impacts citizens' quality of life. These results align with Diener's (1984) theory of subjective well-being, which includes both affective and cognitive components, where the overall judgment of life is influenced by external factors such as government corruption. Furthermore, the high levels of perceived corruption in countries like Ecuador, Peru, and Bolivia, compared to countries like Chile, where perceived corruption is lower, reinforce the idea that corruption has a disproportionate impact on societies with lower institutional trust and government transparency (Drazer, 2024). These findings suggest that corruption not only has a direct effect on economic resources and social equity but also on psychological well-being and individuals' perception of happiness.

The study's results suggest that the relationship between income and happiness is complex and mediated by several factors, such as education and the perception of corruption. According to the Easterlin Paradox, we observe that while higher incomes provide greater economic security, they do not always translate into a proportional increase in happiness. This phenomenon is particularly evident in contexts where corruption is widespread, as the diversion of resources and lack of transparency limit the benefits that additional income could provide. Previous studies, such as those by W. Chen (2012) and Ruiu & Ruiu (2019), support this observation, noting that the discrepancy between expected and actual income can generate dissatisfaction and reduce subjective well-being. Furthermore, the role of education as a moderator in this relationship is crucial. Although higher education tends to increase well-being by improving employment opportunities and income, it can also lead to higher expectations which, if unmet, may result in dissatisfaction, especially in high-corruption environments. These findings highlight the need to address corruption as a key factor in promoting subjective well-being, as its presence can erode the potential benefits of economic growth and education.

The data analysis reveals significant differences in how the perception of corruption affects subjective well-being between men and women. Although previous studies, such as those by Alabshar et al. (2023) and W. Chen (2012), suggest that women generally report higher levels of happiness than men, our findings indicate that the perception of corruption may alter this trend. Specifically, in high-corruption contexts, women tend to report a greater decrease in life satisfaction compared to men. This phenomenon could be related to gender roles and social expectations, where women, who are often more involved in household and family care, may experience the effects of corruption more intensely, such as a reduction in the quality of public services and education. Additionally, insecurity and lack of trust in institutions, exacerbated by corruption, may have a more pronounced impact on women, who, according to Pulido Acosta & Herrera Clavero (2018), may experience higher levels of stress and concern about the future. These results highlight the importance of considering gender in studies on corruption and well-being and suggest that anti-corruption policies should be gender-sensitive to effectively address disparities in subjective well-being.

6. Conclusions

The conditions and situations in Latin American countries vary significantly, with Chile showing a lower perception of corruption compared to Brazil, while Ecuador falls into a mid-level of corruption. The variables analyzed in this study provide valuable insights into understanding subjective well-being and corruption within these contexts. It is observed that despite economic differences, substantial material wealth is not necessary for perceiving happiness, highlighting the importance of non-economic factors in the experience of well-being.

The relationship between education and corruption is particularly noteworthy; the results suggest that higher educational levels are associated with a greater perception of corruption within the country. This finding aligns with existing literature, which indicates that education can enhance critical awareness of social injustices, including corruption.

The Spearman correlation analysis revealed that components of subjective well-being, such as freedom of choice and control, life satisfaction, trust in government, political interest, and income, show a low association with the perception of corruption in Latin American countries. Although literature suggests that these variables should have a stronger association, this study's results indicate that specific country contexts may alter these relationships. In other words, higher perceptions of corruption may amplify the association between these variables.

7. Limitations of the Study

While the database provides essential information for conducting the research, access to the Gallup survey offers additional components that could enhance the understanding of the relationship between subjective well-being and corruption. The current study may be limited by the scope of available data, and broader datasets could provide a more comprehensive view of these dynamics.

8. Future Research Directions

The topic of subjective well-being is extensively explored in academic psychology and economics. Future research could combine subjective well-being with variables such as political factors, income levels, and happiness indices. Investigating these relationships could yield valuable scientific insights into societal realities, particularly regarding behavior in response to significant economic variables or decision-making processes involving society.

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