# GLOBAL TRUST IN GOVERNMENT

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Declining trust is a problem facing industrialized nations worldwide, particularly the United States. Unfortunately, little consensus exists about which factors influence trust the most. This memo uses global data to explore a number of questions related to trust in government: (1) What is trust, and why is it important? (2) What is the current state of trust? (3) What factors drive trust? (4) Where are the leverage points for increasing trust in government?

## 1. <u>Understanding Trust</u>

Advocates of effective governance have been concerned about declining trust in government for decades. While some degree of skepticism is considered healthy for democracy, too much distrust can undermine the consent of the governed. Trust in government is associated with increased political participation, voting, and even appears to affect the public's willingness to pay taxes and accept broad democratic values.<sup>1</sup>

Public trust in government is broadly defined as an amalgam of perceptions about a government's effectiveness in (1) solving problems, (2) addressing economic and international threats, and (3) being fair, honest, and truthful. Trust in government is often measured alongside trust in other institutions such as business, the military, organized labor, the media, and specific professions such as law, medicine, and journalism. Whatever the focus, trust is generally measured by a handful of questions that can vary in small, but seemingly important ways.<sup>2</sup> Research on the differences between the various measures of trust, however, is meager at best.

# 2. <u>The Current State of Trust in Government</u>

The questions and institutions may vary, but key trends emerge. The United Nations' Department of Economic and Social Affairs found that trust in government and political institutions has been in decline across advanced industrial democracies since the mid-1960s.<sup>3</sup> Along similar lines, the World Economic Forum's Executive Opinion Survey shows that among a market basket of "good government" indicators, perceptions of government rose slightly in nations with emerging markets, and fell in nations with advanced economies.<sup>4</sup> (See Figure 1) Trust in a market basket of private institutions such as business followed the same trend, but maintained consistently higher levels in both sets of nations.<sup>5</sup>

<sup>&</sup>lt;sup>5</sup> Although the Edelman Global Trust Barometer measured global trust in government and business more precisely, its sample was restricted to "informed publics" between 35 and 65 years old, which appears to create a bias toward higher income, more attentive respondents.



<sup>&</sup>lt;sup>1</sup> Marc J. Hetherington, *Why Trust Matters*, Princeton, NJ: Princeton University Press, 2005.

<sup>&</sup>lt;sup>2</sup> Common questions to measure trust include: (1) "How much of the time do you trust the government in Washington to do what is right?" (U.S. National Election Study) (2) "Overall are you satisfied or dissatisfied with the way things are going in your country today?" (Pew Global Attitudes Survey); (3) "In this country do you have confidence in the National Government or not?" (Gallup World Poll); (4) "How much do you trust government leaders to tell you the truth, regardless of how complex or unpopular it is?" (Edelman Global Trust Barometer)

<sup>&</sup>lt;sup>3</sup> P. Blind, "Building Trust in Government in the Twenty-First Century: Review of Literature and Emerging Issues," Vienna, Austria: 7<sup>th</sup> Global Forum on Reinventing Government," UNDESA, 2006.

<sup>&</sup>lt;sup>4</sup> This analysis comes from the World Economic Forum's annual Executive Opinion Survey, which contains aggregated indicators of business executive perceptions of public and private institutions in 144 nations. The 2013 Global Competitiveness Report contains the results of the most recent executive survey, as well as the trend lines in Figure 1. It can be retrieved at http://www3.weforum.org/docs/WEF\_GlobalCompetitivenessReport\_2013-14.pdf. Although the 2013 survey involved interviews with a sample of 13,638 executives, it clearly has a bias toward more favorable views of business.

Public perceptions of the "government in Washington" demonstrates that trust has also fallen in the United States, but with several significant trends upward in the mid-1980s, mid-late 1990s, and an emerging, as yet to be cemented spike since 2011. (See Figure 2) The Pew Research Center attributes these 1980 and 1990 gains in part to cooling inflation and economic growth. Despite substantial variation over time, Gallup has found that trust in all three branches of the U.S. federal government has fallen from 1991 levels, with trust in Congress reaching an all-time low in 2013. (See Figure 3) The variation of trust in each branch over time may best be explained by current events and the public's perception of political leadership.

Trust in the U.S. federal government has also separated from trust in state and local government over the past decade. (See Figure 4) Some argue that this, in part, is because certain demographics may perceive state and local governments as more effective at delivering programs and services.<sup>6</sup> Research also suggests that citizens trust the institutions they know best—local governments first, state and regional governments second, and federal last.<sup>7</sup>

## 3. Factors that Drive Trust

Trust is informed by a tangle of factors, attitudes, and beliefs. While there is little consensus about which variables matter the most, the current body of research focuses on three primary drivers of trust: (1) government performance, (2) perceived corruption and polarization, and (3) personal wellbeing.

<u>Government Performance</u>. Government performance has some effect on trust in government, but it is not exactly clear what kinds of performance matter most—e.g., effectiveness, perceived corruption, efficiency, fairness, and wastefulness. Trust in politicians, for example, appears to be higher among countries that think their governments are efficient, and lower among countries that think their governments are corrupt. (See Figures 5 and 6) Although trust is also higher among citizens who think government is doing a good job delivering programs and services, these perceptions appear to be based on positive personal experiences with public agencies and public officials, not broad indicators of government performance.

Ironically, improvements in government transparency may actually undermine trust, and efficiency may spark more demand for government intervention.<sup>8</sup> Governments may be damned if they do, damned if they don't. However, government dysfunction may be such a significant driver that any success favorable or unfavorable to one group or another is a net positive.<sup>9</sup>

<u>Corruption and Polarization</u>. Trust is affected by persistent perceptions that government favors the wealthy and pays too much attention to moneyed interests. In the U.S., for example, 91 percent of Americans who never trust government to do what's right think that the influence of special interest money is a major problem with elected officials in Washington, compared with only 61

<sup>&</sup>lt;sup>9</sup> See Thomas E. Mann, and Norman J. Ornstein, *It's Even Worse Than It Looks: How the American Constitutional System Collided with the New Politics of Extremism*, New York: Basic, 2012.



<sup>&</sup>lt;sup>6</sup> According to the Pew Research Center, which produced Figure 4, falling confidence in U.S. Congress and increased polarization may have caused the separation as well.

<sup>&</sup>lt;sup>7</sup> Russell Hardin, "Government Without Trust," *Journal of Trust Research*, 2013, pp. 32-52.

<sup>&</sup>lt;sup>8</sup> Russell J. Dalton, "The Social Transformation of Trust in Government. *International Review of Sociology*," 2005, pp. 133-154.

percent of those who almost always trust government.<sup>10</sup> Increasing polarization also undermines trust in specific institutions and the ability of governments to act.<sup>11</sup>

<u>Personal Wellbeing</u>. A number of factors beyond the government's direct control affect trust, such as economic performance. According to the World Economic Forum, macroeconomic conditions appear to be positively correlated with trust in politicians. Not surprisingly, countries with greater access to food and shelter are also more likely to have high levels of trust in their national institutions.<sup>12</sup>

Personal conditions also influence trust. Citizens who live in safe communities, and who have access to health care and good schools are more likely to trust government, while citizens who live in countries with unstable economies, civil unrest, and economic uncertainty are less likely to trust government. Unemployment, education, and income are all underlying factors in many of these relationships. (See Table 1 for examples from the U.S.) Social trust in one's neighbors also appears to be important for enhancing trust in government, although this factor may itself be a product of the other measures discussed above.<sup>13</sup>

## 4. Where the Volcker Alliance Might Focus

The Volcker Alliance cannot fix all that undermines trust in government—there are simply too many drivers that are well outside its control. Nevertheless, the Alliance can make a difference by investing in high-impact interventions. The question is where the Alliance's efforts are best served. Trust in government depends both on citizens' beliefs and actual government performance. Will the Alliance be able to best leverage its resources by working to improve government's image? Or would the Alliance be better off promoting comprehensive government reforms that command the public's attention? Should the Alliance restore trust in government by working with its partners to directly engage citizens? Or would the Alliance have a bigger effect on trust if it contributed broadly to the field of research?

Regardless of what path the Volcker Alliance decides to take to restore trust, it is clear that public trust will only respond to something big. As the celebrated political sociologist Seymour Martin Lipset wrote in 1983, "In order for the trends of political confidence to reverse, things will not just have to get better; they will have to get better in such a clear and palpable way that the public will pay no attention to the inevitable voices of cynicism and disbelief." Engaging both government and its citizens in this pursuit will be essential for success.



<sup>&</sup>lt;sup>10</sup> Pew Research Center, "Distrust, Discontent, Anger and Partisan Rancor: The People and Their Government," April 2010. Retrieved from http://www.people-press.org/files/legacy-pdf/606.pdf.

<sup>&</sup>lt;sup>11</sup> G. Orren, "Fall from Grace: The Public's Loss of Faith in Government," in J.S. Nye, Jr. et al., eds., *Why People Don't Trust Government*, Cambridge, MA: Harvard University Press, 1997, pp. 77-107.

<sup>&</sup>lt;sup>12</sup> Gallup World Poll Food and Shelter Index, 2012. Retrieved from https://worldview.gallup.com.

<sup>&</sup>lt;sup>13</sup> Luke Keele, "Social Capital and the Dynamics of Trust in Government," *American Journal of Political Science*, 2007, pp. 241-254.

#### GLOBAL TRUST IN GOVERNMENT

#### **CHARTS & FIGURES**

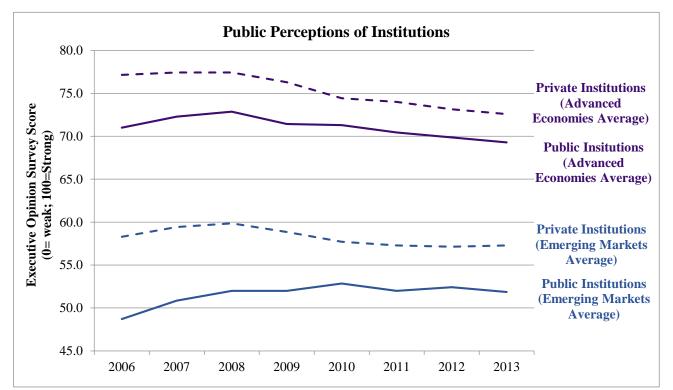


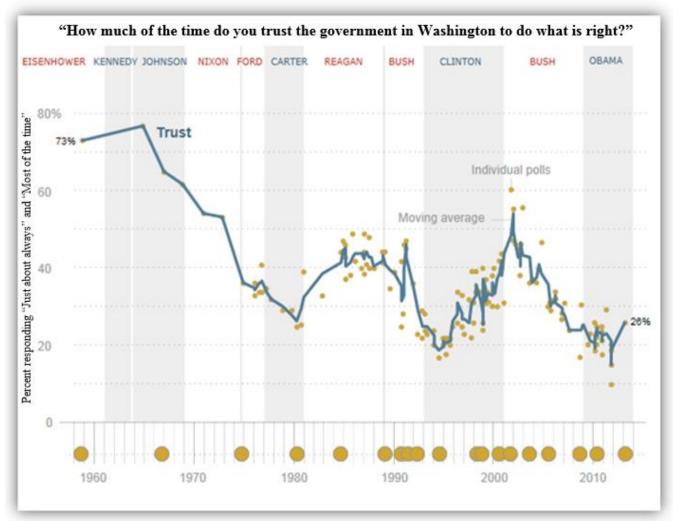
Figure 1: Trust in Public and Private Institutions by Level of Economic Development Worldwide\*+

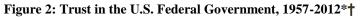
Source: World Economic Forum, "Global Competitiveness Report 2013-2014," K. Schwab (Ed.), Geneva, Switzerland. Global Competitiveness and Benchmarking Network, 2006. The data come from the Executive Opinion Survey.

\*<u>Data</u>: "Perceptions of Public Institutions" is an aggregate index based on responses from the World Economic Forum's Executive Opinion Survey on the following criteria: property rights, intellectual property protection, diversion of public funds, public trust in politicians, irregular payments and bribes, judicial independence, favoritism in decisions of government officials, wastefulness of government spending, burden of government regulation, efficiency of legal framework in settling disputes, efficiency of legal framework in challenging regulations, transparency of government policymaking, business costs of terrorism, business costs of crime and violence, organized crime, reliability of police services.

†<u>Methodology</u>: The survey involved respondents in 144 countries. Advanced industrial nations include all EU-15 nations, Australia, Canada, Cyprus, Czech Republic, Hong Kong, Iceland, Israel, Japan, Republic of Korea, Malta, New Zealand, Norway, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan, and the U.S. Emerging market economies include the remaining 109 countries that are not classified as advanced economies, including Brazil, China, India, Indonesia, Mexico, Nigeria, Pakistan, and Russia.







Source: Pew Research Center for the People and the Press, "Public Trust in Government: 1958-2013," 2013, http://www.people-press.org/2013/01/31/trust-in-government-interactive/.

\*<u>Data</u>: The Pew Research Center poll asks: "How much of the time do you trust government to do what is right? Just about always, most of the time, only some of the time, or never?" The trend line includes respondents who answered "Just about always" or "Most of the time."

 $\dagger$ <u>Methodology</u>: The latest national survey by the Pew Research Center for the People & the Press, conducted January 9-13, 2013 among 1,502 adults, 18 years of age or older, living in all 50 U.S. states and the District of Columbia. 752 respondents were interviewed on a landline telephone, and 750 were interviewed on a cell phone, including 369 who had no landline telephone. The survey was conducted by interviewers at Princeton Data Source under the direction of Princeton Survey Research Associates International. For results based on these samples of national adults, one can say with 95% confidence that the margin of error is  $\pm 2.9$  percentage points.



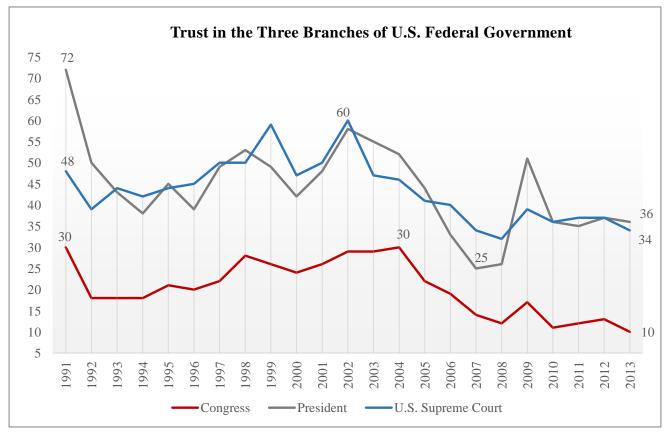


Figure 3: U.S. Trust in Congress, the President, and the U.S. Supreme Court, 1991-2013\*†

Source: Gallup Inc., "Americans' Confidence in Congress Falls to Lowest on Record," June 2013, "http://www.gallup.com/poll/163055/confidence-institutions-2013-pdf.aspx

\*<u>Data</u>: The Gallup poll asks: "Now I am going to read you a list of institutions in American society. Please tell me how much confidence you, yourself, have in each one -- a great deal, quite a lot, some, or very little? The presidency? Congress? The U.S. Supreme Court?"

<u>†Methodology</u>: The latest poll results are based on telephone interviews conducted June 1-4, 2013 with a random sample of 1,529 adults, aged 18+ and living in all 50 U.S. states and the District of Columbia. For results based on these samples of national adults, one can say with 95% confidence that the margin of error is  $\pm 3$  percentage points. Interviews are conducted with respondents on landline telephones and cellular phones, with interviews conducted in Spanish for respondents who are primarily Spanish-speaking. Samples are weighted to match national demographics, and to correct for unequal selection probability, non-response, and double coverage of landline and cell users in the two sampling frames.

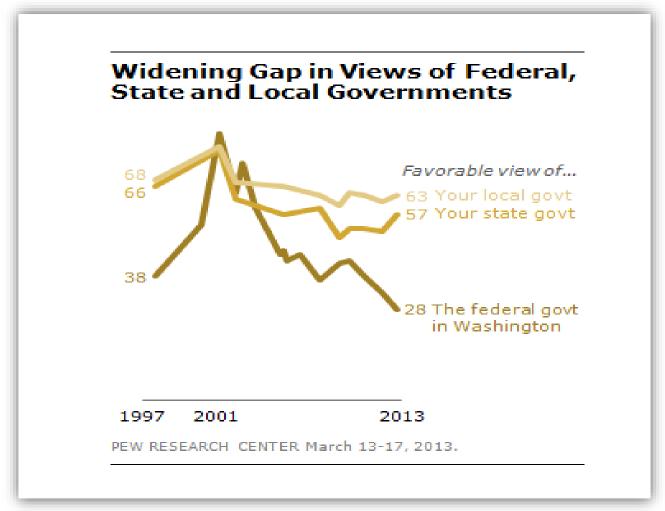


Figure 4: Americans' Perceptions of U.S. Federal, State, and Local Governments, 1997-2013\*†

Source: Pew Research Center for the People and the Press, "State Governments Viewed Favorably as Federal Rating Hits New Low," 2013, http://www.people-press.org/2013/04/15/state-governments-viewed-favorably-as-federal-rating-hits-new-low/.

\*Data: The Pew Research Center's poll asked: "In general, is your overall opinion of [ITEM] very favorable, mostly favorable, mostly unfavorable, or very unfavorable? The federal government in Washington, your state government and your local government?" The trend line combines "Very favorable" or "Mostly favorable" responses.

†Methodology: Most of the analysis in this report is based on telephone interviews conducted March 13-17, 2013, among a national sample of 1,501 adults, 18 years of age or older, living in all 50 U.S. states and the District of Columbia. 750 respondents were interviewed on a landline telephone, and 751 were interviewed on a cell phone, including 385 who had no landline telephone. The combined landline and cell phone sample are weighted using an iterative technique. The survey was conducted by Abt SRBI. For results based on these samples of national adults, one can say with 95% confidence that the margin of error is  $\pm 2.9$  percentage points.



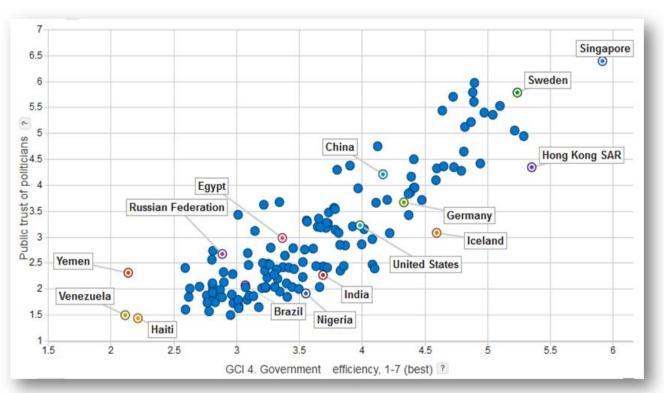


Figure 5: Relationship between Public Trust in Politicians and Government Efficiency Worldwide\*+

Source: World Economic Forum, "Global Competitiveness Report 2011-2012," K. Schwab (Ed.), Geneva, Switzerland, Global Competitiveness and Benchmarking Network, 2011, http://www.weforum.org/issues/ competitiveness-0/gci2012-data-platform/. The data come from the Executive Opinion Survey.

\*<u>Data</u>: Inefficiency and trust in government are measured by the following questions: "How would you rate the composition of public spending in your country?" [1= extremely wasteful; 7= highly efficient in providing necessary goods and services]. Trust: "How would you rate the level of public trust in the ethical standards of politicians in your country?" [1 = very low; 7 = very high].

†<u>Methodology</u>: The World Economic Forum's Executive Opinion Survey offers a representative sample of business leaders in each country. In 2011 the Executive Opinion Survey received responses from 13,395 people in 142 countries, representing an average of 98 respondents per country. The yearly administration of the survey is carried out by a strong network of over 160 Partner Institutes worldwide, typically recognized research institutes, universities, business organizations, and in some cases survey consultancies. The World Economic Forum has conducted its annual Survey for over 30 years. It is translated into over 20 languages. A more detailed explanation of the methodology can be found online at http://www3.weforum.org/docs/GCR2011-12/6.GCR2011-2012Chapter1.3EOS.pdf, page 75.



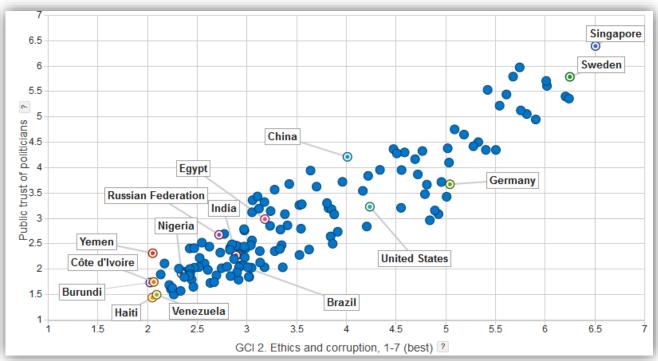


Figure 6: Relationship between Trust in Politicians and Perceived Government Corruption Worldwide\*†

Source: World Economic Forum, "Global Competitiveness Report 2013-2014," K. Schwab (Ed.), Geneva, Switzerland, Global Competitiveness and Benchmarking Network, 2006. The data come from the Executive Opinion Survey.

\*<u>Data</u>: Corruption and trust are measured by the following questions. Corruption: "In your country, how common is diversion of public funds to companies, individuals, or groups due to corruption?" [1 = very common; 7 = never occurs]. Trust: "How would you rate the level of public trust in the ethical standards of politicians in your country?" [1 = very low; 7 = very high].

†<u>Methodology</u>: The World Economic Forum's Executive Opinion Survey offers a representative sample of business leaders in each country. In 2011 the Executive Opinion Survey received responses from 13,395 people in 142 countries, representing an average of 98 respondents per country. The yearly administration of the survey is carried out by a strong network of over 160 Partner Institutes worldwide, typically recognized research institutes, universities, business organizations, and in some cases survey consultancies. The World Economic Forum has conducted its annual Survey for over 30 years. It is translated into over 20 languages. A more detailed explanation of the methodology can be found online at http://www3.weforum.org/docs/GCR2011-12/6.GCR2011-2012Chapter1.3EOS.pdf, page 75.



	Characteristic	Trust government "Always"/ "Most of the Time" (Percent)	Trust government "Some of the Time" (Percent)	Trust government "Never" (Percent)
Age	Millennials	33	60	6
	Baby Boomers	19	66	13
Race	White	20	66	13
	Black	37	54	6
	Hispanic	26	66	5
Education	Post-College Education	31	55	13
	College Graduate	27	61	11
	High School Graduate or Less	21	64	12
Income	\$75,000 or More	26	63	11
	\$30,000- \$74,999	17	71	12
	Under \$30,000	27	60	10
Employed	Full-Time	22	66	11
	Part-Time	22	70	6
	Not Employed	23	62	13
Political Party	Republican	13	71	15
	Independent	20	65	14
	Democrat	34	60	4
Total Sample Average		23	65	11

### Table 1: The Demographics of U.S. Trust in Government

Source: Pew Research Center, "Distrust, Discontent, Anger and Partisan Rancor: The People and Their Government," 2010, http://www.people-press.org/files/legacy-pdf/606.pdf.

\*<u>Data</u>: The Pew Research Center poll asks: "How much of the time do you the trust the government in Washington to do what is right? Just about always, most of the time, only some of the time, or never?"

<sup>†</sup><u>Methodology:</u> The analysis in this table is based on Pew's 2010 survey on the American people and their government. The data is based on telephone interviews conducted under the direction of Princeton Survey Research Associates International among a national sample of 2,505 adults living in the continental United States, 18 years of age or older, from March 11-21, 2010. 1,677 respondents were interviewed on a landline telephone, and 828 were interviewed on a cell phone, including 301 who had no landline telephone. Interviews were conducted in English and Spanish. For results based on the total sample of national adults, one can say with 95% confidence that the margin of error is  $\pm 2.5$  percentage points.

