

## **ABSTRACT**

*This study is aimed to obtain empirical evidence about the effect of national culture and socio-economic development to fraud risk. Understanding implication between national culture and fraud risk holds promise for mitigate fraud. The six Hofstede's national cultures were used in this study. Socio-economic development was proxied by the Human Development Index, while the Corruption Perception Index was used as a proxy for fraud risk.*

*The population in this study are countries in the world. The sample selection used a purposive sampling technique, so that 80 countries are selected. Data analysis in this study used descriptive statistical analysis, classic assumption test, goodness of fit test model, and multiple linear regression.*

*The results of the analysis from the study showed that power distance, uncertainty avoidance, and masculinity had a significant and positive effect on the fraud risk. While indulgence and socio-economic development have a significant and negative influence on the fraud risk. Then, individualism and long-term orientation have negative influence, but not significant to fraud risk.*

*Keywords: power distance, individualism, uncertainty avoidance, long-term orientation, masculinity, indulgence, socio-economic development, fraud risk*