

Trust level matters; correlation of government openness to social trust in high and low trust societies

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Abstract:

Social trust is generated and maintained under the influence of many factors, such as genetic predisposition, interactions of the individual with relatives, friends and acquaintances, interactions with meso-level environments, and systemic factors, such as democracy level, respect for human rights, and transparency of the government. While many theories have sought to explain which of these factors contributes more, all of them fare better under some contexts and less so under different ones.

Previous studies suggest that social trust is better explained by societal factors in societies with a higher level of social trust, while in low trust societies it is better explained by individual factors. The present article attempts to test these findings with regard to systemic societal factors, by making use of data gathered through two worldwide surveys and focusing on one variable, transparency of the government.

The hypothesis here is that social trust is better correlated to government transparency and openness in high trust societies than in low trust societies. Overall correlation between social trust and government openness is tested first, and then the correlation between the variables for high and low trust societies.

The findings suggest that the social trust and government openness are indeed correlated only in high trust societies, but no correlation can be found between the two variables in low trust societies. Theoretical and practical implications of the findings are discussed.

Key words: social trust, transparency, government openness, low trust society, high trust society

Governance transparency is one of the factors that sets apart a democratic system, from a hybrid or autocratic one. In fact, the relationship between transparency and democracy is so strong that sometimes the two are considered synonyms (Hollyer et al. 2011, pg. 1191). Transparency plays a crucial role in the very corner stone of democracy, free and fair elections. In fact, the citizens can only elect their representatives freely if enough information is provided about them during campaigning, hence relying on transparency.

But the importance of transparency for governance is not limited to the process of electing representatives. Transparency plays a very important role in the continuous legitimacy of the government, as it helps keep it under constant scrutiny from the citizens and encourages voluntary compliance of the latter to the authority of the elected representatives and other state institutions. Under lack of transparency, compliance with the rules and laws can only be ensured through coercion or promises, which is costly and not as effective as voluntary compliance. Here we define transparency as the “...the perceived quality of intentionally shared information from a sender (Schnackenberg and Tomlinson 2014, pg. 1788)”.

As such transparency is very important in generating trust in institutions. But it's effects go beyond that. Houser et al. (2014) have found that transparency about actions of the leader of a small group would affect voluntary cooperation between the members of a group in a common goods game. Transparency is thus a contributing factor also to social trust, as voluntary cooperation is one of the key indicators of the existence of social trust (Deutsch 1958; Martin 1998; Gambetta 1988; Berg et al. 1995; Jones and George 1998). Sztompka (2015, pg. 23), has identified transparency of a social

organisation as one of the main factors (among seven) that generate a culture of trust. An increased transparency will thus affect not only trust in the institutions, but also social trust. Social trust is defined here as “...a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another (Rousseau et al. 1998, pg. 395)”.

Understanding how transparency affects social trust is of interest from a theoretical perspective and a practical one. Social trust is a very important factor, as its presence is found to correlate with a number of normatively desirable social factors both at the individual and societal level. This is especially true for countries that were part of the former socialist bloc. These countries, typically, have both a low level of social trust (Bădescu 2003; Uslaner 2003), as well as a low level of transparency (World Justice Project 2015). Can transparency be one of the contributing factors to a better level of social trust in a society?

Several attempts have been made to understand what generates social trust, or how is it maintained. These theories can be grouped into two main categories: theories that find the origin of social trust at the individual level and theories that find it at the social level (Delhey and Newton 2003; Newton and Norris 1999, pg. 5-7).

Individual level theories, essentially claim that social trust is feature that is acquired by the individuals through social interactions over the course of their life and is relatively stable personality trait. Proponents of these theories include Erikson (1977), who sees social trust as a trait acquired very early in life, or Uslaner (2002) according to whom social trust changes very little over the life course. Social level theories emphasize the social interactions of the person and density of networks (Putnam 1995; Yamagishi and Yamagishi 1994).

Individual level theories do not perform well in explaining a very common finding in social trust research

though, that different countries/societies have different level of social trust (Rothstein 1998; You 2012; Bădescu 2003; Delhey and Newton 2003; Newton and Norris, 1999).

In this article, we are interested on theories that see social trust as generated by the social system, at the macro level. Social trust is generally higher in countries that have a higher level of democratization, a lower level of corruption, a more equal income distribution and more just institutions (Uslaner 2002; 2008; Rothstein 1998). Newton and Norris (1999, pg. 7) call this approach to explaining how social trust is generated ‘the model of institutional performance’.

Delhey and Newton (2003) have tested empirically how well various theoretical approaches explain social trust and have found that the answer depends on the overall level of trust in a society. Generally, in low trust societies, individual level theories have a greater explanatory power, while in high trust societies it is social level theories that do better (Ibid.).

Coming back to the above question, “Can transparency be one of the contributing factors to a better level of social trust in a society?”, we can find a theoretical foundation for answering it in the findings of Delhey and Newton (cit.). If government transparency affects social trust, first it would plausible to find a correlation between social trust and transparency level across countries. This does not mean that the causation mechanism is from transparency to social trust though, as the correlation can be spurious. However, in the light of the finding that societal level theories explain social trust better in high trust societies and fail to explain it in low level societies, we should expect to find a correlation between social trust and transparency only in high trust societies and not in low trust societies.

This article aims to answer this question, will social trust and transparency of the government correlate better in high trust societies than in low trust societies?

Two hypotheses were constructed: the first is that transparency of the government and country level social trust will correlate, and the second is that the correlation will only hold for highly trusting societies.

METHODS

Variables and data sources

The variables in this study are two, country level social trust and transparency (openness) of the government.

Data for social trust were taken from World Values Survey (2010-2014). The survey was conducted in 60 countries around the world and asks questions on a number of variables, social trust being one of them. Nationally representative samples are drawn for each country. The level of social trust is measured through variable no. 24 of the questionnaire (Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people?). The level of measurement is discrete dichotomous, coded '1' if the respondent answers that most people can be trusted and '2' if the respondent answers that you can't be too careful in dealing with people.

Here we have operationalized country level social trust as the percentage of the respondents that have answered most people can be trusted (1). Thus, a higher number means a higher social trust at the country level, and vice versa.

Besides being included as a continuous scale variable for the correlation between social trust and transparency, social trust was also coded as a rank/order variable, with two subgroups: low trust and high trust. This variable was then used to divide the countries included in the study into two categories, high and low trusting countries.

Data for the openness of the government were taken from the Open Government Index (World Justice Project 2015). The Index measures level of openness of the government in 102

countries around the world and is organized around four dimensions: (1) Publicized laws and government data, (2) Right to information, (3) Civic participation, and (4) Complaint mechanisms. An overall score ranging from 0 to 1 is provided for each of the countries based on the above dimensions, where 0 = no transparency and 1 = maximum transparency.

Merging the datasets resulted in a single dataset of 43 countries, which were covered in both surveys. The analysis is based on data from these 43 countries.

Working hypotheses

The working hypotheses of the study were two:

1. There will be positive correlation between country level social trust and open government score for all countries.
2. There will be positive correlation between country level social trust and open government score for high trust societies but not for low trust societies.

Data analysis

Pearson's correlation coefficient was calculated for social trust and open government score for all 43 countries to test the first hypothesis.

To test the second hypothesis, the 43 countries were divided into two subcategories, on the bases of the percentage of respondents choosing the alternative 'most people can be trusted'. The Low Trust category consists of countries where less than 33% of the respondents choose the alternative 'most people can be trusted'. The rest of the countries were included in the High Trust category.

Pearson's correlation coefficient was calculated for social trust and open government score for each of the subcategories apart to test the second hypothesis.

FINDINGS

Descriptive data

The Low Trust category included 30 countries, with percentage of respondents choosing the alternative ‘most people can be trusted’ ranging from 2.85% (Philippines) to 32.57% (Thailand). The High Trust category included 13 countries, with percentage of respondents choosing the alternative ‘most people can be trusted’ ranging from 35.15% (Belarus) to 67.42% (Netherlands).

Netherlands was the only country of the ones included in the analysis to have a trust higher than 66%. It was however decided not to exclude this country from the analysis, as doing so would lower even more the number of the high trust societies, thus lowering the robustness of the analysis (

Table 1 - Descriptive data on social trust and transparency score).

Open government scores range from 0.32 (Zimbabwe being the least transparent of the countries under analysis, to 0.81 (Sweden being the most open).

Table 1 - Descriptive data on social trust and transparency score, per country

Country	Most people can be trusted	Open Score	Government Level of trust**
Philippines	2.84	0.54	Low
Colombia	4.13	0.56	Low
Ghana	4.96	0.56	Low
Brazil	6.58	0.56	Low
Romania	7.12	0.53	Low
Ecuador	7.17	0.51	Low
Zimbabwe	7.20	0.32	Low
Peru	8.28	0.55	Low
Malaysia	8.54	0.43	Low
Lebanon	10.91	0.45	Low
Mexico	12.42	0.56	Low
Turkey	12.43	0.45	Low
Morocco	12.53	0.51	Low
Chile	12.77	0.68	Low

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Jordan	13.25	0.46	Low
Uzbekistan	14.09	0.32	Low
Nigeria	14.78	0.46	Low
Uruguay	15.25	0.62	Low
Tunisia	16.00	0.51	Low
Spain	19.51	0.62	Low
Slovenia	20.11	0.6	Low
Egypt	20.55	0.42	Low
India	22.27	0.57	Low
Poland	22.75	0.67	Low
Argentina	23.19	0.56	Low
South Africa	23.63	0.62	Low
Pakistan	23.92	0.45	Low
Ukraine	24.95	0.56	Low
Russia	29.23	0.49	Low
Thailand	32.57	0.49	Low
Belarus	35.17	0.46	High
Kyrgyzstan	38.04	0.5	High
United States	38.17	0.73	High
Singapore	38.52	0.63	High
Japan	38.76	0.72	High
Kazakhstan	38.80	0.44	High
Estonia	39.57	0.72	High
Germany	42.49	0.72	High
Australia	54.43	0.74	High
New Zealand	56.78	0.81	High
China	64.44	0.63	High
Sweden	64.85	0.81	High
Netherlands	67.42	0.76	High

* Percentage of respondents that answered 'most people can be trusted' in the relevant country.

** Low < 33% of respondents choosing 'most people can be trusted'; High > 33% of respondents choosing 'most people can be trusted'.

Hypotheses testing and discussion

The first hypothesis was that there will be positive correlation between country level social trust and open government score for all countries.

As can be seen in Table 2, there is a statistically significant moderate positive relationship between country level social trust and open government score when all 43 countries

are included in the analysis ($r = 0.628, p < 0.01$). Thus, the first hypothesis is confirmed by the data.

Table 2 - Correlation between country level social trust and open government score for all 43 countries

		Open government Score
Most people can be trusted	Pearson Correlation	.628**
	Sig. (2-tailed)	.000
	N	43

** . Correlation is significant at the 0.01 level (2-tailed).

The second hypothesis was that there will be positive correlation between country level social trust and open government score for high trust societies but not for low trust societies. In Table 3 are presented the correlation coefficients for high and low trust societies. As can be seen in the table, for low trust countries, the correlation coefficient is very weak and not statistically significant ($r = 0.137, n. s.$).

The lower part of the table presents a different picture, for high trust countries there is a statistically significant moderate relationship between country level social trust and open government score ($r = 0.556, p < 0.05$). The second hypothesis is also confirmed.

Table 3 - Correlation between country level social trust and open government score for high and low trusting societies

			Open government Score
<i>Low trust countries</i>	Most people can be trusted	Pearson Correlation	.137
		Sig. (2-tailed)	.471
		N	30
<i>High trust countries</i>	Most people can be trusted	Pearson Correlation	.556*
		Sig. (2-tailed)	.049
		N	13

*. Correlation is significant at the 0.05 level (2-tailed).

The above findings are important under two aspects, one theoretical and one practical.

First, at the theoretical level, they help in understanding how social trust is generated and maintained. Social trust is a difficult to pinpoint concept and the debate on which theories explain how it is generated is still open. The different findings supporting different theories can also depend

on the theoretical approach taken while studying the relationship, the prevailing paradigm in the relevant field of study, the methodological approach taken by the authors, etc. (Lewicki and Brinsfield 2012). All theories can explain the origin of trust to some extent, depending on the context.

Both theoretical approaches make sense as every person must have a predisposition or trust or not depending on its subjective experiences with other people over its life course. On the other hand, trust propensity would change if the environment in which the person finds her/himself encourages or discourages being trusting. (see, Rothstein and Eek 2009; Rotter 1980). As Sztompka (2015) writes, trust is a function of the level of trustworthiness of the trustee, propensity to trust of the trustor, and social factors, which might generate a 'culture of trust' or a 'culture of distrust'.

The real question here is not 'which theory is correct?', but 'which theory explains better how trust is generated under what circumstances?'. The findings suggest that Delhey and Newton's (2003) explanation, that trust levels are better explained by societal factors in high trust societies than in low trust societies is correct. Social trust level per country correlates with level of government openness in high trust countries but no such correlation is found in low trust countries.

The reasons for this difference can be multiple and are not the focus of this article. However, in an attempt to provide an explanation, a hypothesis can be formulated that in low trust societies systemic factors are less important since in these societies people are more concerned with close social relationships (trust in specific people they know well at the personal level). Lacking social trust, the level of government openness, or other systemic factors do not affect social trust in a meaningful way as these factors are perceived as far away and less important for the day to day life of the individual. Close

kinship ties play a greater role in the day to day life than systemic factors in low trust countries.

Second, beyond the theoretical discussion, the implications on the findings at the practical level are also important. In general, theoretical approaches that explain the origins of social trust at the individual level are more determinist than those which explain it with systemic level factors. If social trust is a personality trait, developed early in life and not flexible, this leaves little to no room for interventions that would aim to improve its levels. In the best-case scenario, these interventions would have a very slow and minimal impact, as many individual experiences would have to be changed. If, on the other hand, social trust is better explained by societal level theories, interventions can aim at changing systemic level factors, which becomes an easier task. Our findings suggest that this approach might fail to produce any meaningful impact in societies where social trust levels are already low though, as systemic factors do not correlate with social trust in these countries. In practice, this leads to the conclusion that systemic reforms undertaken in many countries, former socialist countries included, and that aim to improve democratization level and well-being of citizens, might fail to automatically lead to higher levels of social trust. Systemic factors will, thus have to be complemented with means and mechanisms that would directly tackle social trust.

CONCLUSIONS

Theories trying to explain how social trust is generated and maintained can be gathered under two main groups: individual level and societal level theories. Social trust correlates well with systemic factors, such as the level of democratization of a country, respect for human rights, etc. Transparency of the government is a very important societal factor, that empowers

the citizens to have knowledge and understanding on how the government is using the confidence invested in them.

The findings of this study suggest that social trust is explained better by a very important systemic factor, namely government transparency and openness, in high trust societies than in low trust societies.

The results support previous findings in this field and serve to open a discussion on the effectiveness of systemic reforms with regard to improvement of social trust for low trust societies.

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