THE PSYCHOLOGY OF CORRUPTION: THE ROLE OF THE COUNTERFEIT SELF, ENTITY SELF-THEORY, AND OUTCOME-BASED ETHICAL MINDSET

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Abstract
Two studies were conducted aimed at identifying the dynamics which contribute to corrupt behavior. Study 1 was a correlational study of 994 senior high school students (457 males, 537 females; 426 from North Sumatera, 568 from West Kalimantan; M\text{age}=15.93 years, SD\text{age}=1.123 years), with a data analysis technique of structural equation modelling, to test the significance of the role of the counterfeit self (predictor) as well as an ethical mindset and self-theory (moderator candidates), in predicting moral disengagement (the dependent variable of Study 1, as the proxy of corruption behavior). Study 2 was a quasi-experimental study of 154 university students in Jakarta (68 men, 86 women; M\text{age}=19.167 years, SD\text{age}=1.476 years) to test the hypotheses of the moderating effects of an outcome-based ethical mindset and entity self-theory on the effects of the counterfeit self on corruption behavior (dependent variable Study 2, operationally defined as performance in a bribery game) with a data analysis technique of the two-way ANOVA. The results of these studies (Study 1 and Study 2) generally confirm the hypotheses proposed. This was the first time the corruption psychological theoretical model had been examined in Indonesia, based on performance in a corruption game.

Keywords: counterfeit self; inauthenticity; corruption; moral mindset; implicit theory

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Introduction

Corruption is misappropriation of public authority for private interests, which harms the public by conduct in contravention with the prevailing law (Langseth, Stapenhurst, & Pope, 1997). From the psychological, cultural, and structural factors (e.g. Abraham & Pane, 2014), this present study emphasizes the psychological factor, because “moral behavior is consistent in many different ways, suggesting that personological factors substantially impact moral life” (Meindl, Jayawickreme, Furr, & Fleeson, 2015, p. 81). The personological factors which are the focus of in this present study are the self (especially the counterfeit self) and mindset (ethical mindset and self-theory) (Abraham, 2017). Counterfeit self-aspects are the personological dimensions which indicate the extent to which the individual feels separated from him/herself (Abraham, Takwin, & Suleeman, 2018; Wood, Linley, Maltby, Baliousis, & Joseph, 2008). Meanwhile, self-theory is a personological theory, which orientates judgments made about the character of the self and others (Hojbotă, 2014). Similarly, the ethical/moral mindset is a personological derivative of moral philosophy (Cornelissen, Bashshur, Rode, & Le Menestrel, 2013; Frimer & Walker, 2008), used by an individual when he/she reflects on, and provides arguments justifying, his/her moral behavior.

Study 1: Background

Moore (2008) suggested that moral disengagement (MD) contributes to the initiation of corruption, by facilitating or accelerating unethical decision making. MD is the measurement proxy of corruption. There are some MD mechanisms which initiate, facilitate, and perpetuate the corruption process (Abraham, Suleeman, & Takwin, 2018; Moore, 2008). The first mechanism is cognitive misrepresentation, functioning to simplify cognitive complexity. This misrepresentation consists of moral justification, euphemistic labelling, and advantageous comparison. As one example of moral justification, corruption is regarded as “business as usual, the way things work” (Anand, Ashforth, & Joshi, 2004, p. 41). Such rational neutralization and compromised socialization explains why people who seem to be angels (fostering parents, charities contributors) in everyday life are actually corrupt and have eroded their guilt or conscience (Anand et al., 2004). Linguistic euphemism and advantageous comparisons are obvious in the claim that it is more urgent to deal with grand corruption rather than petite corruption (Khafifah, 2015). The second mechanism
is the de-activation of self-regulation, which is implicated in minimizing the roles of an individual in the act of corruption. The de-activation consists of responsibility displacement or diffusion. As an example, corruption is often seen as precious, in the context of loyalty towards a supervisor, peer groups or wider organizations (Anand et al., 2004). The dynamic is that the perpetrator of corruption ‘scapegoats’ situations, by claiming corruption to be a forced action, wherein he/she does not have any choice. The third mechanism is shrinking cognitive dissonance by deviating from the actual cognitive consequences of the act of corruption, the blaming of the victim, and dehumanization. An example of this is the claim that the rich have the right to be corrupted by the poor, regardless the fact that not all the rich are the same (uniformed) and unaltered (Wilson, 2012). Dehumanization is manifested in the thought that character assassination and attacks, made towards people who dismantle corruption, or whistleblowers, are appropriate behaviors.

Moore (2015) stated that, “In social cognitive theory, internal controls only work effectively when they are activated” (p. 199). This research argues that the activation influencing MD is derived from other variables. The first mechanism, outcome/consequence distortion (cognitive dissonance reduction) mechanism of MD is predicted to be contributed by the counterfeit self. Fadillah (2016, para. 1-3) described the counterfeit self life-style as follow:

“All are encouraged by ‘up to date’ culture and the social mobility desire in themselves … that of youngsters who stave off hunger only to enjoy a small piece of very expensive cake or a glass of drink in a very expensive place, unaffordable to the common people …. ‘We buy the goods that we cannot afford to impress people we dislike.’”

The counterfeit self is a form of mental corruption. It is not surprising that corrupt people in Indonesia experience regeneration (Santoso, 2016). Gino, Norton, and Ariely (2010) found that counterfeit-product users tend to pass exaggerated judgment on others’ unethical behaviors. The counterfeit self becomes very cynical of others’ moral behavior, as a deceptive effort to bring back their own moral self-concept, which is ‘depraved’. This action is related to attribution of blame to the victim and the dehumanizing dimensions of MD. Therefore, the first hypothesis of this study is: H1: The counterfeit self can predict moral disengagement.

The second mechanism, the minimization of personal roles in MD (self-regulation de-activation) is predicted to be strongly contributed to by the entity theory of self. In the field of morality (Blakey et al., 2017; Chiu, Dweck, Tong,
Fu, 1997; Schumann & Dweck, 2014), it was found that people who adhere to entity theory (fixed mindset) (1) are prone to anxiety when facing challenging tasks or situations questioning the quality of their moral life, (2) perceive transgressions as something threatening moral identity, so they find more difficulty in admitting their mistakes, (3) tend to be passive or to withdraw from dissatisfaction of moral transgressions, and (4) make many excuses and blame others for their moral failures. In contrast, people who embrace the incremental theory (growth mindset)-or lower entity theory-(1) tend to see situations as opportunities to learn, (2) are more willing to accept the responsibility for their transgressions, because they see themselves developing personally and interpersonally (for instance, by reconciling with the victims of transgressions) through the moral violations (Chiu et al., 1997; Miller, Burgoon, & Hall, 2007). The psychological experience of the entity theorist is in line with MD dimensions, namely moral justification, displacement of responsibility, and attribution of blame. Therefore, the second hypothesis of this study is: \( H_2: \) Entity self-theory can predict moral disengagement.

The third mechanism, the cognitive misrepresentation mechanism of MD, is predicted to be strongly contributed by an outcome-based ethical mindset. People with an outcome-based mindset (utilitarianism/consequentialism) (1) regard their moral behavior questingly as means to achieving a moral self-image, (2) do not care about how to achieve positive consequences (Cornelissen et al., 2013; Magnis-Suseno, 1987; Mullen & Monin, 2016). Therefore, the third hypothesis of this study is \( H_3: \) An outcome-based ethical mindset can predict moral disengagement.

Combining the first hypothesis with the second and third hypotheses results in the fourth hypothesis: \( H_4: \) There is a theoretical model which can explain moral disengagement, using predictors of the counterfeit self, entity self-theory, and an outcome-based ethical mindset.

Study 2: Background

Study 2, the follow-up from Study 1, used a quasi-experimental method, in which the antecedent to moral behavior was raised through experimental manipulation, by eliciting counterfeit (vs. authentic) behavior (and checked using a counterfeit self-scale); whereas corruption (the dependent variable) was measured in the form of performance in a bribery game. In addition, Study 2 tested interaction hypotheses, to investigate whether or not there are moderating
effects from the entity self-theory and an outcome-based ethical mindset, in the relationship between the counterfeit self and corrupt behavior.

The sole main effect which is tested through Study 2 (quasi-experiment) is the effect of the counterfeit self (produced by counterfeit behavior) on corruption. Counterfeit behavior is positioned as a form of behavioral history (Narvaez, 2010; Shaw, Katsaiti, & Pecoraro, 2015) or past/previous/initial immoral/unethical behavior. Abraham, Takwin, and Suleeman (2018) mentioned that some everyday-life behavior, which appears to be ethically neutral, can contribute to the counterfeit self and to unethical behavior. Therefore, the fifth hypothesis of this study is: H5: The counterfeit self can predict corruption.

Moderation effects tested in this quasi-experiment were (1) an outcome-based ethical mindset moderates the effect of the counterfeit self, in that it results in a lower level of corrupt behavior, and (2) entity self-theory moderates the effect of counterfeit behavior, in that it results in a higher level of corrupt behavior.

First moderation: Cornelissen et al. (2013) argued that an outcome-based mindset continuously operates based on a benefit-loss analysis, between moral self cultivation and private interests fulfillment. People will improve their efforts to be morally acceptable (moral balancing) when they realize that their moral self-sense is lower than their internal standards. In other words, their moral self-image restoration takes place with the alteration of their moral behavior to support it. Therefore, the sixth hypothesis is: H6: An outcome-based ethical mindset moderates the counterfeit behavior effect, in that it reduces the level of corruption.

Second moderation: In a non-moral field, when experiencing failure threatening self-esteem in the academic field, entity theorists recover from a fall by practicing downward social comparison, looking for proof of the worse performance of others (Molden & Dweck, 2006). Entity theorists will explain their moral failure based on their ability (“I am miserable”), and, in the context of this present study, they will apply moral consistency (become corrupt), create external attribution, avoid thinking about their failures, and tend to be defensively retributive-hostile toward failure (Tracy & Robins, 2006). Therefore, the seventh hypothesis of this study was: H7: Entity theories moderate the counterfeit behavior effect, in that it leads to higher levels of corruption.
Objective

This present study aimed at empirically testing the hypotheses (H1 - H7) on the roles of the counterfeit self, entity self-theory, and an outcome-based ethical mindset, in predicting moral disengagement (as the proxy for corruption, in Study 1 - the correlational study) and corrupt behavior (in Study 2 - the quasi-experimental study).

Methods

Method for Study 1

Participants

Study 1 is a correlational study aimed at investigating predictive relationships between the counterfeit self, an outcome-based ethical mindset, entity self-theory, and moral disengagement. The participants in Study 1 were 994 students from senior high schools in West Kalimantan, and in Medan, North Sumatera, Indonesia (457 males, 537 females; 426 from Medan, North Sumatera, 568 from Pontianak, West Kalimantan; M_age=15.93 years, SD_age=1.123 years), recruited using a purposive sampling technique. Both cities were chosen because, based on the Corruption Perception Survey published by Transparency International (Thohary, Suyatmiko, Yazid, & Ratnaningtyas, 2015), Medan and Pontianak were two of the cities with contrasting percentages of loss of business competition. Another reason was that both cities are located outside Java, and are under-represented in relation to corruption psychology studies. High school students were chosen because they were strategic groups to become the target of early intervention for corruption prevention.

Instruments

The first independent variable, the counterfeit self (CS) was measured according to Gino et al. (2010) and the procedure of Gino, Kouchaki, and Galinsky (2015), which measures the self-alienation dimension of Wood et al. (2008)’s Authenticity Scale, in Indonesian (4 items). Examples of these items are (1) “I feel out of touch with the ‘real me’”, and (2) “I feel alienated from myself.” The response choices ranged from Strongly Disagree (scored 1) to Strongly Agree (scored 6) (α=.65). The second independent variable, entity self-theory (ES) was measured using the scale (8 items, domain of intelligence) adapted from
De Castella and Byrne (2015), by integrating ‘self’ and ‘others’ perspectives. Examples of these items are (1) “You have a certain amount of intelligence, and you can’t really do much to change it” and “I can learn new things, but I don’t have the ability to change my basic intelligence.” The choices of the response range from Strongly Disagree (scored 1), to Strongly Agree (scored 6) ($\alpha=.77$). The third independent variable, an outcome-based ethical mindset (OEM) was measured using the adapted scale of Robinson (2012) (4 items). This self-reporting scale was used because, based on the study by Robinson, the use of classical moral dilemma is, “fraught with potential confounds” (p. ii, 12). Examples of the items are (1) “Rules and laws are irrelevant; whether an action produces happiness is all that matters, when deciding how to act”, and (2) “People who fail to maximize happiness are doing something morally wrong.” The choices of the response ranged from Strongly Disagree (scored 1) to Strongly Agree (scored 6) ($\alpha=.63$).

The dependent variable, moral disengagement (MD), was measured using the adapted scale of Chowdhury and Fernando (2014) (24 items). Some examples of these items are (1) “It is OK to steal to take care of your family’s needs” (Moral Justification), (2) “Looking at a friend’s homework without permission is just ‘borrowing it’” (Euphemistic Labelling), (3) “Stealing some money is not too serious, compared to those who steal a lot of money” (Advantageous Comparison), (4) “If someone is pressured into doing something, they shouldn’t be blamed for it” (Displacement of Responsibility), (5) “You can’t blame a person who plays only a small part in the harm caused by a group” (Diffusion of Responsibility), (6) “People don’t mind being teased because it shows interest in them” (Distortion of Consequences), (7) “People are not at fault for misbehaving at work if their managers mistreat them” (Attribution of Blame), and (8) “Someone who is obnoxious does not deserve to be treated like a human being” (Dehumanization). The choices of the response ranged from Strongly Disagree (scored 1) to Strongly Agree (scored 6) ($\alpha=.87$).

To prevent social desirability bias, the authors added a Brief Social Desirability Scale (BSDS; Haghighat, 2007). The range of choices for answers were Right (score 1) or Wrong (score 0) ($\alpha=0.6$). The test found out that there was no significant correlation between BSDS and MD ($r=-0.015, p=.553$). There was also no significant correlation between BSDS and CS ($r=-0.041, p=.173$) and OEM ($r=-0.046, p=.063$). Nevertheless, there was a correlation between BSDS and ES, even though it was weak and negative ($r=-0.088, p<.004$). It
might be concluded that social desirability does not exist.

Procedure and Design

This is a quantitative, correlational-predictive design study. The data analysis was by Structural Equation Modelling (SEM) with MD as the endogenous/criterion/dependent variable, and CS, ES, and OEM as the exogenous/predictor/independent variables, with the supporting tool of LISREL 8.80.

Method for Study 2

Participants

Study 2 followed-up Study 1, by using an experimental method, in which immoral past behavior (an independent variable) would be manipulated by presenting counterfeit behavior; whereas corruption (a dependent variable) would be measured in the form of actual behavior in a bribery game. Study 2 participants were 154 college students from Bina Nusantara University and Atma Jaya Catholic University of Indonesia, Jakarta (68 men, 86 women; $M_{age}=19.167$ years, $SD_{age}=1.476$ years), recruited using a purposive sampling technique.

Instruments

There were 9 groups participating in this study in separate rooms. A group of participants (18 college students), was asked quickly to choose the news they liked from 12 pairs of news items provided on a computer screen. They were given a ‘conclusion’ such as (1) “You are in favor of valid information”, or (2) “You are in favor of a hoax”. After that, the big screen in the room would display: “Those who are in favor of a hoax are usually fast in spreading the hoax, and seem to be up to date and popular; whereas those who are in favor of valid information, if they spread the news, did so to complement information known by others’ (Bennet, 2017).” It was a deception for this study (Bennet is not the name of a real researcher) because the computer conclusion was not based on the participants’ choice analysis, but by using randomization.

Half of the students received the conclusion that (1) - theirs was the “Authentic” Group (Group A). The other half received get the conclusion that (2) - theirs was the “Counterfeit” Group (Group C). Next, every participant was asked to share his/her “identity” based on these conclusions, to at least 3 (three) students around him or her, by shaking hands and introducing him/herself based
on the Bennet description, above. The expected effect of this counterfeit behavior was: Students received an immediate response from the environment through broadcasting their behavior. Group C students possessed higher awareness (compared to Group A) of the fact that with little effort, they could get a positive impression (“up to date”) from others (thinking that they were better than they really were). To reinforce differentiation between Group A vs. C, the students next filled in open ended related questionnaires (Gino et al., 2015). This enforcement represented habituation of the self to become the authentic or counterfeit self (Ouellette & Wood, 1998).

All participants then filled in a counterfeit self-scale (Gino et al., 2010), the same scale as that used in Study 1. The new Cronbach’s Alpha is $\alpha=.83$. Gino et al. (2015) stated, “… authenticity is a moral state—that being true to thine own self is experienced as a form of virtue” (p. 983). Therefore, Group A was given questionnaires related to an ethical behavior scenario, and Group C questionnaires related to unethical behavior. The two groups’ ethical mindsets were then manipulated with a vignette; half of them filled in Outcome-based-high (ethical, unethical); half-filled in Outcome-based low (ethical, unethical) questionnaires. The vignette was adapted into Indonesian from the Supplemental Material of Cornelissen et al. (2013). The students then filled in a manipulation check scale (Robinson, 2012), the same scale as that used in Study 1. The new Cronbach’s Alpha was $\alpha=.60$.

Next, entity self-theory manipulation was carried out by the delivery of a narration. The narration was adapted into Indonesian from Appendix 2 of Miller et al. (2007). Half-filled in Entity self-theory-high; half-filled in Entity self-theory-low questionnaires. The students then filled in a manipulation check scale (De Castella & Byrne, 2015; Chiu, Hong, & Dweck, 1997). This scale underwent revision (compared with that of Study 1) to gain wider domain scope than that of entity theory, i.e. personality (“People really cannot change the type of personality they have”) and the morality domain (e.g. “Some people have a good character, and others do not, and that character does not change much”) ($\alpha=.50$).

Next, students of the A and C groups, randomly assigned as a first player (F) or a second player (S), participated in a bribery/corruption game (Abbink, Irlenbusch, & Renner, 2002). There are elements in the corruption game model. These are, among others (1) reciprocal relationships, and (2) bribery which causes external (public) loss (Abbink, 2006). Severe penalties or punishments were controlled in this present study. The workings of this game (30 rounds
representing long-term relationship) are as follows: (Abbink, 2006; Abbink & Hennig-Schmidt, 2006; Abbink et al., 2002): F trusts S, transfers money to S; then S voluntarily expresses appreciation to F by giving money back to F (mutualistic relationship). In everyday life, assume F as a bribe, while S is a bribed public official (who holds discretion). If S refuses the bribe, he/she receives only a flat salary and will not reap any personal gain. If bribery takes place, and S accepts, then there is indeed an advantage between F and S, but the cost is borne by the public. If F and S rely solely on their rationality (only to maximize their respective profits), then it is impossible for trust to be achieved, and no rewards pass between them. Conversely, if they trust each other, then F and S are potentially rewarded more and more, depending on the degree of trust between them. Trust and reciprocity can occur in anonymous situations, in the absence of explicit contracts (so there is really no guarantee of what ties the relationship between F and S). The interesting feature of the game is there is a pull between maximizing selfish profits and working in line with the public interest. Thus, there is a conflict of interest. There is a trade-off between bribe levels and the risk (of condemnation) borne. Nevertheless, the instructions given in this game were neutral, they did not use the terms of “company”, “public officials”, “offers bribery”, “accepts bribery”, or “punishment/penalty”. The corruption level was measured by the following variables: For F, the corruption level is determined as the average offered transfer. For S, the corruption level is determined as the average frequency of S to choose Y. In this game, option X provides 36 coins for both players (F and S); while Y gives the value of 56 coins to F, and 30 coins to Y. The calibration of the score between the scores of F and S was done using the Rasch Model (see Sumintono & Widhiarso, 2013). Debriefing was done after the whole study period ended, to prevent interaction bias among actual and potential participants.

Procedure and design

Study 2 is a quasi-experiment study aimed at investigating the moderation effects of an outcome-based ethical mindset and entity self-theory into the effects of the counterfeit self on corrupt behavior. Data were analyzed using ANOVA 2 x 2 with the supporting tool of SPSS 22. The first interaction/moderation effect arrangement was the counterfeit self (authentic vs. counterfeit) x outcome-based ethical mindset (high vs. low). The second
interaction/moderation effect arrangement was the counterfeit self (authentic vs. counterfeit) x entity self-theory (high vs. low).

All the measures and procedures of Studies 1 and 2 were approved by the Ethical Committee of the Faculty of Psychology, Universitas Indonesia, *vide* Ethical Approval Letter No. 225/FPsi.Komite Etik/PDP.04.00/2017, dated 5 June 2017.

**Results and discussions**

**Study 1**

Intra-Class Correlation (ICC) was done to investigate whether moral disengagement (MD) varies, based on province of residence (North Sumatera vs. West Kalimantan). The results were that the ICC was insignificant (ICC=0.02, p=.534, p>.05). Therefore, the data relating to the participants from the two provinces can be summarized, or combined, to be analyzed further using, SEM.

The findings of Study 1, with normal distribution data free from heteroscedasticity, showed that the proposed theoretical model is compatible with the empirical data (RMSEA<.06, and p-value of Chi-square>.05; df=683, p=1.00). The structural equation obtained was as shown in Figure 1. The effect size is in the form of the determination coefficient, $R^2=19\%$. Based on the estimation coefficient, it is known that the counterfeit self (CS), entity self-theory (ES), and outcome-based ethical mindset (OEM) can predict moral disengagement values (MD) (t-value>1.96) in positive directions. Hypotheses $H1$, $H2$, $H3$, and $H4$ were supported by empirical data, meaning that the higher the CS or ES or OEM, the higher the MD. The significance of this prediction allowed the two independent variables to be set as prospective moderating variables for Study 2 (quasi-experimental study).

Study 1 found out that CS can predict MD. The higher the CS, the higher the MD. Chiou, Wan, and Wan (2012) found similar results to Gino et al. (2010), through their experimental research on the use of counterfeit software. The use of counterfeit software influences a sense of self leading to unethical behavior, such as cheating. This present study, using the survey method in natural conditions, confirms the results of the previous study.

Study 1 also found that ES can predict MD. The higher the ES, the higher the MD. There is research showing similar results to those of Study 1, i.e. that the ES in a negotiation context (sample point: “Good negotiators are born that
way”) influences deceptive responses through the mediating variable of the MD (Tasa & Bell, 2017).

Regarding the baseline of daily life morality, humans accept suggestions and learn about immorality at a rate twice that of their learning about a moral attitude (Hofmann, Wisneski, Brandt, & Skitka, 2014). This rate can undergo multiplication, especially given the development of the internet and social media. The proliferation of gossip, both face to face and via online social networks, is in line with the evolutionary perspective on reputational management, which states that the object of the gossip is the uncooperative attitude (Hofmann et al., 2014; Wu, Balliet, & Van Lange, 2016a), regarded as immoral in everyday life. Faced with having a poor reputation, people are prone to see themselves as the representation of adaptive creatures, as indicated in the gossip aspiration (Wu, Balliet, & Van Lange, 2016b). By applying the theory of Dweck and Leggett (1988) on morality, entity theorists conclude that their moral performance is bad, and will always be bad. It will be easier for them to conform to immorality, avoid risks when facing moral threats (such as being tempted to be corrupt), or lack the courage to engage in conflict with others (for example, when the people around them approve corruption) to enforce morality. When facing failure, ES theorists tend to make a negative attribution of their own abilities, to experience negative emotion, to avoid challenge, and to show lack of persistence in dealing with such failure (Dweck & Leggett, 1988). The finding of Study 1 confirms the expansion of its application to morality. The fact that ES theorists are prone to fail themselves after committing immorality is one explanation as to why the higher the ES, the higher the MD.

People who do not believe in their ability to success (including maintaining morality), for example because of the inaccuracy of their control perception (whereas, they may be able), will not make any effort towards betterment. They have less time to reflect on their moral failure, and even seek rationalization, by attributing the weaknesses of their efforts to powers beyond themselves (Lackey, 2014; Murphy & Dweck, 2016). Moral rationalization which can be experienced by people with ES is “an individual’s ability to reinterpret his or her immoral actions as, in fact, moral” (Tsang, 2002, p. 25). By using motivated reasoning theory, Tsang explains that such people see their immoral behavior as being consistent with moral standards. That is why, in this present study, they step to MD. This is logical, because the essentialism underlying ES plays a rationalization and legitimacy role in everyday social
injustice (Haslam, Bastian, Bain, & Kashima, 2006). This means that the acts born out of MD will finally be judged by ES theorists as morally acceptable. Overconfident bias leads ES theorists inaccurately to perceive that they are able to act ethically, but actually undermines their ability to make ethical decisions (Ehrlinger, Mitchum, & Dweck, 2016; Eldred, 2016), and this facilitates MD.

Study 1 also found that OEM can predict MD. The ‘golden rule’ employed by OEM is to create the most notable good for the most notable number possible. This implies that OEM will place other the interests of other people above personal interests, and fight against the possibilities of many behaviors in the MD scale (e.g. “It is OK to steal to fulfill a family’s life needs”) because the points in MD show egoistical orientation and violation of moral principles (e.g. “If people live in bad conditions, or if they are too aggressive, they cannot be blamed for their acts”). However, the experiment by Kahane, Everett, Earp, Farias, and Savulescu (2015) reveals a contradiction, whilst supporting the findings of Study 1. Act utilitarianists—who exercise OEM—do not want to sacrifice themselves, approve a wide array of moral violations, defend rational egoism, and liberate themselves from impartiality, pro-sociality and the context of humanity. Kahane et al. argued that the existing psychological studies show less precise differentiation among people who state themselves to be utilitarianists. In fact, some or those claiming to be utilitarianists are really those who merely dislike rules or norms (as referred to by deontologists), are antisocial, and are less emphatic when they have to deal with making moral judgments. Muratori et al. (2017) found a relationship between OEM and callous–unemotional characteristics, which are also a feature of utilitarianist acts, lacking affective factors. Kahane et al. also proved that (1) the moral judgment of utilitarianists correlates positively with a tendency to commit actual moral violations; (2) the choosing of “happiness for many people” does not always represent the true utilitarianist, but can be the act of merely following “common intuitions” as more morally acceptable choices.

Study 2

Before conducting the ANOVA 2 x 2 tests, participants were grouped, based on an experimental manipulation check. For the grouping, the Rasch Model (Sumintono & Widhiarso, 2013) was used to calibrate ordinal raw data for precise participant placement on the logit ruler (which is made up of the logarithm of the odds ratio).
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$$MD = 0.13 \cdot CS + 0.099 \cdot ES + 0.33 \cdot OEM, \text{ Errorvar.}=0.72, \ R^2=0.19$$

SE (0.039) (0.038) (0.043) (0.098)
t 3.43 2.64 7.64 7.35

Figure 1. Structural Model

Notes. Errorvar. = Error variance; SE = Standard error; MD = Moral Disengagement; CS = Counterfeit Self; ES = Entity Self-theory; OEM = Outcome-based Ethical Mindset;
The checking of the manipulation of results, using the test of difference (t-test) showed that those who engaged in counterfeit behavior/Group C/given “in favor of hoax” information (n=49, M=-.338, SD=1.53), exhibited more CS than those who engaged in authentic behavior/Group A/given “in favor of valid” information (n=105, M=-1.674, SD=1.859). Difference testing showed t=4.382, p=.000, F=0.926, with the Levene assumption test resulting in p=.338 (equal variances assumed). The midpoint dividing high and low CS was -1.249. Perfect randomization was not achieved; however, ANOVA does not require the exact equality of the number of samples among groups (Landsheer & van den Wittenboer, 2015).

To group participants in the first moderator variable (high vs. low OEM), a difference test was conducted, based on a manipulation check in the OEM scale. Two groupings based on the scale data were found, a group with a high OEM (n=54, M=.2819, SD=.872) which was significantly different from that of the group with a low OEM (n=100, M=-.775, SD=.709). Difference testing showed that t=-2.732, F=0.584, p=.007, p<.05, whilst the results of the Levene assumption test was p=.338, p>.05 (equal variances assumed). To group participants in the second moderator variable (high vs. low ES), a difference test was conducted, based on a manipulation check in the ES scale. Two groupings based on scale data were found; the group with high ES (n= 48, M=.636, SD=1.075) was significantly different to the group with low ES (n= 106, M=.1702, SD=.938). The t-test showed that t=2.724, F=1.906, p=.007, p<.05, while the Levene assumption test result was p=.169, p>.05 (equal variances assumed).

Normality testing showed that the data was not normally distributed (p<.05). Therefore, the procedure using ARTool (Wobbrock, Findlater, Gergle, & Higgins, 2011) was done. This procedure has been evidently robust in transforming the data to that fulfilling the requirements of testing interactions in ANOVA (Note that the Friedman test, as a non-parametric alternative to ANOVA, did not provide a means for testing any interaction effect).

The result of the ANOVA test showed that there is no main effect of CS on corrupt behavior, with the following results: F(1, 154)=2.658, p=.105 (when trying for interaction with OEM) and F(1, 154)=2.658, p=.094 (when trying for interaction with ES). Therefore, H5 was not supported by empirical data. Nevertheless, there are interaction effects, with the effect size represented by $R^2$ and partial eta squared. Therefore, moderation hypotheses (H6 and H7) were
supported by empirical data, even though this requires further examination. The higher the CS, the higher the level of corruption behavior (change from $R^2=0.5\%$ to $R^2=2.4\%$) when OEM decreases from OEM-high to OEM-low, with the following results: $F(2, 154)=5.384$, $p=.006$, $\eta^2=.067$ (see Figure 2). On the other hand, the higher the CS, the lower the level of corruption behavior, if OEM increases from OEM-low to OEM-high. The higher the CS, the higher level of corruption behavior (change from $R^2=0.001967\%$ to $R^2=1.2\%$) when ES drops from ES-high to ES-low, with the following result: $F(2, 154)=4.499$, $p=0.013$, $\eta^2=.056$ (see Figure 3). Conversely, the higher the CS, the lower the level of corrupt behavior, if ES rises from ES-low to ES-high.

Study 2 found a moderation effect of OEM, in the relationship between CS and corruption. OEM which is interacting with CS can reduce the level of corrupt behavior. This finding is in line with moral balancing/moral cleansing dynamics moderated by OEM (Cornelissen et al., 2013). Moral balancing refers to an initial unethical behavior phenomenon followed by an ethical behavior in the future. By applying self-completion theory (SCT; see also Jordan, Mullen, & Murnighan, 2011), the dynamic in force is that counterfeit behavior has brought a sense of incompleteness, the psychological deprivation of the moral self, which is not compatible with the moral identity of the perpetrator. Therefore, a moral struggle in the form of compensatory behavior, to regain this identity, is needed. The compensatory behavior is a moral behavior confirming the moral self-symbolism of the perpetrator, and, according to Jordan et al., the effect will be bigger if it is known to the public (in Study 2, this is represented by interpersonal and group games).

There are four differences between Study 2 and the study by Cornelissen et al. Firstly, the study of Cornelissen et al. uses unethicallity of a recalled act, with a wide range of behaviors in the participants’ life episodes, as the variable independent. Meanwhile, Study 2 specifies it as counterfeit behavior. Secondly, the study of Cornelissen et al. uses behaviors in a ‘dictator and cheating’ game as dependent variables, whereas Study 2 uses corruption behavior in the bribery game as the dependent variable. The experience structure of corrupt behavior is more complex than cheating behavior, because it involves interpersonal, reciprocity, self-benefit maximization, and the financial sacrifice of others. Nevertheless, Study 2 found that the relationships among variables found by Cornelissen et al. are robust, even though the study altered the context of the dependent variables to become “harder/more complex”.

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Study 2 also found the moderation effect of ES in the relationship between CS and corrupt behavior. ES interacting with CS can reduce corrupt behavior. This finding is not in line with the findings of Study 1, which found a positive correlation between ES and MD. In Study 1, ES and its characteristics were confirmed to bring about immorality. Study 2 was expecting ES to strengthen CS, resulting in the consistency of immorality (higher levels of corruption). However, this expectation was not supported by the findings of Study 2.

The first explanation is an optimistic one. Darley (1995) estimated that there are entity theorists who are also optimistic moral attributors. The characteristics of this optimistic group are: (1) these people demonstrate behavior patterns similar to those of incremental theorists (they transform into being low-level corrupt, in Study 2), but they regard themselves as entity theorists; (2) they are less distracted by failure or poor performance, including in terms of morality; (3) they do not easily fall into helplessness and confusion, post-moral failures. These people do not judge their self-morality based on their often (historically) exhibited immoral behaviors—which is manipulated twice in Study 2 with (1) exposure to the belief that approving and spreading hoaxes is ‘up-to-date’ and therefore acceptable, and (2) exploration of the experience where participants totally not becoming themselves. It might be that the college students who are participants of Study 2 are intelligent people, choosing to admit that they are ES theorists, because it facilitates them giving a positive evaluation of themselves (self-serving view), and because they are adaptive people (Spinath, Spinath, Riemann, & Angleitner, 2003).

The second explanation is a critical one, based on examination of the self-theory construct. Hojbotă (2014) explained that self-theory studies do not consider valence. An entity theorist might hold a positive valence-driving for moral balancing toward moral virtue—or a negative valence-driving for immoral consistency (Hojbotă, 2014).

General Discussion
Maturation of cognitive control function can also explain the reason the direction of the OEM in Study 1 (in high school students) is different from that in Study 2 (college students). High school students may experience the illusion that their choice is utilitarian, whereas they actually have a preference for risky behavior, and not have preference for rules/norms. Because there is a “process
“gap” between MD (the dependent variable of Study 1) and Corruption (the dependent variable of Study 2) (Moore, 2008), it is also probable that there are non-cognitive factors involved in influencing the shift of ES and OEM effects on unethical behavior.

There are two novelties of these present studies. The first novelty is that this study extends the variable studied by Gino et al. (2010). Gino et al. test the counterfeit self-effect, resulting from past immoral behavior (using counterfeit products), on future immoral behavior. The extension of the study by Gino et al. takes place in two studies. Study 1 is a replication study measuring the direct influence of the counterfeit self on moral disengagement, as a proxy for immoral behavior in a natural (non-laboratory) situation. It will be useful as initial detector of unethical behavior. Some studies place the degree of development, hope, spirituality, contestation orientation (partnership, war), moral identity—but not empathy—as predictors of MD (De Caroli & Sagone, 2014; Mensch, 2016; Shields, Funk, & Bredemeier, 2015). There has never been a study using the three variables in Study 1 (CS, OEM, ES) as MD predictors.

The second novelty is that Study 2 manipulated counterfeit behavior and measured its influence on corrupt behavior moderated by self-theory and an
ethical mindset. In this case, Study 2 expands the context of unethical behavior into corruption, a behavior with a higher complexity than the cheating studied by Gino et al. (2010) and Cornelissen et al. (2013). The third novelty is that Study 2 extends the study of Cornelissen et al. (2013). That study uses an ethical mindset as a moderator variable, between initial/past behavior and future behavior (that is cheating). This research adds a self-theory variable. There are two differences between Study 2 and the study by Cornelissen. Study 2 gives a more efficient/parsimonious form, by pointing out that an ethical mindset moderation is direct, unmediated by any moral self-image, as studied by Cornelissen et al. Study 2 also increases the realism of the study by Cornelissen et al., because the predictor in Study 2 is not recalled behavior, but the actual behavior exhibited through experimental manipulation (counterfeit behavior).

![Figure 3. Interaction between the counterfeit self and entity self-theory (high vs. low) in influencing corrupt behavior (Abscissa= Counterfeit Self, Ordinate= Corruption)](image)

There are three theoretical implications from this research. The first implication is this study re-emphasizes that the use of the sequential behavior paradigm in various psychological studies (for example, Gino et al., 2010) and in criminology which so far give less appreciation of the various paths of moral behavior (see also Eitle, 2010).
The second implication is this research fills a theoretical gap in the relationship between the self and morality. The self is often contested by morality, which is assumed to give attention to others. Defending self-interest is often likened to sacrificing morality. This study points out that the relationship between self and morality is not so contradictory. The self can facilitate moral behavior (Sachdeva, Iliev, Ekhtiari, & Dehghani, 2015) as long as the counterfeit self is minimized. The self is not always in counterfeit condition and does not always promote merely self-interest, but can also be authentic, willing to cultivate the moral self, and concerned with the happiness and welfare of others (see also Haidt, 2007).

The third implication is that the findings of this research contribute to the body of knowledge on moral motivation. The Handbook of Moral Motivation, edited by Heinrichs, Oser, and Lovat (2013), does not mention the role of the theory posited by Carol Dweck concerning moral motivation. Meanwhile, self-theory (implicit theory of the self) is a central psychological construct in the individual motivational system. Self-theory is a theory of motivation, because both self-theories (entity and incremental) influence pursued goals, interest maintenance, attribution of past performances, and efforts made, especially during moral failure (Mahmud, 2017). This study restores the position of the long-lost self-theory as a part of human motivation to exhibiting moral behavior.

**Conclusion**

This study concludes that morality is dynamic. Counterfeit self, ethical mindset, and self-theory can predict moral disengagement, the proxy of corrupt behavior. A psychological moderator, in the form of an ethical mindset or self-theory can change the direction of the counterfeit self towards corruption.

**References**


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