

Trusting other People

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The importance of trust is difficult to exaggerate. This is the case no matter if we talk about trust in a society's different institutions or social trust in your fellow man. Trust help to build what has been labelled "successful societies" (Hall and Lamont 2009, Ostrom 1990, Uslaner 2002) and trust keeps societies together (Larsen 2013, Rothstein 2005). Without trust we would not leave our children at daycare centers, eat food prepared by strangers at restaurants or deposit our money in banks. Without trust many of us would be armed, constantly looking anxiously back over our shoulders. Trust makes everything more reliable and safer in a society. Things run more smoothly, and efficiently, and many decisions can be taken faster since complicated legal procedures are not needed for securing contracts and cooperation. If most people are seen as trustworthy, less doors need to be locked and less lawyers are needed.

The operating ingredient is that high trust tends to lower what economist calls *transaction costs*. For people mutually advantageous and positive transactions - whether of an emotional, social, political or economic kind - will more often be brought about if all concerned regard each other as reliable. Already back in 1972, Nobel Laureate Kenneth Arrow stated that "Virtually every commercial transaction has within itself an element of trust, certainly any transaction conducted over a period of time. It can be plausibly argued that much of the economic backwardness in the world can be explained by the lack of mutual confidence" (Arrow 1972)

Another positive effect of high trust has to do with a society's ability to produce and sustain public goods - like an efficient infrastructure, rule of law, public schools and a decent welfare system. These goods must often be paid for by taxes. If large proportions of citizens do not trust that the tax collectors are impartial and uncorrupt, or do not trust most other people to pay their taxes, or believe that many people free ride and over use public provisions, then it will not be possible to finance these systems. Without a reasonable amount of social trust and trust in the tax administration, we would all be in a Greek tragedy (Dahlström, Lindvall, and Rothstein 2013, Fehr and Fischbacher 2005, Svallfors 2013, Rothstein 2015).

The blessing of high trust diminishes, however, if there in a society resides different smaller groups with decidedly lower levels of trust. That could cause problem not only for the people involved, but as well for the society at large. Larsen (2013) explains the falling levels of trust in the United Kingdom and the United States by the perception among many belonging to the middle class of a large ethnically distinguishable group of citizens that are perceived as particularly untrustworthy, undeserving and dangerous. Low trust acts as gravel in a social and economic machinery. Activities involving low trusting groups risk to take more time, be more costly, and be less efficient. In turn, this could turn into a negative spiral causing trust to go down further.

Consequently, the ideal is to have a minimum degree of differences in trust between social, economic and political groups in a society. Men and women, young and old, workers and businessmen, native born and immigrants, people in good and poor health, gainfully employed and unemployed, voters for different political parties, people ideologically to the left or to the right – all should normatively and in the best of worlds have a reasonably high

and evenly spread level of trust. Furthermore, over time the high level of trust should remain, and group differences should not tend to increase.

Normatively, what we want and wish for is a high, stable, and socially and politically evenly spread level of trust. The question is to what degree this normative wish is fulfilled in the nation states of today. In trying to answer this research question, we will limit our scope to a special kind of trust. Our focus will be on interpersonal trust, the extent to which people in a generalized manner tend to trust other people. In the literature researcher sometimes talk about horizontal trust, generalized trust, social trust or even social capital (Castiglione, Deth, and Wolleb 2008, Svendsen and Svendsen 2009, Cook, Levi, and Hardin 2009, Warren 1999).

The data we will use to study the problem is the most comprehensive source available when it comes to coverage of countries and time. It comes from the World Value Survey (WVS) and is based on a very simple dichotomous question: "Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people?" with the response alternatives "Most people can be trusted" and "Need to be very careful".¹ Results from this measure will be used to study the level of social trust and the extent of group differences in some eighty countries that participated in WVS Wave Five and Six during the years 2005 to 2013.² Developments over time, however, and the stability of trust and trust differences will only be analyzed in four countries that have been part of WVS all through the years since the start in the early 1980s.

Level of Social Trust in Established and New Democracies, and in Authoritarian Regimes

Looking at the WVS results for social trust across the world, it is very apparent that generalized trust between people is a rare phenomenon (Delhey and Newton 2004). Among the seventy seven countries participating in the two latest WVS rounds a bare nine have majorities of their citizens stating that they thought "most people could be trusted". In all other countries often very large majorities to the contrary said that "you need to be very careful in dealing with people". Trusting majorities can be found in seven out of fifteen established democracies (47 percent), in none of the new democracies (0 percent), and in two authoritarian regimes (6 percent). It is obvious that social trust is much more present in old, established democracies than in the rest of the world.

The list of trusting citizens is topped by Norwegians, Dutch and Swedes, followed by Chinese and Vietnamese, and then followed by Finns, New Zealanders, Australians and Swiss.³ Among Norwegians 74 percent can be classified as trusting other people. At the bottom of the list are countries like Philippines (3 percent with social trust), Trinidad and Tobago (3 percent), Columbia (4 percent) and Zimbabwe (7 percent). Among established democracies there are countries with very low trust results as well. France and Spain with only 19 and 20 percent of their citizens expressing trust are two examples.

¹ A critique of the very crude way of measuring generalized trust with this dichotomous survey question can be found in Lundmark, Gilljam and Dahlberg 2015.

² For countries who participated in both WVS Wave Five and Six, we have used the results from Wave Six. Thanks to Richard Svensson at the QoG Institute in Gothenburg for all data runs.

³ The trustworthiness of the results in China and Vietnam can be discussed. Maybe it is difficult to give an untrusting answer in a survey in two such authoritarian countries.

Table 1. Interpersonal Trust: World Values Survey, Wave 5 and Wave 6, 2005-2013. (% Trust)

| New Democracies | | | Authoritarian Regimes | | |
|---|---------------------|---------|--|--------------|---------|
| Rank | Country | Percent | Rank | Country | Percent |
| 1 | Indonesia | 43 | 1 | China | 64 |
| 2 | Estonia | 40 | 2 | Vietnam | 52 |
| 3 | India | 34 | 3 | Yemen | 40 |
| 4 | Thailand | 33 | 4 | Singapore | 39 |
| 5 | South Korea | 30 | 5 | Kazakhstan | 39 |
| 6 | Taiwan | 30 | 6 | Kyrgyzstan | 38 |
| 7 | Hungary | 28 | 7 | Belarus | 35 |
| 8 | South Africa | 24 | 8 | Bahrain | 34 |
| 9 | Poland | 23 | 9 | Iraq | 32 |
| 10 | Argentina | 23 | 10 | Jordan | 31 |
| 11 | Bulgaria | 22 | 11 | Kuwait | 30 |
| 12 | Slovenia | 20 | 12 | Russia | 29 |
| 13 | Moldova | 18 | 13 | Ukraine | 25 |
| 14 | Tunisia | 16 | 14 | Pakistan | 24 |
| 15 | Serbia | 15 | 15 | Ethiopia | 24 |
| 16 | Uruguay | 15 | 16 | Egypt | 21 |
| 17 | Chile | 13 | 17 | Qatar | 21 |
| 18 | Mexico | 12 | 18 | Algeria | 18 |
| 19 | Georgia | 9 | 19 | Mali | 17 |
| 20 | Brazil | 9 | 20 | Azerbaijan | 17 |
| 21 | Cyprus | 9 | 21 | Rwanda | 17 |
| 22 | Peru | 8 | 22 | Guatemala | 16 |
| 23 | Ecuador | 7 | 23 | Nigeria | 15 |
| 24 | Romania | 7 | 24 | Burkina Faso | 15 |
| 25 | Ghana | 5 | 25 | Uzbekistan | 14 |
| 26 | Colombia | 4 | 26 | Morocco | 13 |
| 27 | Trinidad and Tobago | 3 | 27 | Libya | 12 |
| Average New Democracies: | | 23 | 28 | Turkey | 12 |
| Established Democracies | | | 29 | Zambia | 12 |
| Rank | Country | Percent | 30 | Iran | 11 |
| 1 | Norway | 74 | 31 | Lebanon | 11 |
| 2 | Netherlands | 67 | 32 | Armenia | 10 |
| 3 | Sweden | 65 | 33 | Malaysia | 9 |
| 4 | Finland | 59 | 34 | Zimbabwe | 7 |
| 5 | New Zealand | 57 | 35 | Philippines | 3 |
| 6 | Australia | 54 | Average Authoritarian Regimes: 23 | | |
| 7 | Switzerland | 51 | Comment: Missing data and DK's are not included in the percent calculations. The democratic countries are so designated by the V-Dem Institute. The distinction between New and Established Democracies has been done by Sören Holmberg. The results show the proportion of respondents who answered "most people could be trusted" on a dichotomous question where the other response alternative is "you need to be very careful in dealing with people". | | |
| 8 | Canada | 42 | | | |
| 9 | Germany | 42 | | | |
| 10 | Japan | 39 | | | |
| 11 | United States | 38 | | | |
| 12 | Great Britain | 30 | | | |
| 13 | Italy | 29 | | | |
| 14 | Spain | 20 | | | |
| 15 | France | 19 | | | |
| Average Established Democracies: | | 46 | | | |

The average proportion of citizens with social trust is 46 percent in established democracies. In new democracies and in authoritarian regimes, the comparable proportion is half – only 23 percent. All and all, in most cases far from majorities of citizens have trust in their fellow man. A dismal result for most countries, including most established democracies. It is evident that our normative expectation (and hope) that social trust should be high across most countries and especially across democracies is not met. The good outcome in some minor northern European democracies is a small comfort when social trust on average is so low as it is in some large democracies as Germany (42 percent trusting), USA (38 percent) and United Kingdom (30 percent).

Social Trust in Different Social Groups

Moving on from country level outcomes to results for different social and political groups, our normative expectation is no or minimal differences in social trust between groups. Starting with social groups, the average differences recorded in Table 2 for important demographic groups like men and women and old and young people is very positive. Across all our seventy seven countries, as well as across only the established democracies, average absolute differences in social trust between gender and age groups are small – less or around 5 percentage points. On average, old people are somewhat more trusting than the young, and men have a little higher social trust than women.⁴

The results are less encouraging for the rest of our social variables, especially in established democracies (see Table 2). Group differences in social trust are clearly visible when we look at persons with different educational levels, people with good or poor health, gainfully employed or unemployed citizens and people born in their country compared to people born outside (immigrants). For these groups, the average between-groups' absolute trust differences tend to be around 6-10 percentage points when all countries are included. If we focus on only the established democracies, the comparable differences increase to around 9-24 percentage points.

The absolute differences are highest between high and low educated people, between people with good or bad health and between employed and unemployed persons. And the differences are most clearly noticeable in established democracies. The pattern is the same in all kind of countries, however. Citizens with university degrees, in good health and gainfully employed tend to trust other people much more than citizens with low education, in poor health and without work. Average trust differences between native born persons and immigrants are also evident, but less drastic.⁵

⁴ Observe that in established democracies women tend to have more social trust than men, but the average difference is only 0.3 percentage points.

⁵ Due to a limitation of available data, the results for the comparison of Native Born vs Immigrants are based on a very limited number of countries; twenty eight altogether, and only five established democracies. The result is thus shaky, but indicates slightly higher social trust levels among native born person compared to among immigrants. See Nannestad et al 2014.

Table 2. Aggregate Social Correlates of Social Trust: Differences in Social Trust Between Social Groups in Seventy-Seven Countries.

| | All 77 Countries | Only 15 Established Democracies |
|-----------------------------------|------------------|---------------------------------|
| Men vs Women | | |
| Mean Difference in Trust | +0,9 | -0,3 |
| Mean Absolute Difference in Trust | 2,5 | 3,3 |
| Men Higher Trust | 44 | 8 |
| Women Higher Trust | 23 | 6 |
| Equal Level of Trust | 10 | 1 |
| Old vs Young | | |
| Mean Difference in Trust | +0,5 | +1,3 |
| Mean Absolute Difference in Trust | 4,9 | 6,9 |
| Old Higher Trust | 42 | 8 |
| Young Higher Trust | 29 | 7 |
| Equal Level of Trust | 6 | 0 |
| High vs Low Education | | |
| Mean Difference in Trust | +8,1 | +23,5 |
| Mean Absolute Difference in Trust | 9,8 | 24,1 |
| High Education Higher Trust | 57 | 14 |
| Low Education Higher Trust | 15 | 1 |
| Equal Level of Trust | 5 | 0 |
| Good vs Poor Health | | |
| Mean Difference in Trust | +8,7 | +18,1 |
| Mean Absolute Difference in Trust | 9,3 | 18,1 |
| Good Health Higher Trust | 67 | 15 |
| Poor Health Higher Trust | 6 | 0 |
| Equal Level of Trust | 4 | 0 |
| Employed vs Unemployed | | |
| Mean Difference in Trust | +5,9 | +16,8 |
| Mean Absolute Difference in Trust | 7,3 | 16,8 |
| Employed Higher Trust | 51 | 15 |
| Unemployed Higher Trust | 12 | 0 |
| Equal Level of Trust | 5 | 0 |
| Native Born vs Immigrant | | |
| Mean Difference in Trust | +1,0 | +8,2 |
| Mean Absolute Difference in Trust | 5,8 | 8,6 |
| Native Born Higher Trust | 13 | 3 |
| Immigrant Higher Trust | 3 | 1 |
| Equal Level of Trust | 12 | 1 |

Comment: Data from WVS wave five and wave six. Old is 50+ and young 15-29. High education is university studies. Basic education only is defined as Low. Good health = response alternative "very good", poor health = response alternatives "fair", "poor" and "very poor". Absolute differences are differences disregarding sign. Due to data limitation, the number of countries with information is only 28/5 for Native Born vs Immigrant.

That less fortunate people - persons with poor health or without employment, or less privileged citizens, like people with short education - as well should be experiencing lower levels of social trust, is not good for them and not good for society. Especially since the relevant groups are more than average dependent on welfare provisions and a well-functioning welfare society. The fact that social trust levels among some of these “vulnerable” groups stand out as particularly low compared to the trust levels among less-vulnerable groups in established democracies, the Nordic countries included, make the results extra disturbing from a normative standpoint.

Political Group Differences

There is no self-evident reason to believe or expect that levels of social trust should be related to political factors like what ideology people subscribe to, whether people support the ruling government or not, or if people are interested in politics. No simple casual relation is foreseen between interpersonal trust and politics. And normatively, there should be no connection. Social trust should not be politicized. On a general level, people should trust or not trust their fellow man no matter their political affiliations.

With this ideal as a backdrop, the results in Table 3 are for the most part very positive. The outcome of our test for all seventy seven countries reveals only minor group differences in levels of average social trust. People on the left and people supporting government parties tend on average to be a little more trusting in other persons than people on the right and opposition supporters, but the differences are minuscule, only around 1 percentage point in both cases. Average trust differences are somewhat larger when we look at high versus low educated citizens (around 4 points). People with university education tend to have more social trust compared to persons with only basic training.

Focusing on established democracies, our results are a little less positive. The pattern is the same as for all countries – people on the left, people supporting government parties and politically interested citizens have on average more social trust than people on the ideological right, persons supporting the opposition and citizens with little interest in politics. But here the group differences are larger. Not dramatically larger, but systematically larger. This is especially the case for trust differences between groups with different degrees of interest in politics. Among established democracies, on average, citizens with more interest in politics are clearly more trusting of others than people with no or low levels of interest in politics. (+ 11,3 percentage points). An outcome like this, where engaged citizens have more of trust in other people than less engaged citizens, is not what we normatively want. It is not helpful for less engaged persons, and it is not helpful for an efficient run of a democracy.⁶

⁶ A group of citizens with really low levels of social trust are non-voters and people without any party sympathy. On average in the seven established democracies where we have data, this political out-group reveals a social trust level 16 percentage points lower than citizens supporting the opposition and 18 points lower than people supporting the ruling government. This is a potential, and possibly already a real problem in democratic societies. Social trust should not be less present in a politically sensitive out-group like this. It makes all social and political transaction costs go up.

Table 3. Aggregate Political Correlates of Social Trust: Differences in Social Trust Between Political Groups in Seventy-Seven Countries.

| | All 77 Countries | Only 15 Established Democracies |
|---|------------------|---------------------------------|
| High vs Low Political Interest | | |
| Mean Difference in Trust | +3,6 | +11,3 |
| Mean Absolute Difference in Trust | 4,6 | 11,3 |
| High Interest Higher Trust | 52 | 14 |
| Low Interest Higher Trust | 14 | 0 |
| Equal Level of Trust | 11 | 1 |
| Left vs Right Self Placement | | |
| Mean Difference in Trust | +1,0 | +7,9 |
| Mean Absolute Difference in Trust | 6,2 | 7,9 |
| Left Higher Trust | 38 | 13 |
| Right Higher Trust | 29 | 0 |
| Equal Level of Trust | 5 | 2 |
| Government vs Opposition Supporter | | |
| Mean Difference in Trust | +0,9 | +2,4 |
| Mean Absolute Difference in Trust | 4,4 | 6,4 |
| Government Supporter Higher Trust | 13 | 5 |
| Opposition Supporter Higher Trust | 12 | 4 |
| Equal Level of Trust | 3 | 0 |

Comment: See Table 2.

Change over Time

Our normative hypothesis, or wishful thinking if you like, is that the level of social trust should be high and stay high over time. A downward trend is not what we wish for. Furthermore, we want eventual group differences in trust to be stable if they are small and not grow larger over time.

In order to examine what happens across time with social trust, we have selected four countries for a more detailed analysis. These countries are USA, Spain, Sweden and South Africa. All four have participated in WVS's Studies since the early 1980s.

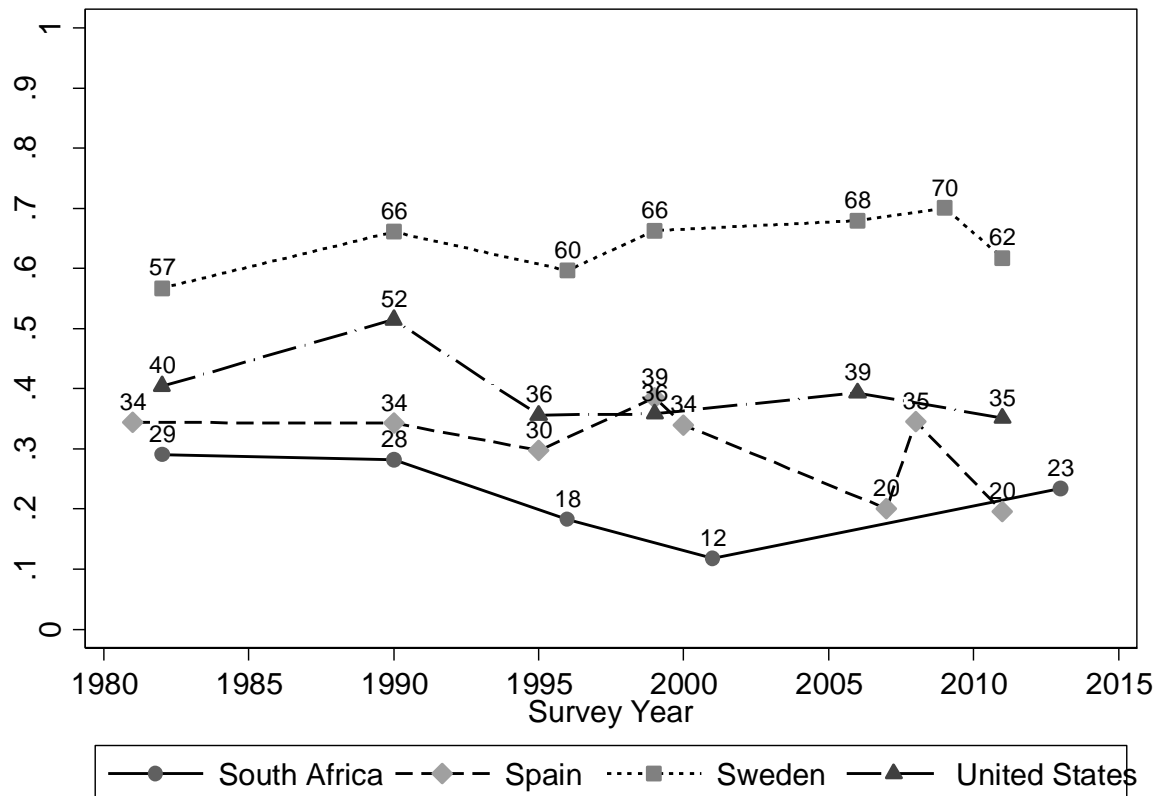
In Figure 1 we can see that the average social trust level has been reasonably stable across the years in all the four countries, with higher numbers in Sweden, followed by USA, Spain and South Africa. However, a small difference can be noticed. Comparing the early 1980s to the 2010s, average social trust has gone up somewhat in Sweden (from 57 to 62 percent, +5 points), while it has decreased a little in USA (-5 points) and South Africa (-6 points) and more clearly in Spain (-14 points). These developments are not a new discovery. They have been noticed by other researchers (Dinesen and Sonderskov 2015, Larsen 2013).

What is more novel are the results from our study of how important group differences in social trust have evolved.⁷ Data is limited and a bit shaky, but the main outcome is that most

⁷ In a study based on Swedish data alone, Holmberg and Rothstein find rather large, and in a number of cases growing, differences in social trust levels between societal groups. In Sweden, between 1996 and 2014, social trust levels in groups like the unemployed and people with poor health have gone down, while at the same time social trust levels have been stable or gone up slightly among the general public. Data comes from the SOM

group differences, social as well as political, stay about the same in all four countries across time. For example, gender differences in social trust are small in all countries all through the years. The same is true for social trust in different age groups.⁸ Also, the larger differences in social trust between high and low educated citizens stay the same across time; but with a small tendency to increase in USA and Spain.⁹

Figure 1. Change over Time in Social Trust in Four Countries 1980-2015



Trust differences between employed and unemployed persons are relatively modest in Spain and South Africa, and have stayed that way. The comparable differences are much larger in USA and especially in Sweden. In the US trust differences between employed and unemployed citizens have not changed while in Sweden the difference has increased somewhat. The results for the important health factor are very similar in Sweden, USA and Spain.¹⁰ People with a good health have on average more social trust than persons with a poor health. And that pattern has not changed across time.

Group differences in social trust in the two political variables we have studied over time are in most cases very stable. In Sweden, USA and Spain, people with a high political interest tend

Institute's annual measurements of social trust and is based on an eleven point scale question. See Holmberg and Rothstein 2015.

⁸ A reservation for the Swedish results. The young is surprisingly low on social trust in the 2011 study. See further Lindberg & Svensson 2012 and Lindberg & Persson 2013.

⁹ A reservation this time for the results in South Africa in the 2013 study. Social trust among people with low education is possibly too high, clearly higher than social trust among South Africans with university education.

¹⁰ Once more a question mark for the results in South Africa in the 2013 study. Social trust is higher among persons with poor health compared to people with good health. That is an odd result and different from previous results in South Africa.

to be more trusting in other people compared to people with a low interest in politics. That relationship stays the same over the years, although with a maybe small decrease in the difference in Spain. In South Africa, no difference in social trust between people with or without interest in politics can be discerned in the 1980s or in the 2010s. A stable no difference in other words.

The outcome of the analysis for left-right is even more straightforward. The small to medium sized differences in social trust that could be seen in the 1980s in all four countries are still visible and basically the same.¹¹ People on the left are more trusting than people on the right.

All in all, the conclusion for social trust must be on the positive side when it comes to changes in group differences over time.¹² For the limited number of cases we have studied, most relevant group differences were very stable across the years. Granted though, and as a Brask note, we have only systematically studied four countries and the reliability of WVS data is sometimes something to worry about.¹³

Results after Multivariate Controls

So far we have employed a bivariate, country based analysis technique. Certainly, it would be an added advantage if we could strengthen the conclusions further by testing our normative expectations on the individual level and in a multivariate format. The purpose of such an endeavor is not to look for any independent effects or examine a “causal” model. Instead, what we are looking for are possible hidden relationships as well as spurious covariations. However, the results of a multiple regression analyses do not in any simple fashion demonstrate differences in social trust between groups, and particularly not absolute differences. What we get is estimates controlled for other relevant variables of interest. Ideally, we want these estimates to be close to zero or at least on the low end.

The results in Table 4 account for the outcome of one multiple test involving all citizens in all our studied countries, and another for citizens in established democracies.

Gratifyingly, all of the outcomes of the multiple examinations confirm our previous results. Gender and age “effects” are minor, while education has a clear relationship with social trust. People with university degrees tend to be more trusting of other persons compared to people with only basic schooling, especially in established democracies. Since education is related to class differences in most societies, this is not a wished for result. Trust between people should not differ between upper and lower classes in a society.

Two socially vulnerable groups like people with poor health and unemployed persons have distinctly lower levels of social trust than average among all studied countries as well as in established democracies. This latter result is particularly disturbing from a normative standpoint. If anything, social trust should preferably be stronger, not weaker, among persons

¹¹ Sweden is possibly an outlier here. In the 1980s, in the first WVS Study in Sweden, people on the right, not on the left, had somewhat higher average level of social trust, 63 percent versus 57 percent.

¹² Another test that we have performed only in USA and South Africa is whether social trust differences between ethnic groups exist and if so if they are stable across time. In the US case, on average, whites are clearly more trusting of other people than blacks and latinos, and the difference is stable over the years. In South Africa since the late 1990s, the results indicate small and fairly stable differences in social trust between whites, blacks and coloreds.

¹³ Swedish Bishop Brask in 1517 signed a decision by parliament to remove a ruling controversial arch bishop. Under his sealing wax he put a hidden note saying “To this I felt compelled and forced”.

with problems and extra needs in a society. But, apparently, that is not the case in in the world today; not even among established democracies, the Nordic countries included.¹⁴

Table 4. Multiple Logistic Regression, Dependent Variable: Social Trust

| | All countries | | | | Established Democracies | | | |
|---|---------------|-----------|------------|-----------|-------------------------|-----------|------------|-----------|
| | Bivariate | | Full model | | Bivariate | | Full model | |
| | Coef. | Std. Err. | Coef. | Std. Err. | Coef. | Std. Err. | Coef. | Std. Err. |
| Sex (0: Male; 1: Female) | .07 | (.02) | .10 | (.02) | .13 | (.04) | .14 | (.04) |
| Age (0: 15-29; 0.5: 30-49; 1: 50+) | .54 | (.03) | .56 | (.03) | .42 | (.05) | .46 | (.06) |
| Level of Education (0: Lower; 0.5: Middle; 1: Upper) | .85 | (.03) | .74 | (.03) | 1.26 | (.06) | 1.00 | (.06) |
| Unemployment (0: Employed; 1: Unemployed) | -.62 | (.03) | -.40 | (.03) | -.95 | (.07) | -.62 | (.07) |
| Subjective Health (0: Very poor; 0.25: Poor; 0.5: Fair; 0.75: Good; 1: Very Good) | .70 | (.05) | .75 | (.05) | 1.53 | (.10) | 1.38 | (.11) |
| Political Interest (0: None at all; 0.33: Not very; 0.66: Somewhat; 1: Very) | .68 | (.03) | .56 | (.03) | 1.11 | (.07) | .74 | (.07) |
| Left-Right Position (0: Left; 0.5: Middle; 1: Right) | -.12 | (.03) | -.11 | (.03) | -.19 | (.05) | -.24 | (.05) |
| Constant | . | . | -2.47 | (.06) | . | . | -2.31 | (.11) |
| R2 | | | .03 | | | | .07 | |
| N | 49 093 | | 49 093 | | 11 140 | | 11 140 | |

Comment: Data from World Values Survey, wave 5 and wave 6. No country dummies included. All variables have been rescaled to 0-1. All coefficients are significant on the $p < .001$ -level.

Social Trust Across the World and Across Groups

It is not self-evident what it is that people are answering when they answer the trust question in the World Value Survey. After all, they cannot know the trustworthiness of “most people” in their society. One interpretation of what the question about social trust measures has been launched by Uslaner (2002) as well as by Delhey and Newton (2004) who argue that when people answer if they think that “most other people can be trusted”, this can be understood as *their evaluation of the moral standard of the society in which they live*. If this is correct, the main question from a global perspective is why people in different countries make such different evaluation of the moral standards of their societies. It seems odd to argue that people in different societies have innate different morals. That would imply that people in the Nordic countries for some reason have generally better moral values and are “born with” higher ethical standards than people in for example France.

¹⁴ The multiple tests also confirm that one of the political variables, political interest, has a clear relationship with social trust, especially in established democracies. One other political variable, left-right self-placement, is much less related to social trust. Our third political variable, government or opposition supporter, can only be studied in 28/5 countries, and is not included in the multiple examinations. In the country based bivariate tests, it was shown that the Government vs Opposition factor has a very weak relationship with levels of social trust.

A different interpretation of our results is that people's perception of other people's trustworthiness can be explained by how they perceive the competence and fairness of the public institutions in their country. An example would be the tax administration. If people in general perceive that this is an institution that is incompetent and corrupt, they are likely to think that many people get away with cheating on taxes. They will then also themselves do what they can to avoid paying their taxes because it makes little sense to do this if the low quality of the institutions implies that most other people are not being honest. Due to the low competence and fairness in the tax administration, it seems reasonable that people make two inferences. First, the moral standard in society is low because most people are cheating when paying their taxes because they can easily get away with such behavior. Secondly, since this leads the individual to also refrain from honestly paying his or her taxes, this increases the sense of a low moral standard in society since "you know others as you know yourself" Fehr and Fischbacher are among a growing number of researchers that has underlined that reciprocity, as opposed to utility maximizing self-interest, is the basic template for human behavior: As they state: "If people believe that cheating on taxes, corruption and abuses of the welfare state are wide-spread, they themselves are more likely to cheat on taxes, take bribes or abuse welfare state institutions" (2005, p. 167). The opposite is then also the case, namely that people are willing to act in honestly and "do the right thing" but only provided that something can convince them that most other people can be trusted to do the same (Bicchieri and Xiao 2009).

The implication is that the huge variation in social trust that we find between different societies in the world and between groups in different countries should not be explained by some type of cultural or innate differences in the moral standard of the people that happen to live in these societies and groups. Instead, the explanation is that the differences are caused by the quality of the public institutions they happen to live under. This is supported by research showing that people that immigrate from low trusting societies to high trusting societies increases their social trust substantially and that the most important factor behind this is if they perceive the public institutions in their new country to be just and to treat them in a fair manner (Nannestad et al. 2014). It is noteworthy that the probably most respected political philosopher in our time, John Rawls, noted this problem in his famous book from 1971: *A Theory of Justice*.

For although men know that they share a common sense of justice and that each wants to adhere to existing arrangements, they may nevertheless lack full confidence in one another. They may suspect that some are not doing their part, and so they may be tempted not to do theirs. The general awareness of these temptations may eventually cause the scheme to break down. The suspicion that others are not honoring their duties and obligations is increased by the fact that, in absence of the authoritative interpretation and enforcement of the rules, it is particularly easy to find excuses for breaking them (Rawls 1971, 240).

It is clear that Rawls pointed to the problem of reciprocity in the form of trust in others ("confidence") and that he argued that it is the existence of institutional arrangements that can handle "free-riding" and other forms of anti-social and opportunistic behaviour that are needed to avoid that systems based on principles of justice break down.

Consequently, if we normatively want high and evenly spread social trust in a society, we should first and foremost look at the quality and impartiality of public institutions. Failing social trust is not primarily a moral or cultural problem. It is an institutional problem solvable through more fair and efficient public administration.

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