

Corruption, Whistleblowing and Social Norms

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This Version: February 12, 2015

Abstract

The main aim of this paper is to investigate the role and potential impact of whistleblowing on the persistence of corruption in organizations. We present a theoretical model for approaching the issue, focusing specifically on the role of economic incentives aimed at encouraging whistleblowing behaviour. We model corruption as a social norm of behaviour using elements of evolutionary game theory (EGT). Specifically, we use the concept of replicator dynamics to explore formally the local asymptotical stability of the following types of behaviour within the organization: (i) honest, corrupt, and honest-whistleblowing and (ii) honest, corrupt-whistleblowing, and honest-whistleblowing.

Keywords: Corruption, whistle blowing, social norms, evolutionary games

JEL Classification: K42, D73, C73