Trust in institutions and its determinants

Santiago González
Policy Analyst
Governance Indicators and Performance Division (GIP)
Public Governance Directorate
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Outline

• Why is trust important?
• What is shown by existing evidence?
• The OECD approach to trust
• Some concluding remarks
• Next steps
Why is trust important?

“A person’s belief that another person or institution will act consistently with his/her expectations of positive behaviour” (OECD 2017)

• Foundation for legitimacy and stability of political systems and prerequisite for people’s political voice in democratic countries.

• It influences governments’ ability to govern where success of policies depends on citizen compliance, buy-in and participation.

• It also mediates support for long term policies (i.e. environment, debt sustainability, inequalities)

• Outcome of good governance
What is shown by existing evidence

➢ Trust indicators are volatile

• Between 2007 and 2021 trust decreased in many countries, on average less than half of people trust their government in 2021.

• In 2021, 40% of people in the US reported trusting the government.

Levels of trust in government and its change

Source: World Gallup Poll.
Particularly in times of crisis “Rallying round the flag”

- Trust increased following the COVID outbreak but the aftermath is unknown

% Share of population that trusts the government “to do what is right”

Notes: 9-point scale, top 4. Source: OECD calculations based on Edelman Trust Barometer
In some contexts evidence of a structural decrease in trust levels

“How much of the time do you think you can trust the government in Washington to do what is right?”

Source: Pew Research Center

Temporary increase in trust after 9/11 worse off afterwards

24% “always”, “most of the time”
and there is wide variation across institutions

- On OECD average 72% of the population trust the police, 49% trust the civil service, 37% trust the national government and about one in three trusts their national parliament.
- In the US, 68% trust the police, 42% the civil service, 33% the government and only 15% the parliament.

Investing in trust: analytical framework

➢ Trust depends on the congruence between citizen’s (and businesses) preferences and the perceived actual functioning of government (Bouckaert and van de Walle, 2003)

➢ Distinction between “trust in competence”, the ability to confirm to expectations, and “trust in intentions”, to perform in good faith according to the best competence (Noteboom 2007; Choi and Kim 2012)

➢ The “logic of consequences” where trust is derived causally from (i) outcomes, and (ii) the “logic of appropriateness”, where trust is based on values, integrity and transparency (Bouckaert 2012)

Two main concepts/drivers competences and values
OECD framework to measure drivers of trust through a population survey

Note: Elements highlighted are new to the framework
Source: Brezzi, González, Prats, Nguyen (2021)
Trust divides, region, education, income

Average trust is higher in Helsinki-Uusimaa than in other Finnish regions, 2020

Source OECD Trust Survey
OECD Trust survey: Compare citizens’ assessment in key drivers of trust across countries

- Better evidence allows targeting policy action

Percentage of the population considering their government to be responsive, reliable, open, honest and fair

Source: OECD Trust survey applied through country case studies
Trust “pay-off” of different trust drivers in Finland

Increase in trust levels associated with 1-point increase in competence, values, interpersonal trust, and key societal trends; Finland, 2020

Source: OECD (2021) “Drivers of trust in public institutions in Finland”
Conclusions

• Institutional trust is key for functional democracies
• Existing measures of trust are hard to interpret as they are influenced by many factors and don’t discriminate between institutional and political trust, need for better measurement
• Understanding and measuring the drivers of institutional trust could lead to actionable policy recommendations
• Perceptions of institutional performance strongly correlate with both trust in government and trust in others
• Perceived service responsiveness and reliability are the strongest determinant of trust in government in a subset of countries
• The determinants of trust vary across institutions
Next steps Institutional trust is key metric in assessing a country’s social and economic state

- OECD Trust Survey has been applied in 20 OECD countries in November/December 2021 (nationally representative population samples) - results April 2022 – expand the survey carried out in Korea, Finland and Norway.
- For the first time get coherent measures of different drivers of public trust across key dimensions of government competence and values.
- Mix of perception, evaluation and experience questions
- Possible to disaggregate measures by socio-economic groups, broad regions, and institutions (e.g. parliament, police, judiciary)
- Module on long term governance challenges
- In the medium-term, monitor every 2-3 years:
  - Level of trust in different institutions
  - Main drivers per country among responsiveness, reliability, integrity, openness and fairness
- In depth country studies
Thanks for your attention!

Website: https://www.oecd.org/gov/trust-in-government.htm
Contact: govtrustinfo@oecd.org