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What is This?

Falls from Grace and the Hazards of High Status: The 2009 British MP Expense Scandal and Its Impact on Parliamentary Elites

Scott D. Graffin,[1] Jonathan Bundy,[1] Joseph F. Porac,[2] James B. Wade,[3] and Dennis P. Quinn[4]

Abstract

Although the benefits of high status are well documented, in this research we explore the potential hazards associated with high status that have increasingly been implicated in recent studies. Organizational research suggests two such hazards: (1) opportunistic behaviors by elites that eventually lead to sanctions and (2) the targeting of elites by various audiences such that they are held more accountable than their lower-status counterparts for similar offenses. Our objective was to disentangle these two explanations in the context of an organizational scandal involving the Members of the British Parliament (MPs) whose annual expense claims were unexpectedly exposed in a well-known 2009 scandal. We find that high-status MPs were not more likely to abuse the expense system than were lower-status MPs, but they were more likely to be targeted by the press and voters for their inappropriate expense claims. As a consequence, high-status MPs were significantly more likely than non-elite MPs to exit Parliament when they had high levels of inappropriate expense claims. Elite MPs who were not implicated in the scandal, however, were far more likely to remain in Parliament than their lower-status counterparts. Our results also suggest that media coverage of the expense incident by British newspapers played a significant role in shaping social reactions to the scandal.

Keywords: status, media attention, scandal, opportunism

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Status hierarchies that rank social actors on valued attributes are ubiquitous in human society. Wright (1994: 237) observed that social life is characterized by a ''deeply human hunger for status and the universal presence of hierarchy'' in social affairs. Research has documented the benefits that some actors receive from high-status positions in many contexts (e.g., Merton, 1968; Gould, 2002; Podolny, 2005; Magee and Galinsky, 2008). Because status largely derives from an actor's position in a network of affiliations and beliefs (e.g., Podolny, 1994; Gould, 2002; Ridgeway and Correll, 2006), there is good reason to believe that status hierarchies, and an actor's position within them, are stable social constructions. As Gould (2002: 1148) argued, the uncertainty inherent in status judgments ''. . . gives rise to a self-reinforcing process in which collective adherence to socially provided assessments reproduces and thereby validates those very assessments.'' Status positions endure because of the belief that people of high status are more competent and deserving (Merton, 1968; Humphrey, 1985), and because even those at the bottom of status hierarchies internalize their positions and believe them to be appropriate (Jost and Banaji, 1994).

Yet scholars have long acknowledged that status hierarchies are associated with unique pressures and perils (e.g., Merton, 1968; Braudy, 1986; Cowen, 2000), and the media regularly chronicle spectacular ''falls from grace'' in domains as varied as sports (e.g., Lance Armstrong, Joe Paterno), religion (e.g., Jimmy Swaggert, Jim and Tammy Baker), business (e.g., Bernie Ebbers, Dennis Kozlowski), and government (Dan Rostenkowski, John Edwards). Falls from grace occur when an actor suffers a downgrade of position and esteem, typically because of accusations of misdeeds. Falls from grace can bring with them public rebuke, the loss of many benefits that are associated with a status position, a temporary or permanent expulsion from the status ordering, and even legally sanctioned retributions. Rapid falls from grace are theoretically interesting because they provide important evidence that the stability of status cannot be taken for granted and that even privileged positions at the top of status hierarchies are more socially complex than is often assumed.

Although all but those occupying the lowest positions in a status hierarchy can experience a loss in status, elite falls from grace provide a particularly ''. . . compelling, gripping story line for audiences'' (Adut, 2008: 22). In this paper, we examine the possibility that falls from grace might even be differentially prevalent among high-status elites. This possibility is consistent with Bothner, Kim, and Smith's (2012) argument that prior research has exaggerated the stabilizing effect of high status and that a more complete understanding of high status requires that we also examine the possible hazards that might be associated with it. As Chen et al. (2012: 301) observed, ''. . . whereas past research tends to focus on the benefits and advantages of status, much less attention has been paid to the downside of status attainment.'' In the present research we explore the hazards that initiate elites' falls from grace. By hazard we mean potential dangers or risks facing elites that can imperil their privileged positions.

We assess two such hazards in this study. The first, elite opportunism, is the tendency for high-status actors to over-exploit their advantage through self-interested activities that eventually undermine their position and perhaps even violate social norms or legal strictures. The second, elite targeting, occurs when elites are more scrutinized than non-elites for the same behaviors and are held to higher standards of conduct. Opportunism and targeting involve different

social processes, different practical recipes for avoiding falls from grace, and different remedies when falls from grace occur. It thus seems theoretically useful to enquire about whether, and how, these two processes act singly or in combination to influence elites' outcomes. Unfortunately, the scholarly literature is unclear in this regard, given that prior research has either conflated opportunism and targeting or has focused on one to the exclusion of the other. Assessing both hazards simultaneously seems theoretically informative. Our study addresses this gap in the literature by disentangling the relative influence of opportunism and targeting more explicitly than has been accomplished in prior research.

To do so, we take advantage of an unexpected discontinuity in a governmental bureaucracy to measure both an individual's propensity toward opportunistic behavior as well as the repercussions of such behavior. Our empirical context is a highly publicized organizational scandal that arose during May 2009 from the unexpected release of confidential expense claims made by members of the House of Commons of the British Parliament (MPs). We examine whether MPs with higher social status were more likely to abuse the expense system and/or were more likely to suffer negative repercussions for their expense claims. We also assess the role of press coverage in determining MPs' outcomes. Scholars have theorized scandals as being deeply intertwined with the dynamics of media attention (e.g., Thompson, 2000; Fine, 2001; Adut, 2005; Wiesenfeld, Wurthmann, and Hambrick, 2008). In this study, we investigate whether the scandal's press coverage was influenced by the status of MPs and whether such coverage affected social reactions to MPs' expense disclosures.

THE BENEFITS AND HAZARDS OF HIGH STATUS

The concept of status is embedded in a nexus of constructs that includes reputation, visibility, legitimacy, and celebrity. These constructs are complex and overlapping, and each has generated a large scholarly literature, including a number of recent reviews and discussions (e.g., Gould, 2002; Washington and Zajac, 2005; Deephouse and Suchman, 2008; Lange, Lee, and Dai, 2011). Following Deephouse and Suchman (2008), we define status as a socially constructed ranking of social actors based on the esteem that each actor claims by virtue of his or her position in a group characterized by distinction or worth. Status thus acts as an individuating attribute that sets an actor apart, with different status positions being associated with different levels of social esteem, deference, and valuation (Deephouse and Suchman, 2008).

Much research has identified the benefits accruing to high-status actors. At the individual level, high status has been associated with perceptions of greater competence (e.g., Darley and Gross, 1983) and leadership abilities (e.g., Sande, Ellard, and Ross, 1986), higher compensation (Wade et al., 2006; Graffin et al., 2008; Malmendier and Tate, 2009), more opportunities in the labor market (e.g., Khurana, 2002; Graffin et al., 2008), and lower stress and better health (Sapolsky, 2004). At the organizational level, high status enhances performance and survival rates (Baum and Oliver, 1991; Rao, 1994), lowers the chance of bankruptcy (D'Aveni, 1990), increases attractiveness to exchange partners (Podolny, 1994), and provides for greater competitive bargaining power (e.g., Benjamin and Podolny, 1999).

Despite these benefits, writers, scholars, and statesman throughout the course of history have readily acknowledged the hazards that accompany elite status (e.g., Braudy, 1986). In *Politics*, for example, Aristotle (2006: 126) highlighted Thrasybulus's political advice to the Greek tyrant Periander ''. . . to take off the tallest stalks, hinting thereby, that it was necessary to make away with the eminent citizens.'' In science, Merton (1968: 57) noted that as elite scientists become increasingly renowned, ''more and more is expected of them,'' such that their high status magnifies pressures to produce even greater results in the future.

History provides much anecdotal evidence for the hazards of high status. Meijer (2001) noted that Roman emperors were among the most elite and powerful humans on earth, yet their lives were continually under threat. Of the twenty-one emperors who ruled Rome during AD 235–284, for example, only one died of natural causes. Similarly, before modern technologies allowed a separation of command personnel from the front lines of warfare, military officers suffered higher casualty rates than rank and file soldiers. Fox (1889: 38) tabulated officers' deaths during the U.S. Civil War and concluded that ''. . . any soldier, no matter how poor a marksman, would turn his rifle on any conspicuous man in the opposing ranks whose appearance indicated that he might be an officer.'' More recently, the business media has chronicled many dramatic cases of star chief executive officers (CEOs) being summarily dismissed from their jobs. For instance, Tyco's Dennis Kozlowski was convicted for misappropriating company funds. When interviewed outside his jail cell in 2009 and asked if he had any regrets, Kozlowski remarked, ''I should have been content with far more modest growth in the company. With staying off of the radar . . . and to be a more pedestrian CEO . . . I don't think there were any rewards, only penalties, associated with getting on everybody's radar. . .'' (Hossli, 2009: 1).

Kozlowski was among those CEOs who were included in Neff and Citrin's (1999) list of the fifty best business leaders in the U.S. during the 1990s. By 2009, more than one-quarter of those fifty executives had been fired from their job because of criminal prosecutions, shareholder revolts, and/or because they had led their company into decline. Curious about whether these cases were indicative of a more general phenomenon, we examined the career histories of CEOs who won ''CEO of the Year'' awards from major business periodicals during 1999–2004 and compared their rate of falls from grace with a random sample of CEOs who did not win any awards. Table 1 shows that a CEO's likelihood of experiencing a fall from grace increased proportionately with the

Table 1. Elite CEOs' Falls from Grace*

CEO of the Year Awards	Falls from grace	Total CEOs	Percent fallen
0	8	100	8.0%
1–2	48	674	7.1%
3–4	13	91	14.3%
5+	8	28	28.6%
Neff and Citrin's (1999) list	13	50	26.0%

* CEOs' falls from grace were defined as involuntary terminations, being indicted within two years of leaving the job, and/or being a CEO while leading the company into bankruptcy.

number of awards won during his or her time at the helm. In all, 28 percent of superstar CEOs who won five or more awards eventually became fallen CEOs. This may be why some have provided elite business leaders with advice on rebounding from reversals of fortune (e.g., Sonnenfeld and Ward, 2007).

Explaining Status Hazards

In general, two sets of social processes have been invoked to explain the hazards of high status. On the one hand, some have suggested that high-status positions encourage elites to engage in overly opportunistic activities that advance their self-interests yet eventually threaten their position. For example, research suggests that elite CEOs are prone to a sense of invulnerability and feelings of entitlement (e.g., Hayward and Hambrick, 1997; Hayward, Rindova, and Pollock, 2004; Hiller and Hambrick, 2005). This entitlement is associated with overconfidence and hubris, which encourages excessively optimistic entry into new markets (Camerer and Lovallo, 1999), investment in riskier projects (Hirshleifer, Low, and Teoh, 2012), overpayment for acquisitions (Hayward and Hambrick, 1997), the pursuit of ''pet projects'' (Malmendier and Tate, 2005), and the manipulation of a firm's earnings statements (Malmendier and Tate, 2009). Others have suggested that elites feel less constrained by behavioral norms (Phillips and Zuckerman, 2001) and are given the benefit of the doubt when deviating from such norms (Posner, 2000; Hayward, Rindova, and Pollock, 2004). Phillips and Zuckerman (2001) found, for example, that high-status law firms were more likely to diversify into low-status practice areas than their middle-status counterparts because high-status firms felt less pressure to conform to prescriptions for appropriate behavior. Piff et al. (2012) showed that, relative to lower-status individuals, social elites were more likely to break the law while driving, take valued goods from others, cheat in order to win a prize, and endorse unethical behavior at work. Similar results were obtained at the organizational level by Mishina et al. (2010), who found that high-status manufacturing firms were more likely to commit corporate crimes than their lower-status peers.

Other research suggests, however, that elites are targeted with greater scrutiny and judged more stringently for *any* self-interested behavior. One of the consequences of high status is the intensity of public attention that it generates (e.g., Gamson, 1994; Sutton and Galunic, 1996; Adut, 2008). Gamson (1994) described the fascination with elites as a hunt with rules akin to the quest for big game. Cowen (2000: 132) noted that attempts to evade scrutiny may be self-defeating for high-status actors, because ''the more a star seeks privacy, the greater the demand for information about his or her mysterious and reclusive personality.'' Research investigating the press coverage of elite CEOs supports these arguments. Hamilton and Zeckhauser (2004) found that press coverage of CEOs was highly skewed, with 20 percent of CEOs generating 80 percent of all coverage.

Moreover, Merton (1968) suggested that elites trigger a double injustice that amplifies public scrutiny. Not only do established elites garner greater recognition and resources than they often deserve, non-elites garner less than they sometimes deserve. This disparity in deservingness sets elites up for retribution and rebuke. Feather (1998) argued that elites are often subject to the ''tall poppy syndrome,'' a social dynamic that leads lower-status actors to

undermine and devalue higher-status actors. Feather (1998: 749) defined a tall poppy as someone ''who has achieved conspicuous success and stands out by virtue of their social ranks.'' Feather found that if observers question the deservingness of an elite's high status, they enjoy cutting the tall poppy down to size.

The targeting of elites takes many forms. Wade et al. (2006) found that star CEOs were subject to higher pay-performance sensitivities such that they were paid more than non-star CEOs when their firms performed well but were also paid less when their firms did poorly. Rhee and Haunschild (2006) argued that product recalls by high-status automakers violate buyers' expectations about quality and thus receive more media attention than recalls by lower-status automakers. Similarly, Cole (2007) argued that elite investment banks incur more regulatory scrutiny because their transgressions attract more media coverage than those of lower-status banks. Fragale et al. (2009) found that subjects were more likely to attribute tax underpayments by elite actors to self-interest when compared with non-elites. These attributions then elicited recommendations of greater punishment for elites' behavior. Similarly, Giordano (1983) theorized that high-status actors are subject to higher standards, such that even relatively small behavioral violations make them subject to higher levels of accountability.

While prior research is explicit regarding the two possible hazards for high-status actors, it is limited in important respects. In particular, researchers have found it difficult to disentangle the relative impact of each hazard. This opens up the possibility that what is often considered to be elite opportunism is actually targeting, or vice versa. Fragale et al. (2009) held self-interested behaviors constant across experimental status conditions and subjects *imputed* opportunism among high-status actors. In situations that evolve over time, it is easy to see how targeted imputations of opportunism and actual opportunism can become co-mingled. In the Dennis Kozlowski case, for example, Moyer and Reeves (2005: 1) summarized Kozlowski's conviction by noting, ''Kozlowski once defined corporate excess with a Greco-Roman-style bash on Sardinia.'' Kozlowski, in contrast, explained the Sardinian feast as routine entertainment for company business partners. Later he attributed his jail sentence to scapegoating by arguing, ''I think I'm here simply because of the times. People lost money in the stock market in 2001 and 2002. Somebody had to be blamed for that'' (Hossli, 2009: 1).

A major reason for conflating elite opportunism and targeting has been the difficulty of assessing actual opportunistic behavior. Giordano (1983) argued that elites' transgressions are often complex, with multiple meanings, and they typically occur in bureaucratic contexts that are shielded from public view. Wheeler, Weisburd, and Bode (1982) noted that high-status actors have the resources to conceal, deny, and rationalize their opportunistic activities. Thus only the most egregious and self-evident transgressions of elites might become public knowledge. In addition, monitoring mechanisms seem to be tuned to the transgressions of elites. As Adut (2008: 21–22) pointed out, ''The mere fame of someone who has purportedly perpetrated a peccadillo will . . . often be sufficient to spur massive publicity.'' Thus what appear to be obvious instances of acute opportunism by elites may, in fact, be outcomes of selection biases that skew the detection, reporting, and prosecution of elites' behavior toward opportunistic interpretations.

These selection biases are theoretically problematic because they make it difficult to disentangle the ways in which elites' opportunism and targeting may produce falls from grace. In particular, some of the mechanisms that have been posited to encourage elites' opportunism, such as less intense scrutiny and weaker norm enforcement, seem inconsistent with the social processes that are involved in targeting, such as higher audience expectations and greater scrutiny. These incompatibilities hint that opportunism and targeting may be inversely related or that one process dominates in shaping elites' outcomes in any given context. Alternatively, opportunism and targeting could be additive in their effects, implying that elites are more likely to commit transgressions and are also held more accountable for their transgressions when they occur. As it now stands, the organizations literature begs the question of how opportunism and targeting jointly or singly induce elites' falls from grace. What is required is an empirical context in which the normal bureaucratic filters shielding trans-gressions from public view are removed, such that these transgressions can be independently assessed for every actor involved.

Elite Falls from Grace in the British Parliament

The parliamentary expense scandal of 2009 unfolded in a way that helps to overcome the limitations of prior research. British MPs can claim reimburse-ments for personal expenses related to serving in Parliament. One category of expenses is the Additional Costs Allowance (ACA), also known as the second-home allowance. The ACA reimburses MPs for expenses incurred while resid-ing away from their primary home during parliamentary sessions in London. Although aggregated expenses for MPs had been publicly available since 2004, MPs' reimbursements for specific expense items were withheld from public disclosure, and MPs expected that this would continue at least into the near future.

The scandal began when a British newspaper, the *Daily Telegraph*, unex-pectedly came into possession of a computer disk that contained images of all itemized expense claims for every MP during the previous five years. Beginning in May 2009, the *Daily Telegraph* published details of MPs' second-home expense claims. Ultimately, an image of every claim submitted from 2005 to 2009 was posted on the *Daily Telegraph*'s website. It was revealed that some MPs were using ACA funds to pay for horse manure, pornogra-phy, a duck house, and ''moat cleaning.'' The more egregious violations included interest payments on mortgages that had already been paid down, extravagant home renovations, and second homes that were ''flipped'' for profit. The outcry was immediate and intense and was described as ''a tidal wave of public fury'' (Winnett and Rayner, 2009: 173). Fine (2001) argued that scandals occur when two different value systems come into contact. In the parliamentary expense scandal, the clubby bureaucracy managing MPs' reimbursements was exposed in the raw to British citizens who were paying the bill. Prime Minister Gordon Brown later noted that the release of the expense documents resulted in ''the biggest parliamentary scandal for two centuries'' (Viner, 2009: 16).

The British government quickly convened the House of Commons Members Estimate Committee to review ACA expenses for all MPs and request repay-ment when expenses were deemed inappropriate. Sir Thomas Legg, a retired

official within the U.K. government, was appointed to oversee the audit team. The final report recommending repayments by MPs was released in February 2010. Legg's remit was ''to conduct an independent review of all claims made by Members of Parliament (except those who have since died) for the Additional Cost'' (*Legg Report*, 2010: 8). Coincidentally, a constitutionally mandated general election was held in May 2010. Voters in the election ousted the longstanding Labour government, which was replaced by a coalition of Conservatives and Liberal Democrats. More importantly, about a third of sitting MPs left Parliament through resignation, retirement, or electoral defeat. The central question in our research is whether high-status MPs were disproportionately represented among those who left Parliament because of the expense disclosures. Further, if elite turnover was more probable than non-elite turnover, was it elite opportunism, elite targeting, or both that produced this outcome? And how did press coverage influence these effects?

Three recent studies on the 2009 expense scandal by political scientists are informative (Eggers and Fisher, 2011; Pattie and Johnston, 2012; Vivyan, Wagner, and Tarlov, 2012). Using data from the 2010 British Election Study, both Pattie and Johnston (2012) and Vivyan, Wagner, and Tarlov (2012) reported that over 90 percent of British voters surveyed just before the 2010 election were aware of the expense scandal. Pattie and Johnston also reported that almost 90 percent of respondents were angry about MPs' expense improprieties, that 70 percent felt that MPs implicated in the scandal should resign, and that implicated MPs were, indeed, more likely to resign prior to the election. All three studies found a modest but statistically significant detrimental effect on the electoral results for MPs implicated in the scandal. Unfortunately, none of these studies examined the role of status in determining MPs' outcomes.

Opportunism as an explanation for disproportionate turnover of elite MPs implies three separate empirical expectations in this context. First, inappropriate ACA expenses (i.e., requests by the Legg Committee to repay already reimbursed ACA expenses) should lead to increased turnover of MPs as a baseline effect. Without this base effect, opportunism as an explanation for MPs' turnover is implausible. Second, opportunism implies that elite MPs had higher inappropriate ACA expenses than their non-elite counterparts. Elite opportunism assumes feelings of entitlement, and elite MPs should have felt more entitled to exploit the system by claiming more inappropriate expenses. Unlike corporate contexts in which multiple governance mechanisms are employed to monitor and safeguard against opportunistic behaviors, the parliamentary context has no such monitoring mechanisms (Mancuso, 1995). Thus to the extent that elites felt entitled to exploit the system, few formal mechanisms existed to limit their ability to do so. Third, opportunism does not simply imply that elite MPs differentially exploited the ACA system but also that their misappropriations increased their likelihood of turning over. In other words, misappropriations should have mediated the relationship between elite status and parliamentary turnover. Taken together, these expectations imply the following hypotheses regarding opportunism:

Hypothesis 1a (H1a): Relative to low-status MPs, elite MPs claimed more inappropriate ACA expenses.

Hypothesis 1b (H1b): Claiming more inappropriate ACA expenses increased the likelihood of MPs' turnover in or before the 2010 parliamentary election.

Hypothesis 1c (H1c): Inappropriate ACA expenses mediated the relationship between MPs' status and turnover in or before the 2010 parliamentary election.

Evidence for targeting in this context exists if elite MPs were simply held more accountable for their expense claims than their lower-status counterparts and thus were disproportionately punished for any level of ACA misappropriation. One would expect that observers reacted more negatively to ACA misappropriations by elite MPs than they did to similar misappropriations by lower-status MPs. A targeting account thus suggests an interaction between inappropriate ACA expenses and MPs' status, implying the following hypothesis:

Hypothesis 2 (H2): The relationship between inappropriate ACA expenses and MPs' turnover was stronger for high-status MPs.

The Role of Press Coverage on Elites' Falls from Grace

We also explored the effect of the press coverage of the scandal in producing any differences in the outcomes of elite and non-elite MPs. Prior research has acknowledged the contribution of the general media in both inciting public scandals and in shaping their dynamics over time (e.g., Thompson, 2000; Fine, 2001; Adut, 2005, 2008; Wiesenfeld, Wurthmann, and Hambrick, 2008). Adut (2005) argued that both the costs of coordinating hearsay evidence across informal networks and concerns about unpredictable negative externalities damaging the reputation of innocent bystanders are often sufficient to discourage community members from disclosing scandalous transgressions on their own. According to Adut (2005: 219), scandals occur only when ''disruptive publicity'' eliminates coordination costs and thrusts a transgression onto an observing community. Thompson (2000) suggested that, particularly in political scandals, transgressions become public mainly through the broadcasting effect of media coverage. According to Thompson, political scandals are thus ''mediated events'' shaped by media coverage over time.

In the British context, a few national newspapers dominate coverage of governmental politics (Ladd and Lenz, 2009). One of these, the *Daily Telegraph*, was the key mediator in the MP expense scandal. In effect, any citizen could examine the details of an MP's expense history, and the newspaper actually encouraged citizens' scrutiny. This reduced the search costs for information about MPs' expenses and created a national stage for discussions about any MP's reimbursements. In Thompson's (2000: 62) terms, an MP's expense history moved from ''local publicness,'' characterized by ad hoc conversations across face-to-face networks, to ''mediated publicness'' that injected an MP's reimbursements into an interactional dynamic far removed from the MP's personal circumstances.

Status positions weigh heavily in the transition from local to mediated interactions by drawing attention toward high-status actors and away from others. Media outlets capture readers by moving elites to center stage in their reports. Adut (2005: 219) observed that ''with or without fame, high status draws forth an unfixed farrago of fascination, identification, and resentment from others.'' Adut (2005) further suggested that the publicity of elites' transgressions

generates ''contaminations'' that diffuse out from elites and threaten other individuals. In this way, media attention insinuates itself into the interactional dynamic of scandals in ways that go beyond the reduction of coordination costs.

The *Daily Telegraph* made it possible for constituents to examine their local MP's financial affairs and express their satisfaction or dissatisfaction with their MP through face-to-face conversations and/or by voting in the 2010 election. Hypotheses 1 and 2 predict that greater opportunism and/or social targeting of high-status MPs influenced these decisions. Over and above these direct effects of status on MPs' turnover, however, are the possible indirect effects on turnover that might have been generated by differential press coverage of parliamentary elites. One clear prediction from the literature is the following hypothesis:

> **Hypothesis 3a (H3a):** High-status MPs received more scandal-related press coverage during the course of the expense scandal than low-status MPs.

If hypothesis 3a holds, one can enquire whether the differential press coverage of elites' expense claims had any independent effect on the fates of high-status MPs. First, Vivyan, Wagner, and Tarlov (2012) found that voters were generally aware of their MP's transgressions, but this awareness was not universal. Press coverage over and above the disclosure of expense claims provided more opportunities for voters to become informed. Second, not all ethically questionable claims were technical violations of parliamentary rules, and the press played an active role in embedding MPs' expenses within broader social conversations about the morality of MPs' expenses. If hypothesis 3a holds, elite MPs would have been a particular focus in these moral compassing conversations. Both possibilities suggest the following hypothesis:

> **Hypothesis 3b (H3b):** Scandal-related press coverage mediated the relationship between MPs' status and turnover in or before the next election.

Figure 1 summarizes our proposed hypotheses. An advantage of our research context is that we can gather evidence to distinguish between a number of possible patterns of effects involving opportunism and targeting. Opportunism (H1a–1c) would be supported if higher-status MPs had more inappropriate ACA expenses and if these expenses led to a higher probability of exit from Parliament. H1 implies the three effects labeled in figure 1, including the indirect effect of status on turnover through inappropriate ACA expenses (H1c). Targeting (H2) would be supported if the effect of inappropriate ACA expenses on turnover is stronger for MPs of higher status. Targeting would also garner some support from an indirect effect of status on turnover through increased media coverage of the scandal (H3a–3b). Opportunism and targeting would both be supported if all of the labeled paths are significant or if the paths representing H1and either H2 or H3 are significant. In this regard, H1 and H2 jointly imply a direct effect of inappropriate ACA expenses on turnover as well as a significant interaction between inappropriate ACA expenses and status on turnover. Finally, though we do not hypothesize a direct effect of MPs' status on turnover, our analysis will provide evidence that bears on this issue. One possibility is that status acted as a buffer that lowered the probability of MPs' turnover, all other factors held constant. Alternatively, high-status MPs might have

Figure 1. Path model representing hypothesized causal relationships.*
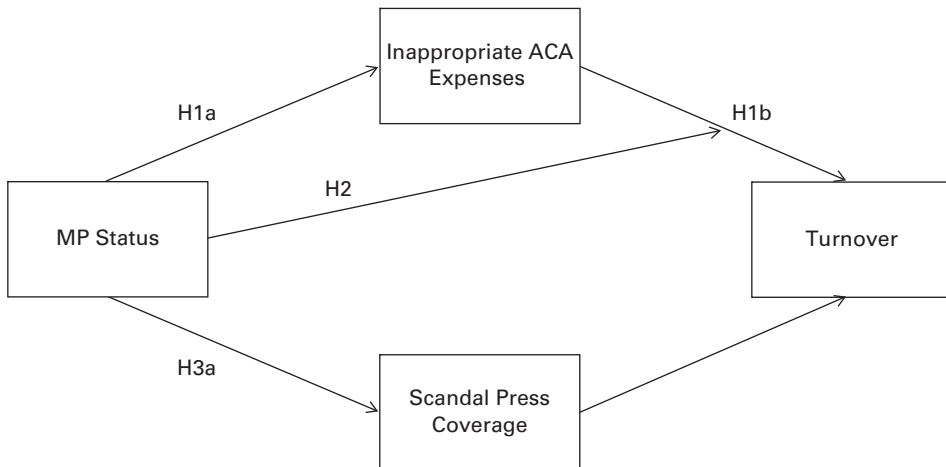
* H1c = Indirect effect of MP Status → Inappropriate ACA Expenses → Turnover.
H3b = Indirect effect of MP Status → Scandal Press Coverage → Turnover.

been held more accountable for the whole affair, regardless of individual culpability, leading to a higher probability of exiting Parliament as a result.

METHODS

Sample

Our sample consisted of all MPs serving in the 54th House of Commons of the British Parliament who were incumbents through the 2009 disclosure of parliamentary expense records. This included 632 MPs elected at the start of the session in 2005 and 12 replacement MPs elected via ''by-elections'' held after 2005 and before May 2009 to replace deceased or otherwise incapacitated members. Accounting for constituency vacancies, data were available for 644 MPs.

We used a variety of sources to construct our dataset, including parliamentary expense records, the House of Commons *Weekly Information Bulletin*, the *Parliamentary Register of Interest*, official parliamentary records and reports, including the *Legg Report*, data collected by the independent *Westminster Parliamentary Record* and the *Public Whip*, public election records, *LexisNexis, UK Nationals*, and the *Guardian* and *Daily Telegraph* newspapers.

Dependent Variables

Legg repayment. This variable serves as our measure of inappropriate ACA expenses and captures the amount of ACA expenses an MP was asked to repay by Thomas Legg's audit team. Repayment is a continuous variable transformed into its natural logarithm because of a skewed distribution. Fifty-four percent of MPs in our sample were asked to repay some amount. The Legg audit began in May 2009, and repayment amounts were officially released to the public in the *Legg Report* during February 2010. Our use of the *Legg Report* to measure inappropriate ACA expenses is consistent with arguments in the literature that misconduct is ''behavior in or by an organization that a

social-control agent judges to transgress a line separating right from wrong''
(Greve, Palmer, and Pozner, 2010: 56).

Scandal press coverage. We assessed an MP's scandal press coverage by
counting the published articles associating the MP with the expense scandal. We
used the *LexisNexis Academic* search engine and the *UK Nationals* database,
which consists of the top sixteen newspaper publications in the U.K. These
included the *Daily Mail*, the *Daily Telegraph*, the *Sunday Times*, and the *Times*,
among others. We also included two Scottish newspapers: the *Scotsman* and
Scotland on Sunday. Our search criteria required that an MP's first and last name
appear in an article with either the word expense or scandal. Assistants reviewed
each article and excluded any that were unrelated to the expense scandal. We
logged this variable to test our hypotheses. In a supplementary analysis, dis-
cussed below, we split our media variable into two count variables (pre- and post-
Legg) based on the February 2010 release of the *Legg Report*.

Turnover. This variable measures MP turnover in and before the 55th parlia-
mentary election and took a value of one if the MP did not retain his or her seat
after the election, and zero otherwise. Our measure includes instances in which
an MP stood for re-election and lost as well as instances of pre-election turnover
via resignation or retirement. Groseclose and Krehbiel (1994) suggested that the
''retirement'' of political officials is often strategic because individuals can
remove themselves from office prior to an election to avoid an inevitable defeat.
Thus retirements and electoral defeat are confounded, particularly in scandals.
As Highton (2011: 432) wrote, ''. . . election loss and retirement produce the
same effect: incumbent replacement. If retirement is caused by the same
forces as election loss, then the goals of electoral competition may be realized.''

To examine the validity of our binary turnover variable, we constructed a
Heckman two-stage probit model to explore the possibility that turnover by
retirement and turnover by electoral defeat are influenced by different pro-
cesses. Our first-stage model predicting retirement included a number of covari-
ates, such as redistricting, constituency characteristics, and ''honours,'' one of
our measures of status. We then estimated a second-stage electoral turnover
model using the inverse Mills ratio as a control. The inverse Mills ratio repre-
sents the selection hazard for the treatment and removes potential bias due to
sample selection (Hamilton and Nickerson, 2003). The inverse Mills ratio was
not significant in the second stage, which suggests that the processes that
determined the decision not to seek re-election are similar to the processes that
led to electoral defeat, once the instrument is accounted for in the models
(Heckman, 1979). This analysis supports using a binary turnover variable.

Independent Variables

MP status. Stratification researchers have recognized that actors are
embedded in multiple status systems and that status is a multidimensional
construct (e.g., Barber, 1968; Chan and Goldthorpe, 2004). While being a mem-
ber of the House of Commons is itself a high-status position in British society,
individual MPs differed significantly in their positions within other status sys-
tems of relevance to life in the United Kingdom and Parliament. We con-
structed variables that measured this variation across two different status
systems.

Our first measure of status denotes whether an MP received ''honours'' prior to the 54th election. The British honours system exists ''to enhance the prestige of those in authority, to recognize personal valor, [and] to acknowledge outstanding artists and scientists. . .'' (De-la-Noy, 1985: 37). In describing the honours system, De-la-Noy (1985: 28, 40) noted that it is based ''partially on reward for services rendered, partially on a desire to create a ruling elite'' and that beneath the monarchy, the honours system, ''forms the apex of the pyramid of precedence'' in British society. The exclusivity of honours is reinforced by the fact that only one-fifth of 1 percent of British citizens holds some form of honours (De-la-Noy, 1985).

Any British citizen can be nominated for honours, and a committee chooses the nominees who are presented to the Queen by evaluating nominees' accomplishments and credentials in various social domains (De-la-Noy, 1985). While many levels and types of honours exist, we focused on the most visible honours. These include pre-nominal titled honours, or the presence of a title preceding an MP's surname, such as Sir or Dame, and post-nominal lettered honours, or the presence of letters following an MP's family name, such as MBE (Member of the Most Excellent Order of the British Empire) or CBE (Commander of the Most Excellent Order of the British Empire). While receiving any form of honours indicates elite status in the U.K., pre-nominal honours are the most prestigious. Consistent with the hierarchal nature of honours, we used a variable taking a value of one if an MP had post-nominal letters, two if the MP had pre-nominal honours, and zero otherwise. In our sample, 7 percent of MPs held honours.

Our second measure of status is the positional status of each MP within Parliament. Frontbench MPs are members of party leadership, with the term frontbencher denoting the fact that they sit on the front bench in the parliamentary chamber. This measure was gathered from the *Weekly Information Bulletin*, which publishes party leadership at the beginning of each parliamentary session. Frontbench leadership is composed of Labour, Conservative, and Liberal Democrat ministers and shadow ministers. Our variable is dichotomous, taking a value of one when an MP was a frontbencher, and zero otherwise. Eleven percent of MPs in our sample were frontbenchers.

Control Variables

Additional costs allowance (ACA) expenses. We controlled for an MP's total ACA expenses during the five years of the 54th Parliament. This measure is the natural log of the sum of ACA claims from 2005 to 2009.

Redistricting. Many constituencies were slated for redistricting at the conclusion of the 54th Parliament. To control for the potential effect of redistricting on an MP's turnover, we used a continuous index score compiled by Rallings and Thrasher (2009). The index is the sum of the number of electors leaving and joining the base of the new constituency, expressed as a percentage of the total electorate of the old constituency. An index score of 0 implies little change, while a score over 100 implies very substantial changes (Rallings and Thrasher, 2009).

Previous election margin. This variable measured the percentage of an MP's margin of victory in the 54th parliamentary election. Most British voters cast

ballots for the same party in sequential elections, and election margin captures this propensity (Powell and Whitten 1993). MPs with higher election margins may have been emboldened to engage in opportunism because of a safe seat. We used Rallings and Thrasher's (2009) notional 54th election margins, which are corrected for the 55th Parliament district changes. Notional margins attempt to identify what an MP's margin of victory in the 54th parliamentary election would have been if he or she had run in the redistricted version of his or her current constituency (see Rallings and Thrasher, 2009: 9–12). In separate analyses we also used non-adjusted margins and found substantively similar results.

Elite school. We controlled for an MP's attendance at an elite school for secondary and/or post-secondary education. We selected elite secondary schools based on the top ten schools attended by members of the 2011 *Who's Who* list, compiled by the *Guardian.* These schools were Eton College, Charterhouse School, Harrow College, Rugby School, Marlborough College, Westminster School, St. Paul's School, Ampleforth College, Stowe School, and Wellington College. We also constructed a second set of elite secondary schools using those originally chartered in the Public Schools Act of 1868, the oldest such schools in the country. The results and conclusions from our analyses using this list were identical to our analyses based on the *Who's Who* list, and thus we only report results for the latter. We also determined whether an MP attended Cambridge or Oxford University. This variable took on a value of two if an MP attended both an elite secondary school and Oxford or Cambridge, one if an MP attended an elite school at only one level, and zero otherwise.

Pre-parliamentary occupation. We captured an MP's pre-parliamentary occupation to control for an MP's socioeconomic standing upon entering Parliament. We gathered these data from the *Westminster Parliamentary Record.* Two coders used Chan and Goldthorpe's (2004) occupational coding scheme to assign scores to each occupation. This scheme measures the relative status of occupations within the United Kingdom using 31 categories. Occupations coded as 1 have the highest status (e.g., medical doctors and lawyers), while occupations coded as 31 have the lowest (e.g., factory laborers and refuse collectors).

Distance from London. We measured the distance, in miles, of an MP's constituency from Parliament. MPs living farther from Parliament likely had a greater need for ACA assistance. Because this variable had a skewed distribution, we transformed it into its natural logarithm.

Inner London constituencies. MPs representing Inner London constituencies are not eligible for second-home reimbursements because they live close to Parliament. We included a variable that took on the value of one if an MP represented an Inner London constituency, and zero otherwise. In alternate analyses, we reestimated our models with Inner London MPs removed from the sample. The results from this reduced sample were substantively similar to our analyses employing the Inner London variable, so we report only the latter.

Gender, age, and tenure. We included a variable that took on a value of one if an MP was female, and zero otherwise. Additionally, some observers suggested that the expense scandal may have been an excuse for voters to ''clean house'' and replace long-standing members of Parliament (e.g., Winnett and Rayner, 2009). We thus included an MP's age at the time of the 2010 election

and an MP's parliamentary tenure. Both of these measures were log transformed.

Party affiliation. To assess the party affiliation of each MP, we used two indicator variables, one for Labour and one for Conservative membership, with the omitted option representing all other parties (e.g., the Liberal Democratic Party, Scottish National Party, etc.).

Non-ACA expenses. We controlled for the total amount of non-ACA expenses for which an MP sought reimbursement during the 54th Parliament from 2005 through 2009. Non-ACA expense categories included staffing expenses, travel expenses, office supplies, and several other categories related to day-to-day spending. Like ACA expenses, we summed non-ACA expenses across 2005–2009 and transformed this amount into its natural logarithm.

Press coverage during 2005–2009. To control for an MP's general visibility prior to the scandal, we included a count of press articles that mentioned an MP by name from the beginning of the 54th Parliament to the day before the first published news of the expense scandal. This count variable was also transformed into its natural logarithm.

External positions. We used data from the *Westminster Parliamentary Record* to determine the number of external positions concurrently held by an MP in the military, non-governmental organizations, political party, public service, and private business employment sectors. These positions included board memberships, chairmanships, consultancies, and so forth. This variable measured the extent to which an MP was connected to outside social and economic interests. This position count was transformed into its natural logarithm.

Constituency characteristics. We controlled for a number of constituency characteristics. First, we included a variable measuring the population density of each MP's constituency to control for characteristics of urban versus rural constituencies. Second, we controlled for the percentage of constituents employed in managerial or professional occupations as a measure of the socio-economic prosperity of an MP's district. Finally, we included a measure of the unemployment rate for each constituency to control for the degree to which constituents may or may not have harbored economic resentment against MPs.

MP parliamentary activity. Voters may have used the scandal to rid Parliament of MPs who were no longer actively engaged in their duties. To control for this possibility, we counted an MP's membership on parliamentary select committees. Select committees exist to examine the work of government departments, administer day-to-day parliamentary business, and consider other important topical or geographical issues. Membership on one or more select committees suggests an MP was actively involved in the administration of Parliament.

MP by-election. Twelve MPs were elected through so-called ''by-elections'' held between the 2005 parliamentary election and May 2009 to fill seats that were vacated by MPs' retirements, resignations, and deaths. The by-election indicator was coded as one if an MP was elected in a by-election prior to May 2009, and zero otherwise.

Analytical Method

The expense scandal ordered our measured variables in a unidirectional temporal sequence as shown in figure 2. Acyclic sequences are ideally suited

Figure 2. Timeline of scandal and measured variables.
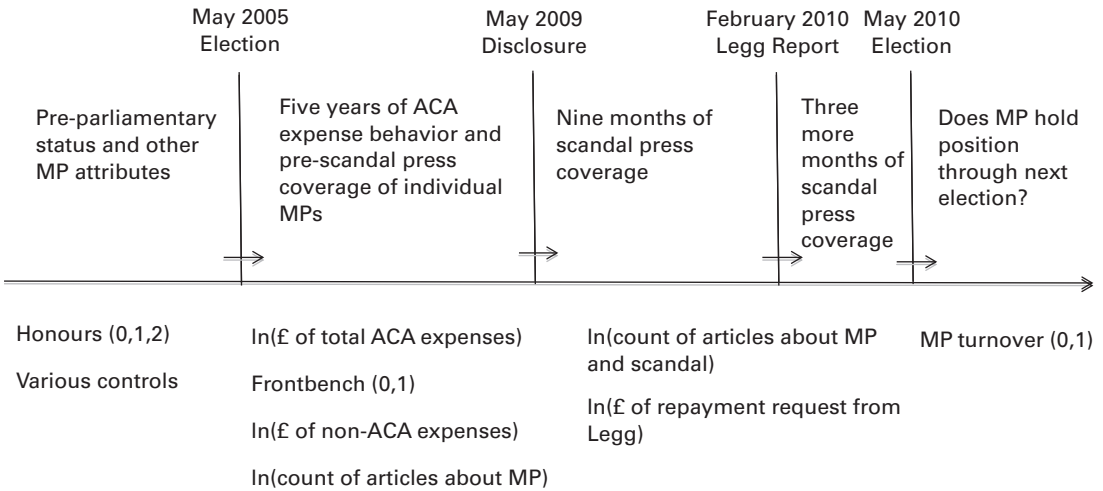
to path analytic models that estimate multiple bivariate, mediated, and inter-action effects simultaneously (e.g., Kline, 2011). To estimate the model shown in figure 1 above, we used measured path analysis in Mplus (Muthen and Muthen, 2011). In the model, our status and control variables are all exogenous, scandal press coverage and Legg repayment are mediating variables, and MP turnover is endogenous. We included interaction terms multiplying each status variable with Legg repayment to test hypothesis 2. Path analysis uses endogenous disturbance terms, or a composite variable that represents all unmeasured causes of the corresponding endogenous variable to control for error and other unmeasured fixed effects (Kline, 2011). We estimated our models using a maximum likelihood method utilizing a sandwich estimator to produce robust standard errors (Muthen and Muthen, 2011).

To test the hypothesized effects in figure 1, we simultaneously estimated the following equations for the two mediating variables:

$$Me_1 = \beta_{10} + \beta_{11}X_1 + \beta_{12}X_2 + \beta_{13}CV + \varepsilon_1 \qquad (1)$$

$$Me_2 = \beta_{20} + \beta_{21}X_1 + \beta_{22}X_2 + \beta_{23}CV + \varepsilon_2 \qquad (2)$$

Me_1 and Me_2 represent the mediating variables, scandal press coverage and Legg repayment. X_1 and X_2 represent honours and frontbench. CV represents the vector of control variables. We also estimated a third equation representing our full path model:

$$Logit(Y) = \beta_{30} + \beta_{31}X_1 + \beta_{32}X_2 + \beta_{33}X_1^*Me_2 + \beta_{34}X_2^*Me_2$$
$$+ \beta_{35}Me_1 + \beta_{36}Me_2 + \beta_{37}CV + \varepsilon_3 \qquad (3)$$

This equation included main effects, mediation effects, and the interaction effects of the status variables and Legg repayment on turnover, represented by Y. In addition to the hypothesized paths, we also allowed the mediator variables to co-vary in order to represent unmeasured common causes.

RESULTS

Table 2 provides descriptive statistics and bivariate correlations for all variables. Table 3 provides the results of the path analysis used to test hypotheses 1–3. The models in table 3 report partial path coefficients that were estimated by equations 1–3. The results of our path analysis for the hypothesized paths are shown graphically in figure 3.

Elite Opportunism and Targeting

Table 3 provides little evidence for greater opportunism by elite MPs. Hypothesis 1a predicted a positive relationship between an MP's status and the amount of his or her Legg repayment. This hypothesis was not supported. Neither of the status coefficients reported in model 1 of table 3 is positive and statistically significant. Hypothesis 1b predicted that the level of an MP's Legg repayment would be positively associated with turnover. Hypothesis 1b was also not supported. Legg repayment did not have a positive and significant coefficient in model 3. We also reestimated our path model omitting the interaction terms to test the unconditional effect of Legg repayment on turnover. These results were consistent with the results reported in model 3. Legg repayment did not have a positive and statistically significant impact on turnover. Hypothesis 1c predicted that Legg repayment mediated the relationship between MP status and turnover. Because there was no significant relationship in testing hypotheses 1a and 1b, hypothesis 1c is necessarily not supported.

Table 3 provides evidence for targeting of high-status MPs. Hypothesis 2 predicted that the relationship between inappropriate ACA expenses and MP turnover was stronger for high-status MPs. The status coefficients reported in model 3 indicate that the interaction effect between MP honours and Legg repayment on turnover was positive and significant ($p < .05$). Honoured MPs were punished more severely for their misappropriation of ACA funds relative to lower-status counterparts. At the same time, honours had a negative main effect on turnover, suggesting that, controlling for ACA misappropriation, honoured MPs were protected from turnover. The coefficient for the frontbench interaction was not statistically significant.

The negative main effect together with the positive interaction effect of MP honours on turnover indicates that elite MPs were subject to both hazards and benefits from high status. To examine the details of this joint outcome more thoroughly, we graphed the interactive and main effects of honours on turnover in figure 4, holding the other covariates in our model at their mean and zeroing out the non-significant interaction.[1] Figure 4 shows that the likelihood of

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[1] As an alternative to the interaction term, we also compared the Legg repayment effect within and across honoured and non-honoured MPs in a separate analysis (cf. Hoetker, 2007). Using various reduced sets of covariates to preserve degrees of freedom, we found that the Legg repayment coefficient was always positive and significant for honoured MPs ($p < .01$; N = 42) and not significant for non-honoured MPs (N = 602). For all specifications, Wald chi-square tests revealed that the coefficients were statistically different across these groups ($p < .01$). A Wald test also revealed that the two groups displayed equal residual variation in all specifications. These alternative results are consistent with the interaction analysis presented here. To test for the robustness of the interaction when quadratic effects were included, we estimated models with and without a quadratic term for Legg repayment. All interactions remained significant in models that included a quadratic term.

Table 2. Correlations and Descriptive Statistics (N = 644)*

| Variable	Mean	S.D.	1	2	3	4	5	6	7	8	9	10
1. Turnover	0.35	0.48										
2. Scandal press coverage†	82.62	234.67	.03									
3. Legg repayment†	1,832.66	5,023.21	.06	.21								
4. Honours	0.10	0.39	.00	.11	.07							
5. Frontbench	0.11	0.31	−.16	.37	.02	−.06						
6. Elite school	0.32	0.55	−.07	.18	.05	.12	.23					
7. Pre-Parliament occupation	7.65	5.55	.03	−.12	−.04	−.07	−.09	−.17				
8. ACA expenses†	78,230	33,091	.12	.07	.31	−.01	−.03	−.01	−.02			
9. Previous election margin	19.37	12.59	−.16	.14	.03	.04	.06	−.01	.05	.02		
10. Distance†	158.87	127.15	.07	.03	.20	−.01	−.03	−.15	.08	.61	.13	
11. Female	0.20	0.40	.09	−.02	−.02	−.02	.01	−.13	.01	−.07	−.07	−.08
12. Age†	56.29	9.23	.29	−.04	.10	.26	−.22	−.02	.12	.03	.15	.02
13. Tenure†	13.30	8.33	.25	.15	.16	.16	−.08	.11	.04	.19	.22	.02
14. Labour	0.54	0.50	.24	−.09	−.01	−.15	−.16	−.29	.18	.01	.17	.12
15. Conservative	0.30	0.46	−.22	.05	.07	.17	.02	.35	−.19	.02	−.08	−.27
16. Non-ACA expenses†	611,426	96,835	.02	.06	.05	−.06	.04	.05	−.03	.34	−.11	.02
17. Prior press coverage†	559.64	1,327.14	−.12	.76	.04	.05	.42	.18	−.11	−.07	.16	−.05
18. No. External positions†	6.32	10.12	−.10	.10	.06	.06	.01	.18	−.10	−.00	.03	−.07
19. Redistricting	16.89	24.08	.04	−.06	−.02	−.03	−.04	.00	.07	−.06	.14	−.11
20. Population density	18.41	22.14	−.07	−.03	−.20	−.01	−.04	−.10	.09	−.59	.05	−.57
21. % Managerial occupation	26.36	7.11	−.07	.04	−.11	.09	.12	.20	−.15	−.35	−.33	−.57
22. Unemployment rate	5.37	2.39	−.02	−.01	−.05	−.05	−.10	−.24	.16	−.16	.34	.10
23. Inner London	0.04	0.20	−.09	.00	−.19	.03	−.02	−.01	.03	−.63	−.01	−.55
24. No. Select committees	1.76	1.26	.09	−.20	.07	−.03	−.18	−.08	.04	.10	−.08	.06
25. By-election	0.02	0.14	−.01	−.07	−.05	.03	−.01	−.08	.06	−.27	.08	.04

Variable	11	12	13	14	15	16	17	18	19	20	21	22	23	24
12. Age†	−.05													
13. Tenure†	−.15	.63												
14. Labour	.22	.19	.11											
15. Conservative	−.18	−.09	.00	−.72										
16. Non-ACA expenses†	.03	.01	.29	.06	−.05									
17. Prior press coverage†	−.09	−.08	.12	−.10	.02	−.02								
18. No. External positions†	−.13	.03	.06	−.27	.25	.05	.17							
19. Redistricting	.07	−.00	−.00	.04	.00	.03	−.07	−.02						
20. Population density	.15	.06	−.01	.30	−.27	.02	.08	−.07	.18					
21. % Managerial occupation	.04	−.08	−.08	−.41	.43	.00	.07	.18	−.03	.15				
22. Unemployment rate	.10	.12	.01	.48	−.53	−.03	.06	−.17	.12	.50	−.58			
23. Inner London	.14	−.00	−.06	.09	−.07	.03	.10	.03	.09	.69	.30	.28		
24. No. Select committees	.04	.08	.05	.01	.02	.07	−.25	−.04	−.04	−.08	.05	−.18	−.08	
25. By-election	−.04	−.03	−.29	−.06	.01	−.81	−.02	−.04	−.05	−.03	.01	.01	−.03	−.05

* Unlogged mean and standard deviations are reported. All values $\geq$ |.08| are significant at $p \leq .05$.
† Indicates logged variable.

turnover increased across amounts of Legg repayment for honoured MPs, while the likelihood of turnover was relatively constant for non-honoured MPs. Honoured MPs with Legg repayments below the 74th percentile (N = 28) bene-fitted from their status with a lower likelihood of turnover. But honoured MPs were more likely to exit Parliament when their Legg repayment exceeded those of most other MPs (N = 14). For example, at the 90th percentile of all

Figure 3. Path model coefficients testing hypotheses 1–3.*
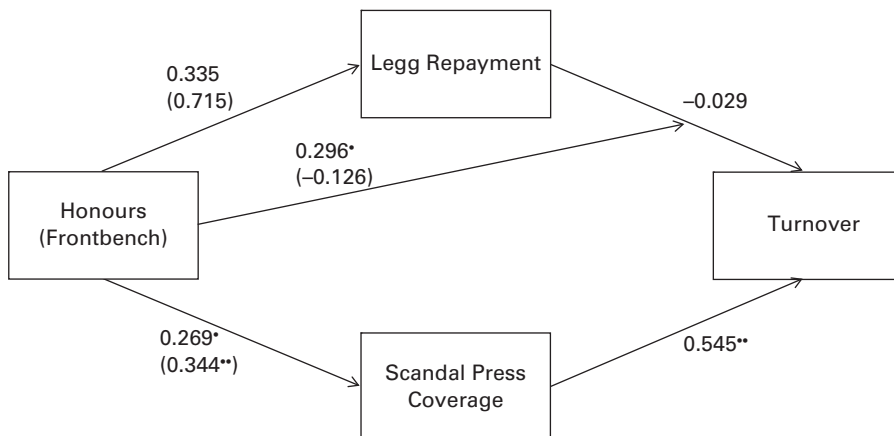
Indirect Effects
Honours → Scandal Press Coverage → Turnover = 0.147•
Frontbench → Scandal Press Coverage → Turnover = 0.188•
• $p \le$ .05; •• $p \le$ .01; two-tailed tests.
* Coefficients noted in parentheses are for the frontbench measure of status.

Legg repayments, non-honoured MPs had a likelihood of turnover of 23 percent. Comparable likelihoods for MPs with post-nominal and pre-nominal honours were 29 and 36 percent, respectively. When Legg repayments were most egregious (i.e., 99th percentile), MPs holding pre-nominal honours were nearly three times as likely to turn over as non-honoured MPs.

The Effect of Press Coverage

Table 3 also reports the results testing our press coverage hypotheses. Hypothesis 3a predicted that high-status MPs would receive more scandal press coverage. Honours ($p <$ .05) and frontbench ($p <$ .05) are positively and statistically related to scandal press coverage in model 2, supporting hypothesis 3a. Scandal press coverage was 71 percent greater for MPs with pre-nominal honours and 31 percent greater for MPs with post-nominal honours. Similarly, scandal press coverage was 41 percent higher for frontbenchers.

The analysis reported in table 4 tested whether the effects of MP status on turnover were mediated by scandal press coverage, as suggested by hypothesis 3b. We tested for mediation using the ''product of coefficients'' approach described by MacKinnon, Fairchild, and Fritz (2007) and Muthen (2011). In this approach, bivariate regression coefficients estimated via simultaneous equations are multiplied and the resulting product term is compared to a sampling distribution for significance. Mediated effects are demonstrated by a statistically significant product of the regression coefficients for the effect of the independent variable on the mediator and the mediator on the dependent variable. Bivariate direct effects are also estimated simultaneously. As a robustness check, we reanalyzed mediation using the ''distribution of product'' method, which corrects for potential non-normality of the coefficient products (e.g., Tofighi and MacKinnon, 2011), and our results and conclusions were substantively unchanged.

Table 3. Path Model Parameter Estimates (N = 644)*

Variable	Model 1 (DV = Legg repayment)	Model 2 (DV = Scandal press coverage)	Model 3 (DV = Turnover)
Previous election margin	−0.014	0.002	−0.054••
	(0.013)	(0.003)	(0.010)
Distance	0.205	0.036	−0.365•
	(0.205)	(0.054)	(0.157)
Female	0.286	0.224•	0.474
	(0.368)	(0.096)	(0.254)
Age	0.479	−0.072	2.911••
	(1.189)	(0.309)	(0.923)
Tenure	0.618•	0.108	1.052••
	(0.307)	(0.085)	(0.252)
Labour	0.635	0.075	0.443
	(0.461)	(0.107)	(0.348)
Conservative	1.133•	0.122	−2.009••
	(0.494)	(0.132)	(0.433)
Non-ACA expenses	−0.226	−0.036	−0.098
	(0.139)	(0.031)	(0.156)
Prior press coverage	0.112	0.758••	−0.447••
	(0.120)	(0.029)	(0.127)
No. External positions	0.168	−0.044	−0.077
	(0.127)	(0.036)	(0.088)
Redistricting	0.003	0.001	0.011•
	(0.006)	(0.001)	(0.004)
Population density	−0.005	−0.003	−0.028••
	(0.012)	(0.003)	(0.009)
% Managerial occupation	0.004	0.008	−0.006
	(0.035)	(0.009)	(0.027)
Unemployment rate	0.112	0.013	−0.035
	(0.114)	(0.025)	(0.078)
No. Select committees	0.203	−0.013	0.068
	(0.117)	(0.035)	(0.081)
Inner London	0.694	0.090	−0.111
	(0.621)	(0.229)	(0.965)
By-election	0.330	−0.531•	2.339
	(1.477)	(0.246)	(1.657)
ACA expenses	0.348••	0.043••	0.068
	(0.038)	(0.015)	(0.063)
Elite school	0.079	0.043	0.153
	(0.274)	(0.069)	(0.209)
Pre-Parliament occupation	−0.018	−0.006	−0.020
	(0.026)	(0.006)	(0.019)
Scandal press coverage			0.545••
			(0.121)
Legg repayment			−0.029
			(0.030)
Honours	0.335	0.269•	−2.142••
	(0.376)	(0.125)	(0.832)
Frontbench	0.715	0.344••	−0.505
	(0.504)	(0.130)	(0.705)
Honours x Legg repayment			0.296•
			(0.144)
Frontbench x Legg repayment			−0.126
			(0.115)

(continued)

Table 3. (continued)

Variable	Model 1 (DV = Legg repayment)	Model 2 (DV = Scandal press coverage)	Model 3 (DV = Turnover)
R^2	0.140	0.609	0.489
Log likelihood	−2845.164		
Wald chi^2	45.976••		

• $p \leq$ .05; •• $p \leq$ .01; two-tailed tests.
* Robust standard errors are in parentheses.

Table 4. Direct and Indirect Effects of MP Status via Scandal Press Coverage (N = 644)*

Status variable	Model 1 Direct effect	Model 2 Indirect effect via scandal press coverage
Honours	−2.142••	0.147•
	(0.832)	(0.073)
Frontbench	−0.505	0.188•
	(0.705)	(0.082)

• $p \leq$ .05; •• $p \leq$ .01; two-tailed tests.
* Robust standard errors are in parentheses.

Figure 4. Interaction of Legg repayment and honours on the predicted likelihood of turnover for all MPs.
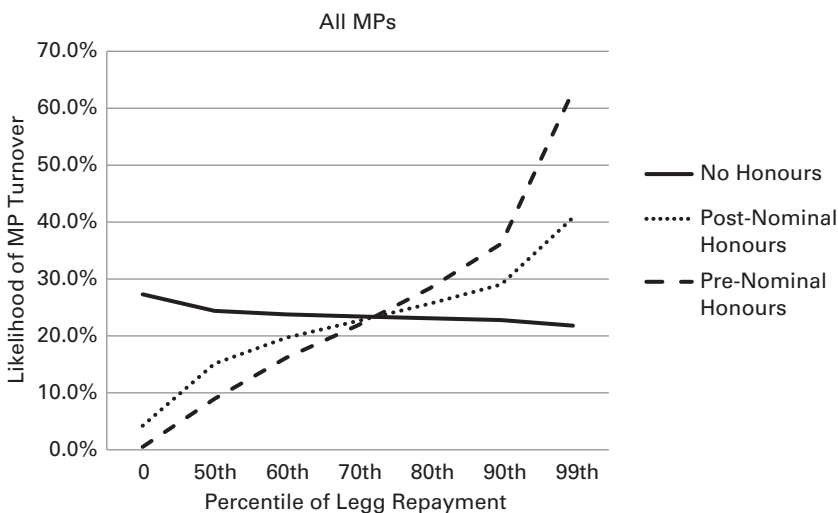
The results in table 4 provide support for hypothesis 3b. We tested the indirect effect of honours by multiplying the path coefficient from honours to scandal press coverage ($\beta = 0.269$) and the path coefficient from scandal press coverage to turnover ($\beta = 0.545$). This effect was significant ($p < .05$). Similarly, we tested the indirect effect of frontbench by multiplying the path coefficient from frontbench to scandal press coverage ($\beta = 0.344$) and the path coefficient from scandal press coverage to turnover ($\beta = 0.545$). This effect was also significant ($p < .05$). Taken as a whole, these results suggest that scandal press coverage fully mediated the effect of frontbench on turnover and partially mediated the effect of honours on turnover.

Supplementary Analyses

We conducted three additional analyses to explore and extend our primary findings. First, we wanted to ensure that our findings were not related to selection into status groups. Neither honours nor frontbench status positions were randomly assigned, raising the possibility that our findings are due to variables that both predict honours and frontbench status and influence MP turnover. We thus reanalyzed our data using propensity-score matching. Propensity score matching is a technique used to control for selection effects by comparing a sample of subjects who received a treatment with a matched sample of similar subjects who did not receive the treatment (Rosenbaum and Rubin, 1983; Guo and Fraser, 2010). A propensity score is a conditional probability of assignment to a treatment group that is estimated by regressing the treatment variable onto a set of plausible covariates. Based on these probabilities, treated and untreated subjects are matched for similarity in their propensity to receive treatment. In our case, matching allowed us to test the counterfactual condition of whether an MP who is otherwise similar to honoured or frontbench MPs yet is not honoured or a frontbencher would still be subject to the opportunism and/or targeting effects of high status.

We conducted separate propensity matched analyses for each of our status variables. For honours, we constructed an ordered logistic regression equation to predict the likelihood of receiving either post-nominal letters or a pre-nominal title using the following conditional variables: age, elite school, external positions, pre-parliamentary occupational status, select committee membership, and tenure. We also collected a new variable capturing whether the MP held a frontbench position prior to the 54th Parliament. Many of these conditional variables had statistically significant effects on the likelihood of receiving honors, with an overall pseudo R-squared of 0.21. Once the propensity scores were estimated, we then used the nearest-neighbor greedy matching technique (Guo and Fraser, 2010) to match, without replacement, each honoured MP with a non-honoured MP who had the closest predicted probability of receiving honours. This produced a sample of 84 MPs. Given the reduced sample size, we reestimated our theoretical models using separate regression equations, as we no longer had the statistical power necessary to estimate simultaneous equations. Comparing honoured MPs to matched non-honoured MPs produced results that were substantively the same as our path-analytic effects, with the honours by Legg repayment interaction continuing as a statistically significant predictor of MP turnover. Matching frontbench MPs with nearest-neighbor non-frontbench MPs in a similar way resulted in a sample size of 136. Once

again, our results and conclusions regarding the effects of frontbench status were substantively unchanged.

Although not hypothesized, in a second supplemental analysis, we explored the potential influence of scandal press coverage on the Legg audit team by unpacking its temporal ordering. We separated scandal media coverage into two variables: pre-Legg scandal press coverage, from when the scandal became public in May 2009 to the issuance of the *Legg Report* in February 2010, and post-Legg scandal press coverage, from February 2010 to the May 2010 election. We then reestimated our path model to include a path from pre-Legg scandal press coverage to the Legg repayment variable and a path from the Legg repayment variable to post-Legg press coverage. Both paths were positive and statistically significant ($p < .05$), suggesting that pre-Legg scandal press coverage influenced Legg repayment requests and that such requests influenced subsequent scandal press coverage. While pre-Legg press coverage was positively associated with post-Legg coverage ($p < .05$), only post-Legg press coverage predicted MP turnover ($p < .05$). The direct path from Legg repayment to turnover remained non-significant. We consider the implications of these findings in our discussion section.

In a final supplemental analysis, we examined whether MPs altered their expense behavior in the years leading up to the scandal. Pressure to disclose the MPs' expenses began as early as 2004, when a journalist submitted an open records request to the British government. Although parliamentary actions were successful in preventing detailed information from being divulged, there may have been a growing sentiment among MPs that some form of disclosure was imminent. Savvy and connected elite MPs may have altered their spending in anticipation of a disclosure. To test for self-monitoring, we constructed a panel dataset in which MP Legg repayments and ACA expenses were tabulated by year. We regressed annual expenses on sets of independent variables that included status, control variables, and period effects. We found no evidence that elite MPs were altering their expense behavior across the five years prior to the expense disclosure.

DISCUSSION

The 2009 MP expense scandal was sparked when transgressions deeply rooted in the parliamentary bureaucracy were disclosed to the press and public at large. The scope and depth of this disruptive publicity allowed us to compare elite and non-elite expenses using a common metric of inappropriate expense claims. Our results suggest that across a substantial range of expense repayments, elite MPs were not more likely to abuse the expense system and were less likely to exit Parliament. Elite MPs did attract more press coverage than non-elites, however, and this coverage made their exit from Parliament more likely. Moreover, honoured MPs were significantly more likely to exit Parliament for expenses considered egregious. Taken as a whole, our research provides little support for greater opportunism as an explanation for the misfortune of elite MPs and substantial support for the targeting of elites.

Particularly strong evidence for targeting is the significant interaction between Legg repayments and MP honours. On the one hand, as figure 4 showed, honoured MPs were much less likely to exit Parliament when they were not implicated in the scandal. On the other hand, the relationship

between Legg repayments and the likelihood of turnover was positive and stronger for elite MPs, and the buffering effect of status rapidly dissipated as the amount of required Legg repayments increased. At the 74th percentile of Legg repayments, honoured and non-honoured MPs were equally likely to exit Parliament, and at the 99th percentile, MPs holding pre-nominal honours were more than three times as likely to exit. In effect, turnover was more tightly coupled to repayments for honoured MPs, a finding that supports prior research suggesting that social outcomes are more sensitive to the actions of elites than non-elites (e.g., Rhee and Haunschild, 2006; Wade et al., 2006). Elite MPs were held more accountable, in both beneficial and damaging ways, for their ACA expense behavior.

Fragale et al.'s (2009) finding that observers attribute more intentionality to elite behavior sheds light on the greater accountability of elite MPs for their ACA expenses. If audiences considered the expenses of honoured MPs as more intentional, lower amounts of repayment (below the 74th percentile, or £1428) might have been interpreted as self-restraint, with elite MPs perhaps perceived as underexploiting the expense bureaucracy in an honorable way. When their repayments were above the norm, however, honoured MPs might have been regarded as selfishly overexploiting the bureaucracy for personal gain. Giordano (1983) argued that there is a general bias among observers to believe that high-status actors are intentionally acting for the benefit of the group. They are thus shielded more from rebuke than are lower-status actors. On those occasions when elites' intentions are perceived as selfish, however, Giordano argued that elites are more harshly punished. An advantage of our data is that we have a continuous measure of transgression that allowed us to speak directly to Giordano's two-sided argument. In our data, a tipping point existed between being shielded from turnover and being more susceptible to it.

The coefficients for indirect effects in figure 3 suggested that over and above any effect that Legg repayment had on the fate of MPs, press coverage increased the likelihood that elite MPs would exit Parliament. For both honours and frontbench measures, the effects of status on turnover through press coverage were statistically significant. These effects reinforce arguments in the literature that the dynamics of scandals are heavily shaped by how the media construes elites' transgressions (e.g., Thompson, 2000; Adut, 2005; Wiesenfeld, Wurthmann, and Hambrick, 2008). Both effects are also consistent with targeting being a hazard of high status.

In fact, our second supplementary analysis suggests that press coverage was even more deeply embedded in the scandal than the indirect effects imply. We did not predict that pre-Legg press coverage would influence Legg repayments, but this effect is theoretically important and merits discussion. One possible explanation is that Legg repayments were leaked to the press after they were privately communicated to MPs during October 2009. This possibility seems unlikely, however, because we computed our press coverage measure with and without Legg keywords included in our search algorithm and found no difference between the two measures in the pattern of our results. Alternatively, both the Legg audit team and the press might have responded to an unmeasured propensity for an MP to abuse the expense system. While our results provide little support for concluding that this propensity varied for elites and non-elites, such a propensity could be unrelated to any of our measured variables and generate a spurious relationship between press coverage and

Legg repayments by being a common cause. To examine this possibility, we regressed each MP's Legg repayment for expenses claimed during the first year of the 54th Parliament on his or her Legg repayment for the remainder of the period. If the propensity for expense abuse was constant over time for each MP, and our supplementary panel analysis suggests that it was, then Legg repayments required for the first year of expense claims can be used to estimate an MP's baseline propensity for abuse. If this propensity influenced both the Legg staff and newspapers, reestimating our path model using the residuals from this regression analysis should eliminate the effect of press coverage on Legg repayment. The effect remained significant when we reestimated our model, however, suggesting that the relationship between press coverage and Legg repayments was not spurious.

A more plausible explanation for the influence of press coverage on Legg repayments is that the press highlighted expense claims of MPs that captured attention, enflamed public opinion, and sold more newspapers. Part of the remit of the Legg audit was ''to create a situation in which public confidence in the MPs can begin to be restored'' (*Legg Report*, 2010: 2). Press-fueled public outrage about MPs' expenditures was thus an important contextual consideration to which Legg had to respond by asking MPs to repay particularly egregious expenses.

This is illustrated vividly in the case of Lord Douglas Hogg, at the time the Conservative MP for Sleaford and North Hykeham in rural Lincolnshire. Hogg and his wife lived primarily in London but claimed a second home in their constituency, which was permitted by ACA rules. Hogg had arranged with the Parliamentary Fees Office to be reimbursed 1/12th of the maximum annual expense allowance each month. He then submitted a list of complete expenses for his second home at the end of the year to show that his expenses exceeded the maximum allowance and/or to settle any discrepancies. One expense noted on Hogg's 2003–2004 expense list was an entry of £2115 for the cleaning of a ''moat'' at his Lincolnshire home. The moat was little more than a drainage ditch that had become overgrown with weeds, but by labeling it a moat, Hogg unwittingly triggered a media frenzy over the expense. According to Winnett and Rayner (2009: 195), when the *Daily Telegraph*'s editor was informed of Hogg's moat expense, which was to be featured in the next day's edition, he exclaimed, ''This is the best yet . . . this will cause a revolution. People will go absolutely mad about this.'' And, indeed, the newspaper's account did cause a public uproar, embarrassed the Conservative Party leadership, and eventually led to Hogg's resignation from Parliament. Winnett and Rayner (2009: 191) commented that Hogg's moat ''came to define the whole expenses saga in many people's eyes,'' and they noted the irony of the moat's political impact by remarking, ''The funny thing is, if he'd just called it a drainage ditch instead of a moat, he would have got away with it'' (p. 199). Hogg's moat expense was technically outside the remit of the Legg audit since the expense was claimed in the prior 53rd Parliament. The expense was visible and important enough, however, to be mentioned in the *Legg Report* with a comment noting that, despite being outside the scope of the formal audit, Lord Hogg had voluntarily repaid the full amount.

Both Mancuso (1995) and Allen (2011) observed that the British Parliament is fertile ground for opportunism by MPs, given loose bureaucratic rules and informal norms for enforcing them. We fully expected to find that elite MPs

had a higher propensity to misappropriate ACA funds, especially because opportunism is the most prevalent explanation for elites' falls from grace in the organizations literature. We searched extensively for it in our statistical data as well as in the many qualitative details surrounding the circumstances of individual MPs. And, in fact, just over 50 percent of MPs in our sample were asked to repay inappropriate expense reimbursements, yet, we found no relationship between MPs' status and inappropriate expense behavior. Several factors could explain the absence of this relationship.

First, the fact that so many MPs engaged in inappropriate expense behavior suggests that abuse of the expense system was systemic to the parliamentary bureaucratic culture. Social psychological conditions, such as feelings of entitlement, that differentiate high- and low-status positions in other organizational contexts might have been more widespread in Parliament. MPs across all status positions perhaps felt entitled to liberal use of their ACA allowance, especially because parliamentary allowances are salary supplements to compensate MPs for being paid less than their qualifications command outside of government (Besley and Larcinese, 2011). This suggests that one boundary condition on the greater tendency for elites to engage in opportunistic behavior might be organizational cultures in which feelings of entitlement are so widespread as to exist throughout the status hierarchy.

Second, the ACA rules might have been so open-ended that MPs were unclear about what was and was not allowed. Fees Office personnel may have been equally confused when signing off on reimbursements. Ambiguous rules and enforcement might have encouraged all MPs to use ACA allowances aggressively or encouraged lower-status MPs to follow higher-status MPs in their second-home expense claims. Moreover, the loose and clubby nature of the parliamentary bureaucracy may have opened the door for the media to position itself as a moral arbiter of expense behavior (e.g., Wiesenfeld, Wurthmann, and Hambrick, 2008). Media-driven retrospective evaluations of bureaucratic behavior have been shown to occur in other contexts. For example, it was common practice in corporate America prior to 2002 to backdate executive stock options to increase executives' compensation (Lie, 2005; Wiersema and Zhang, 2013). Only when this practice was questioned in academic and media reports did the backdating become an issue and penalties were enforced. Thus a second boundary condition on the tendency of elites to behave more opportunistically could be whether the rules for such behavior have become institutionalized in the organization. Conducting studies over longer periods could expose this institutionalization process. One possibility is that elites may be among the first to engage in inappropriate behavior. Their participation may then legitimate that behavior and lead to its diffusion throughout the organization.

Finally, the absence of differential opportunism among elite MPs might simply reflect the fact that details of ACA expenses were disclosed and evaluated for all MPs, thereby eliminating many of the selection biases that have characterized prior studies of white-collar impropriety. Giordano (1983) catalogued many of the selection filters that prevent transgressions from ever becoming public. Most of these filters were absent in the MP expense scandal. It could be that the unilateral disclosure of transgressions in most bureaucratic contexts would find that elites and non-elites do not usually differ in their propensity for

opportunistic behavior, implying that selection biases strongly influence relative disclosure and attention in contexts in which such filters are operating.

Despite the apparent absence of greater opportunism among elite MPs, our data indicate that news coverage of expense abuses was focused on elites. The dominant media narrative was that party leaders, ''Old Tories,'' and other greedy ''grandees'' were taking advantage of public funds. It was not Douglas Hogg's drainage ditch that was involved, for example, it was his moat. Coleman (1987) argued that social stratifications and judgments of wrongdoing intersect when questionable behavior is framed and interpreted. When combined with the observations of Giordano (1983) and Fragale et al. (2009), our results suggest that audiences consider the same transgression as more intentional when committed by elites and attribute egregious transgressions to unsavory opportunism even when the transgressions are no different from those of lesser-status counterparts. These attributions fuel the media narrative. As Coleman (1987) noted, crimes of greed are always more newsworthy than crimes of need.

This conclusion suggests an important caveat for organizational researchers, pundits, and policymakers who are interested in accounting for elites' falls from grace. Opportunism has by far been the dominant explanation for falls from grace in both the organizations literature and the popular press. Elites have no doubt committed serious transgressions in a variety of organizational contexts and certainly cannot be held blameless when transgressions do occur. When typical selection filters are operating, however, the transgressions of elites are often interpretively ambiguous, and targeting usually stands as an alternative, and quite different, explanation for the social reactions that such transgressions incite. In exploring a context in which selection filters were largely absent, our study suggests that the farrago of fascination with elites can impute opportunism and, at the very least, co-mingle opportunism and targeting in complex ways. Our findings further suggest that media coverage is an important linchpin in this co-mingling, and our research raises fundamental questions about the power of the media to influence the careers of elites, not just in publicizing elites' transgressions but in shaping and channeling public opinions about such transgressions over time. The 2009 parliamentary expense scandal could be unrepresentative of other scandals in which organizational elites have fallen from grace. We suspect, however, that in most organizational contexts, both opportunism and targeting are plausible hazards of high status. Only careful research will be able to evaluate their relative effects.

Acknowledgments

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