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This is the final peer-reviewed author's accepted manuscript (postprint) of the following publication:

Published Version:
Attanasi, G., Bucciol, A., Cicognani, S., Montinari, N. (2024). The Italian North–South Divide in Perceived Dishonesty: A Matter of Trust?. ITALIAN ECONOMIC JOURNAL, 10, 1309-1337 [10.1007/s40797-023-00258-y].

Availability:
This version is available at: https://hdl.handle.net/11585/971250 since: 2024-06-06

Published:
DOI: http://doi.org/10.1007/s40797-023-00258-y

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09 September 2026

The Italian North-South Divide in Perceived Dishonesty: A Matter of Trust?

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Abstract

We present novel data from a survey on the perception of dishonesty in Italy. We collected data at a mass-gathering music festival in Southern Italy, whose audience includes a relevant fraction of subjects residing in Northern Italy. The survey consists of questions on perceived dishonesty measured on an institutional, social, and everyday dimension. Using structural equation models, we estimate whether regional differences in the perception of dishonesty persist even when controlling for generalized trust and socio-demographic characteristics. From a sample of nearly 1,000 individuals, we find that respondents residing in the North or abroad perceive a lower level of dishonesty in its institutional and everyday dimension than Southern respondents. Perceived dishonesty also correlates negatively with trust. Finally, we find suggestive evidence of an indirect channel going from the area of residence to perceived dishonesty through generalized trust as a mediator.

Keywords: Dishonesty; North-South divide; Corruption; Generalized trust; Italy.
JEL Classification: A13; D73; K42; Z13.

Statements and declarations

Competing Interests

The authors have no relevant financial or non-financial interests to disclose.

Funding

Giuseppe Attanasi gratefully acknowledges financial support by the program MUR PRIN 2022 n. 20229LRAHK "The impact of past experience and of social identity on risk perception of (new) unforeseen contingencies", the French Agence Nationale de la Recherche (ANR) under grant ANR-18-CE26-0018-01 (project GRICRIS), the European Research Council (ERC) [Starting Grant DU 283953] and by the project "Creative, Sustainable Economies and Societies" (CSES) coordinated by Robin Cowan, funded through the University of Strasbourg IDEX Unistra.

Data availability

The datasets analysed during the current study are available in the Mendeley repository available at
https://data.mendeley.com/datasets/hhbgfk54g5/1.

Acknowledgements

The authors thank Luigi De Mitri and Salvatore Vergine for excellent research assistance in conducting the survey.

I. INTRODUCTION

Due to its longevity and magnitude, the Italian North-South divide is one of the most studied regional divides within a specific country (Bigoni et al., 2016; Putnam, 2000; Putnam et al., 1993). In comparison with the North, the South exhibits – for instance – a lower per-capita net income (27 vs. 36 thousand Euros), a higher unemployment rate (14.6% vs. 5.1%), a higher homicide rate (0.70 vs. 0.44 out of 100,000 inhabitants), higher underground labor as a percent of regular work (16.7% vs. 9.4%), a higher corruption level (Alfano et al., 2022), a higher child mortality rate (3.24 vs. 2 out of 1,000 born alive), a lower rate of waste collection sorted for recycling (55.7% vs. 71% to total waste),[1] less efficient execution of public contracts for roads (Cavalieri et al., 2020) and a lower quality of life overall (Colombo & Stanca, 2014). The pattern of all these indexes has been stable over the last ten years (www.istat.it/en).

Besides these empirical facts, recent experimental studies have documented that people in the North achieve higher levels of cooperation (in terms of both contributions to a public good and amount sent in a trust game) than in the South, suggesting that these differences in behavior are explained by people from different regions reacting differently to the same incentives (Bigoni et al., 2016). Previous empirical research mainly focusing on cross-country comparisons has established the existence of a negative relationship between generalized trust, typically elicited using survey measures such as trust in unknown others, and corruption, primarily measured as the perceived level of corruption (see, e.g., Bjørnskov, 2007; Uslaner, 2004).[2]

In this paper, we provide two novel contributions to this topic. First, we focus on the differences between perceived dishonesty in the public sector (*institutional dimension* of dishonesty) by considering, as main variables of interest, both the geographic residence of the respondents and their level of generalized trust. In this regard, our goal is to measure whether there is a difference in perceived dishonesty depending on the geographical residence and the

[1] Data are from ISTAT, the National Institute of Statistics of Italy (www.istat.it/en). Sources: i) Net income: Regions and type of municipality – year 2020; ii) Unemployment rate: Provincial data – year 2022; iii) BES 2020 Report on "Equitable and sustainable well-being in Italy" (Chapter 7: Safety, pp. 131-146); iv) Declared and undeclared employment by industry and population: Rate of undeclared work – year 2020; v) Infant mortality by territory of residence: Infant mortality rates – year 2020; vi) 2019 Report on "Separate waste collection: Citizens' behavior and satisfaction, policies of cities – years 2017-2018".

[2] Among the few studies reporting an opposite correlation, Azar & Applebaum (2020) found that in a children's mathematics contest in Israel, a stronger socio-economic level of the city was associated with more dishonesty in the contest by children (and parents or older siblings).

level of generalized trust of respondents after controlling for socio-demographic characteristics. Second, we extend this analysis to two dimensions of dishonesty: Smaller dishonesty linked to the perceived damages caused by lying in everyday life (*everyday dimension*) and the perceived probability of receiving back a lost wallet in specific locations (*social dimension*). Focusing on the Italian North-South divide, we aim to answer three questions: i) Is perceived dishonesty lower in North Italy and abroad? ii) Is perceived dishonesty negatively correlated with generalized trust? iii) Is there an indirect link between the area of residence and dishonesty, where trust acts as a mediator? We answer these questions using structural equation models, whereby we disentangle the direct and indirect effects of the area of residence on perceived dishonesty (in its three facets) by considering trust as a mediator.

The South of Italy has long been known for widespread criminality and the intrusion of criminal organizations (e.g., mafia) in public sector administration (Rose-Ackerman, 2007). Given these facts, differences in the perception of dishonesty may reflect regional differences in objective measures of dishonesty and crime. When considering, for example, the number of crimes reported to the prosecution departments that were prosecuted, a difference between South and North can be observed, with this ratio being lower in the South of Italy (Del Monte & Papagni, 2007; Lisciandra & Millemaci, 2017). However, in the last thirty years, widespread political corruption in public sector administration has been documented throughout Italy in many fields. This large-scale corruption started with the disclosure of pervasive political corruption through "Tangentopoli – Clean Hands" in 1992 (Rose-Ackerman, 2007). It then continued with cases of fraud and embezzlement of public funds by one party (The Economist, 2012) and mismanagement in general hospitals (Maino, 2009). Based on this, it is not clear that the perception of dishonesty mirrors the incidence of dishonest behaviors at the regional level, as these facts may have affected society's level of generalized trust.

In this study, over four days, we interviewed around 1,000 participants living in different Italian regions or abroad attending a mass-gathering music festival held in the South of Italy in August 2017, "La Notte della Taranta Festival" (from now on, Festival). We have chosen this event to carry out our survey because of several methodological features in line with our research scopes. Indeed, the Festival concerts guaranteed a high population size (more than 300,000 participants during the four concerts where our interviews took place) and

heterogeneity (e.g., a relevant fraction of Northern Italian attendees at an event held in the South of Italy). Moreover, participants faced a similar environment over the four days of the survey. We also document a small interviewers' impact and a low refusal rate to undertake the guided interview (see Section III for a detailed discussion).

We acknowledge that our sample is not representative of the Italian regions since we have an over-representation of i) respondents living close to the place where the event is held (in our case, Southern Italian subjects) and ii) culturally sensitive subjects. However, as for i), if we exclude subjects living in the area where the event is held (i.e., Province of Lecce), the distribution of the provenance of our interviewees across Italian regions mimics the geographical distribution of Italian regions' residents in 2017, and we find no significant difference between Southern and Northern Italian interviewees as for the distribution of occupation and daily expenditure in the area where the event is held. Furthermore, most non-local Italian attendees are not native to the area, and only a negligible fraction of them declare being in the area to visit relatives and/or friends (see Subsection III.1 and Appendix A).

Respondents voluntarily participated in a survey consisting of several questions about i) the Festival, ii) generalized trust in others, and iii) perceived dishonesty in the public sector. Specifically, as for iii), we provided respondents with a definition of dishonesty as "Lack of integrity and honesty to the detriment of a third party and the citizenry" and asked them to judge the level of dishonesty in several contexts, taking as reference the city where they live in. On top of this *institutional dimension*, we also elicited perceived dishonesty in everyday life circumstances (*everyday dimension*) and social interactions (*social dimension*). Finally, we asked about damages associated with dishonesty in everyday life for the former. In contrast, for the latter, we asked interviewees to state the probability of receiving back a lost wallet in a city in the North vs. South of Italy, in the town where they live, and at the Festival during the same evening of the interview.

When looking at dishonesty in the public sector and everyday life, respondents from the North or living abroad generally perceive a lower level of dishonesty than respondents from the South. Trust is also negatively correlated with perceived dishonesty when considering all three facets of dishonesty. Finally, we find weak evidence of the effects of the area of residence mediated by trust. Interestingly, when looking at dishonesty in social interactions (measured

by the stated probability of not having a lost wallet returned), we do not find prejudice from Northerners towards Southerners. However, we report a lower likelihood of not getting back the wallet if this is lost by those living abroad, in their city of origin. Moreover, we find a stronger link between our measure of generalized trust and perceived dishonesty in social interactions than in institutional contexts.

Our analysis of perceived dishonesty does not allow us to draw causal conclusions (Bollen & Pearl, 2013) and hence direct policy implications; however, SEMs can shed light on the connections between our main variables of interest. Our results highlight that individual and geographic differences in generalized trust may indirectly affect the support for policy interventions through the perception of dishonesty. Daniele and Geys (2015) generally show an association between interpersonal trust and support for the welfare state. The mechanism identified by these authors is that in groups with high interpersonal trust, members expect honest and cooperative behavior from the other group members. In other words, where trust is high, members do not expect opportunistic and disruptive behavior when dealing with the public good, which translates into the willingness to support the welfare state. Our contribution highlights another indirect channel through which the effect of trust may be displayed: Perceived dishonesty. In groups where members perceive a high level of dishonesty, they will also be less supportive of any intervention aimed at providing public good benefiting the group members.

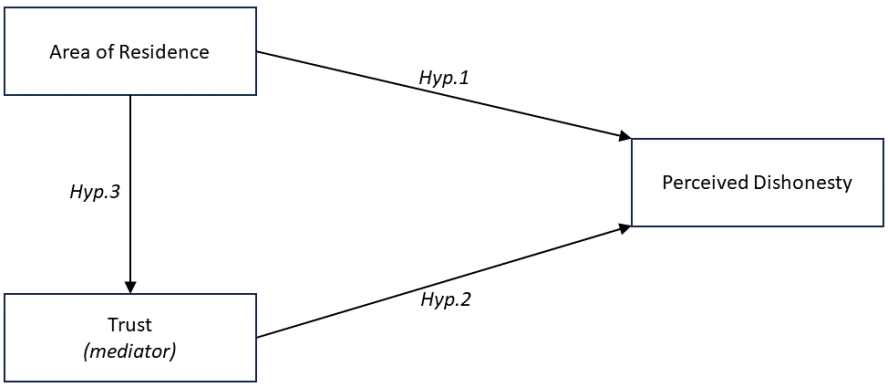
The remaining part of the paper proceeds as follows. Section II discusses the related literature and formulates our research hypotheses. Section III presents the data collection methodology and the data. Finally, Section IV reports the econometric analyses and main results, and Section V proposes concluding remarks.

II. RESEARCH HYPOTHESES AND RELATED LITERATURE

We are interested in investigating perceived dishonesty in a context characterized by widespread socioeconomic disparities, such as the Italian North-South divide (Putnam, 2000; Putnam et al., 1993). Policies aimed at reducing stark regional contrasts have attracted much attention in the past decades, especially since it has been reported that slower economic growth

is associated with vast disparities within countries (Ezcurra & Rodríguez-Pose, 2013). Along these lines, perceived dishonesty (in a broad sense, perceived corruption) is essential since it affects economic growth through the mediating channel of financial investments. Indeed, subjective perceptions of dishonesty impact investment decisions, as well as the political behavior of citizens (Mauro, 1995; Knack & Keefer, 1997; Dearmon & Grier, 2009; Treisman, 2000). Moreover, it has been advocated that generalized morality is an essential determinant of economic growth through the mediating role of generalized trust, especially when the quality of financial institutions is poor (James, 2015).[3] Here, we state the three research hypotheses summarized in Figure 1.

Figure 1. Research Hypotheses



[3] Whereas most of the literature identifies social capital as a lubricant of society, Xu & Wang (2015) also consider its association with the attitude to thrift and find that people who are more trusting, in general, tend to value thrift less. This has to do with social capital's role as informal insurance.

Research Hypothesis 1

Respondents living in Northern Italy and abroad directly perceive less dishonesty in a) the public sector, b) everyday life circumstances, and c) social interactions than respondents from Southern Italy.

Our first hypothesis refers to the link between the area of residence and perceived dishonesty. The focus on the institutional dimension of perceived dishonesty allows us to shed light on whether the level of dishonesty perceived by individuals is (negatively) affected by the institutional setting going beyond the level of peer interactions. Based on the higher diffusion of criminality and corruption in the South vs. the North of Italy documented by previous works on the North-South divide (e.g., Bigoni et al., 2016; Del Monte & Papagni, 2007; Lisciandra & Millemaci, 2017; Rose-Ackerman, 2007), we expect that perceived dishonesty in the *public sector* is higher in the South than in the North.[4] A similar prediction can be stated when measuring the perceived damages in *everyday life circumstances* due to dishonesty, in line with previous studies conducted in Spain (Villoria et al., 2013) and Russia (Semukhina & Reynolds, 2014). Finally, we also study whether prejudices against others regarding geographical origin are at play (e.g., Bigoni et al., 2019). We measure the relation between the North-South divide and perceived dishonesty in *social interactions* through the stated probability of having a lost wallet returned.[5] We expect that Southern Italian respondents assign a lower chance of having a lost wallet returned than Northern Italian ones for a given environment and location. In other words, the former perceive higher dishonesty in social interactions than the latter.

Research Hypothesis 2

Generalized trust is directly negatively correlated with perceived dishonesty in a) the public sector, b) everyday life circumstances, and c) social interactions.

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[4] It is important to control for the employment status of respondents in the econometric analysis, given that unemployed people tend to have lower levels of trust not only in the main economic institutions but also in the police and the law (Hudson, 2006).

[5] Most experimental evidence about dishonesty in social interactions relies on laboratory experiments (e.g., Gneezy 2005). Azar et al. (2013, 2019) were the first to add some field evidence to it by conducting a field experiment in a restaurant. They found that most customers (128 out of 192) did not return the excessive change.

Our second research hypothesis tests the so-called "corruption-trust theory" (see Rothstein, 2013) for each of the three dimensions of perceived dishonesty mentioned earlier. Prior research also documented a negative relationship at the level of societies between corruption and generalized trust, typically measured using indexes incorporating both experience and perception of corruption (see, e.g., Bjørnskov, 2007; Nannestad, 2008; Uslaner, 2004) or by looking at the level of social openness and crime (Buonanno & Vanin, 2017). Unlike prior research, which focused on state-level and municipal-level data, our study elicits generalized trust and perceived dishonesty at the individual level, allowing the possibility to control for individual characteristics.

Research Hypothesis 3

Respondents living in Northern Italy and abroad indirectly perceive less dishonesty in a) the public sector, b) everyday life circumstances, and c) social interactions than respondents from Southern Italy. The indirect effect depends on the role of generalized trust as a mediator.

Our last hypothesis focuses on a mediation effect (Celli, 2022) of trust on the relationship between the area of residence and perceived dishonesty. In our case study based on Italy, prior research hypothesizes and documents that Northerners exhibit higher levels of generalized trust than Southerners. Edward Banfield and Robert Putnam suggested that regions in Southern Italy are characterized by "amoral familism", which "emphasize family relations to the exclusion of all others", while for individuals living in the Northern regions exhibiting trust towards strangers is more common (Banfield & Fasano, 1958; Putnam et al., 1993). These differences in generalized trust and cooperation between strangers have been elicited in highly controlled environments, namely laboratory experiments, both in public good and trust games (Bigoni et al., 2016). Experimental subjects played different games in two cities in the North and two in the South of Italy. Based on the established relationship between trust measures elicited in the trust game and common-sense survey measures of trust (Ben-Ner & Halldorsson, 2007), we expect that our measure of generalized trust reflects the North-South divide documented by previous research. This way, the area of residence also shows an indirect effect on perceived dishonesty mediated by generalized trust.

III. METHODOLOGY AND DATA

The survey took place at a mass-gathering cultural festival in late August 2017. In this section, we first describe the main features of this event and the methodology implemented to select interviewees and collect their responses to the survey. Then, we describe our dataset and provide summary statistics on the variables we use.

1. Data Collection Methodology

The cultural festival where we carried out the survey is the "La Notte della Taranta" Festival, held each year since 1998 in the Province of Lecce (a district of the Italian Southern region "Apulia") in late August (www.lanottedellataranta.it/en). The event is among the most important European folk festivals: Approximately 250,000 attendees on average per year have been registered since the 2012 edition, with this number increasing to more than 300,000 since the 2015 edition (see Attanasi et al., 2013; 2017; 2019). Previous studies used the same data source to assess the event's economic impact (Attanasi et al., 2013) and attendees' willingness to accept private ownership of the event (Attanasi et al., 2019).

The Festival consists of *minor concerts* (19 in 2017) and a *final concert*. All concerts are free to entry, held in the main square of one of the villages of "Grecìa Salentina" – an independent cultural area within the Province of Lecce – each village a few kilometers away from the others. Minor concerts usually last about 3 hours, while the final concert lasts about 6 hours. In 2017, data provided by the Local Police and the Traffic Officer Commands showed approximately 100,000 attendees at the minor concerts (with a median of 6,000 attendees per concert) and about 250,000 attendees at the final concert. Further, the event's tourist attraction has exponentially increased since the first edition, with more than 50% of attendees being non-local in the last ten editions. Most tourists come from Northern Italy, and only a tiny percentage (around 5%) are foreigners (see Attanasi et al., 2013).[6]

Due to the massive number of attendees, since 2014, the rehearsal of the final concert held the day before on the same stage has been opened to the general public, thereby attracting older attendees (especially families and locals) who wish to enjoy the Festival's traditional

[6] Detailed data about attendees' provenance and distribution across Italian regions for editions 2007-2010 are reported in Attanasi & Giordano (2011), pp. 320-321.

music in a quieter and contained atmosphere. The 2017 rehearsal of the final concert attracted 50,000 attendees.

We carried out our survey in the 2017 edition of the Festival employing guided interviews addressed to a representative sample of attendees during i) the last two minor concerts (August 23-24), ii) the official rehearsal of the final concert (August 25), and iii) the final concert (August 26). The three Southern Italian villages where the four concerts were held (rehearsal and final concert being held on the same stage) are located within a 10-km radius in the Province of Lecce. They are similar in terms of economic and social indicators.[7] We only interviewed in the last four concerts of the Festival to minimize the time delay between the first and the last interview while profiting from the vast number of attendees in the final concert.

We reported the estimated number of attendees for each concert and the interviewee's sample size in Table 1. We controlled for the sample representativeness through the Marbach test (Marbach, 2000). In each concert, the margin of error is within the tolerance limit of 0.10. The sample probability ranges between 93% and 95%; therefore, the sample proved to be representative of the population of attendees of the four concerts.

Table 1. Population, sample, and representativeness

Concert	Date	Place	Population of attendees	Sample size (margin of error)
1	Aug. 23, 2017	Sternatia (Minor concert)	5,000	200 (0.0692)
2	Aug. 24, 2017	Martano (Minor concert)	10,000	202 (0.0696)
3	Aug. 25, 2017	Melpignano (Rehersal)	50,000	200 (0.0705)
4	Aug. 26, 2017	Melpignano (Final concert)	250,000	407 (0.0495)

Note: We calculated the margin of error according to the Marbach test (Marbach, 2000). It associates the pair of variables N (size of the target population) and n (sample size) with a parameter x that specifies the tolerated margin of an error occurring when the sample of size n is taken as representative of the whole population N: $x = \sqrt{\frac{N}{(N-1)n} - \frac{1}{(N-1)}}$.

[7] The three villages are Sternatia (2,500 inhabitants), Martano (9,500), and Melpignano (2,000). They are located at the end of Southeast Italy, at the bottom of the Apulia region, the Italian "heel".

Panel (a) of Appendix Figure A.1 complements Table 1 by reporting the geographical distribution of non-local interviewees across Italian regions. Note that the distribution of visitors' provenance in our sample is not significantly different from those of the 2007-2011 samples (Attanasi & Giordano, 2011;[8] Attanasi et al., 2013) and from the one of the 2021 (post-Covid-19) sample of Attanasi et al. (2022).

The same 18 interviewers per concert, both males and females, approached Festival attendees in *random* and *independent order*, from 8 pm until 1 am (5 hours) in the first three concerts and from 6 pm until 4 am (10 hours) in the last concert. Each interviewer conducted around 11 interviews during the first three concerts and around 22 interviews during the final concert. Each interview lasted seven minutes on average. Interviewers were distributed uniformly over the event duration to better capture population heterogeneity. Indeed, Festival concerts usually have different types of attendees according to different timespan, e.g., mainly families at the beginning of the concert and young-only audiences toward the end of the concert. In addition, we made sure that every attendee was only interviewed once at the same concert or at two different concerts. This setting allows us to interview Italians from Southern and Northern regions about perceived dishonesty and related items under the same "experimental" conditions.

We organized the Questionnaire into four sub-parts. Part I included demographic questions and questions on vacation and previous experience with the Festival. Part II aimed to appraise attendees' perception of the Festival and cultural tastes. Part III encompassed questions eliciting attendees' generalized trust and all dishonesty-related questions. Finally, Part IV included questions on tourism-related indicators to assess the event's economic impact. We presented the sequence of questions and the list of possible answers to each question in reverse order to half the sample to account for potential order effects. Furthermore, the Questionnaire contained a series of control questions meant to assess the respondent's level of attention during the interview and the reliability of their answers. In Appendix B, we report questions belonging to Part I and Part III of the Questionnaire, which we analyze in this study.

There are two main methodological advantages of surveying the Festival. First, previous studies using data on the Festival collected in recent years (e.g., Attanasi et al., 2013;

[8] See, e.g., Attanasi & Giordano (2011), p. 321.

2019) have shown good dispersion regarding gender, age, occupation, and provenance. The last feature (a relatively high fraction of Northern Italian attendees at an event held in the South of Italy) is crucial for our focus on the Italian North-South divide. Second, the itinerant structure of the Festival allows for interviewing *different* subjects in the *same* environment. A similar choreography, tight space, and time distance among subsequent concerts strengthen this feature. Indeed, one can achieve more than 1,000 interviews in four days, with less than 10 km physical distance, within the same environment (in terms of both concert and hosting village), with the same group of (relatively few) interviewers.

However, we are aware that the sample of our survey is characterized by selection bias due to the specific location of the event (leading to over-representation of Southern-Italian subjects) and by the particular nature of the event (leading to over-representation of culturally sensitive subjects, i.e., due to the choice of attending the Festival concerts). This notwithstanding, several aspects support the portability of our methodology and the relevance of our results despite this selection bias. First, for all Festival concerts, entry was free, and free access should reduce selection bias in the sample of attendees in several other dimensions (e.g., income). Second, we find no bias in the interviewed sample of attendees. Indeed, when randomly asked by our interviewers, a relatively low fraction of subjects (less than 20%) refused to be interviewed. The interviewers recorded some distinctive features of subjects who declined the guided interview: Gender, age, and provenance. While recording a slightly higher average age among subjects refusing the interview, we find no statistically significant difference between subjects accepting vs. those refusing the interview regarding gender and provenance.[9] Primarily, the last result is essential for our "North-South divide" focus since it ensures that the percentage of Northern Italian subjects estimated in the interviewed sample represents the one in the population of event attendants.

The representativeness of the subsample of Northern Italian subjects and their "independence" from the area where the event is held deserve a more thorough discussion. One might claim that Northern Italian interviewees, most likely around the event for holidays, are

[9] As for age: 29% of subjects aged more than 60 refused the interview, while this percentage is 19% for age range 40-60, 21% for age range 31-39, 17% for age range 26-30, and 15% for age range 18-25; for gender: 18% of females and 21% of males refused the interview; for provenance: 20% of subjects living in Southern Italy, and 16% of those living in Northern Italy and 19% of those living abroad refused the interview.

a very selected socio-economic census. Appendix Figures A.2 and A.3 show this is not the case. Absent an item about the socio-economic census in our questionnaire, we consider occupation and daily expenditure as its two possible proxies, and – by referring to Appendix Figures A.2-A.3 – we test for (and we find) non-significant differences in both the distribution of occupation and the daily expenditure during the holidays in the area of the event among Northern Italian, Southern Italian and foreign attendees (Kruskal-Wallis equality-of-populations rank test, p-value = 0.313 and 0.376 for the distribution of occupation and categories of daily expenditure, respectively).[10] Another claim could be that our Northern Italian interviewees have family ties in the area of the event. Appendix Table A.1 shows that this is not the case: Only 1/3 of Northern Italian and 1/10 of Southern Italian visitors are native to the area of the event, and, respectively, less than 9/100 and 2/100 have declared to be in the area to visit relatives and/or friends. Hence, family ties in our sample of non-local subjects are negligible for Southern and relatively small for Northern Italians since most Northern Italian visitors are not there for family ties. Being cultural tourists, they are in the area mainly because of the event, and this should not depend on the region of provenance, given the relative ease of reaching the Apulia region during the summer vacations.[11]

We claim that once accounting for the bias of over-representation of (Southern-Italian) local subjects due to the population itself of a mass-gathering event localized in a specific area (i.e., one of the provinces of the Apulia region), the remaining part of our sample – those of non-local subjects – adequately represents the distribution of population across Italian regions. In this regard, Appendix Figure A.1 compares the geographical distribution of non-local interviewees in our sample (panel a) to the one of the Italian population in the year where our survey was performed (panel b). The two panels show a similar distribution, except for an over-representation in our sample of visitors from other areas of Apulia at the expense of other Southern regions. However, the rank of the Centre and Northern Italian regions as for their

[10] See Question 14 and Question 16 in Appendix B, respectively, for occupation (job type) and categories of daily expenditure. As for the distribution of occupation, the results of the Kruskal-Wallis test hold regardless of whether we compare Northern Italian visitors to Southern Italian visitors or to Southern Italian locals or to both of them (see Appendix Figure A.2).

[11] The latter statement is clearer when comparing local ties of Northern Italian visitors to those of interviewees coming from foreign countries: as for the latter, Appendix Table A.1 reports that more than 6/10 of them are native to the area of the event, and almost 3/10 are there to visit relatives and/or friends, both fractions being significantly higher than for Northern Italian visitors.

relative weight in the provenance of our sample of interviewees is essentially the same as in the Italian population.

2. Summary Statistics

Table 2 contains summary statistics on the variables used in the analysis. The number of observations for each variable slightly changes because of missing values. In the survey, we provide respondents with a clear definition of dishonesty, identified as "Lack of integrity and honesty to the detriment of a third party and/or the citizenry", and ask respondents to judge the level of dishonesty in several contexts, taking as reference the city where they live in. Based on this definition, our variables of interest are represented by three key indicators (see the questionnaire in Appendix B): The perception of dishonesty in the public sector,[12] the damage associated with dishonest behaviors in everyday life, and the probability of not having a lost wallet returned. We obtained the latest variable by inverting the likelihood of the one a subject indicates as an answer to Question 19 (the chance they think that the lost wallet will be returned) to have negative values with lower absolute values measuring more perceived dishonesty. The other variables are single factors obtained with polychoric factor analysis from raw questions on dishonesty in the public sector (Question 17) and the damage resulting from dishonesty (Question 18). We performed factor analysis with a polychoric correlation matrix because of the discrete nature of the input variables.

Our set of explanatory variables includes standard socio-demographic variables on gender, age, education, occupation, and geographical variables on living in the North of Italy or abroad, as opposed to living in the South of Italy[13] and being an emigrant (more typically, from South to North of Italy). In addition, we measured generalized trust by the commonly used World Value Survey question, "Generally speaking, would you say that most people can be trusted or that you cannot be too careful in dealing with people?".

[12] In the Questionnaire, we also included a question about perceived dishonesty in environments that can be assimilated into the private sector. In the paper, we disregard this question because i) many respondents are not answering a question about private schools, as they are not very common in Italy; ii) we do not have any objective measure of dishonesty in these environments. Estimates relative to the private sector can be obtained from the authors upon request.

[13] We consider as South of Italy all areas from the Rome region (Lazio, included) downward, i.e., Abruzzo, Apulia, Basilicata, Calabria, Campania, Molise, and the two islands, Sicily, and Sardinia.

Table 2. Summary Statistics

	Obs.	Mean	Std. dev.	Min.	Max.
Dependent variables					
Public sector	876	53.499	25.492	0	100
Public offices (d)	965	0.622	0.485	0	1
Public health (d)	980	0.531	0.499	0	1
Public school (d)	917	0.255	0.436	0	1
National politicians (d)	988	0.873	0.333	0	1
Police (d)	901	0.334	0.472	0	1
Damages in Everyday Life	779	46.445	18.084	0	100
Public offices (d)	958	0.282	0.450	0	1
Public hospitals (d)	980	0.416	0.493	0	1
Public school (d)	886	0.156	0.363	0	1
Police (d)	935	0.180	0.384	0	1
Lost wallet not returned	995	82.527	21.959	0	100
At "Notte della Taranta"	993	88.163	18.770	0	100
In your city	993	78.279	26.379	0	100
In North Italy	992	79.908	22.487	0	100
In South Italy	993	82.191	20.923	0	100
Explanatory variables					
Generalized trust (d)	1,009	0.428	0.495	0	1
Lives in the North (d)	1,009	0.147	0.354	0	1
Lives abroad (d)	1,009	0.036	0.186	0	1
Emigrant (d)	1,009	0.026	0.159	0	1
Female (d)	1,007	0.500	0.500	0	1
Up to 25 (d)	1,001	0.215	0.411	0	1
Between 26 and 30 (d)	1,001	0.258	0.438	0	1
Between 31 and 39 (d)	1,001	0.248	0.432	0	1
Between 40 and 60 (d)	1,001	0.221	0.415	0	1
High school (d)	1,002	0.549	0.498	0	1
College (d)	1,002	0.317	0.466	0	1
Employee (d)	974	0.366	0.482	0	1
Self-employed (d)	974	0.223	0.416	0	1
Retired (d)	974	0.051	0.221	0	1

Note: (d) denotes a dummy variable.

Table 3 displays the average by geographical areas of our three key indicators of dishonesty (on a 0-100 scale) and of the Generalized Trust measure (on a 0-1 scale). Our respondents show more widespread dishonesty and less trust in the South. Comparisons between North and South are significant for trust and all indicators except for the perceived probability of not having a lost wallet returned.[14]

[14] Due to the low number of observations of respondents living abroad, we refrain from conducting statistical tests on that category.

Table 3. Average Perceived Dishonesty and Trust by Area

	Public Sector	Damages in Everyday Life	Lost Wallet not Returned	Generalized Trust
Lives in the North	48.562 [193]	44.459 [162]	81.189 [217]	0.530 [219]
Lives in the South	55.949 [650]	47.612 [589]	82.018 [742]	0.391 [754]
Lives abroad	34.126 [33]	33.389 [28]	73.444 [36]	0.611 [36]
t-test North vs. South	-3.617 (0.000)	-2.020 (0.044)	-0.499 (0.618)	3.673 (0.000)

Note: Number of observations within squared parentheses; p-values within round parentheses.

IV. DATA ANALYSIS

We consider how differences in perceived dishonesty relate to the North-South divide and to differences in generalized trust. We base our investigation on several structural equation models (SEMs). In general, we describe our full models as follows:

$$\begin{cases} Y = \beta_0 + \beta_1 A + \beta_2 D + \beta_3 F + \beta_4 T + \varepsilon_Y \\ T = \gamma_0 + \gamma_1 A + \gamma_2 D + \gamma_3 F + \varepsilon_T \end{cases} \quad (1)$$

where Y is a measure of perceived dishonesty, T denotes generalized trust, A regards the geographical area (the respondent currently lives in the South of Italy, as opposed to the North of Italy or abroad) and the emigrant status (the respondent moved away from the birthplace). Finally, D regards socio-demographic dimensions (gender, age thresholds, education, and occupation), F incorporates fixed effects (time, location, and interviewer) and ε_Y and ε_T are error terms. The βs and γs are sets of parameters to be estimated.

Equation (1) describes our key dimension Y as a function of several dimensions, including trust, residence area, and emigrant status. In turn, trust is a function of the area of residence, the emigrant status, and other explanatory variables. The two equation lines are estimated jointly. In particular, Equation (1) informs that the area of residence and the emigrant

status explain perceived dishonesty directly and indirectly: Directly, through the coefficient β_1; indirectly, through the coefficient β_4 mediated by the coefficient γ_1.

As discussed above, we consider *three dimensions* of perceived dishonesty: Institutional, everyday, and social. We elicited the three dimensions of perceived dishonesty through our guided interviews under several different (hypothetical) environments. These environments vary for each dimension: In Appendix B, see Question 17 for the institutional dimension (i.e., 'Public Sector'), Question 18 for the everyday dimension (i.e., 'Damages in Everyday Life'), and Question 19 for the social dimension (i.e., 'Lost Wallet not Returned'). Question 20 asks the same as Question 19 (stating the probability that a lost wallet will be returned) by relating the answer to four different locations where the wallet is lost: In a city in the North of Italy; in a city in the South of Italy; in the town the interviewee lives in; at the concert of "La Notte della Taranta Festival" where we conducted the guided interview.

In Subsection IV.1, we rely on a summary based on *general measures* – derived, as already discussed in Subsection III.2, with polychoric factor analysis (variables on perceived dishonesty in the public sector and on perceived damages in everyday life) – or taking one specific variable from the questionnaire (variable on the lost wallet at Question 19). Therefore, we do not consider differences in the elicited dimension of dishonesty at this general level due to specific environments.

In the further three subsections, we deepen our analysis to disentangle each dimension of perceived dishonesty when looking at the *specific environment* to which it was referred. More precisely, in Subsection IV.2, we focus on the perception of dishonesty in the public sector according to public offices, hospitals, public schools, and politicians operating at the national level (Question 17). Subsection IV.3 looks at the perceived damage resulting from dishonesty in everyday life separately for public office certificates, public healthcare booking, public school, and police fines (Question 18). Finally, in Subsection IV.4, we analyze respondents' stated probability of not receiving back a lost wallet in general (Question 19) and, specifically, in a city in the North vs. South of Italy, in the town where they live, and at the Festival during the same evening of the interview (Question 20).

We report the output of our analyses in Tables 4-7. The number of observations changes from one model to another since we have varying answers on the different dependent variables.

1. General Perception Measures of Dishonesty

Table 4 reports the key output of a set of SEMs, each having as a dependent variable one of the three general measures of perceived dishonesty, respectively 'Public Sector' (Appendix B, Question 17), 'Damages in Everyday Life' (Question 18), and 'Lost Wallet not Returned' (Question 19). The upper panel of Table 4 shows the direct effects of trust, the area of residence, and the emigrant status, while the bottom panel shows the indirect effects of the same variables. The specifications also control for socio-demographic characteristics and fixed effects. Full outputs are available upon request.

We first consider the direct effects in the upper panel. In Columns (1)-(2), respectively 'Public Sector' and 'Damages in Everyday Life', *there is a marked North-South difference supporting Research Hypotheses 1.a and 1.b at a general level*, with respondents living in the North and abroad more likely to report lower perceptions of dishonesty. We notice that the distinction by geographical area is more evident when referring to perceived dishonesty in the public sector than its perceived damages in everyday life, as the coefficients for living in the North and abroad are larger in Column (1) than in Column (2). Notably, the coefficient for living in the North does not achieve significance in Column (3), which refers to the probability of not having a lost wallet returned ('Lost Wallet not Returned'), suggesting that the North-South divide does not affect the interactions with peers (*Research Hypothesis 1.c is not supported at a general level*). In all models, the point estimate of the coefficient on living abroad is always higher (in absolute terms) than the coefficient on living in the North. However, the difference is not statistically significant.

In all SEMs, the coefficient on *generalized trust* is always significantly negative. This evidence indicates that more trust in others is linked with a lower perception of dishonesty along each of the three dimensions considered: In the public sector, in terms of implied damage in everyday life, and in terms of social context (losing a wallet and having it returned). *This supports Research Hypotheses 2.a, 2.b, and 2.c*, respectively.[15] Notice that in Column (3), the

[15] The first row of Appendix Tables C.1, C.2, and C.3 confirms a significant rank correlation between generalized trust and perceived dishonesty in the three dimensions of Table 4 (respectively, public sector, everyday life circumstances, and social interactions) for the subsamples of Italian subjects considered separately.

coefficient of generalized trust is much higher compared to Columns (1) and (2). This finding suggests that the link between higher generalized trust and lower perceived dishonesty is more vital in social interactions than institutional contexts.

Table 4. Generic Perceived Dishonesty

Dep. Variable	(1) Public Sector	(2) Damages in Everyday Life	(3) Lost Wallet not Returned
Direct effects			
Generalized trust	-6.482***	-3.272**	-11.363***
	(1.762)	(1.334)	(1.363)
Lives in the North	-14.018***	-3.577*	-1.536
	(2.544)	(2.038)	(1.728)
Lives abroad	-24.511***	-16.096***	-4.686
	(4.109)	(4.057)	(3.849)
Emigrant	5.411	2.359	-6.406
	(5.591)	(4.379)	(5.572)
Indirect effects			
Lives in the North	-0.577*	-0.362	-0.952*
	(0.346)	(0.224)	(0.528)
Lives abroad	-1.057*	-0.552	-1.945**
	(0.618)	(0.362)	(0.925)
Emigrant	-0.584	-0.092	-0.714
	(0.692)	(0.377)	(1.106)
Observations	839	743	952

Note: SEM regression using Generalized trust as mediator. All equations control for socio-demographics, time, location, and interviewer fixed effects. Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

We then move to the indirect effects of the bottom panel of Table 4, which are the effects of the area of residence and the emigrant status that arise after being mediated by generalized trust. We generally find a significant effect only in Column (3) about a lost wallet not returned. *This supports Research Hypothesis 3.c but not Research Hypotheses 3.a or 3.b.* Interestingly, the dependent variable in Column (3) is the only one for which we do not find a significant direct effect. The size of this effect, however, is relatively small.

2. Perceived Dishonesty in the Public Sector

We now deepen our analysis of perceived dishonesty in the public sector (Question 17 in Appendix B). We consider the perception of dishonesty in several environments: Public

offices, public health (i.e., hospitals), public schools, and politicians operating at the national level. The output of our analysis on the perceived dishonesty (corruption) in the public sector is shown in Table 5, to which we add one further column on dishonesty in the police.

We set the raw variables in the Questionnaire in a four-level answer scale from "low" to "high". In the analyses, we create dummy variables equal to one if the answer is "high" or "rather high". Also for these models, the dependent variables are those listed in Equation (1): The upper panel of Table 5 considers the key direct effects, while the bottom panel considers the indirect effects mediated by generalized trust.

Table 5. Perceived Dishonesty in the Public Sector

Dep. Variable	(1) Public Offices	(2) Public Health	(3) Public School	(4) National Politicians	(5) Police
Direct Effects					
Generalized trust	-0.100***	-0.070**	-0.049*	-0.038*	-0.076**
	(0.033)	(0.033)	(0.029)	(0.022)	(0.032)
Lives in the North	-0.152***	-0.143***	-0.086**	-0.046	-0.051
	(0.047)	(0.046)	(0.038)	(0.031)	(0.045)
Lives abroad	-0.331***	-0.376***	-0.275***	-0.410***	-0.147*
	(0.082)	(0.058)	(0.049)	(0.093)	(0.079)
Emigrant	0.106	0.029	0.092	0.054	0.021
	(0.100)	(0.101)	(0.103)	(0.064)	(0.095)
Indirect Effects					
Lives in the North	-0.009*	-0.006	-0.005	-0.003	-0.006
	(0.005)	(0.004)	(0.004)	(0.003)	(0.004)
Lives abroad	-0.015	-0.010	-0.009	-0.006	-0.014*
	(0.010)	(0.007)	(0.006)	(0.005)	(0.008)
Emigrant	-0.009	-0.006	-0.004	-0.002	-0.006
	(0.010)	(0.008)	(0.005)	(0.004)	(0.008)
Observations	924	938	879	946	867

Note: SEM regression using Generalized trust as mediator. All equations control for socio-demographics, time, location, and interviewer fixed effects. Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Consider the upper panel first. Living in the North or abroad is associated with a significantly negative direct effect. The geographical variable is significant in all models, weakly for the one displayed in Column (5), i.e., relative to the perception of dishonesty in the Police. The marginal effect of living abroad is also statistically higher than living in North

Italy.[16] Moreover, in all models, the coefficient of generalized trust is always significantly negative, indicating that more trust in others is linked with a lower perception of dishonesty in each public sector environment.

When considering the bottom panel of Table 5, we find no or tiny indirect effect in significance and size. These results support *Research Hypotheses 1.a and 2.a*[17] *but not Research Hypothesis 3.a*.

3. Perception of Damages in Everyday Life associated with Dishonesty

Here, we deepen our analysis of the perception of damages in everyday life associated with dishonesty (Question 18 in Appendix B). Dishonesty may have severe consequences on daily life behavior. When considering the perception of the damages resulting from dishonest behavior in everyday life circumstances, we consider the following environments: Public office certificates, public healthcare booking, public school (interaction with teachers, students cheating), and police fines.

We show the output of a set of analyses in Table 6. As in Subsection IV.2, the dependent variables are dummy variables equal to one if the answer reported in the Questionnaire is "high" or "rather high" damage.[18] Table 6 shows that, in contrast to our previous results, the perceived damage does not always directly correlate with geographical areas in all the dimensions considered. The geographical location is relevant only for public hospitals (both dimensions) and public schools (for those living abroad). As for generalized trust, the coefficient is significantly negative in all models except for public schools. In contrast, we see no indirect effect from Panel (b). Thus, we find *weak support for Research Hypothesis 1.b, strong support for Research Hypothesis 2.b*,[19] but no support for Research Hypothesis 3.b.

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[16] A set of Chi-squared tests on the equality of the two coefficients give the following results: Column (1): 4.01, p-value = 0.045; Column (2): 11.55, p-value < 0.001; Column (3): 10.84, p-value = 0.001; Column (4): 14.53, p-value < 0.001; Column (5): 1.33, p-value = 0.248.

[17] Appendix Table C.1 confirms a significant rank correlation between Generalized trust and perceived dishonesty in the public sector for each of the five subsectors of Table 5, except for perceived dishonesty of national politicians, for at least one subsample of Italian subjects considered separately.

[18] A set of ordered probit regressions conducted on the original variables do not display relevant differences concerning Table 5. The output of this analysis is available from the authors upon request.

[19] Appendix Table C.2 confirms a significant rank correlation between Generalized trust and perceived dishonesty in everyday life circumstances for each of the four everyday dimensions of Table 6 (public offices,

Table 6. Perceived Damages in Everyday Life associated with Dishonesty

Dep. Variable	(1) Public Offices	(2) Public Hospitals	(3) Public School	(4) Police
Direct effects				
Generalized trust	-0.058*	-0.085***	-0.037	-0.056**
	(0.030)	(0.033)	(0.027)	(0.026)
Lives in the North	-0.037	-0.125***	0.023	0.059
	(0.040)	(0.045)	(0.038)	(0.040)
Lives abroad	-0.130*	-0.298***	-0.177***	-0.086
	(0.079)	(0.075)	(0.034)	(0.056)
Emigrant	0.044	0.031	0.051	-0.037
	(0.086)	(0.098)	(0.082)	(0.086)
Indirect effects				
Lives in the North	-0.005	-0.008	-0.003	-0.005
	(0.004)	(0.005)	(0.003)	(0.003)
Lives abroad	-0.009	-0.013	-0.007	-0.010
	(0.007)	(0.008)	(0.006)	(0.006)
Emigrant	-0.005	-0.005	-0.003	-0.002
	(0.006)	(0.009)	(0.004)	(0.006)
Observations	915	937	850	894

Note: SEM regression using Generalized trust as mediator. All equations control for socio-demographics, time, location, and interviewer fixed effects. Robust standard errors in parentheses; *** p < 0.01, ** p < 0.05, * p < 0.1.

4. Probability of Not Having a Lost Wallet Returned

We conclude our analysis by reporting, in Table 7, the output from models on the perceived probability of not having a lost wallet returned in several places: During the Festival, in the respondents' city, somewhere in North Italy, or somewhere in South Italy (Question 20 of Appendix B). All the variables have inverted values concerning the Questionnaire, with larger values indicating more dishonesty, in line with the other dishonesty dimensions we study.

public hospitals, public schools, and police) for at least one subsample of Italian subjects considered separately.

The probability of not having a lost wallet returned is always highly negatively correlated with generalized trust (*Research Hypothesis 2.c is confirmed*).[20] In contrast, we do not find a significant negative correlation between the probability and living place (*Research Hypothesis 1.c is not confirmed*). The only exception is Column (2), where only respondents living abroad report being less likely to have a lost wallet returned in their city. These individuals seem to perceive more honesty in their place, which is outside Italy. From Panel (b), we observe an indirect effect limited to living abroad, thus suggesting *weak support to Research Hypothesis 3.c*.

Table 7. Probability of Not Having a Lost Wallet Returned

Dep. Variable	(1) At "La Notte della Taranta"	(2) In your city	(3) In North Italy	(4) In South Italy
Direct effects				
Generalized trust	-10.110***	-10.358***	-11.419***	-9.920***
	(1.239)	(1.692)	(1.386)	(1.312)
Lives in the North	-1.964	-1.598	-1.445	-2.343
	(1.697)	(2.276)	(1.816)	(2.040)
Lives abroad	3.075	-16.261***	-5.448	1.318
	(2.353)	(5.000)	(3.506)	(2.812)
Emigrant	-2.238	-7.174	-5.101	-2.293
	(4.749)	(6.097)	(5.316)	(5.007)
Indirect effects				
Lives in the North	-0.882*	-0.903*	-0.988*	-0.865*
	(0.471)	(0.493)	(0.531)	(0.463)
Lives abroad	-1.718**	-1.760**	-1.920**	-1.686**
	(0.823)	(0.864)	(0.927)	(0.810)
Emigrant	-0.663	-0.679	-0.751	-0.650
	(0.987)	(1.014)	(1.114)	(0.970)
Observations	950	950	949	950

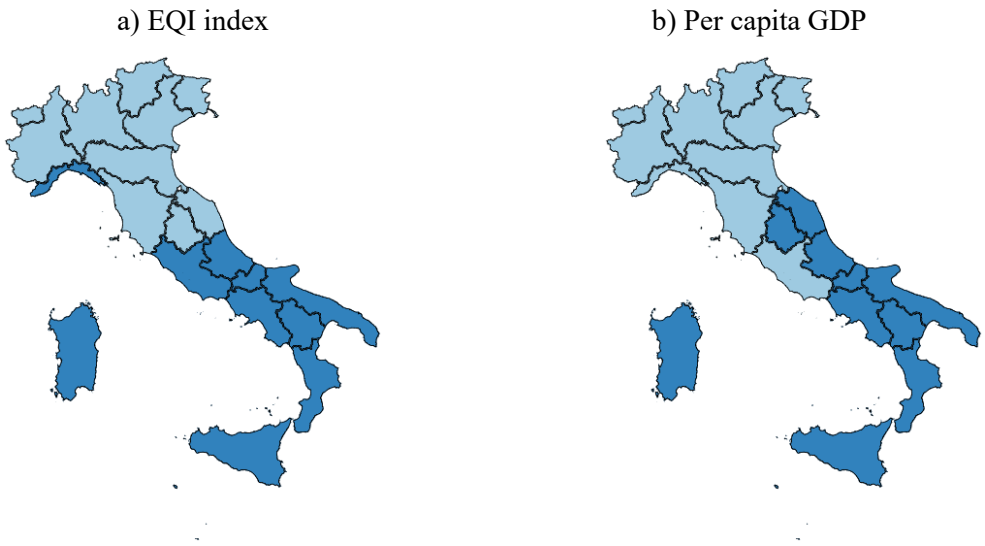
Note: SEM regression using Generalized trust as mediator. All equations control for socio-demographics, time, location, and interviewer fixed effects. Robust standard errors in parentheses; *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

In conclusion, the successful test of our Research Hypotheses 1-3 provides evidence that being from the North or abroad negatively correlates with perceived dishonesty. Real data support the geographical divide in perception. For instance, we may look at the "EQI –

[20] Appendix Table C.3 confirms a significant rank correlation between Generalized trust and the probability of not having a lost wallet returned under each of the four conditions ("La Notte della Taranta", your city, in North Italy and South Italy) for each subsample of Italian subjects considered separately.

European Quality of Government Index" provided by the Quality of Government Institute[21] and available at the regional level. The institute manages a survey on corruption in the public sector involving more than 80,000 respondents from all European regions. Although focused on a specific type of dishonesty (corruption) in a particular environment (the public sector), this index is representative of both respondents' experience and perceptions about dishonesty in society (Charron *et al.*, 2015; 2016). When considering the EQI for the year 2013, the distribution of the index was highly polarized, with Southern regions showing systematically lower levels of EQI, i.e., higher levels of dishonesty (Figure 2, Panel a), in line with geographical variations in GDP (Figure 2, Panel b).[22]

Figure 2. Geographical Distribution of EQI Index and GDP



Note: *Darker* shadowed regions denote *lower* average GDP and EQI index levels, respectively.

[21] Website: http://qog.pol.gu.se/data/datadownloads/qogeuregionaldata.

[22] The same geographical polarization of Figure 2 is obtained with other indexes linked to illegal and criminal activities (see, e.g., Bernardo et al., 2021; Mocetti & Rizzica, 2021). They both highlight a regional disparity for criminal activities, with the Southern areas being more affected by the "traditional" activities associated with organized crime (i.e., mafia).

V. CONCLUSION

In this paper, we analyze novel data on the perception of dishonesty in Italy, relying on a large-scale survey we carried out during a mass-gathering music festival in the South of Italy. The audience of this Festival included a relevant fraction of Northern Italian subjects, thereby allowing for a sufficient level of heterogeneity in terms of interviewees' geographic residence, needed to analyze the relationship between the Italian North-South divide in generalized trust and perceived dishonesty. We consider three non-mutually exclusive dimensions of perceived dishonesty: An institutional dimension, an everyday dimension, and a social one.

We formulate three hypotheses. The first and second hypotheses link perceived dishonesty to the North-South divide and generalized trust, respectively, for each of the three dimensions of perceived dishonesty mentioned above. The third focuses on the mediation effect of trust on perceived dishonesty by evidencing a relationship between trust and geographical areas.

We generally find that respondents from the North of Italy or living abroad perceive a lower level of dishonesty in the public sector than respondents from the South of Italy. Furthermore, this dimension of perceived dishonesty negatively correlates with generalized trust. Finally, and more importantly, we find evidence of a mediation effect of trust on the perceived dishonesty through the geographical areas, with respondents living in the North displaying a higher level of generalized trust than those living in the South. This evidence suggests that individual and geographic disparities in generalized trust must be considered, as they can affect the support for policy interventions through perceived dishonesty.

We do not find similarly robust results for the second dimension under scrutiny: Perceived damage caused by dishonesty in everyday life. While, at a general level, it presents the same relations with the geographical gap and generalized trust we found for the institutional dimension, the former association does not hold when disentangling for the different environments where this dimension was referred to in the survey. Indeed, the perceived damage is not always correlated with geographical areas in all the dimensions considered: The geographical location is relevant for public hospitals only. However, generalized trust matters for all the dimensions considered – public offices, public schools, police fines, and public hospitals – with the highest significance for public hospitals. These results lead us to conclude

that perceived dishonesty in everyday life is highly dependent on the specific environment at stake, with the geographical gap and generalized trust becoming relevant (in the predicted direction) only for the most critical environment (health issues).

A completely different picture emerges for perceived dishonesty in its social dimension, measured by the subjective probability of returning a lost wallet. First, we find that the North-South divide does not affect the interactions with peers (except respondents living abroad, who report a higher probability of having a lost wallet returned in their foreign city). Conversely, it positively correlates with generalized trust in each proposed environment: During the Festival, in the respondents' city, somewhere in Northern Italy, or somewhere in Southern Italy. Furthermore, and more importantly, in the regression analysis, we detect a much higher coefficient of generalized trust than those found for the other two dimensions of perceived dishonesty. Finally, we find that the negative correlation between generalized trust and perceived dishonesty is highly significant in each of the two subsamples of Northern and Southern Italian subjects considered separately only when perceived dishonesty is measured by the subjective probability of not having a lost wallet returned, which leads us to think that the detected correlation, in social interactions, is independent of the subjects' home region. This indicates that the link between higher generalized trust and lower perceived dishonesty is stronger and broader in social interactions than in institutional contexts. Coupled with the above results, we conclude that while a low level of generalized trust only explains a component of perceived dishonesty in institutional contexts and everyday life, we can consider it to play a primary role in perceived dishonesty in social interactions.

While the dependent variable of our study does not allow us to draw specific policy implications, our results allow us to highlight the mediation effect of generalized trust on perceived dishonesty. Previous research has highlighted the importance of generalized trust for the support of the welfare state (see, e.g., Daniele & Gey, 2015) since, in groups with a high level of trust, individuals are less likely to expect opportunistic behavior in the use of the public good by the fellow members. In this line, our results suggest that generalized trust may also negatively affect the perceived dishonesty of the welfare state, thereby increasing the willingness of citizens to support policy interventions.

Our study presents a few limitations, primarily related to the self-selection of the respondents. First, despite the advantages of surveying a free-entry mass-gathering event (*e.g.*, minimization of the selection bias in the sample of attendees and the interviewed sample of attendees), this entails an over-representation of respondents living close to the place where the event is held (in our case, Southern Italian subjects). Furthermore, the specific nature of the event leads to an over-representation of culturally sensitive subjects, and more in general, subjects oriented towards an experience in the place where the event is held (in our case, Northern subjects moving to the South of Italy for vacation).

However, in support of our methodology, we have found that surveying a free-entry mass-gathering event during summer holidays allows a distribution of the provenance of non-local interviewees across Italian regions that mimics the geographical distribution of Italian regions' residents, with small but no family ties with residents living around the event and no significant difference in terms of socio-economic census between Northern and Southern interviewees. Hence, in future studies, sample representativeness might be improved by only relying on data from non-local interviewees, which, however, requires a much higher number of total interviews.

Furthermore, as for the specific topic of the survey, we shall note that the study of corruption and dishonesty would perform better within the same country by holding the institutional variables constant (Del Monte & Papagni, 2007). Compared to previous studies achieving this goal, we produced survey data with many highly heterogeneous observations obtained under more robust "experimental controls": A short period of four days, interviews made under similar conditions (same interviewers, same controlled environment), small interviewers' impact, and low refusal rate to undertake the guided interview. In addition, when dealing with corruption and dishonesty, Italy represents an "ideal" country worth investing in: "International indicators on the quality of government highlight Italy as an outlier among democratic and industrialized countries, with poor performance since the 1980s" (Del Monte & Papagni, 2007, p. 380).

Extensions of our study could be implemented as follow-up studies to check whether similar results are obtained in i) different settings, i.e., in environments not so much characterized by an over-representation of culturally sensitive subjects and, more in general,

subjects oriented towards an experience in the place where the event is held; and in ii) different "states of the world", i.e., after the COVID-19 outbreak, which might have strengthened or lowered the North-South divide in the categories under scrutiny in our study. Finally, our data could also be taken as a reference for the two above-mentioned (and possibly others) comparisons.

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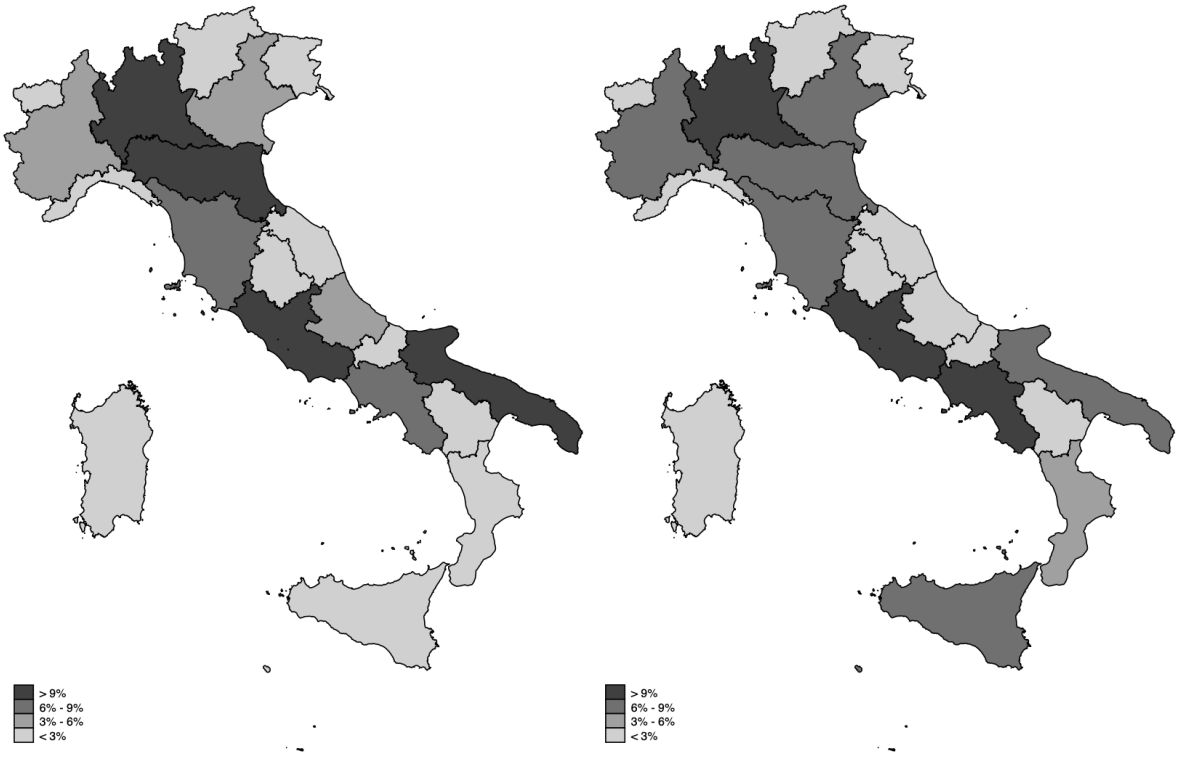
APPENDIX A. SAMPLE REPRESENTATIVENESS

Table A.1. Local ties of non-local interviewees

Provenance	Native to the area	Visiting relatives and/or friends
Southern Italians	11.61%	1.79%
South	11.32%	1.89%
Islands	16.67%	0.00%
Centre-Northern Italians	33.11%	8.78%
Centre	39.73%	10.96%
North East	44.00%	12.00%
North West	30.00%	8.33%
Foreigners	63.89%	27.78%
Europe	61.76%	29.41%
Other Continents	100.00%	0.00%

Figure A.1. Geographical distribution of non-local interviewees vs. Italian population

a) Non-local interviewees, by region of provenance b) Italian population, year 2017, by region



Note: Data on the Italian population are from ISTAT.

Figure A.2. Distribution of interviewees' occupation by provenance

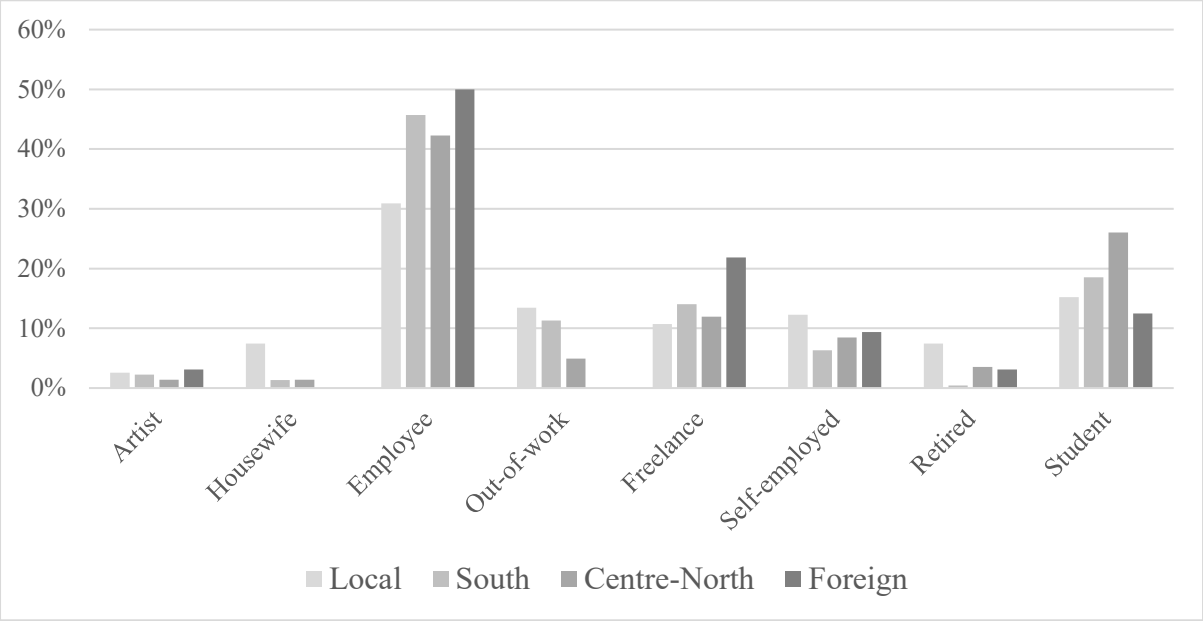
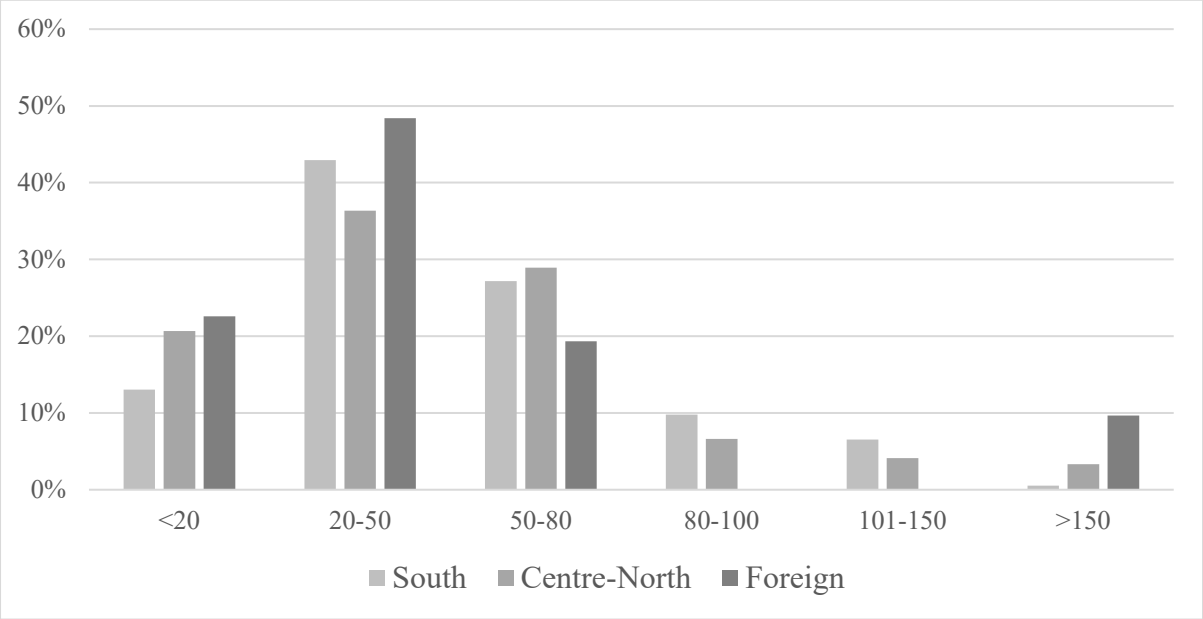


Figure A.3. Distribution of non-local interviewees' daily expenditure (in €) by provenance



APPENDIX B. QUESTIONNAIRE

(The full version of the questionnaire is available upon request)

PLACE and DAY of the interview: _____
TIME of the interview: _____
Interviewer's name: _____

PART I

1. Gender:
Male / Female

2. Age range:
   Up to 25 / 26-30 / 31-39 / 40-60 / more than 60

3. Where do you regularly live during the year?
   Village where the concert is held / Province of Lecce / Apulia, but outside the Province of Lecce / Italy, but outside Apulia / Abroad

4. Where are you spending your vacation?
   Village where the concert is held / Province of Lecce / Apulia, but outside the Province of Lecce / Italy, but outside Apulia / Abroad

5. Are you native to the area (Province of Lecce)?
   Yes / No (indicate where _____)

6. First time in Salento?
   Yes / No

7. Length of vacation:
   1 day / up to 3 days / up to 7 days / above 7 days

8. Which is the type of your accommodation?
   Friends or relatives / B&B / Camping / Second home / Hotel / Agritourism / Rent of house or room / Other (specify)

9. First time at "La Notte della Taranta Festival"?
   Yes / No

10. If no to the previous question, in which year did you attend the concert for the first time?
    Specify the exact year _____

PART III

11. Generally speaking, do you think most people can be trusted, or that "not to trust is better"?
    Yes / No (not to trust is better)

12. From 0 to 10, how much do you generally trust other people, where 0 indicates "it is better not to trust at all" and 10 indicates "it is better to trust fully"?
    0 / 1 / 2 / 3 / 4 / 5 / 6 / 7 / 8 / 9 / 10

13. Education: Primary school / Secondary school / High school / University degree / Post-graduate degrees (Master / Ph.D.)

14. Job (Occupation): Artist / Housewife / public or private Employee / Out-of-work / Freelance / Self-employed / Retired or Invalid / Student / Other (specify)

15. [Only for non-locals] For what reason are you in the area of the event (Province of Lecce)?
    On vacation (not / also / just for the event) / To visit relatives and friends / For work

16. [Only for non-locals] How much do you spend on average per day during this vacation?
    Less than 20 € / 20 € - 50 € / 50 € - 80 € / 80 € - 100 € / 100 € - 150 € / Over 150 €

Consider the following definition of DISHONESTY:
"Lack of integrity and honesty to the detriment of a third party and/or the citizenry".

17. How do you consider the level of dishonesty in the following contexts? Take as a reference the city you live in.

Dishonesty level	**High**	**Medium-High**	**Medium-Low**	**Low**	**Do not know**
Public sector (municipal and provincial offices)					
Public health (public hospitals and clinics)					
Public schools					
Police forces (local Police, "carabinieri")					
Private sector (firms, lawyers, artisans)					
Private health (specialists, dentists)					
Private schools					
Local politicians (mayor/council members of the city you live in)					
National politicians (members of parliament)					

18. In your opinion, how often are people like you damaged by dishonesty in the following daily life circumstances? Take as a reference the city you live in.

Dishonesty level	**Never**	**Rarely**	**Sometimes**	**Often**	**Always**	**Do not know**
Certificates by municipal and provincial offices (e.g., birth, residence certificates)						
Booking of a specialized visit at a public hospital (e.g., sonogram, CAT scan)						
Attendance of public schools (e.g., interaction with professors, behavior during exams)						
Actions of police forces (e.g., fines, passport release)						
Release of receipt for maintenance work at your house (e.g., plumber, house painter)						
Release of receipt for a visit to the dentist						

19. Suppose you have lost your wallet. In your wallet, you carried 100 euros. Independently from where you are, with which probability do you think the wallet will be returned to you with the 100 euros inside?
SPECIFY VALUE _____

20. With which probability do you think the wallet will be returned to you with the 100 euros inside if you have lost it
    - tonight at "La Notte della Taranta Festival" SPECIFY VALUE _____
    - in the city/village you live in SPECIFY VALUE _____
    - in a city of North Italy SPECIFY VALUE _____
    - in a city of South Italy SPECIFY VALUE _____

APPENDIX C. FURTHER TESTS OF RESEARCH HYPOTHESIS 2

Table C.1. Correlation of Generalized Trust with perceived dishonesty in the public sector

	South (locals)	South (visitors)	Centre-North (visitors)	Foreigners
Public Sector	–0.151***	–0.113	–0.294***	–0.310*
Public Offices	–0.115***	–0.137**	–0.225***	–0.247
Public Health	–0.183***	–0.049	–0.239***	–0.396***
Public School	–0.062	–0.050	–0.278***	–0.203
National Politicians	–0.058	–0.028	–0.019	–0.131
Police	–0.078*	–0.079	–0.155*	–0.273

Note: Spearman's rank correlation indexes between Generalized Trust and each of the variables measuring dishonesty in everyday life circumstances, separately for local Southern Italian, non-local Southern Italian, non-local Centre-Northern Italian, and foreign attendees. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table C.2. Correlation of Generalized Trust with perceived dishonesty in everyday life circumstances

	South (locals)	South (visitors)	Centre-North (visitors)	Foreigners
Damages in Everyday Life	–0.031	–0.141*	–0.183*	–0.327*
Public Offices	–0.085**	–0.152**	–0.024	–0.331*
Public Health	–0.079*	–0.089	–0.202**	–0.365**
Public School	–0.053	–0.188***	–0.248***	–0.424**
Police	–0.075*	–0.069	–0.155*	–0.344**

Note: Spearman's rank correlation indexes between Generalized Trust and each of the variables measuring dishonesty in the public sector, separately for local Southern Italian, non-local Southern Italian, non-local Centre-Northern Italian, and foreign attendees. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table C.3. Correlation of Generalized Trust with perceived dishonesty in social interactions

	South (locals)	South (visitors)	Centre-North (visitors)	Foreigners
Lost wallet not returned	–0.281***	–0.212***	–0.356***	–0.036
At "Notte della Taranta"	–0.223***	–0.203***	–0.366***	–0.053
In your city	–0.269***	–0.170**	–0.276***	–0.052
In North Italy	–0.255***	–0.205***	–0.264***	0.044
In South Italy	–0.284***	–0.188***	–0.292***	–0.039

Note: Spearman's rank correlation indexes between Generalized Trust and each of the variables measuring dishonesty in social interactions, separately for local Southern Italian, non-local Southern Italian, non-local Centre-Northern Italian, and foreign attendees. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.