

## Is there still time to save our trust in government?

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Public trust is not doing well in many modern democracies. If it is the canary in the coal mine, in survey after survey, the canary has been brought up wheezing at best.

According to the OECD's Trust and Public Policy: How Better Governance Can Help Rebuild Public Trust, trust remains dangerously low (disclosure: I am one of the contributing authors). Only 42% of citizens in OECD countries trust their national government, down two percentage points from the pre-2007 average. Exploring the mechanisms of trust and possible policy responses to rebuild it constitute the publication's dual mission. But haven't writers, poets, satirists and stand-up comedians been telling us for 3000 years that we can't trust politicians and governments? We do seem to tolerate a degree of over promising from the political candidates we support. Not surprisingly, we report greater trust in government when our preferred party is in power and less trust when the opposition takes the reins. But when a lack of trust extends beyond the inevitable

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partisan divide to become entrenched, and attitudes towards democratic systems turn negative, we are in uncharted, unwanted territory. Political parties generally are experiencing declining trust. According to a Eurobarometer survey, between 2007 and 2015, trust in political parties (already low) decreased by an average of two percentage points in OECD/EU member countries (from 21% to 19%).

What happened? A partial answer might be found in the widening disparity between levels of trust in public institutions according to income. High-income individuals report a higher degree of trust in government (10% higher on average) than the non-affluent. That people tend to trust a system that reliably improves their wealth and are apt to distrust any system that cannot seems intuitively correct. Yet, data suggest there are other things going on. For example, during the period of worldwide economic expansion lasting from the end of the last world war to the early-1970s, at least in the United States for which we have numbers (Pew Public Trust in Government: 1958-2015), public trust was high until October 1964 (77% of US citizens trusted the government in Washington DC always or most of the time). After this, trust began a steady, 16-year decline. This period began shortly after President John F Kennedy's assassination and included the Vietnam war, vast civil unrest and the Watergate scandal-plenty of reasons to lose trust in government. Whether these events adequately explain the loss of trust we can't know for sure, but it points to at least one conclusion: that prosperity isn't in itself a sufficient indicator of trust in government.

A related figure, this time from an Edelman Trust Barometer survey, may provide a further clue. It describes a 12-point gap in government trust between informed citizens and the wider

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public. Informed populations have at least a college education, are in the top 25% of salaries and regularly stay informed. For this population, trust is at a 16-year high. However, trust levels among the mass population hover below 50% on average in more than 60% of the countries surveyed (not all of them in the OECD). This seems to suggest there are important shifts accompanying the transformation to knowledge economies that developed democracies are undergoing.

What are the costs of lost public trust? High trust is associated with co-operative behaviour, while low trust is associated with resistance, even to things that seem to be in the person's overall best interest. Greater trust reduces transaction costs and, by extension can increase compliance while reducing the need for enforcement. The bottom line is, trust influences the relationship between citizens and government and in turn has an impact on the outcomes of public policy. The weight of evidence shows that low trust entails costs for public policy, and thus, there is a strong argument in favour of building more trust.

We are also seeing the fallout from the systemic toxicity of growing inequality. Trust in government is increasing for some but for others there is a growing perception of government run by and for "establishment elites". What can be done? Some of the recommendations covered in the book include actions in the following policy areas:

**Integrity**: Integrity is essential for trust and policies must reflect this. This means building integrity on a local level where trust is forged, ensuring that senior officials lead by example, and employing integrity strategies to better defend the public interest.

**Inclusive and transparent policy making**: Trust improves when citizens participate and provide input into policy making. Ensuring transparency in areas such as campaign financing and lobbying helps to establish a level playing field and instils trust that the system isn't rigged for elites.

**Public service delivery**: Citizens form strong opinions of public trust through the services they use. Governments need to monitor service effectiveness and ensure that citizen feedback translates to consistently better services.

**Regulation**: Regulations are an essential interface between citizens and government. Giving citizens a greater voice in regulatory design and implementation, ensuring the respect of citizens and adequately communicating procedures are identified as trust-builders.

**Budgetary governance**: The global financial crisis weakened public finances and reduced citizen trust in the ability of governments to manage public finances. Stronger fiscal discipline, long-term sustainability, transparency and credibility can be achieved through a number of budgetary management instruments.

**Open government**: Governments must be more transparent in their actions, provide greater access to services and information and be responsive to new ideas, demands and needs.

**Justice**: Trust in legal and justice services is a foothold for broader public trust. Countries must embrace innovative policies to ensure that targeted, timely and appropriate legal assistance services and approaches are available to all who seek them.

None of these are quick fixes. They can only be accomplished with political will and the consistent application of appropriate policy tools. Unfortunately, populism and extreme nationalism propose their own set of quick fixes. If democracies don't get to work addressing urgent trust issues, false and corrosive promises will have their day.

## References

Trust and Public Policy http://dx.doi.org/10.1787/9789264268920-en