



TRUST: WHY IT MATTERS AND HOW TO MEASURE IT

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Outline

1. Why trust matters?
2. Can we measure trust?
 - What we know
 - What are the limitations of existing measures?
3. What is the OECD's measurement strategy?
 - OECD Guidelines on Measuring Trust
 - Experimental Survey Design
 - Trustlab



1. WHY TRUST MATTERS?



Trust is key to economic and social performance

- **Trust in other people (or generalized interpersonal trust)** within a given society is a key determinant of economic outcomes and social cohesion
 - ✓ capacity of communities to achieve common goals through **pooling of resources**; reduced **transaction costs**; and avoidance of **coordination failures** during economic exchanges
 - ✓ Capacity of people to live together
- **Citizen's trust in public institutions** is a crucial ingredient for the legitimacy and sustainability of any political system
 - ✓ critical for **delivering policies and effective governance**, since public programmes, regulations and reforms depend on cooperation and compliance of citizens

Levels of trust vary across countries and over time

- There are large **differences in levels of both generalised and trust in institutions** across OECD countries
 - Important to understand the **drivers of trust** depending on countries' specific circumstances
 - ✓ e.g.. existence of a negative correlation between the ethnic diversity of a community and levels of trust
 - ✓ e.g. more unequal and divided communities are also less trusting ones
- Both **generalised trust and trust in institutions also vary significantly within countries**, typically as a function of people's income, education, employment status and household type.
 - Important to understand **decline in trust in government** since the 2008 financial crisis in many OECD countries
 - ✓ consequences for targeting and effectiveness of public policy
 - ✓ consequences for democratic processes



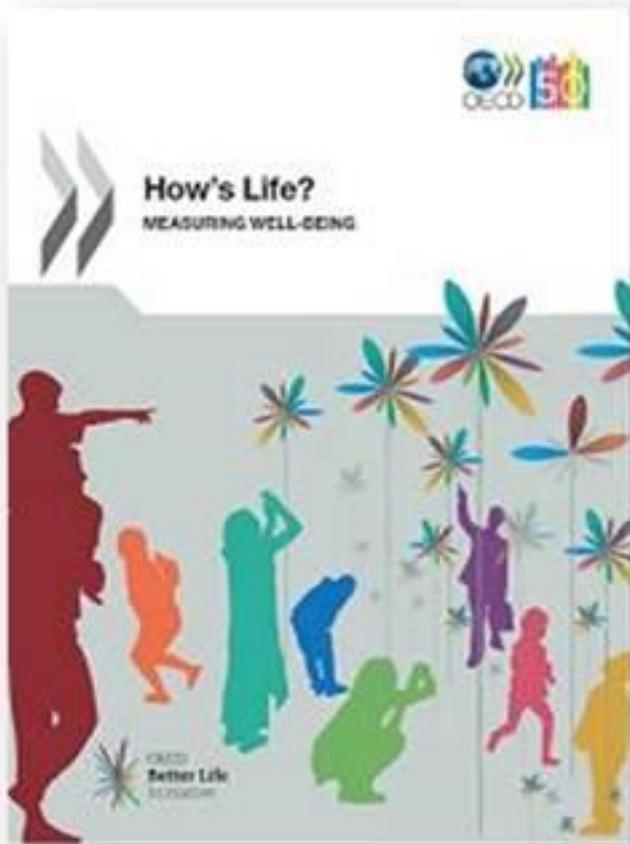
Trust is high on the OECD agenda



- 2013 Ministerial Council Meeting: call to **strengthen efforts to understand trust in public institutions** and its influence on economic performance and people's well-being
- Priority of the OECD Secretary General over the next five years
- OECD Trust Strategy
- Measurement of Trust
- Other OECD work on trust
 - PISA, PIAAC – the role of education in driving trust



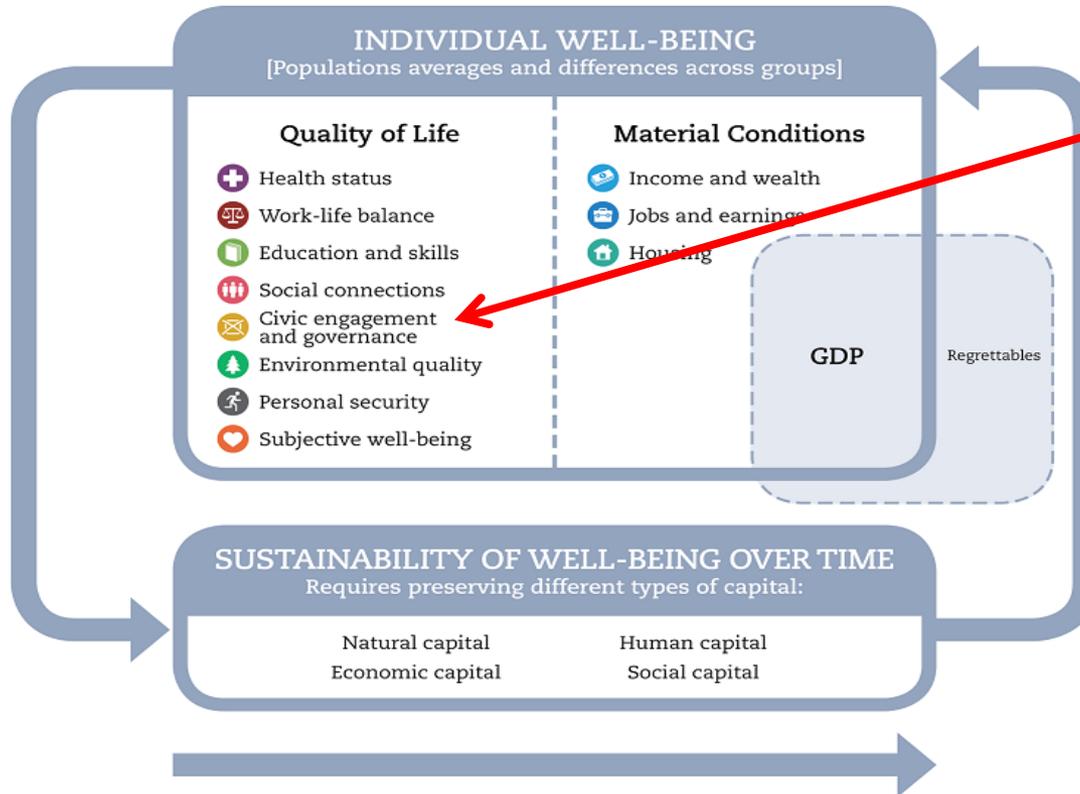
Trust also matters for peoples' well-being



- Both generalized trust and trust in institutions matter for people's well-being
- We measure well-being through the How's Life series of reports and through the Better Life Index
- Both are based on the same underlying well-being framework
- Monitors both flows (current well-being) and stocks (the capital stocks/factors of production that produce well-being)



Trust also matters for people's well-being

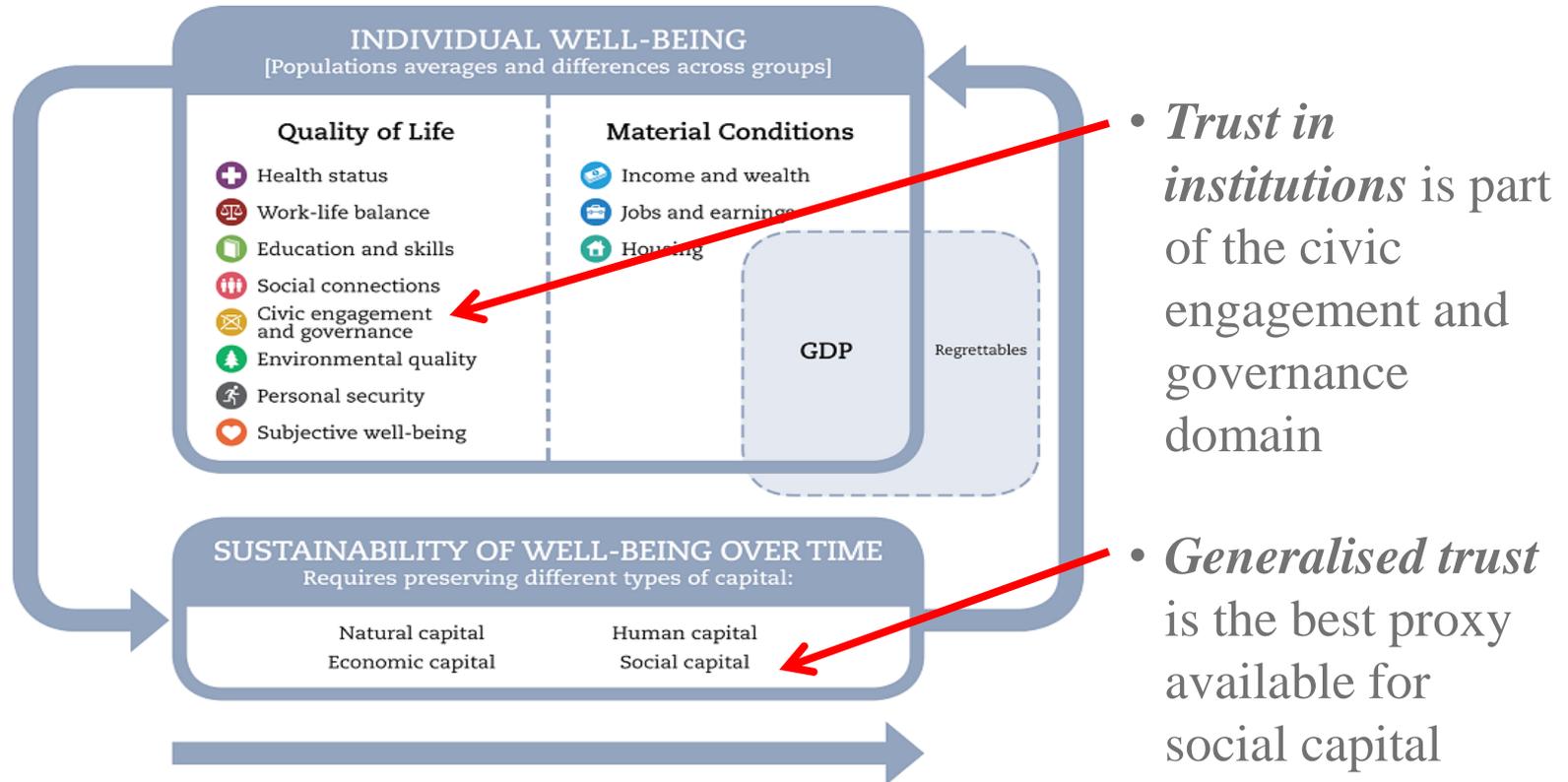


- *Trust in institutions* is part of the civic engagement and governance domain

Source: OECD, 2013



Trust also matters for people's well-being



Source: OECD, 2013



Trust is part of SDG Goal 16

Sustainable Development Goals

Goal 1: End poverty

Goal 2: End hunger, achieve food security

Goal 3: Ensure healthy lives

Goal 4: Ensure inclusive and equitable quality education

Goal 5: Achieve gender equity

Goal 6: Ensure availability ... of water for all

Goal 7: Ensure access to... modern energy for all

Goal 8: Promote... economic growth, full and productive employment and decent work for all

Goal 9: Build resilient infrastructure... and foster innovation

Goal 10: Reduce inequality within and between countries

Goal 11: Make ... human settlements inclusive, safe...

Goal 12: Ensure sustainable consumption and production patterns

Goal 13: Take urgent action to combat climate change

Goal 14: Conserve and sustainably use the oceans...

Goal 15: ...promote sustainable use of terrestrial ecosystems

Goal 16: Promote peaceful and inclusive societies, provide access to justice for all and build effective, accountable and inclusive institutions

Goal 17: Strengthen the means of implementation...



2. CAN WE MEASURE TRUST?



Trust has potentially many dimensions

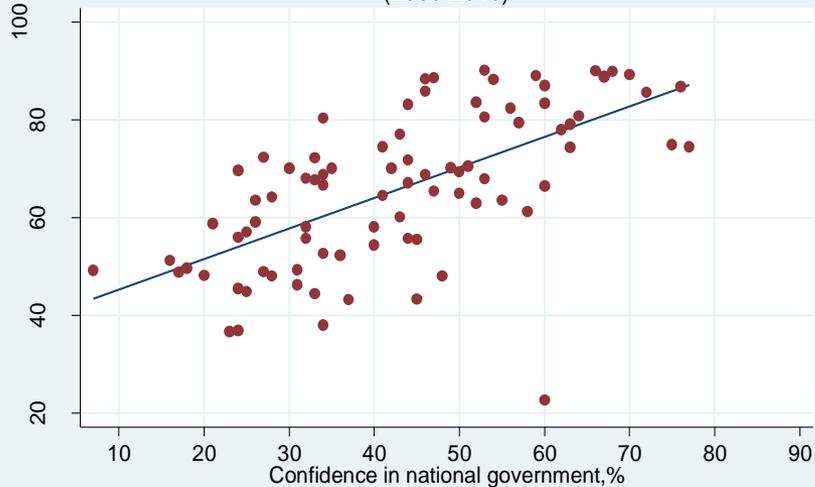
- Trust is an intangible concept that is difficult to define precisely let alone measure
- The main focus for the OECD is on citizen's trust:
 - Either in other citizens (*generalised interpersonal trust*)
 - Or in institutions (*institutional trust*)

By whom / on whom	Citizen	Institutions	Leaders
Citizen	•→ Interpersonal trust	•→ Institutional trust •→ Micro and meso trust	•→ Political trust
Institutions	•→ Civic	•→ Inter-institutional trust	•→ Political-administrative trust
Leaders	•→ Political trust	•→ Political-administrative trust	•→ Multilateral trust



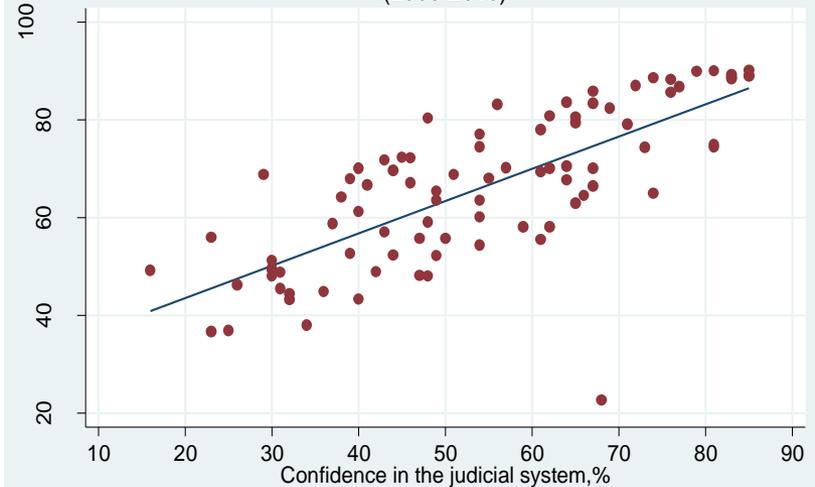
Close relation between generalised trust and institutional trust

Trust in Government vs. Generalised Trust
(2006-2015)



R-sq:0.64
Data source: Gallup World Poll, European Social Survey

Trust in the Judicial System vs. Generalised Trust
(2006-2015)



R-sq:0.75
Data source: Gallup World Poll, European Social Survey



What we know



Assessing the validity of measures of trust

- How can we know whether a measure of an intangible concept is valid?
- ***Face validity*** – does the proposed measure seem sensible?
- ***Convergent validity*** – do different measures produce the same information?
- ***Construct validity*** – does the measure behave as theory suggests?



Face validity

Generally speaking, would you say that most people can be trusted, or that you can't be too careful in dealing with people?

Please tell me on a scale of 0 to 10, where 0 means that you can't be too careful and 10 means that most people can be trusted.

0, you can't be too careful

1

2

3

4

5

6

7

8

9

10, most people can be trusted

Don't know

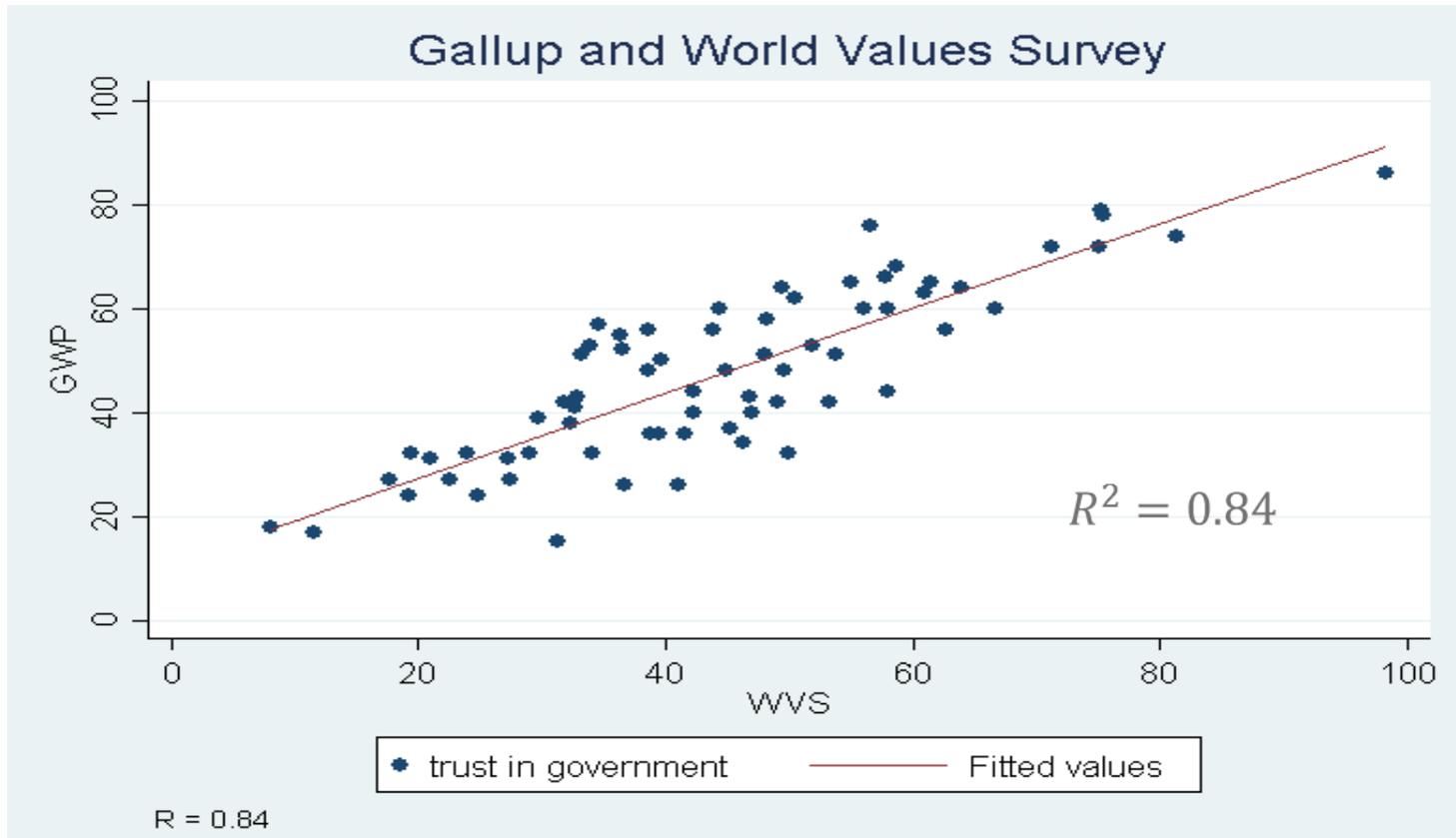


Convergent validity

- Looking across the full range of surveys for which trust data is currently available (Gallup World Poll, Euorbarometer, European Social Survey, World Values Survey, European Quality of Life Survey, Latinobarometer)
- ✓ Correlations between different measures of trust in “government” or “politicians”
- ✓ Correlations between different measures of generalised interpersonal trust also show high correlations



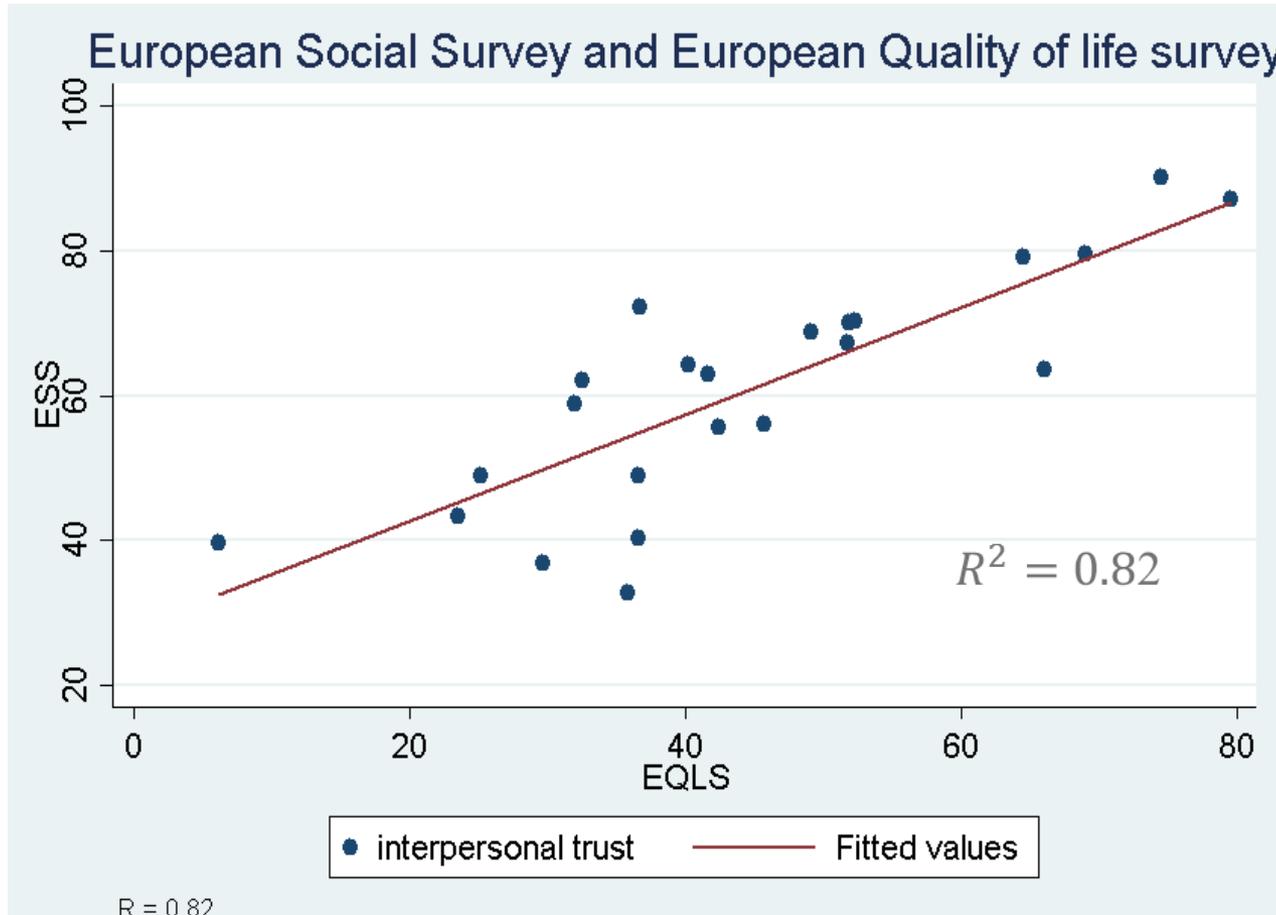
Convergent validity: trust in government



✓ Correlations range from: 0.68 to 0.93



Convergent validity: generalised interpersonal trust



✓ Correlations range from: 0.68 to 0.93



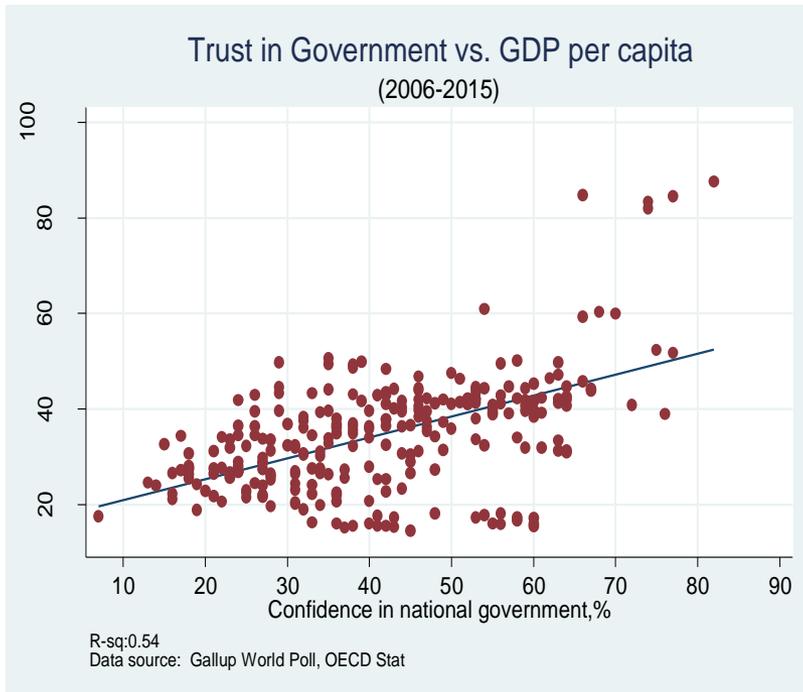
Construct validity

- Looking across the full range of surveys for which data is available (Gallup World Poll, Euorbarometer, European Social Survey, World Values Survey, European Quality of Life Survey, Latinobarometer)
- ✓ Do measures of trust correlate in the expected way with other variables ?

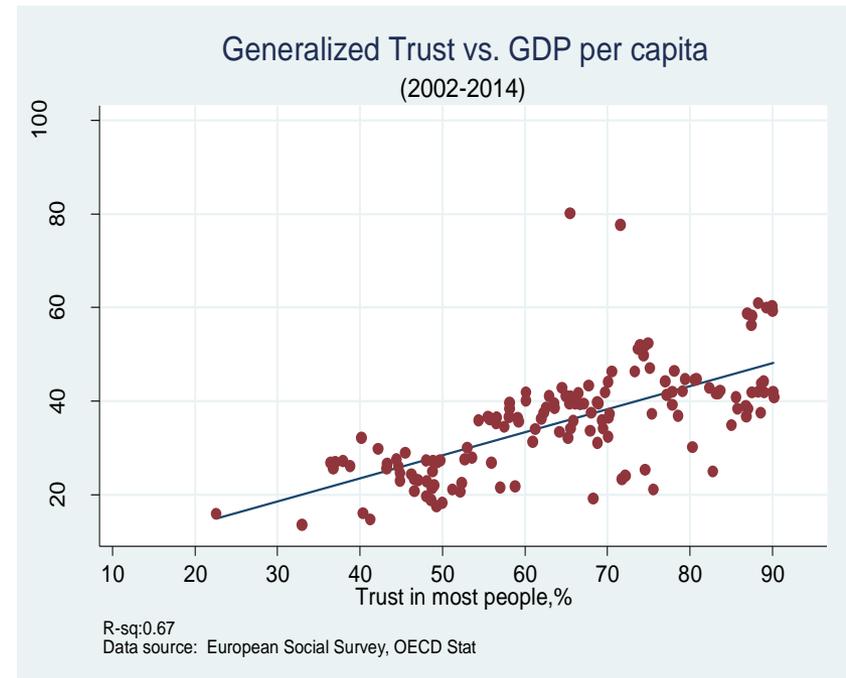


Construct validity : trust and economic outcomes

There is a robust correlation between trust and economic outcomes (e.g. GDP per capita and unemployment)



$$R^2 = 0.54$$

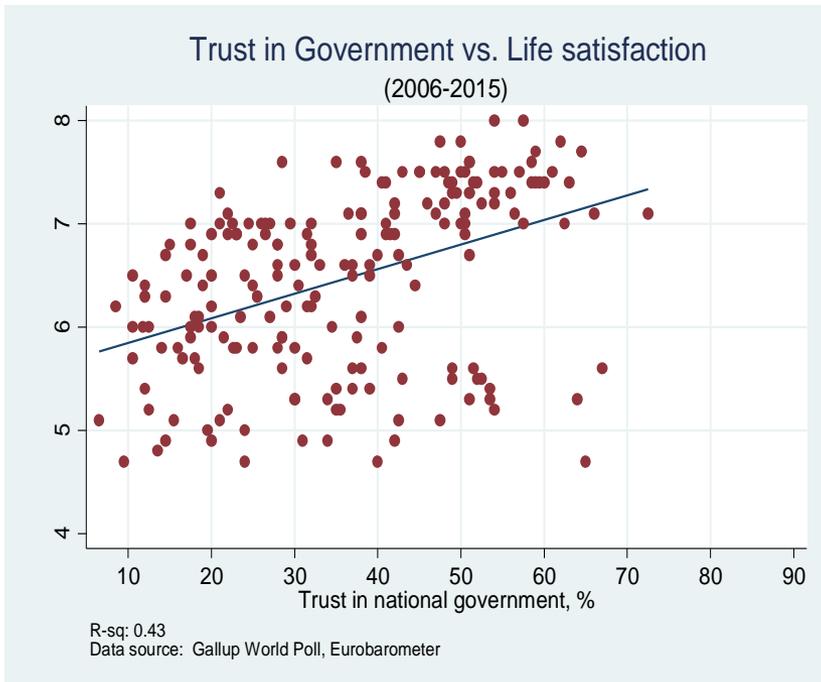


$$R^2 = 0.67$$



Construct validity: trust and non-economic outcomes

There is also a strong correlation between trust and non-economic outcomes, although this is weaker for institutional trust



$$R^2 = 0.43$$



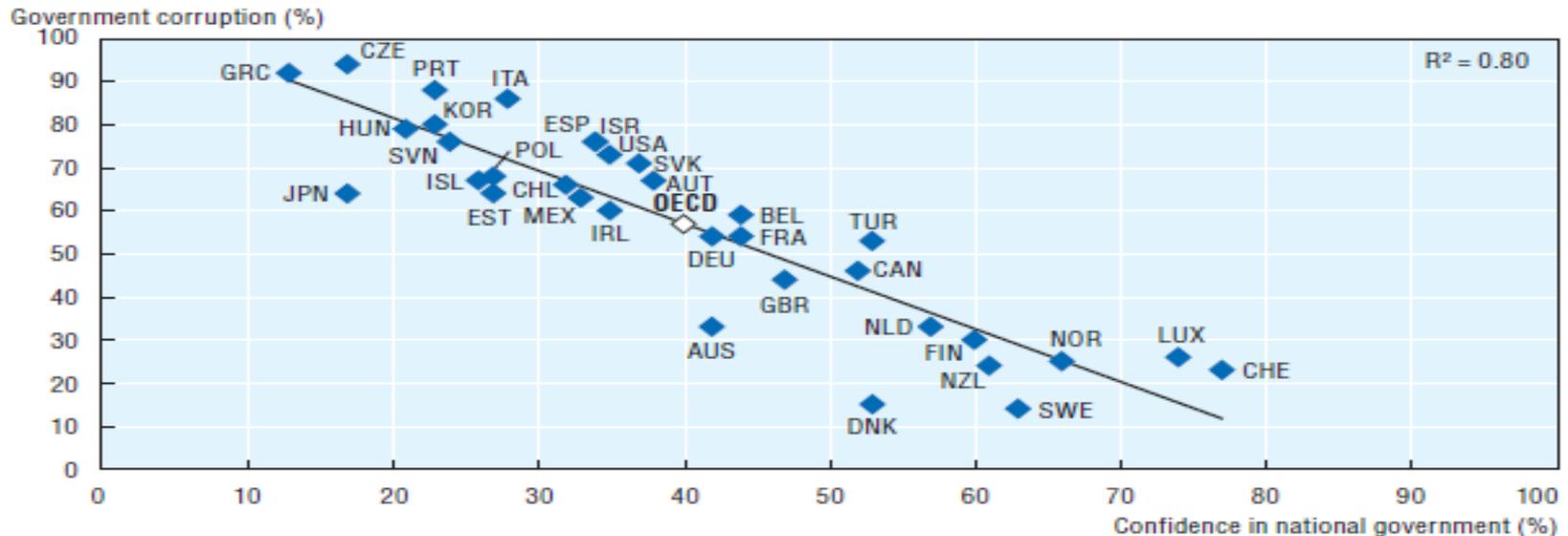
$$R^2 = 0.77$$



Construct validity: trust and corruption

Measures of trust in institutions are closely related to measures of government performance

Correlation between confidence in national government and perception of government corruption (2012)



Note: Data for confidence in national government refer to the percentage of “yes” answers to the question: “In this country, do you have confidence in each of the following, or not? How about national government?” Data for perception of government corruption represent % of “yes” answers to the question: “Is corruption widespread throughout the government, or not?” Data for Chile, Germany and the United Kingdom are for 2011 instead of 2012. Source: Gallup World Poll.

StatLink  <http://dx.doi.org/10.1787/888932940911>



What we know : bottom line

- Although trust is an intangible concept, *it can be measured*
- There is good evidence that trust measures can produce *meaningful* and *valid* information
- This applies *both* to measures of trust in institutions and to generalised interpersonal trust



What are the
limitations of
existing measures?



Limitations of existing measures

- Although we can learn a lot about the validity of trust measures from existing **unofficial survey data**, these surveys face significant limitations
 - Coverage from existing unofficial surveys is uneven, both across countries and over time.
 - Most unofficial data comes from small samples (c1000 per country), precluding intra-country analysis or looking at population sub-groups



Limitations of existing measures

- There are also limitations with existing official data
 - Available **official data** is not comparable across countries, and is often collected on an ad-hoc basis only
 - There is a lack of conceptual and methodological approach regarding which measures are most useful for different purposes,
 - This limits the degree to which measures of trust can be used to inform policy



3. WHAT IS THE OECD MEASUREMENT STRATEGY?



OECD Guidelines on Measuring Trust

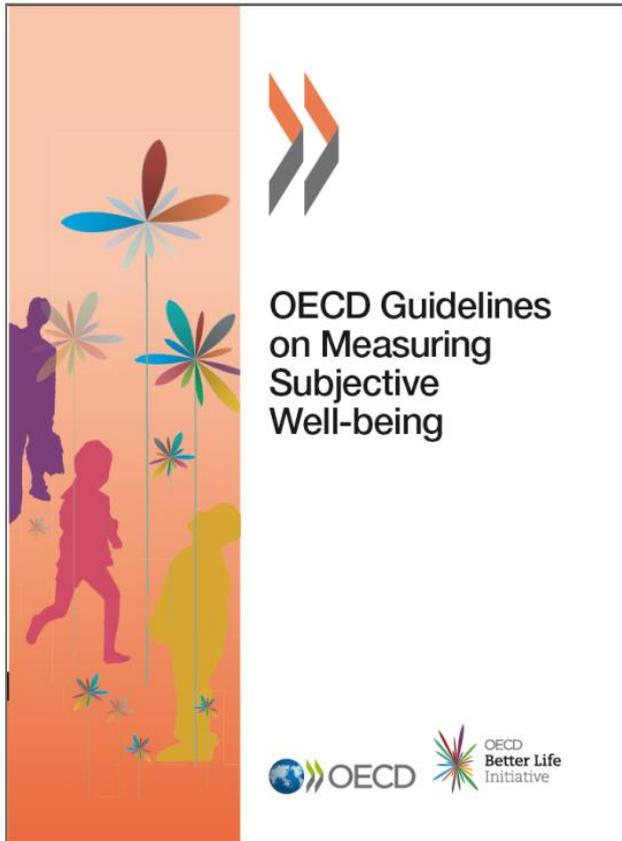


OECD Guidelines on Measuring Trust

- To address these issues the OECD Statistics Directorate is developing the ***OECD Guidelines on Measuring Trust***. These aim to:
 - ***Improve international comparability*** of trust measures by establishing common standards
 - ***Summarise*** what is known about the ***reliability and validity*** of measures of trust and, where possible, extend this body of information
 - In the longer run, ***increase*** the number of countries for which ***official measures of trust*** are regularly produced



OECD Guidelines: topics to be covered



- The *Guidelines on Measuring Trust* will be modelled on the *OECD Guidelines on Measuring Subjective Well-being*
- The *Guidelines* will cover:
 - Concept and validity
 - Methodological issues
 - Best practice in measuring generalised trust; trust in institutions; cooperative norms (e.g. generalised reciprocity, tolerance, civic cooperation)
 - Analysis of measures of trust (causal pathways between trust and other outcomes)
 - Prototype question modules on trust



Number of measurement challenges to be overcome

- Wide range of different questions and measurement scales in use and **no consensus in the literature** as to the best measurement approach
- **Space constraints in official surveys** (pressure for a single measure/short module vs desire for detail)
- **Validation** (how do we know what measures of trust are actually telling us; which measures of trust work best)
- **Sensitivity of NSOs** around questions on trust in government

→ The *OECD Guidelines on Measuring Trust* will draw together a **consensus** on the best approach to measurement and set out a **manageable way forward** for NSOs



Experimental Survey Design



Split sample testing

- **Experimental split sample testing will** allow to look at some methodological issues
- ✓ Traditional survey design has relied heavily on **face validity** and **cognitive interviewing** to ensure that the question captures the desired concept
- ✓ Face validity has obvious **limits**
- ✓ Cognitive interviewing is **useful** but is **expensive**, and provides information on **what respondents believe** drives their answers, **not what actually** drives their answers



Split sample testing

- An alternative approach to dealing with methodological issues is split sample testing:
 - ✓ Give half of the survey respondents one question and half a variant designed to identify specific methodological effects
 - ✓ Experimental design makes it possible to identify specific causal effects of survey design



Split sample testing

Sample A

I am going to name a number of organizations. For each one, could you tell me how much **confidence** you have in them: is it a great deal of **confidence**, quite a lot of confidence, not very much **confidence** or none at all?

[READ OUT AND CODE ONE ANSWER FOR EACH]

1. a great deal
2. quite a lot
3. not very much
4. none at all
88. don't know
99. refused

The armed forces
The police
The justice system
Parliament
The civil service
The national health service
Banks
The media

Sample B

I am going to name a number of organizations. For each one, could you tell me how much you **trust** that institution: do you have a great deal of **trust**, quite a lot of **trust**, not very much trust or no **trust** at all?

[READ OUT AND CODE ONE ANSWER FOR EACH]

1. a great deal
2. quite a lot
3. not very much
4. none at all
88. don't know
99. refused

The armed forces
The police
The justice system
Parliament
The civil service
The national health service
Banks
The media



Split sample testing

- Previous split sample testing with ONS on subjective well-being:
 - Split sample trial testing on the Opinions and Lifestyle Survey (1000 people per month, April 2011 – now)
 - Iterative cognitive testing
 - Used to understand the implications of a yes/no response vs a 0-10 scale for questions on mood/emotion
- Trust testing will be carried out by both the ONS (UK) and INEGI (Mexico)



Trustlab



Trustlab : objectives

- **Trustlab** will help address some of the measurement issues related to validity
- ✓ **Trustlab will produce measures of trust** that can be **compared** to survey responses.
 - by using a **range of new techniques** applied sequentially over the **same set of respondents** to see whether **they produce a consistent set of measures** (convergent validity test)



Trustlab: empirical foundations

- Over the last decade there has been significant progress in applying **experimental measures of behaviour** in a laboratory setting
- These experimental approaches have the potential to provide insight into how people actually behave, but to date face significant limitations:
 - Based on **very small sample** sizes (usually <500)
 - Samples **not nationally representative**
 - **Not linked** to comparable survey data
 - Conducted on an **ad-hoc** basis with **convenience samples**



Trustlab: overview

- Integrated **online** platform
- Representative national sample of **n=1000**
- Combines traditional survey questions with experimental games providing both behavioural and self-reported information
- Games are played with **real resources at stake** (mean value around 15 Euro)



Trustlab: Experimental structure

<u>Module</u>		<u>Focus</u>	
1	Behavioural Games Trust + Public Good + Dictator Game	Generalised Trust	Experimental
2	Implicit Association Tests	Trust in Institutions	
3	Survey and Demographic Module	Generalised Trust	Traditional self-reported survey questions
		Trust in Institutions	
		Drivers of Trust	



Trustlab Content:

Behavioural Module//Three games

- **Trust Game:** trust is a form of “investment” in the other : you are ready to bear the cost (or take the risk) of trusting someone if you expect or hope that the act of trust will pay off
- **Public Good Game:** contributing to a common project is a social optimum if everybody does the same. Some people may not contribute to the common project not because they are selfish but because they don't trust others enough
- **Dictator Game:** Some people cooperate in the first place as they are genuinely altruistic

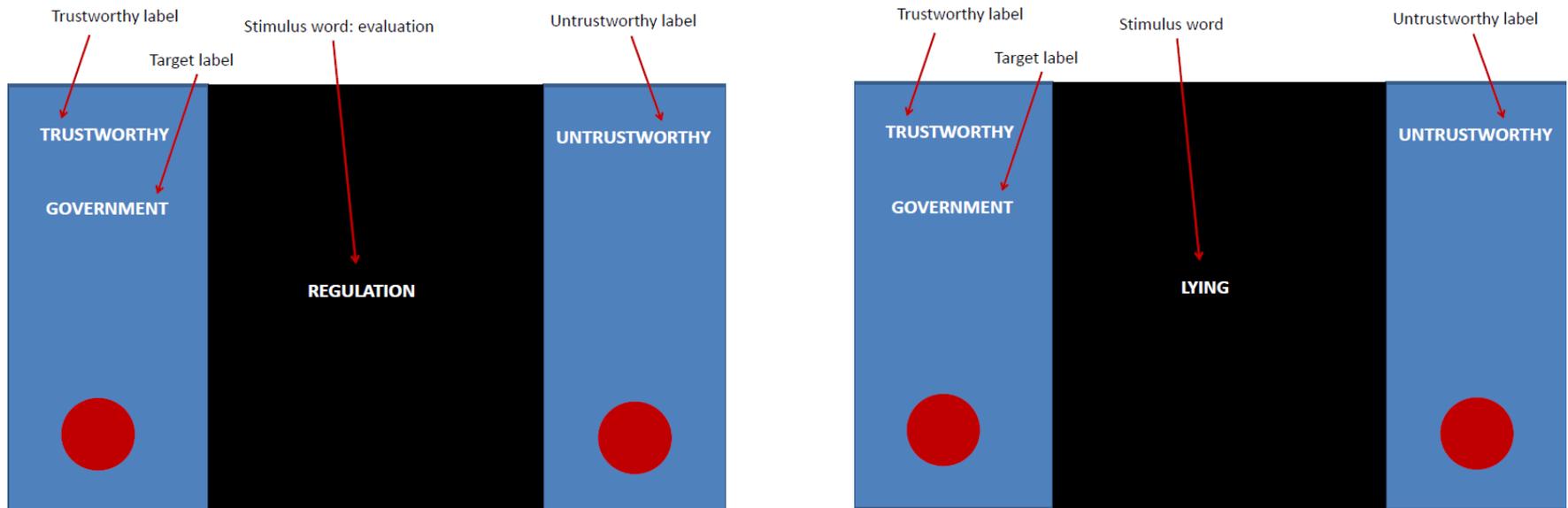


Trustlab Content: Implicit Association Test (IAT)

- Quasi experimental measures of **trust in institutions**
- An IAT measures the **strength of association between categories** (here institutions, other examples highlight black people, gay people, females) **and evaluations** (here trustworthy, but other examples include good or bad) through the speed of on-screen stimuli sorting.
- The key idea is that the respondent will react more quickly when the category and the evaluation that the participant makes of this concept are categorized together.



Trustlab Content: Implicit Association Test (IAT)



Respondents are asked to sort stimuli, appearing in the middle of the screen, as fast as they can to either the right or left side of the screen.

This procedure is repeated across up to seven IAT blocks.



Trustlab Content: Implicit Association Test (IAT)

IAT Modules

IAT	Category	Attribute	
1	Specific institution: Government	Trustworthy//Untrustworthy	Trust across types of institutions
2	Specific institution: Judicial system	Trustworthy//Untrustworthy	
3	Specific institution: Media	Trustworthy//Untrustworthy	
4	Government	Competent//Incompetent	Dimensions driving trust
5	Government	Honest//Dishonest	

Each respondent will take either the first three or the second two IATs in the 15 minutes allocated to this section.



Trustlab Content: Survey and Demographic Module

Mod	Theme	Example questions
1	Trust and trusting behavior	<ul style="list-style-type: none">• Generally speaking, would you say that most people can be trusted, or that you can't be too careful in dealing with people?• If you lost a wallet or a purse that contained items of great value to you, and it was found by a stranger, do you think it would be returned with its contents, or not?
2	Trust in institutions	<ul style="list-style-type: none">• How much confidence do you have in (<i>list of institutions</i>) to act in the best interest of society?• Do you agree with the following statements:<ul style="list-style-type: none">- Public institutions deliver public services in the best possible way.- Public institutions pursue long term objectives- People working in public institutions behave according to ethical standards aimed at avoiding corruption- Public institutions are transparent- Public institutions treat all citizens fairly regardless of their gender, race, age or economic condition
3	Demographics	Questions on age, sex, nationality, HH income, educational attainment



Trustlab: timeframe

- 2015
 - Development of tool
- 2016
 - IT platform finalised
 - First wave (generalised trust + institutional trust) implemented in Korea, France, and 2 other OECD countries (interest from Italy and UK); non-OECD countries interested as well (e.g. Ecuador)
 - Results of first wave published to feed into OECD Guidelines
- 2018
 - Second wave?



OECD Guidelines: timeframe

- 2015
 - Proposal endorsed by Committee on Statistics and Statistical Policy (CSSP)
 - 1st meeting of Expert Advisory Group
- 2016
 - Drafting of various Chapters
 - Piloting question modules with split sampling technique by UK ONS and Mexico's INEGI
 - Draft chapters and pilot results discussed at 2nd meeting of Expert Advisory Group
- 2017
 - Final draft of Guidelines approved by CSSP



Thank you

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