Comments for Reviewer 3

Thank you for your comments. They have helped us improve the quality of the paper.

1. The author stated in abstract that "in general, Asian countries have high level of corruption and poor governance" but does not give any references. Readers may want to know this information's source, so it would be better if the reference was provided.

It is supported by data from the governance index and corruption perception index (2015) that concludes, in general, that some countries in Asia have a high level of corruption and poor governance. This has been accommodated in the revised version.

2. In the introduction, the types of corruption are specified, namely bribery, extortion and embezzlement. However, none of them were explained, so giving more details and saying their difference from each other will make it easier to be understood by the readers.

Thank you, this has been accommodated in the revised version.

3. In second section, it is indicated that You&Khagram (2005) found an adverse relationship between income inequality and public confidence in the legitimacy of the rules and institutions. This is expectable that the increase in public confidence in the legitimacy of rules and institution leads to higher income inequality. However, the author's findings in table 1 and 2 display that the improved governance system increase substantially income inequality, which is opposite to You&Khagram's study and to the expectations. The possible reasons could have explained for this unexpected result. (I thought that the governance quality is increased, leading to the higher public confidence in the legitimacy of the rules and institutions).

The study shows that the better governance will increase income inequality. This is because, with good governance, everyone has the same opportunity to develop and invest in the economy. So, people with more capital have greater investment opportunities than those who have less capital. Individuals who have more capital will invest more and will get greater returns on investments than individuals who have less capital. So, when people have more capital, this can lead to greater capital growth. And the opposite is also true.

Therefore, income inequality will become higher. Therefore, better governance will increase the income inequality.

4. In conclusion, each relationship between dependent and independent variables was
explained one by one, which has been already interpreted deeply after each
table. To avoid the repetition of the similar sentences, that is possible to point
out the finding results as follows:
The higher per cap is
enrolment rate in primary education, gross fixed capital formation, population
growth, and governance trigger the higher level of income inequality while
FDI value leads to lower income inequality."
This is a lso possible to
similar comments for other tests in which dependent variable is corruption
instead of income inequality.

This has been accommodated in the revised version.

5. According to author's believe, there has not been studied theoretically how corruption can affect income inequality in Asian region. That might be right, but it would be better to use more certain phrases instead of 'believe'. It may be expressed as 'up until now, it has not been studied the impact of corruption on income inequality for Asian region'.

This has been accommodated in the revised version

6. It is claimed that all models have met the assumptions of OLS, passing the test of normality, non-heteroskedasticity and non-multicollinearity, however, the results of these tests were not shown in the paper. These results could have released in appendix part to make it clearer for the readers.

This has been accommodated in Appendix 2 and 3.