MARKETIZATION AND PREJUDICE TOWARD UNPROFITABLE: 
AN APPLICATION OF INSTITUTIONAL ANOMIE THEORY

Abstract

An important development in contemporary criminology has been the formulation of Institutional Anomie Theory (IAT). IAT is a macro-sociological approach that explains variation in crime rates with reference to features of the institutional structure and culture of societies. Specifically, a particular type of imbalance in the institutional structure – dominance of the economy – is theorized to be accompanied by weakened regulation by non-economic institutions and cultural pressures towards anomie. Under these conditions, the egoistic, utilitarian motives associated with the market economy prevail, and mere technical expediency tends to guide the selection of the means to pursue personal goals while non-economic institutions lose their social control and socialization impact. IAT is an integrative theory that draws upon well-established criminological paradigms, particularly the anomie and social control paradigms. The bulk of the research testing IAT has been conducted at the macro-level with a focus on explaining crime. Yet in recent years, the concept of a “marketized mentality” has been introduced as an individual-level analogue to anomie entailing an especially strong commitment to the principal values, evaluative standards, and logics of the market economy at the expense of altruistic and solidary values. Some suggestive but rather limited research indicates that a marketized mentality is related to prejudice against vulnerable groups whose members are stereotypically viewed as “unprofitable.” Using data from the World Values Survey and several international institutions, this study builds upon prior research by analyzing the impact of individual “marketized mentality” and economic dominance on prejudice toward purportedly unprofitable in a multilevel design.
Key Question & Main Goal

- Apply main concepts of IAT in a cross-cultural, multilevel setting for the first time and analyze the impact of marketization of societies’ cultures and institutions on attitudes toward purportedly unprofitable groups such as immigrants or old persons.
- Thereby developing a distinct multilevel approach for explaining prejudices:
  - H₁: Respondents sharing “marketized mentalities” (short: “MM”) also stereotypically devaluate vulnerable groups such as immigrants and old persons as unprofitable.
  - H₂: In countries with economically dominated non-economic institutions, anti-immigrant attitudes and ageism is more widespread.
  - H₃: Is the cross-level interaction effect of “marketized mentality” on anti-immigrant attitudes and ageism amplified or attenuated in countries with economically dominated non-economic institutions? (There is reason to hypothesize in both directions. The effect might be amplified, because in economically dominated countries the non-economic social institutions are weakened in their socialization and social control functions to regulate individual behaviour by channeling behavior in socially acceptable directions and preventing from marketized mentalities. The effect might be attenuated, because as more people share marketized mentalities in countries with economically dominated non-economic institutions, the aspect of marketized mentalities is not as distinctive for explaining the prejudice outcomes.)

Theoretical Framework & Brief Literature Review

One highly relevant research program in criminological research of the past twenty years is Institutional Anomie Theory (Messner and Rosenfeld, 2001) – a theory that is critical towards market capitalist economies and grounded in the sociologies of Emile Durkheim, Talcott Parsons, Karl Polanyi and Robert K. Merton. The key explanatory factors of this theory are the basic features of social organization: the prevailing social structures and cultural orientations as encapsulated in the major social institutions. The theory argues that the combination of imbalance in institutional structures promoting economy and cultural pressures towards anomie, as they are particularly prominent in capitalist societies, foster high levels of serious crime. Originally, IAT was cast at the macro-level as an effort to understand the high crime rates of the United States. Over time the initial arguments have been further developed and expanded to understand variation in crime rates across advanced capitalist nations more generally. IAT received sufficient support in numerous macro-level studies during the last twenty years for explaining variation in rates of serious crime (Messner and Rosenfeld, 2006).
More recently, attempts to expand the scope of the theory have emerged by capturing not only the macro-level of explanation. This extension helps to explicate the assumed marketization processes by revealing the effects of structural marketization on individuals and the consequences for individual behavior. Studies suggested useful attempts to transfer the theory to the micro-level (Messner et al., 2008; Muftic, 2006; Stults and Falco, 2014; Rosenberger, 2016) and to a multilevel setting (Kittleson, 2012; Hirtenlehner et al., 2013; Hövermann et al., 2016; Gross et al., forthcoming).

Particularly promising and fruitful is the research program that incorporates the social psychological orientation “marketized mentalities” (MM) by Hövermann and colleagues. They conceptualized MM as an individual-level instantiation of the anomic culture depicted in IAT. This anomic culture is characterized by a very strong achievement orientation, an excessive or egoistical individualism, a universalism by which standards of success apply uniformly to all members of society, and the fetishism of money, i.e., the consecration of money as the very metric of success (see, Messner, 2003). Hövermann et al.’s (2015a, 2015b) research based on samples of German respondents also extended the scope conditions of IAT as they demonstrated that the concept of MM is fruitful for explaining prejudices and devaluations of vulnerable groups such as unemployed, homeless or disabled persons, who are easily stigmatized as being unprofitable or even economically useless or burdensome and therefore potentially seen as not increasing the efficiency of the market society. Hövermann and colleagues (2016) also employed their MM concept in a multilevel design with 25 European countries along with innovative macro-level measures of an institutional imbalance consisting of economic dominance (social redistribution, social protection) and enfeebled non-economic institutions. Their measure of MM applies the “Power” and “Achievement” values of the Human Values Scale (Schwartz, 1992), but it extends this market-related, self-enhancement dimension by additionally considering the lack of the altruistic and moral self-transcendence dimension of the Human Values Scale. Their findings not only revealed that MM varies between the countries, but also that this variation is related to features of the institutional structure as predicted by IAT – namely an institutional imbalance. MM is more prevalent in countries in which the institutional balance in society is dominated by the economy and non-economic institutions are weakened. Moreover, the protective effects of non-economic institutions on developing MM are attenuated in countries with economic dominance in the institutional structure. These findings suggest that MM might serve as a useful conceptual lynchpin for joining macro- and micro-levels of theorizing informed by IAT.

**Specific Contribution**

This research directly attaches and extends the very sophisticated and promising prior multilevel study on IAT in Europe (Hövermann et al., 2016), that has shown that 1) economically dominated institutions co-occur with MM and 2) that in countries with enfeebled non-economic institutions an integration in these very non-economic institutions do not protect from establishing MM among its citizens (Hövermann et al., 2016). Yet, it enlarges the scope of included countries (>70 worldwide) and includes effects on a highly relevant outcome (prejudice). Studies applying and testing IAT concepts rarely include both the cultural and the institutional components and very rarely consider both country and individual level, while the study at hand combines both.

Regarding the socio-psychological state of research on prejudice, the study at hand takes a holistic perspective of the anomie concept as structural elements such as the institutional arrangement and condition of societies are included. This nicely adds to and extends the existing literature on the effects of anomie (mostly measured as anomia/loss of orientation on the individual level) on prejudice (Kühnel and Schmidt, 2002; Hüpping, 2006; Zick and Hövermann, 2010; Hövermann, 2013). Over and above, it contributes to another understanding of anomie, i.e. a product of a dominant marketized culture and enfeebled non-economic institutions, and describes in a detailed way, how societies’ cultures and
institutions are involved in shaping prejudices toward purportedly unprofitable.\textsuperscript{1} Thus, it contributes to and expands a holistic approach building on IAT concepts such as Institutional Imbalance (Hövermann et al., 2016) and MM (Hövermann et al., 2015a, 2015b) for explaining economically motivated, amoral prejudices.

**Targeted Data Base**

The individual level data are taken from the World Values Survey (WVS) waves 5 and 6. No earlier waves can be used as the main individual level concept “marketized mentality” is constructed by a combination of Schwartz-values, which are only included from WVS wave 5 on. There is data available for 60 countries from wave 6. Moreover, data for 18 additional countries from wave 5 are included, resulting in a maximal country coverage of 78 countries and 111280 individuals.

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<td>Table 1. Overview of included countries by wave and year.</td>
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<p>| Table 2. Overview of included countries by region indicator (see also Welzel, 2013). |</p>
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<th>Latin America</th>
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The country level data are taken from several sources including ILO, Worldbank, Economist Intelligence Unit, Human Development Index, Transparency International, and The Heritage Foundation. Moreover, additional indicators are built by aggregating country means of individual level WVS data.

**Core Variables**

The conceptualization of the core individual level concept “marketized mentality” is building on previous efforts by Hövermann and colleagues (2015a, 2015b, 2016) using the Self-Enhancement and Self-Transcendence dimensions of the Human Values Scale by Schwartz (1992). Two individual level outcomes capturing prejudices – anti-immigrant attitudes and ageism – can be built with the WVS data.

\textsuperscript{1} For discussions on the two distinct essential meanings of anomie, the weakening of moral and normative regulation on the one hand and a new kind of morality or culture on the other hand see e.g. Òrru (1987), Durkheim (1897/1979) or Merton (1938/1968).
each consisting of several items displaying lacking trust, discriminatory intentions and stereotypical attitudes.

The conceptualization of the country level indicator of economic dominance in the institutional structure of societies and enfeebled non-economic institutions is also building on previous efforts by Hövermann and colleagues (2016). On the one hand, the indicator “economic dominance” is included consisting of measures of inequality, public social expenditure, trade union density, benefits for unemployed or tax burden. On the other hand, several measures for the strength of the non-economic institutions family, friends, politics, education, and religion are constructed. In a final step, all of these country level indicators are combined by a factorscore to capture an economic dominance in the institutional balance of power (Messner and Rosenfeld, 2001) with strong economic dominance and weakened and enfeebled non-economic institutions. Similar to Hövermann et al.’s results (2016), economic dominance can be located where non-economic institutions are enfeebled and hollowed out – yet with one exception: the institution religion. Religion is strong where other non-economic institutions are weakened and where economic dominance reigns.

**Methodology: Analyses and Modeling**

In order to test the hypotheses, multilevel analyses, i.e. hierarchical linear modeling (see e.g. Hox et al., 2010; Raudenbush and Bryk, 2002; Singer and Willett, 2003) are applied. This methodology is suitable in order to find out, whether there is a significant clustering of individual attitudes that are part of marketized mentality on the country level along the specific macro-level indicator for economic dominance. The third hypothesis can be tested via cross-level interactions in the same multilevel framework, i.e. by testing whether economic dominance on the macro-level has an impact on the strength of the effect of mm on prejudices on the individual level. The test of the hypotheses will be executed in a stepwise procedure starting with the individual level effects (H1), the country level effects (H2), and finally testing the cross-level interactions (H3). Important control variables such as the GDP and the region will be included in the analyses in a stepwise procedure.

The WVS is a datasets that is well suited to conduct hierarchical linear modeling as there are enough units (countries) on the between-level in order to have a chance to get some significant variance on the country-level. The indicators for economic dominance on the macro-level, as well as indicators for marketized mentality and prejudices are thoroughly chosen and tested in a separate step of analysis as described above. The WVS offers promising options for such measures. Moreover, the WVS contains relevant attitude measures with regard to marketized mentality and prejudices that are cross-nationally comparable, an indispensable detail for our purpose.

**Preliminary Results & Roadmap**

A first preview of the results yielded very promising and highly interesting insights. In a maximal dataset with partly mean substituted country level data for some countries, hypothesis H1 was supported by the models, as respondents sharing marketized mentalities more often also shared prejudices toward groups which may appear to them as burdensome and unprofitable. Additionally, the results showed that in countries with economically dominated institutions more prejudices are shared, in line with Hypothesis H2. First previews of the cross-level interactions suggested an attenuated effect, as more people share marketized mentalities in countries with economically dominated non-economic institutions, the aspect of marketized mentalities is not as distinctive for explaining the prejudice outcomes.
However, several steps of more thorough data cleaning and normalization need to be executed. This mostly concerns the conceptualization of the country indicator and the dealing with missing values, which might result in a drop of several countries, as data should be available for each variable in all countries. Moreover, a more detailed look on patterns of effects in different regions, different institutional arrangements or different developmental advancement might be particularly worthwhile to gain a more thorough understanding of the mechanisms. All of these steps might be finalized by the beginning of the conference in April 2018.

References


