Understanding the Drivers of Trust in Government Institutions in Korea

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Preface

Citizens' trust in public institutions is strongly influenced by how these institutions perform in terms of competence and values, and it is a vital public policy outcome. While it is just a perception, its implications for policy are fundamental and multiple. Since the onset of the 2008 global financial crisis and resulting recession, trust has come to the forefront of the public debate in many OECD countries. While there is clear evidence that trust influences the relationship between citizens and governments, and has, in turn, an impact on the outcomes of public policy, there remains relatively limited comparative international or specific country experience with measuring the drivers of institutional trust.

We very much welcome this joint effort by the OECD and the Korea Development Institute (KDI) to develop the first national case study on trust in the context of Korea's 20th anniversary of OECD membership. After several decades marked by sustained economic and social progress, Korea is at a crossroads. While it has a strong fiscal position and its public sector performance rates above the OECD average according to several measures, the country is experiencing economic slowdown, significant inequality, an ageing population, and a high share of youth that are neither in employment nor in education or training. Korea also has persistently low levels of trust in public institutions, revealing a gap between the collective achievements of the country and the satisfaction of citizens with how governments are working and delivering on their promises. Cultivating greater trust by citizens will be critical to sustain Korea's ability to implement a wide range of needed structural reforms, to face current and future challenges.

This study was undertaken to help promote a shared understanding of trust in public institutions and identify policy solutions.

It analyses several dimensions of trust, and relates them to a set of public institutions, from the national assembly to the public health system. It was carried out via a survey conducted in early 2016, complemented by qualitative analysis and desktop research. Through a holistic approach this study helps identify policy actions to strengthen the competence of public institutions. First, there is a need to promote greater transparency, consistency and a shared understanding of long-term national priorities. Second, risk management frameworks should be reviewed and adjusted. Third, the government has an opportunity for enhancing public sector innovation capacity by promoting a flexible work environment and ensuring the right mix of skills in the workforce. Concerning the values of public institutions, there is a need to refine integrity frameworks at the highest level, to boost the credibility and legitimacy of government institutions. In addition to rejuvenating consultation practices, investing at an earlier stage in the relationship with citizens would facilitate meaningful engagement. Finally, there is a need to address concerns over fairness in the distribution of burdens, opportunities and rewards across social groups and geographic locations.

We hope that Korea's example will serve as a benchmark and an inspiration for other countries in promoting holistic, sustainable growth paths that nurture the foundations of trust between government and citizens. The goal is to chart a national vision that enables sustained and shared prosperity, and forges stronger relationships between citizens and the institutions that serve them.

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Foreword

This report was prepared by the OECD's Public Governance Directorate, under the direction of Marcos Bonturi, in cooperation with the Korea Development Institute (KDI).

At the OECD the editorial responsibility, including input provision to the different chapters, of the report was with Edwin Lau, head of the Public Sector Reform Division, and at KDI this responsibility, especially for Korean cases throughout the report, was with Wonhyuk Lim, associate dean, Office of Development Research and International Cooperation at KDI School of Public Policy and Management.

The first four chapters of the report were drafted by Santiago González and Paloma Baena Olable from the OECD Secretariat, Luiz de Mello, Stéphane Jacobzone, Zsuzsanna Lonti helped to develop the report's underlying concepts and provided useful feedback on the various drafts. Special thanks go to Randall Jones, head of the Korea desk in the OECD Economics Department for his precious input and advice. Martin Pospisil provided research assistance.

Chapters 5 and 6 of the report were authored by KDI experts. Chapter 5 was drafted by Dong-Young Kim. Chapter 6 was drafted by Soonhee Kim and Taejun Lee. The KDI team provided feedback on the report as a whole and significant contributions were received from Wonhyuk Lim, Dong-Young Kim, Soonhee Kim and Taejun Lee and their teams. The insights received from Joon-Kyung Kim, former President of KDI, have proved invaluable.

The OECD-KDI survey also benefited from the advice and suggestions from colleagues in the OECD Statistics and Data Directorate, including Marco Mira D'Ercole, Fabrice Murtin and Conal Smith. The authors are also grateful to Inchul Shin in the Secretariat's team for his advice and suggestions. Daniel Tostado, James Drummond and Clare Rogers contributed to the edition of the report. Guillaume Lafortune, contributed to the preparation of the methodological annex. The authors are grateful to Andrea Uhrhammer and Kate Lancaster for editorial feedback. The report was prepared for publication by Raquel Paramo and Liv Gaunt.

The report benefitted from rich exchanges of comments between the various teams in Paris and Sejong and a number of expert seminars organised at OECD Headquarters and at KDI, also drawing on the expertise from delegates to the OECD's Public Governance Committee.

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Executive summary

The erosion of public trust presents countries with complex and multidimensional challenges that have implications across a range of inter-related policy drivers, including institutional aspects, political events and cultural factors. From a public governance perspective, trust in public institutions can be considered as a final outcome, which is influenced by the performance of public institutions in terms of core competences and values. For the first time, this report offers a comprehensive analysis of these challenges, drawing on the Korean experience and on original data from a unique survey, which allowed bringing the citizens' voice in this crucial policy debate.

In Korea, people's trust in public institutions is bound to a paradox. Compared to most OECD countries, Korea has a strong fiscal position; its public sector performance rates above the OECD average according to several measures, particularly those related to digital government and the use of open data such as the OECD *OURdata* index[1]. Yet levels of public trust in Korean government institutions are comparatively lower than the OECD average since at least 2007 when comparative evidence started to be collected in the Gallup World Poll. This pioneering study was set to offer a comprehensive measurement and policy framework to address this paradox and to offer clear insights for policy action. The study reflects a co-operative effort between the OECD and the Korea Development Institute (KDI), which benefitted from an innovative survey conducted in early 2016 [2], complemented by qualitative analysis and desktop research.

The OECD-KDI survey indicates that 54% of the Korean population is either neutral or do not trust the government to act in society's best interests. The National Assembly is the least trusted institution, while public services (e.g. the public health system) are better valued by respondents. Analysis of the survey data confirms the conceptual distinction by survey respondents between trust in institutions responsible for the provision of public services, and institutions of a political nature. The results of the survey were analysed against the general OECD framework for understanding the dimensions that influence trust in public institutions, including competence and values. The following policy actions have been identified below to act on core drivers of trust.

Competence

Define a set of long term national priorities acceptable to all institutional actors beyond the five-year political cycle. Policy development and formulation in Korea may face low levels of transparency, lack of consistency, institutional competition between political parties and lack of internal collaboration. While these features are not unique to Korea, limited collaboration spills over public administration, undermining the co-ordination required for successful policy implementation. Charting a clearer way forward to show strategic policy directions in the future, as well as promoting collaboration between government agencies and between government and citizens – would help to anticipate and respond to growing citizens' expectations and maximise the outcome of public policies. Collectively defining a set of long term key priorities that are acceptable to all institutional actors beyond a political cycle will help advancing towards a more stable, collaborative and transparent policy making environment, crucial for developing institutional trust among stakeholders[3] This could be done by strengthening the role and resources devoted to forward planning and ensuring that it reflects into government priorities.

Review and adjust risk management frameworks. Korea has developed a comprehensive all-hazard national strategy for critical risk governance. However, the disasters that occurred over the past years revealed gaps in crisis management and lack of coordination among the institutions in charge and across levels of government. Reviewing and adjusting the risk management frameworks will help manage novel types of crises. Local response units should be equipped and empowered to deal with a crisis as it unfolds, combined with the capacity to co-ordinate among different sectors, and to integrate new stakeholders for coping with all foreseeable and unforeseeable hazards. Enhanced emergency planning and simulation exercises, reviewing the functioning of the multi-hazard warning systems and implementing modernised crisis communication tools are also potential areas of development.

Build public sector innovation capacity by promoting a flexible environment coupled with an appropriate mix of skills. Public sector innovation can help build public trust by anticipating and developing new services that respond to emerging needs. The *Government Innovation Strategy* enacted by the Korean government provides a unique opportunity for upgrading diversity and skills in the civil service, involving people in the co-creation of services, revising and updating processes, allowing room for experimentation and encouraging culture change within government organisations. Bringing into the civil service people with experience in applying innovative approaches and providing training to civil servants in policy experimentation for testing new solutions to public challenges could help create an ecosystem that supports innovation.

Values

Refine integrity framework to boost the credibility and legitimacy of government institutions at the highest level. Overall, key elements of a sound integrity system are in place in Korea, both in the legal framework and in implementation. In the context of a strong values-oriented culture, there are few cases of corruption in service provision, administrative transactions and in core government processes. Koreans' concerns about integrity are related to the risk of policy capture and potential conflict of interest between the public and the private sectors at the highest levels, notably the *chaebol* (large family-based business groups). Ensuring that leaders adhere and act according to core public values and guaranteeing the implementation of existing and planned safeguards for avoiding conflict of interests is crucial for improving trust.

Move from consultation to meaningful engagement. The Korean public administration has articulated extensive detailed rules to engage citizens and key public and private stakeholders in the public life of the country and its long term development. As such the government has given a high priority to transparent government information, digital government and open government data. Yet, despite good intentions, involvement of stakeholders on primary laws and subordinate regulations often occurs at a late stage. Engaging more actively and early on in the process would provide citizens with a sense that their voices are being heard and greater ownership over policy choices. When citizens are given meaningful opportunities to express themselves (e.g. active consultation and feedback incorporation) they are less likely to engage in adversarial relations with government (e.g. demonstrations) and would privilege collaborative approaches in their relation with public institutions. The deliberative consultation exercise regarding the construction of nuclear power plants in 2017 is an example of an action in this direction.

Address concerns over fairness in the distribution of burdens, opportunities and rewards across social groups and geographic locations. Strong economic growth in Korea over the past fifty years has benefited the country as a whole, yet has left a number of disparities and gaps. There is a growing perception of a skewed distribution of burdens and rewards among members of society, and that vulnerable groups such as women, youth and the elderly might be left behind and, based on their socioeconomic status, people might be treated unevenly in education, employment, and service provision. Ensuring fairness and solidarity as core social norms, embedded in the pursuit of growth, provision of quality public services, equality of opportunities, would boost inclusiveness and well-being in Korea and could have positive implications for trust.

Notes

[1] The Open Government Data (OUR data index) is a composite measure of data availability, accessibility and re-usability.

[2] The survey reflects the situation as of early 2016 and therefore the available evidence does not incorporate subsequent events in Korea. Nonetheless, the survey design is meant precisely to focus on the underlying patterns shaping institutional trust that cut across political cycles.

[3] Finland is perhaps the best example of a country that has integrated a long-term vision into its policy cycle. Almost 30% of the Centre of Government budget is allocated to forward planning. Once in each government's term in office a long-term Futures Report is prepared with a 20-year perspective, drawing on input from a broad stakeholder base. Each Government Programme has to be clearly aligned with the findings of the Futures Report

Chapter 1. Trust matters for governance

This chapter explores the theoretical and practical relevance of trust in government institutions by providing a critical review of literature and presenting the framework and methodology constituting the basis of this report. It introduces the concepts of competence and values as the main drivers of institutional trust according to the public management literature. The measurement approach presented in this chapter allows disentangling the dimensionality of trust and generating meaningful evidence that could inform and guide policy action.

Trust plays a very tangible role in the effectiveness of government institutions. Few perceptions are more palpable than that of trust or its absence. This chapter sheds light on the relevance of trust in government institutions by providing a critical review of literature and presenting the framework and methodology constituting the basis of this report. Trust is a person's belief that another person or institution will act consistently with their expectations of positive behaviour (OECD, 2017a). While trust may be based on actual experience, in most cases trust is a subjective phenomenon, reflected in the eyes of the beholder. Trust supports the entire range of human interactions, allowing people and businesses to make decisions without having to renegotiate with their counterparts at each interaction. Two different types of trusting relationships are commonly treated in the academic literature: interpersonal or generalised trust and institutional trust (OECD, 2017a). Both of them have been recognised as influencing people's well-being (OECD, 2017b) through different channels, of which the most relevant are specified below.

Trust reduces transaction costs and improves economic performance: where high levels of trust exist, the need for formal contracts is reduced, thereby reducing transaction costs (Fukuyama, 1995; Knack and Keefer, 1997). This in turn encourages exchanges in the economic and non-economic spheres. Similarly, common expectations reduce the amount of time that has to be spent in agreeing on the exact terms of an exchange. Government performance also benefits from higher levels of trust, which (by reducing transaction costs) can facilitate agreement, collaboration and innovation in state bureaucracies (Knack, 2000).

In turn, trust promotes efficient allocation of resources. Trust and co-operative norms enable forms of collective action which can replace or supplement market or government-based action, such as natural resource management, or respond to emergencies. Collective action strategies based on trust and co-operative norms often provide the most efficient way to manage common resources such as forests, agricultural land or fisheries stocks, thereby contributing to the maintenance of environmental quality. Mechanisms for collective action are also important to ensure the production of various public goods, on which the effective functioning of markets (and several aspects of wider well-being) depends. This applies at both the national and international level – and "global public goods", such as the environment, security, financial stability, and respect for property rights – require international co-operation to be sustained (Kaul et al., 1999; Sachs 2008).

In addition, trust also influences quality of life and human capital formation. People living in higher-trust and more co-operative communities tend to be happier (Helliwell and Putnam, 2004; Helliwell and Wang, 2010; Hudson, 2006), healthier (Lochner et al., 2003), better educated and more civically engaged (Putnam, 2000), and less likely to be victims of crime (Sampson, Raudenbush and Earls, 1997). Although the causal mechanisms for many of these relationships remain unclear, trusting relations have been shown to influence behaviours relevant to individual well-being.

Systemic or institutional trust focuses on the interaction between government institutions and citizens and within government. In general terms, institutional trust happens when citizens appraise the government and their institutions in general and/or the individual political leaders as promise-keeping, efficient, fair and honest (Blind, 2006). But in this realm, a number of nuances and additional trust relationships can be considered, from different aspects of citizen trust in government institutions to whether government agencies trust citizens or each other.

This report is primarily concerned with institutional trust and its drivers. As a starting point an important distinction should be made between political and institutional trust. Political trust refers to an assessment of the elected leadership, while, for the purpose of this report, institutional trust has been restricted to trust in government institutions defined[1] as the "central administrative branches, local governments, public enterprises, public institutions and all other kinds of social organisations". Nevertheless, a key challenge when addressing institutional trust is that these dimensions (i.e. institutional and political trust) are not fully independent. Evidence for a handful of countries with sufficiently long time series (i.e. the United States, Norway and Sweden) has shown that a negative evaluation of government performance by citizens, which (as will be explained later) are considered a key driver of institutional trust, leads to political distrust (Miller and Listhaug, 1999). In turn, Dahlstrom and Lafuente (2017) find strong evidence that a clear separation of officials at the top of government and the creation of two independent channels of accountability (politicians who are responsive to the electorate and bureaucrats to professional peers) lower levels of corruption, increases the effectiveness in the delivery of public goods and could therefore result in higher institutional trust.

In addition to the distinction between institutional and political trust, another distinction has been made by Bouckaert (2012a) between macro-, meso- and micro-level trust, depending on whether trust is related to the functioning of the democratic system, policy making or service delivery. Others use "macro and micro" to describe trust in the political system, its institutions or in the personnel in charge of these institutions (Blind, 2006). Still others address how trust within government (among government institutions or between government and its employees) may influence efficiency in government outcomes through co-ordination or principal-agent failures. Trust can also be analysed from the point of view of how much government institutions trust people, and whether this influences, for example, the regulatory activity of the state (Yang and Holzer, 2006).

There is another conceptual distinction to make with respect to institutional trust. A common theme in the academic literature on institutional trust (e.g. Nooteboom, 2007) is the distinction between "trust in competence" (i.e. whether the functioning of institutions matches people's expectations about the competencies of those steering them) and "trust in intentions" (which captures whether institutions act in a way that is perceived by people as ethical and fair). These distinctions are extended by Bouckaert (2012b), who distinguishes between the "logic of consequences", where trust is derived causally from outcomes, and the "logic of appropriateness", where trust is based on the values of integrity and transparency. This distinction between the outcomes of an action and the intention that guided it forms the basis of the OECD Trust Framework, endorsed by the Organisation's Public Governance Committee.

The importance of institutional trust is manifold. Trust in government institutions is one of the foundations upon which the legitimacy and sustainability of political systems are built. It influences individual behaviour in ways that could support desired policy outcomes. This may range from rather narrowly defined policies and programmes (such as participation in vaccination campaigns) to broader policy reforms (e.g. environmental regulation or pension reform). Trust is important because many public programmes create the opportunity for free riding and opportunistic behaviour. Trust could reduce the risk of such behaviour to the extent that people are prepared to sacrifice some immediate benefits if they have positive expectations of the longer-term outcome of public policies, either at a personal level (pensions) or by contributing to the common good (e.g. redistribution of income through taxation) (OECD, 2013).

In turn, trust in government institutions may help governments to implement structural reforms with long-term benefits. Many reforms involve sacrificing short-term satisfaction for longer-term gains and will require broader social and political consensus to be effective and sustainable. In a high-trust environment, such reforms may not only be properly enacted and implemented, but could be sustained long enough to bear fruit. This extends the time frame for policy decisions. In a low-trust climate, citizen will prioritise immediate, appropriable and partial benefits, and will induce politicians to seek short-term and opportunistic gains through free-riding and populist attitudes (Gyorffy, 2013).

While trust takes time to be established, it can be lost quickly. It is not sufficient to discuss the impact of trust in government institution on the performance of those institutions, the economy and society; it is also necessary to describe what might happen if there is an increasing distrust in government. This might lead to less willingness on the part of citizens (and businesses) to obey the law, to make sacrifices during crises or to pay taxes. This could raise costs for government institutions – resulting in declining efficiency – or erode revenues. Declining trust might also make it more difficult to attract and retain talent to work for government institutions.

Finally, it is key to emphasise that – as will be described in further sections –, this report focuses largely on better understanding how changes in public policies could influence the trustworthiness (i.e. the notion of deserving trust or confidence) of public institutions, and how governance changes may strengthen or weaken the trust drivers, with a particular focus on South Korea and its specific context. This scope reflects the concerns of leaders and policy makers about the deterioration of institutional trust in the past few years and their interest in "actionable" policy insights to help them reverse this trend.

Approaches and challenges for measuring institutional trust

Still, trust remains an abstract concept encompassing several actors and instances. The complexity of trust relations could be illustrated by Table 1.1. This framework classifies measures of trust primarily in terms of the parties involved in the trusting relationship, and it has the advantage of capturing a very comprehensive range of situations. However, the framework also has some limitations in that it primarily focuses on distinguishing individual trust from the different elements of institutional and political trust.

Table 1.1. A framework for multiple trust relationships

By whom / on whom	Resident	Institutions	Leaders
Resident	Interpersonal trust	Institutional trust	Political trust
Institutions	Civic	Inter-institutional trust	Political-administrative trust
Leaders	Political trust	Political-administrative trust	Multilateral trust

Source: González and Smith (2017) The Accuracy of Measures of Institutional Trust, evidence from the OECD Trust dataset. http://dx.doi.org/10.1787/d839bd50-en.

Despite its limitations, the framework in Table 1.1 is useful for narrowing down the scope of this report. Some of the types of trust identified by Table 1.1 are not suitable for measurement in surveys (e.g. civic trust), which – as will be explained later – is the methodology followed by this report. Similarly, trust by institutions or organisations (as opposed to trust in institutions) is neither suitable for measurement through surveys of the general population, and hence none of the measures of trust by institutions are covered by this report. Similarly, a household survey cannot specifically target political leaders as respondents, making this group out of scope even if there were no other reason to avoid collecting data of this sort. For this reason, the scope of the report is kept relatively specific, focusing on people's trust in government institutions (i.e. institutional trust), its measurement and policy implications of the evidence.

A body of cross-country comparative survey-based measures of institutional trust is available. For many years, the main source of internationally comparable data on institutional trust has been the World Values Survey, which started collecting these data in 1981. More recently, a wider range of non-official sources have provided comparative data on trust, including the Asian Barometer, Gallup World Poll (GWP), the European Social Survey (ESS) and the European Quality of Life Survey (EQLS), while in 2013 the European Union Statistics on Income and Living Conditions (EU-SILC) provided first official estimates for European countries. The OECD has compiled a wide range of institutional trust measures in the OECD Trust Database (see Box 1.1) The size of the database and range of co-variates make it possible to identify the underlying patterns captured by survey-based measures of trust in institutions and systematically test the accuracy (i.e. reliability and validity) of these measures.

Box 1.1. The OECD Trust Database

A key challenge in building a better understanding of the drivers of trust and its impact on other outcomes is the limitations of the available data. This limitation has also had an important impact on the ability to assess the validity and reliability of trust data rigorously.

The OECD Trust Database is an effort to map existing sources of (so far non-official, apart from EU-SILC) data and compile them into a single repository of information. Table 1.2 displays the different surveys included in the OECD Trust Database. Its coverage goes beyond OECD states and includes up to 124 countries, spanning the period between 2002 when the collection of trust data became more common and 2015 or the latest year available.

Different surveys have different geographical coverages and collection frequencies. In the case of the Gallup World Poll, data are collected annually for countries in all regions of the world, while for other surveys – including the WVS, ESS and the European Quality of Life Survey (EQLS) – the coverage is limited to a smaller set of countries. Data collection takes place every 2 years for the ESS, every 3 years for the EQLS and roughly every 5 years for the WVS.

Table 1.2. Surveys included in the OECD Trust Database and its key characteristics

Survey	Inception	Frequency	Number of countries in the OECD trust dataset	Coverage of the OECD trust dataset
EU Statistics on Income and Living Conditions (EU-SILC)	2003	2013 ad-hoc module	(33)	2013
Gallup World Poll (GWP)	2006	Yearly	(115)	2006-2015
World Value Survey (WVS)	1981	Every 5 years	Wave 4 (6) Wave 5 (46) Wave 6 (45)	Wave 4 (1999-2004) Wave 5 (2005-2009) Wave 6 (2010-2014)
European Social Survey (ESS)	2002	Every 2 years	Round 1 (22) Round 2 (25) Round 3 (23) Round 4 (28)	Round 1 (2002) Round 2 (2004) Round 3 (2006) Round 4 (2008)

			Round 5 (27) Round 6 (29)	Round 5 (2010) Round 6 (2012)
European Quality of Life Survey (EQLS)	2003	Every 3 years	Round 2 (31) Round 3 (34)	Round 2 (2007/08) Round 3 (2011/12)
Eurobarometer	1973	Yearly	34	2003-2015
Latinobarometer	1995	Yearly	19	2002-2015

Both institutional and interpersonal trust feature in the OECD Trust Database. In the case of institutional trust, questions are traditionally formulated through a common heading (e.g. "do you have confidence in your…") followed by a list of primarily public institutions (e.g. government, congress, etc.) and, less commonly, private (e.g. major companies). Survey wording varies considerably, both in terms of the general construction of the question and in the use of the term trust or one of its various synonyms (e.g. confidence). Also, different surveys, or even different questions within the same survey, make use of different response scales. For example, while the Gallup World Poll relies primarily on a "yes/no/don't know" response format, other surveys such as the ESS and EQLS use longer numeric scales (0-10 in ESS and 1-10 in EQLS). In the case of the WVS, questions are usually answered using a 4-point Likert scale (i.e. "a great deal", "quite a lot", "not very much" and "none at all"). In the OECD Trust Database, different questions have been re-scaled to a binary "yes/no" format that allows comparability across surveys.

Further observation of the available data on institutional trust reveals that questions sometimes refer to similar concepts while using quite different descriptions. For instance, some surveys refer simply to "the courts" while others ask about the "judicial system". While in most cases the interpretation of these concepts is straightforward, in others the lack of clarity may have more significant implications. For example, although most surveys ask about trust in government, the ESS asks about trust in politicians, and EU-SILC addresses trust in the political system. In turn, the Latinobarometer has included questions about trust in government, the state and public administration; concepts traditionally related to each other but not strictly synonymous.

Generally, non-official household surveys provide less information on interpersonal trust compared to institutional trust and, where interpersonal trust is included, the focus is limited to generalised trust. The most common question (asked by four of the surveys under study), which is very similar to the version introduced by Rosenberg in 1957, is the following: "Generally speaking, would you say that most people can be trusted or you can't be too careful in dealing with other people?"

In the case of the WVS, in addition to "most people", the questions enquire about additional parties to be trusted (e.g. family, neighbourhood, known people, people met for the first time). Only the EQLS asks a direct question about trusting people in general.

The surveys included in the OECD Trust Database vary in terms of data quality. While all of the surveys have different strengths and weaknesses, some of them place a greater emphasis on methodological rigour and consistency than others. Both the ESS and EQLS are directly funded by the European Commission and aspire to very high standards of data quality. A great deal of attention is paid to consistency across countries, and changes between "waves" are carefully managed. Covering a much greater range of countries, the Gallup World Poll varies more in survey content from wave to wave, but retains a strong focus on methodological consistency and minimises the impact of questionnaire changes by having a fixed core questionnaire. The WVS has evolved over time, and data quality is higher in more recent waves than in earlier ones. In contrast, both the Eurobarometer and Latinobarometer put more emphasis on responsiveness to policy issues, and thus the questionnaires change more frequently and the response rates are generally lower. The OECD Trust Database is available online as an electronic annex of González and Smith (2017).

Source: Gonzalez, S. and C. Smith (2017), "The accuracy of measures of institutional trust in household surveys: Evidence from the OECD Trust Dataset", http://dx.doi.org/10.1787/d839bd50-en.

In any case, the availability of data is not a guarantee of its fitness for use.[2] Recent evidence on the accuracy (i.e. reliability and validity) of trust measures based mainly on non-official household surveys has found that room for substantial improvement exists in the case of institutional trust measures. While the reliability (the degree to which repeated measurements of the same thing produce the same results) of institutional trust measures is relatively good, evidence about the validity (the extent to which the measure in question is biased) is mixed. Institutional trust measures generally perform relatively well in terms of construct validity (measures behave in a way that is consistent with expectations), but the situation is less clear with respect to face validity (the degree to which a measure is intuitively plausible) while evidence to test convergent validity (i.e. it correlates well with other measures of the same construct) is insufficient (González and Smith, 2017; OECD, 2017a). All in all, existing measures of institutional trust have been considered experimental in nature, calling for further development in the context of official statistics (OECD, 2017a).

The shortcomings of existing trust measures are diverse. Some of them are technical (e.g. sampling, questionnaires) some are conceptual (e.g. the meaning of "government"). How general the question is generates substantial ambiguity on the perspective respondents may take. Some of these shortcomings are related to the scope of existing surveys. Existing cross-country comparative surveys ask specifically about government as a set of institutions, including the different branches (i.e. parliament, judiciary). Additionally, while it is clear that trust in government refers to the executive branch it does not consistently differentiate between the different layers within it, namely politicians and public servants. Of the cross-country comparative surveys included in the OECD trust dataset, only the World Values Survey includes a question about trust in the civil service.

In turn, the notion of trust itself as defined previously is associated with expected positive behaviour. Existing measures fail to specify the type of interaction or behaviour under consideration: which aspects of trust the survey respondents are being asked to think about. The analysis of existing evidence also sheds light on the fact that there is no single framework for classifying the different approaches to measuring trust in the academic literature. Nonetheless, drawing on a range of sources, it is possible to identify several distinct measurement approaches. As stressed previously, at the most basic level, a long tradition of survey questions has directly asked people about their trust in institutions (e.g. WVS). Compared to interpersonal trust, the literature and findings on institutional trust are more limited. For example, in the case of interpersonal trust Morrone, Tontoranelli and

Ranuzzi (2009) make a distinction between traditional trust questions and attempts to measure trust through peoples' expectations about others' behaviour; specifically, a survey question on whether a lost wallet is likely to be returned. Although the use of such "expectations questions", drawing on specific hypothetical scenarios is, so far, relatively limited, they set a distinctly different conceptual task for respondents than direct questions about trust, and thus might represent a source of additional information.

Beyond this, a large body of literature has compared actual trusting behaviour in experimental settings with survey questions on trust (Glaeser et al., 2000; Fehr et al., 2003; Gachter, Herrmann and Thoni, 2004; Lazzarini et al., 2004; Naef and Schupp, 2009; Johnson and Mislin, 2012; Algan and Cahuc, 2013; Falk et al., 2016). Although experimental approaches to measuring trust might be regarded as beyond the scope of traditional household surveys, these measures provide important insight into the validity of more conventional survey-based measures, and they have been used as a basis to develop better survey questions (Falk et al., 2015). Finally, it is important to note the existence of a wide suite of questions grounded in people's experiences that, while not focused directly on trust, can provide information on the subject. Taken together, these different approaches to measuring trust can be organised into four broad groups: evaluations, expectations, experiences and experiments, of which the first three have been traditionally based on surveys.

Evaluations: these focus on the respondent's response to questions on whether they have trust in an individual or institution. These questions ask the respondent to make an evaluation of their own feelings and/or beliefs at the current point in time, rather than recalling information about past experiences or speculating about the future. Most of the commonly used survey questions related to trust are evaluative. An example of an evaluative question is the standard generalised trust question by Rosenberg, used in the WVS: "I am going to name a number of organisations. 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?" Organisations include government, political parties, civil service and parliament.

Expectations: an alternative to asking people to evaluate how they feel is to ask them about their expectations of what would or will happen in a given, hypothetical situation. In further sections of this chapter, the term "situational" will be used to refer to these expectations questions. Because these questions focus on expectations of how people will behave, it is sometimes argued that they are more specific or quasi-behavioural than evaluative questions (Morrone, Tontoranelli and Ranuzzi, 2009). The lost wallet question used in some waves of the Gallup World Poll is an example of an expectations question: "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?" In the case of institutional trust, these types of questions have not been commonly formulated.

Experiences: an alternative to asking what people expect to happen in a given situation is to ask the respondent about past experiences. In the context of institutional trust, questions relating to people's experiences of corruption or discrimination have been used in both research and official surveys. Experience questions have not traditionally been a major source of data on trust, but are included here as they have the potential to provide information on the degree to which respondents have experienced situations where their expectations of (positive) behaviour from others have or have not been met. An example of such questions could be extracted from the European Quality of Government Survey

(EQoG): "How much do you agree with the following statement: certain people are given special advantages in the public education/health care system?"

Experiments: an alternative to collecting information on trust through surveys is to use experimental techniques to measure trusting and trustworthy behaviour by participants, either in the field or in controlled laboratory conditions. While certainly relevant, this type of exercise is beyond the scope of this report. Still, the OECD has launched the Trustlab initiative (see Box 1.2.) in Korea in partnership with the Korea Development Institute (KDI).

Box 1.2. Trustlab

The OECD has launched Trustlab, a joint initiative between the OECD and a range of academic and government partners, to carry out a series of comparable experimental studies on trust across OECD countries. The OECD has conducted Trustlab studies in Korea in partnership with the Korea Development Institute (KDI).

Trustlab's studies are based on a nationally representative sample of 1 000 individuals stratified by age, gender and income. In the current set up, respondents log onto a custom-made online platform to participate in three experimental games to provide behavioural measures of social norms and values. A number of games study interpersonal trust: the Dictator Game, which provides information on altruism; the Trust Game, which provides information on trust and trustworthiness; and the Public Good Game, which provides information on willingness to co-operate and contribute to public goods. In all three cases, respondents are matched with other respondents for the games, which are played with approximately USD 10 in actual money at stake. In some countries, Trustlab includes "conditional trust games" that assess trust in specific population groups. For institutional trust, after the games respondents complete a series of implicit association tests on attitudes towards a range of institutions (such as the government, the judicial system and the media).

Implicit association tests are a psychometric technique used to test respondent attitudes where issues of social desirability may make them unwilling to respond honestly, or in areas that are difficult to measure through explicit self-reporting due to lack of awareness (Greenwald, Nosek and Banaji, 2002). These tests have been applied successfully to measure perceptions, stereotypes and attitudes towards commonly stigmatised social groups such as black people, women and the elderly (Dasgupta and Asgari, 2004; Aberson, Shoemaker and Tomolillo, 2004). The final part of Trustlab involves respondents completing a survey questionnaire containing a battery of trust questions. These cover a range of different approaches to measuring both interpersonal and institutional trust; self-reported items on other social norms, such as altruism and reciprocity; and a range of questions on the potential policy drivers of trust, along with basic demographic and socio-economic information.

Source: Adapted from Murtin, F., et al. (2018), "Trust and its determinants: Evidence from the Trustlab experiment", OECD Statistics Working Papers, No. 2018/02, OECD Publishing, Paris, https://doi.org/10.1787/869ef2ec-en. .

The different approaches to trust identified by these four groups do not represent substantively different concepts of trust. Rather, they correspond to different approaches to measuring the same concept. The first three approaches are all survey-based and vary in the focus of the question asked to respondents. In particular, while evaluative questions focus on the respondent's views at the time of the interview, expectations questions have a future orientation and relate closely to the concept of trustworthiness (e.g. the notion deserving trust or confidence), and questions on experiences focus on the past. In contrast, an experimental approach to measuring trust captures actual behaviour from respondents in a situation that is designed to elicit trusting (or non-trusting) behaviour.

Existing methodological challenges for trust measurement have not impeded the wide use of trust data. Trust in government institutions or the lack of it has received increased attention and received many headlines in the aftermath of the 2007-08 crisis. The source of trust data that is most commonly used and has the largest coverage is the Gallup World Poll (see Box 1.3). Different sets of analysis on the basis of the Gallup data reveal trends and correlations that are revealing of the state of trust in government in OECD countries and may assist policy makers in digging deeper into the subject. On the one hand, based on data levels, it has been found that trust in government is highly correlated with the approval of current leadership and the perception of government corruption (OECD, 2015). On the other hand – and using longer time series – evidence has been found on the link between trust in government and economic outcomes (e.g. gross domestic product per capita, unemployment rate) as well as overall life satisfaction (González and Smith, 2017; OECD, 2017a).

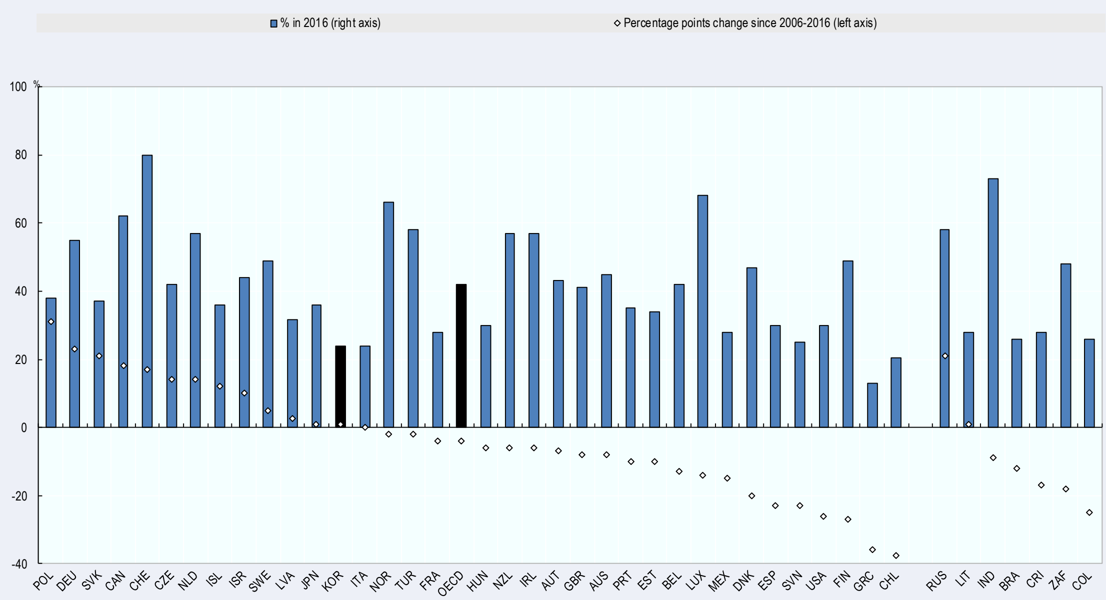
This evidence suggests that while trust in government has predictive power, it is influenced by a wide range of determinants that limit the capacity of institutions to act on existing metrics. The existing trust measures' limited capacity to discriminate calls for better understanding of the drivers and dimensions of trust, in order to disentangle its multidimensionality. Refined measures of the drivers of institutional trust are therefore required to enable government institutions to propose and adjust actions aimed at regaining trust from their citizens. In conclusion, addressing the concerns of policy makers over declining levels of trust, and improving current measurement tools, requires not only a narrowing down of the scope of the trust relationship to be measured, but a more operational notion of trust that can be deconstructed into meaningful policy questions. The next section proposes a framework, based on the public management literature, to be used as basis for developing questions aimed at capturing the trustworthiness of public institutions.

Despite the complexity of the subject, a variety of approaches and scattered empirical testing find consistently across the literature that institutional trust is affected by at least two key aspects. First, the literature highlights two different but complementary components that matter in understanding and analysing trust: 1) competence – or what concerns operational efficiency, or ability, capacity and good judgement to actually deliver on a given mandate; and 2) values – or the underlying intentions and principles that guide actions and behaviours. Second, there is consistency in the literature regarding specific attributes that matter for trust, both in relation to the "competence" and "values" components (see Annex A).

Box 1.3. The evolution of trust over time

On average, trust in OECD governments has slightly (by 3 percentage points) decreased since 2006 – a likely consequence of the global financial crisis, with significant up-and-down fluctuations that could be explained by diverse type of factors (e.g. economic conditions, long term changes in political systems, short term approval of the incumbent government events such as natural disasters or corruption cases as well as how public institutions perform their roles). According to international available data, on average, only 42% of citizens have confidence in national government in OECD countries (2016). Further, trust levels generally show a mixed picture. The larger drops in trust occurred in countries facing either a political, fiscal or economic crisis, such as Chile (a 38-percentage point decrease since 2007), Greece (-36 p.p.) Finland (-27 p.p.), United States (-26 p.p.), Slovenia (-23 p.p.) Spain (-23 p.p.). In the case of Korea, trust in government between 2016 and 2006 remained relatively stable at a comparatively low level (24% in 2016) (see Figure 1.1).

Figure 1.1. Confidence in national government in 2016 and its change since 2006



Note: Data refer to the percentage who answered “yes” to the question: ‘‘Do you have confidence in national government?’’ (data arranged in descending order according to percentage point change between 2006 and 2016). Data for Iceland are 2013 rather than 2015

* In the English language, it is recognised that there is a definition gap between trust and confidence. Some international surveys use the term trust (Eurobarometer, World Economic Forum, Edelman) while others use the term confidence (World Values Survey, Gallup, Latinbarometer). A strain of research argues that trust relates to the individual expectations of receiving effective and fair treatment from public institutions. In contrast, confidence relates to the belief that overall public institutions are effective and fair (Roberts and Hough, 2005). As a result, it may be argued that comparability between surveys could be difficult. Part of the problem however stems from the generality of available trust/confidence questions, a gap that the methodology of this report has sought to address. In addition, the OECD Statistics Directorate has addressed this question in collaboration with the Office of National Statistics of the United Kingdom. Results from split sample testing run in 2016 suggest that the use of the word “confidence” or “trust” does not have a significant impact on the results.

Source: OECD calculations based on Gallup World Poll, www.gallup.com/services/170945/world-poll.aspx

The OECD measurement and policy framework

As outlined in the previous section, several questions calling for complementary evidence remain to be answered. For example, are respondents to surveys able to distinguish between trust in government institutions and trust in political leadership? What is the relative effect of the different drivers of institutional trust, in general, and particularly for the Korean context? How can novel measurement approaches inform our understanding of trust in government institutions? What are the trusting patterns for different population groups?

Limitations to the understanding of what drives trust in government are partly due to the lack of an analytical framework that can help organise concepts, links and causality relations beyond perceptions. To answer those questions, both a theoretical framework and empirical evidence are required. Such a framework should take stock of the key findings identified in the relevant literature and test them in an integrated way, while allowing the development of actionable metrics. The OECD's approach to trust in government institutions develops an analytical framework which offers an instrumental approach to citizens' trust in public institutions, facilitating measurement efforts (both based on experience and expectations) and policy attempts to influence trust.

As mentioned previously, the focus of the framework is on trust in public institutions, i.e. on better understanding how trust influences the outcomes of public policies and how governance changes may strengthen or weaken trust. The goal is to unpack trust by the general public in government as a network of institutions, instead of the more short-term issue of political leadership. This scope reflects the concerns of leaders and policy makers about the deterioration of institutional trust in the last few years, and their interest on actionable policy insights to help them reverse this trend, something that existing measures of trust are not able to offer (OECD, 2017c). The framework identifies two key components of trust in institutions: competence and values (See Box 1.4). Within each component, relevant dimensions that are amenable to policy change are identified based on the common threads in the literature (Mcknight, Choudhury and Kacmar, 2002) and on the OECD update of this evidence (see Annex A).

Box 1.4. Developing the OECD Trust Framework

The starting point of our analysis was the mapping of a generalised set of government mandates, i.e. the basic delegation of functions that informs the social contract between society and its elected representatives. While the list can be formulated in a number of ways, essential public governance concepts point to the following key mandates: to provide public services; anticipate change and protect citizens; use power and public resources ethically; listen, consult and explain to citizens; and improve living conditions for all. For each mandate, we then mapped the concerns, or specific expectations which, if and when unmet, could lead to a breakdown of trust (Table 1.3).

Table 1.3. Mandates and concerns affecting trust

Government mandate	Concern affecting trust
Provide public services	Quality and timeliness of public services Respect in public service provision, including response to user feedback
Anticipate change, protect citizens	Anticipation and adequate assessment of evolving challenges Consistent and predictable behaviour
Use power and public resources ethically	High standards of behaviour Commitment against corruption, accountability
Listen, consult and explain to citizens	Ability to know and understand what government is up to Engagement opportunities that lead to tangible results
Improve living conditions for all	Pursuit of social and economic progress for society at large Consistent treatment of citizens and business

Source: *Trust and Public Policy: How Better Governance can Help Rebuild Public Trust,* OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264268920-en

Building upon an extensive literature review, we grouped these attributes into two broad components of trust: **competence**, or the ability of governments to deliver to citizens the services they need, at the quality level they expect; and **values**, or the drivers and principles that inform and guide government action. Each of them was then further deconstructed into key dimensions, or drivers of trust in public institutions (Table 1.4).

Table 1.4. Key policy drivers

Component	Driver	Definition
Competence: governments' ability to deliver to citizens the services they need, at the quality level they expect	Responsiveness	The provision of accessible, efficient and citizen-oriented public services that effectively address the needs and expectations of people, and evolve over time along with these needs
	Reliability	The ability of governments to minimise uncertainty in people's economic, social and political environment, and to act in a consistent and predictable manner in responding to this uncertainty
Values: drivers and principles that inform and guide government action	Integrity	The alignment of public institutions with broader principles and standards of conduct in order to safeguard the public interest while mitigating the risk of corruption
	Openness	The extent to which relevant information is shared with citizens in an accessible and useable manner, actions and plans are

		transparent and a comprehensive approach to interact with stakeholders is in place
	Fairness	The consistent treatment of citizens and business in policy making and policy implementation

Source: *Trust and Public Policy: How Better Governance can Help Rebuild Public Trust,* OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264268920-en

This approach led to the formulation of a unique framework for understanding trust in public institutions, strongly focused on actionable policy insights.

To start with, the framework deconstructs trust into two key components – competence and values – that closely follow the broad distinction reflected in the literature between the actual outcome of an action and the intention that guided it. Second, for each component, the framework identifies relevant dimensions that could make it amenable to policy change: responsiveness, reliability, integrity, openness and fairness. The framework is summarised in Table 1.5 and Box 1.4. A detailed description of these dimensions is presented in Annex B of this chapter.

This framework provides a basis to operationalise alternative measures of trust in public institutions and better link the policy discussion on trust to an actionable reform agenda. By focusing on the role of public institutions, we partly build on the finding of Helliwell et al (2018) that service delivery quality and democratic quality play an important role in supporting better lives although the relative importance varies according to the development level in different countries.

Table 1.5. Deconstructing citizens' trust in public institutions (the OECD Trust Framework)

Trust component	Government mandate	Concern affecting trust	Policy dimension
Competence: governments' ability to deliver to citizens the services they need, at the quality level they expect	Provide public services	Access to public services, regardless of social/economic condition Quality and timeliness of public services Respect in public service provision, including response to citizen feedback	Responsiveness
	Anticipate change, protect citizens	Anticipation and adequate assessment of evolving citizen needs and challenges Consistent and predictable behaviour Effective management of social, economic and political uncertainty	Reliability
Values: drivers and principles that inform and guide government action	Use power and public resources ethically	High standards of behaviour Commitment against corruption Accountability	Integrity
	Inform, consult, and listen to citizens	Ability to know and understand what government is up to Engagement opportunities that lead to tangible results	Openness
	Improve socio-economic conditions for all	Pursuit of socio-economic progress for society at large Consistent treatment of citizens and businesses (vs. fear of capture)	Fairness

Source: *Trust and Public Policy: How Better Governance can Help Rebuild Public Trust,* OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264268920-en

As with any analytical framework, it is not possible to capture every possible related element. Governments perform many functions and are subject to seemingly conflicting mandates (e.g. security versus respect for privacy or transparency). Citizens are influenced in their assessment of trust by exogenous factors, such as culture and attitudes towards authority. Policy relevance may also be extracted by means of better understanding the potential causality between different dimensions of trust (e.g. political vs. institutional, interpersonal vs. institutional) and the influence of context specific factors (culture, system of government). In addition, there are dimensions (e.g. political institutions; see Box 1.5), which are not aligned with the goal of facilitating a more operational approach to the understanding of trust in public institutions by addressing dimensions that are both critical and amenable to policy change.

Box 1.5. Drivers beyond the OECD Trust Framework

There are certainly factors that fall outside the OECD Trust framework, which focuses on core competences and values of public institutions on the performance side. Trust in public institutions is clearly influenced by the demographic and other characteristics of respondents on the perception side. One of them is political views. For instance, Park and Lee (2012) posit that public perceptions of public policies are much more influential in explaining the level of trust in government than individual traits (sex, income or political preferences) or civic culture (participation, social trust) in Korea.

Focusing on the fact that a democratic government maintains public legitimacy and trust through elections, Cho (2013) examined how voters' electoral experiences influence their trust in government. By analysing the Korean data culled from the Asian Barometer Project in 2011, this study demonstrates that government trust was high among those voters who evaluated the last presidential election as being fairer and freer. Based on these findings, the author argues that elections should be considered as an important variable to examine in studying government trust, and they should be made more fair and free.

In some contexts positive relationships between institutional trust and educational status and, although less strong, income has been found (Helliwell and Wang, 2010; Christensen and Laegreid 2005). However, in the Korean context evidence of the importance and type of these relationships is not conclusive (Cho 2013 and Lee 2014)

Kum and Baek (2010)'s empirical analysis shows that the effects of political trust (i.e. trust in the incumbent conservative government at the time) are significantly more pronounced among conservatives than among liberals, which means the effect of ideology on support for government spending is moderated by political trust. This finding suggests that political trust has a normative importance as well as practical consequences in understanding the policy process. Park (2006) also finds that supporters of the ruling party have a higher trust in the government than the supporters of the opposition party. Wong, Po-san and Hsin-Huang (2011) found that institutional factors, particularly the economic and political performance of government, are powerful determinants of political trust, whereas the effects of such cultural factors as post-materialism, traditionalism, and authoritarianism are either insignificant or weak.

This approach is consistent with the fact that citizens view and assess government not only from the perspective of service delivery, but also according to the efficacy and fairness of government policy and government ethics (Yang and Holzer, 2006). It brings renewed attention to process in addition to output. Further, it is consistent with the general finding that institutional trust happens when citizens appraise public institutions and/or the government and individual political leaders as promise-keeping, efficient, fair and honest (Blind, 2006). Lastly, it can provide better guidance to the measurement of trust, monitoring trust over time and the analysis of which factors may drive it in the future, opening the door to an alternative set of data to that currently available.

In addition, it is proposed to use this framework to assess "trustworthiness" of institutions rather than trust in institutions *per se*. The literature on the measurement of generalised trust has made a distinction between trust and trustworthiness. While trust has been commonly captured by measuring attitudes, trustworthiness is traditionally associated with expectations on future behaviours (Ben-Ner and Halldorsson, 2010). In the past, surveys of people's attitudes have been weak predictors of people's actual behaviours (Ajzen and Fishbein, 1977). In consequence, recent developments suggest that trustworthiness might be a better predictor of actual trusting actions (Johnson and Mislin, 2011). Building "trustworthy" institutions is something that governments and policies can do. Further, with the right statistical measures, the impact of policy efforts to build "trustworthy" institutions could possibly be assessed.

The next section builds upon the proposed analytical framework to identify avenues for potential improvement of existing measures of trust by citizens in public institutions. For this purpose, measurement could consider the dimensions of trust as actionable policy drivers and design, for each of them, questions that link more directly with individual experiences, expectations, attitudes and behaviour. Questions along these lines could be included in household surveys without running the risk of entering into political opinion surveying. In addition to monitoring trust better, this would allow countries to contrast perception with government performance, creating a clearer gap analysis that could guide policy and communication decisions.

The OECD-KDI trust measurement instrument

To address the challenges specified in the previous section of this chapter, the OECD and the Korean Development Institute (KDI) designed a pioneering survey instrument to be applied in Korea. The survey was fielded in early 2016 to a representative sample of the Korean population (see Box 1.6, and the survey instrument and methodological details in Annex B). In addition to a series of questions on standard socio-economic characteristics of the population (e.g. age, education, income, gender, religion) and interpersonal trust, the survey focused on the drivers of institutional trust as outlined in the previous section, where the policy and measurement framework was presented.

Box 1.6. Essentials of the OECD-KDI survey

The joint OECD-KDI survey was conducted through face-to-face interviews from 20 January to 22 February 2016. The main focus of the survey was on administrative institutions of government. As such, respondents were requested not to consider subjective feelings about political organisations or political agents to the extent possible, even though it is acknowledged that this distinction could be difficult to make as the heads of administrative institutions are either elected officials or political appointees. A full description of the survey methodology can be viewed in Annex B. The essentials of the survey design are below.

Subjects and time period

- population: all general citizens over 20 years old
- sampling size (number of respondents): 3,000 people
- time period: 20 January – 22 February 2016.

Sampling design and sampling

- sampling frame: Korea Census 2010
- sampling method: stratified random sampling
- stratification criteria: region, gender, age
- data collection method: face-to-face interview using a structured questionnaire.

The questionnaire includes several types of question on institutional trust based on evaluations (i.e. standard trust questions), experiences and expectations/situations related to the different drivers of the Trust Framework. For example, in addition to a formulation based on the standard trust question (i.e. How much confidence do you have in the government to act in the best interest of society?), other questions based on evaluations of public institutions attributes are of the type described in Table 1.6.

Table 1.6 Examples of evaluation-type questions

Question: How much confidence do you have in public institutions to:	Policy dimension	Trust component
Provide good public services?	Responsiveness	Competence
Consider the interest of future generations?	Reliability	
Protect citizens?		
Use power ethically?	Integrity	Values
Use power resources ethically?		
Listen to citizens?	Openness	
Improve socio-economic conditions for all?	Fairness	

A number of lessons from the evolution in the measurement of interpersonal trust were applied for the questionnaire design. Traditionally, the appraisal of interpersonal trust has been done through perception questions, the most commonly asked one dating back to 1956 (the "Rosenberg question"). Recently, however, others have proposed a different approach, which moves away from perception and instead focused on specific situations. These questions are commonly referred to as "wallet questions" (see Table 1.7). In previous sections of this chapter these questions have been defined as quasi-behavioural or expectations based; from now on we will refer to them as "situational questions", knowing that they all refer to the same concept.

Table 1.7. Standard Rosenberg and behavioural questions for interpersonal trust

Rosenberg question: "Generally speaking, would you say that most people can be trusted or that you need to be really careful in dealing with people?
Wallet question: "In the city or area where you live, imagine you lost your wallet or something holding your identification or address and it was found by someone else. Do you think your wallet (or your valuables) would be returned to you if it were found by someone else? Do you think your wallet (or your valuables) would be returned to you if it were found by a neighbour/the police/stranger?

Source: Based on OECD (2009), *Focus on Citizens: Public Engagement for Better Policy and Service*, http://dx.doi.org/10.1787/20774036.

The situational questions developed for our survey are not stereotypical behavioural questions: they don't focus on the individual behaviour but rather on the expected conduct from a third party, as in the wallet question with neighbours, police officers or strangers. As such, they rather provide measurement on the trustworthiness of a given institution, community or society. Differently than attitudes (passive response) and behaviours (active response), trustworthiness is based on expectations. No attempts have been made to measure institutional trust with situational-type questions. There is a missing bridge, and thus an opportunity, between the measurement of interpersonal and institutional trust. In general terms, a situational approach to measuring institutional trust would require designing and asking the following type of questions: "How do (citizens) think their government would behave under a given specific circumstance(s)?" or "If Y happens, do you trust public institutions to do X?"

In line with OECD recommendations (OECD, 2015, 2017a), a numerical 0-10 scale with verbal scale anchors is recommended to measure trust items[3]. Such a scale allows for a high degree of variance in responses, increases overall data quality and facilitates translatability across languages (OECD, 2017a). In turn, as suggested, the verbal description of the scale anchors represent absolute responses (i.e. no confidence at all and full confidence) to minimise acquiescence bias and socially desirable responding to allow for the full spectrum of possible responses.

One of the main challenges in designing situational questions is to identify relevant situations that capture the underlying concept being researched, but which are still amenable to an informed judgment by survey respondents. For the questionnaire design, a number of high-visibility events in Korea were consulted that influenced trust in public institutions and which occurred before the survey was fielded. Among the key ones are the 1987 June Democracy Uprising, which started the democratic process and generated high expectations of government. In 1997, the Asian financial crisis dramatically affected the Korean economy. More recently, the sinking in 2014 of the Sewol ferry and the outbreak of Middle East Respiratory Syndrome (MERS) affected the level of trust in government institutions (see Box 1.7. for a summary).

Box 1.7. External events shaping trust in Korea

Pre-1987 legacy: During its colonisation by Japan (1910-45), Korea's Confucian tradition of trust and community were damaged by the Japanese government's oppressive colonial policy. Soon after liberation in 1945 and the foundation of government in 1948, Koreans had to endure the 1950-53 Korean war. The military coup of 1961 and the military rule that followed saw a continuation of a hierarchical society, shored up with acts of violent oppression. According to some scholars, all these events have contributed to pervasive low levels of public trust in the Korean government (Kim, 2008).

1987 June Democratic Uprising and related expectations: The June Democratic Uprising was a nationwide democracy movement that generated mass protests in June 1987. The demonstrations forced the ruling government to hold elections and institute democratic reforms, which led to establishing the present-day government structure of South Korea. At the same time, democratisation has brought about challenges to trust in the government – such as very high expectations; a free media; and political opposition. While holding free and fair elections might not necessarily lead to greater public confidence in government it is a basic element of voice and accountability core elements of the openness driver of the trust framework.

1997 Asian financial crisis: Triggered in Southeast Asia, the financial crisis quickly spread to Korea, due to the bankruptcy of family-based business groups (known as the *chaebol*); a high level of short-term foreign debt relative to foreign exchange reserves; and the refusal of foreign creditors to roll over loans to Korean financial institutions. The ensuing IMF bailout was a shock to many Koreans. The crisis had a significant negative impact on trust in government and the chaebol, including concerns over economic policy and prudential supervision of public finances.

2011 outbreak of foot-and-mouth disease: Beginning in November 2010, the virus spread to vast regions of the country until May 2011. It led to a mass cull of over 3.5 million domestic animals. Many people pointed out the government's failure to contain the epidemic in the early stages and blamed it for the budget loss caused by the need to compensate stockbreeders for their loss. In addition, the burial process, carried out with limited time and manpower, led to some burials leaking leachate which affected drinking water. The minister of Agriculture, Food and Rural Affairs resigned in June 2011 after the outbreak ended.

2014 sinking of Sewol ferry: In April 2014, the South Korean ship MV Sewol sank, claiming the lives of 304 passengers, mostly high school students. It transpired that the accident was a manmade disaster caused by over-loading, crating failure and, poor initial responses by the crew, coast guard, and control centre. Park (2014) notes that when government is perceived as failing to handle critical problems effectively, citizens come to lose faith in government institutions.

2015 outbreak of Middle East Respiratory Syndrome (MERS): Between May and July 2015 an outbreak of Middle East Respiratory Syndrome occurred in South Korea, affecting 186 people, and causing 36 deaths and 16 752 suspected cases. The government, in particular the Ministry of Health (MoH), was heavily criticised for not disclosing relevant information to hospitals and citizens. Initially the MoH did not disclose the names of medical institutions hospitalising the MERS patients to avoid unnecessary anxiety to the users, according to the MoH's official statement. In turn, the MoH omitted informing some local governments (e.g. Incheon) about the transfer of some patients to its local medical institution. Medical institutions were also criticised; for example in Seoul, 35 infected patients were discharged without knowing that they were infected and allowed to move freely through the city.

Sources: Kihwan, K. (2006), "The 1997-98 Korean financial crisis: Causes, policy response, and lessons", https://www.imf.org/external/np/seminars/eng/2006/cpem/pdf/kihwan.pdf; Dostal, J. M., and A. Ringstad (2015), "A historical-institutionalist analysis of the MV Sewol and MS Estonia Tragedies: Policy lessons from Sweden for South Korea", *The Korean Journal of Policy Studies*, Vol. 30/1, pp. 35-71; Kim, Y. (2008), "Revisiting Putnam and Fukuyama: Trust and Korean society", *World Regional Studies*, Vol. 26/1, pp. 5-29; Kim, K. H. et al. (2017), "Middle East Respiratory Syndrome coronavirus (MERS-CoV) outbreak in South Korea, 2015: epidemiology, characteristics and public health implications", https://www.ncbi.nlm.nih.gov/pubmed/28153558.

The novelty and relevance of this approach stems from the possibility of providing more refined evidence that could translate into more targeted policies aimed at restoring trustworthiness. Table 1.8 presents a sample set of questions following this approach. In it, we first break down further the policy dimensions of trust into actionable policy components. For each component, we propose a sample of situational questions that aim to capture government trustworthiness, by asking citizens whether they trust their government to do X if Y happens.

Table 1.8. Situational questions included in the OECD-KDI survey

Responsiveness: the provision of accessible, efficient and citizen-oriented public services that effectively address the needs and expectations of people, and evolve over time along with these needs	
Public services meet the expectations of citizens Public services are provided in a cost-effective manner Governments are responsive to innovations that improve services Governments encourage feedback and respond to citizen inputs on service provision	• If you report an experience of bad quality public service to the relevant complaints body, do you think that you will receive a satisfactory answer to your complaint? • If a public servant has an idea that could lead to better provision of a public service, do you think that it would be adopted? • If a large group of citizens expresses dissatisfaction with the functioning of a public service (e.g. the education, health or justice system) do you think that corrective actions will be taken?
Reliability: the ability of governments to minimise uncertainty in people's economic, social and political environment, and to act in a consistent and predictable manner in responding to this uncertainty	
Government has long-term priorities which are clear to policy makers, public servants and citizens Government has identified medium and long-term risks and acts in consequence Government handles public finances and macroeconomic policy with responsibility	• If an alert is raised due to the appearance of a new disease, do you think that existing public health plans would be effective? • If you started a business today do you think that the conditions under which you operate (taxes, regulations, etc.) will remain stable enough so that unexpected changes do not threaten your business?

	• If a natural disaster occurs do you think that the provision of adequate food, shelter and clothing will be provided to survivors?
Integrity: the alignment of public institutions with broader principles and standards of conduct in order to safeguard the public interest while mitigating the risk of corruption	
Government is committed to integrity and transparency in public administration There are consequences for corruption (political, civil and criminal) Integrity rules and standards apply to all equally	• If money is offered to public servants would it be possible to speed up an administrative procedure (e.g. obtain a license, receive a service)? • If a big company offers money to win a contract with a public entity, do you think that the contract would be awarded to it? • If a minister was guilty of fiscal fraud, do you think that he/she would be prosecuted?
Openness: the extent to which relevant information is shared with citizens in an accessible and usable manner, actions and plans are transparent and a comprehensive approach to interact with stakeholders is in place	
Government explains its decisions, particularly those that matter most to people Government requests the views of citizens, respects them, uses them Government facilitates access to information	• If you need information about an administrative procedure, do you think that it will be easy to find? • If a decision affecting your community is to be taken, how likely is that you would be consulted? • If you participate in a public consultation on an issue of public planning, do you think that your opinion will be considered?
Fairness: the consistent treatment of citizens and business in policy making and policy implementation	
The interests of all stakeholders are properly considered in policy decisions Rule of law applies to all equally Public services treat all citizens equally Special attention exists for vulnerable groups	• If a citizen belonging to a social minority (e.g. sexual, racial/ethnic and/or based on nationality) is the victim of discrimination, how likely is that relevant authorities will pursue the case? • If in the context of a local construction project business and community interests are in conflict, do you think that business interests will prevail? • If a tax reform is implemented, do you think that the financial burden would be shared fairly across social groups?

Efforts to improve trust measurement should pay off in terms of actionable policy insights for Korea. The proposed approach could guide the analysis for each of the dimensions identified as drivers of trust in government institutions. Tailored policy-driven recommendations could be designed as means of attaining improvement on each of the studied dimensions.

Furthermore, the purpose of this approach is to offer a tailored assessment of trust in Korea. The focus is less on comparative data across countries, and more on context-specific understanding of institutional trust and the performance of its drivers, which is consistent with the importance of cultural and historic factors in shaping trust. The next chapters of this report will present the findings of the OECD-KDI survey in detail and recommend policy action that could help increase levels of trust in Korean public institutions.

Notes

[1] This working definition was presented to survey respondents when the questionnaire, used to inform this research, was fielded.

[2] The ultimate benchmark of the quality of statistics is whether they meet the needs of the user in terms of providing useful information.

[3] Different response options lead to different and not necessarily interchangeable measures. Therefore, a standardised approach to response format to ensure the consistency of measurement, especially in an international context, is highly advised. The available evidence in terms of general studies and specific information from trust measures suggest that a numerical 11-point scale with verbal scale anchors is preferable over the alternatives, as it follows for a greater degree of variance in responses and increase the overall data quality as well as the translatability across languages.

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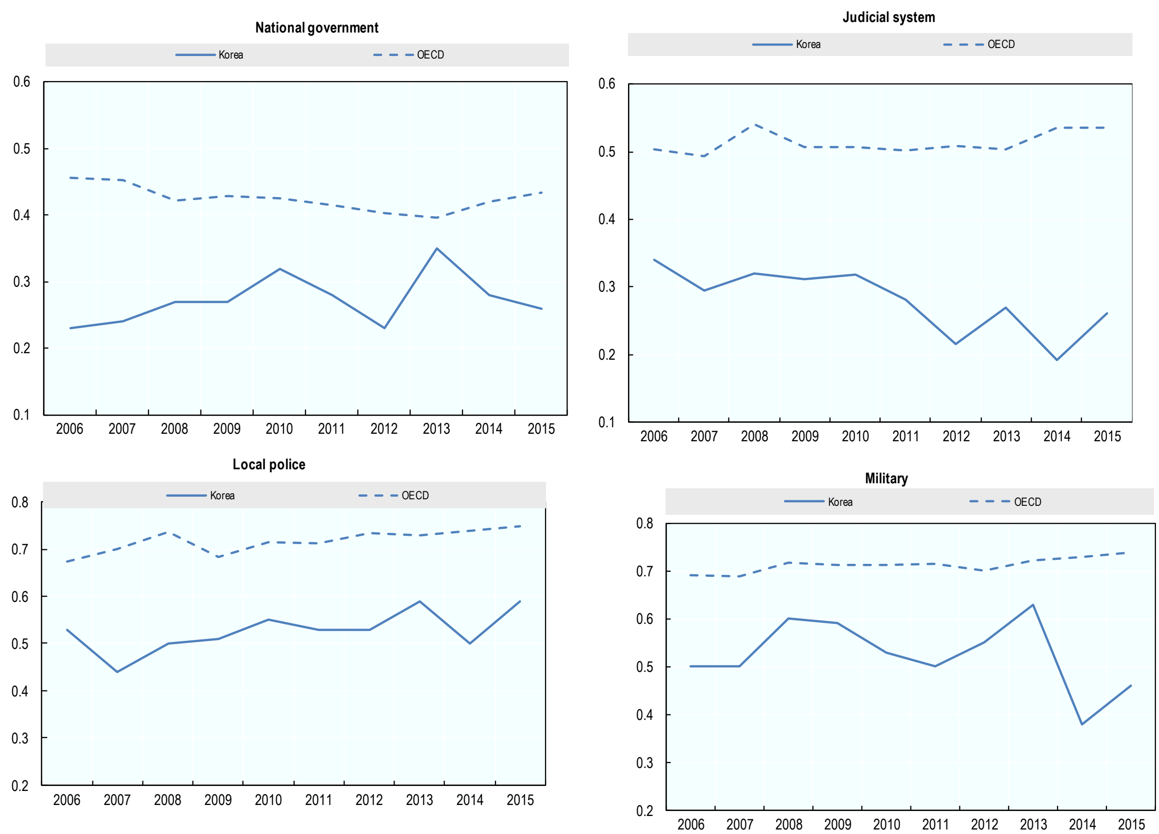
Chapter 2. Trust in government in Korea: A puzzle

This chapter focuses particularly on the Korean case by analysing evidence stemming from several existing sources. It shows that while Korea has achieved and maintained rapid economic growth and development, and performs comparatively well in several existing measures of the quality of public administration, trust in government institutions is relatively low. Based on data specifically collected for this report this chapters shows empirically what are the main drivers of institutional trust in Korea.

What the evidence says

The previous chapter signalled that levels of trust in government institutions are low in Korea compared to OECD member countries (see Box 1.3). Still, it could be argued that trust levels at specific points of time reflect the current situation, and not necessarily the structural trend of a given indicator. Based on the Gallup World Poll, Figure 2.1 presents trends over time (2006-15) of trust in a handful of institutions compared to the OECD average. Even though year-to-year changes can be seen for the set of institutions (i.e. national government, judicial system, local police, and military), trust in government institutions in Korea seems to be at comparatively low levels.

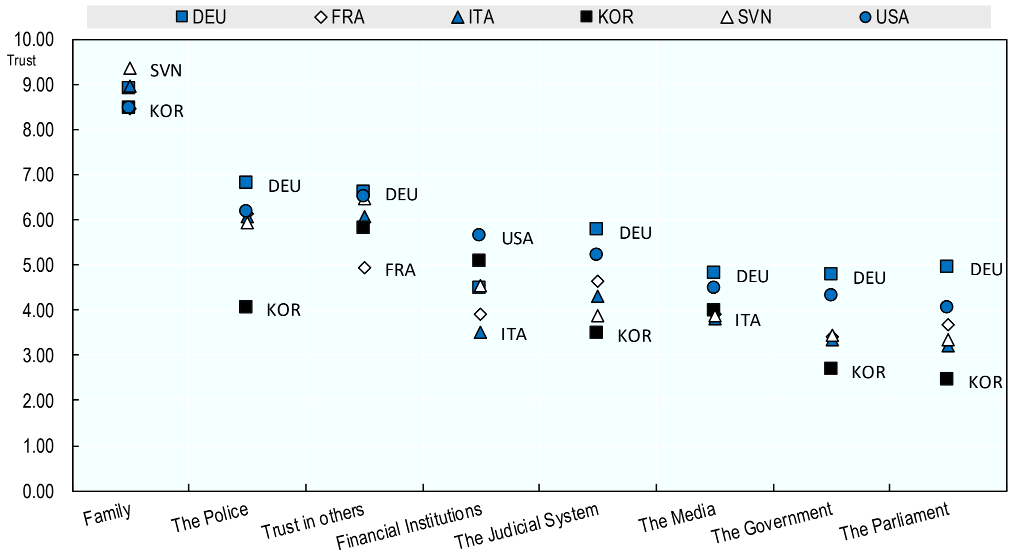
Figure 2.1. Confidence in governments and public institutions in Korea and OECD countries, 2006-2015



Note: Data refer to the % of "Yes" responses to the question: "In this country, do you have confidence in each of the following, or not? The national government? Judicial system? Local police? Military?"
Source: OECD calculations based on the Gallup World Poll, www.gallup.com/services/170945/world-poll.aspx

Similarly, by using survey data from Trustlab (see Box 1.2) it is possible to establish a comparison between the six countries that have participated in that initiative. Figure 2.2 displays the average trust, on a scale of 0 to 10, for a handful of public and private institutions. For all public institutions presented in the figure (i.e. police, judicial system, government and parliament) Korea reports the lowest average values.

Figure 2.2. Trust in different groups and institutions in Korea and selected countries



Note: For trust in others, France and Korea display results from the Rosenberg question; Germany, Italy, Slovenia and the United States display results from the OECD question" And now a general question about trust. On a scale from zero to ten where zero is not at all and ten is completely, in general how much do you trust most people"

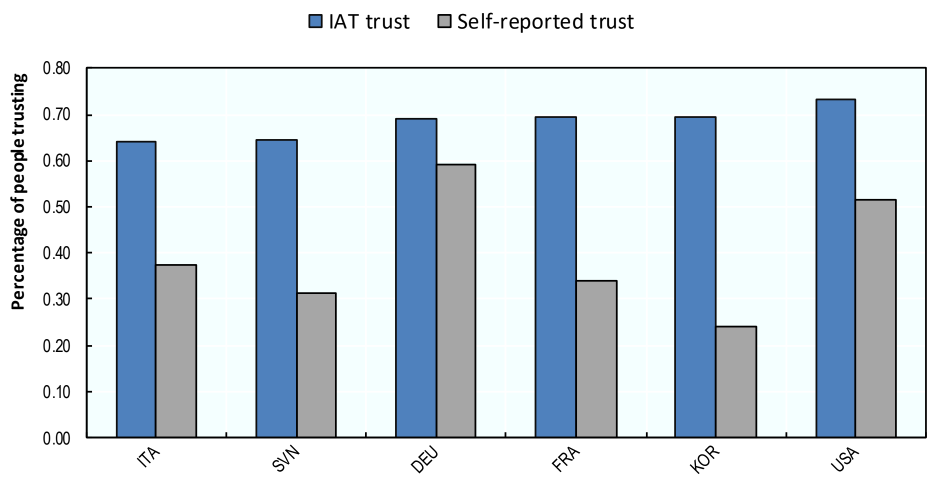
Data collection in Korea lasted from November 2016 to January 2017 and overlapped with large scale protests surrounding a high profile corruption scandal eventually leading to President Park Geun-Hye's impeachment. The Korean report should therefore be interpreted with caution as trust in institutions might have been lower than usual during this particular turbulent time.

Source: Trustlab (France: 2016; other countries: 2017).

However, self-reported trust in government based on surveys should be assessed critically as evidence suggests that they may be biased in some circumstances, and for a number of key aspects of validity there is simply no evidence one way or another (González and Smith 2017). It can indeed be argued that in today's political climate, expressing trust in government is likely to evoke at least mild social disapproval and actually be the socially undesirable response (Intawan and Nicholson, 2017). In addition, salient negative events involving the government in media and public discourse may lead to availability bias when making evaluations of government performance. Easton (1975) has warned of the danger of conflating cynicism vis-à-vis the government with low levels of trust. This discrepancy between self-reported and implicit trust confirms that self-reports may be affected by such factors and a closer look into deeper, more ingrained implicit sentiments towards institutions could be warranted.

While it is not completely clear what is being captured by it implicit association tests (IAT)[1] have been conducted as means of generating alternative measures of institutional trust. IAT results consistently show (Figure 2.2a) that people have a higher level of implicit (i.e. experimental) trust in government than what they declare in survey questions (Murtin et al 2018). In turn, among the countries that participated in Trustlab, Korea shows the highest discrepancy between self-reported and implicit trust in government. Understanding the discrepancy between survey and implicit based measures is an area where further research is required.

Figure 2.3. Implicit vs. self-reported trust in government in selected countries



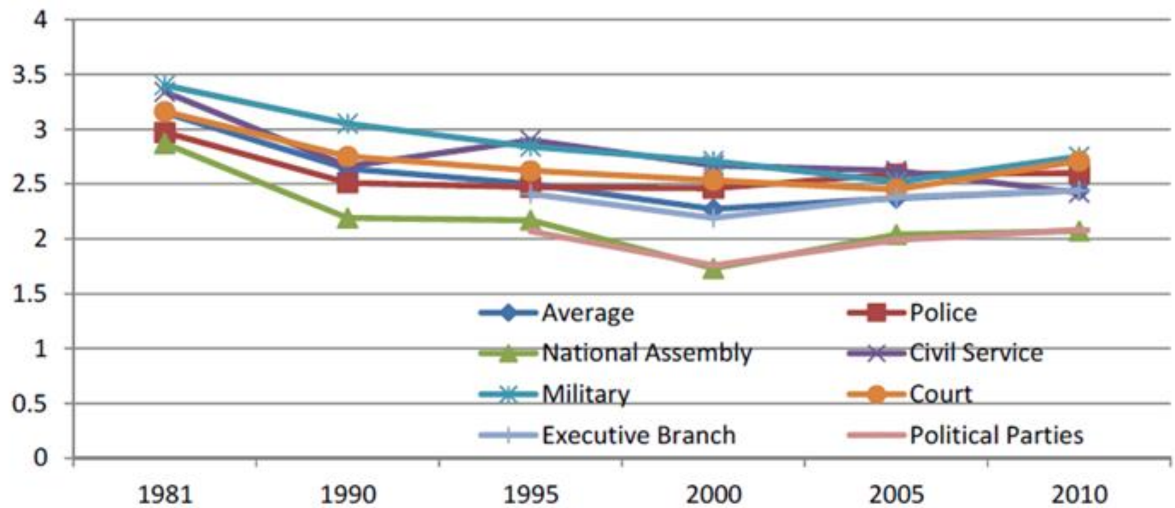
Note: This figure shows the proportion of people trusting the government, for each measure. Implicit trust is classified as having a D-score higher than zero, whereas self-reported trust is classified with a self-reported level of trust above 5.

Data collection in Korea lasted from November 2016 to January 2017 and overlapped with large scale protests surrounding a high profile corruption scandal eventually leading to President Park Geun-Hye's impeachment. The Korean report should therefore be interpreted with caution as trust in institutions might have been lower than usual during this particular turbulent time.

Source: Trustlab (France: 2016; other countries: 2017).

Beyond the fact that self-reported trust in institutions is at comparatively low levels in Korea, the analysis of a longer discontinuous series – extracted from six waves of the World Values Survey – evidences that trust in government institutions shows interesting variations since the country's democratic transition in the late 1980s (see Figure 2.3). With the democratic transition, public trust in the military and the court declined, at least initially, a plausible explanation is that previous cover-ups and unlawful actions under the military government were exposed. In contrast, in 1990-1995, trust in civil service increased reflecting, amongst others, efforts to make public service delivery more responsive to citizens' needs. Over the same period, trust in the National Assembly remained stagnant at low levels, a possible explanation is the lag with which citizens oriented reforms commonly reached citizens and the political nature of this institution that could shape people's perception. Over the next period (1995-2000), which included the 1997 economic crisis, trust in government institutions generally declined. Since Korea recovered from the crisis, trust in government institutions moderately increased over the next decade (2000-2010) but never returned to 1980s levels[2].

Figure 2.3. People's trust in political institutions in Korea, 1981-2010



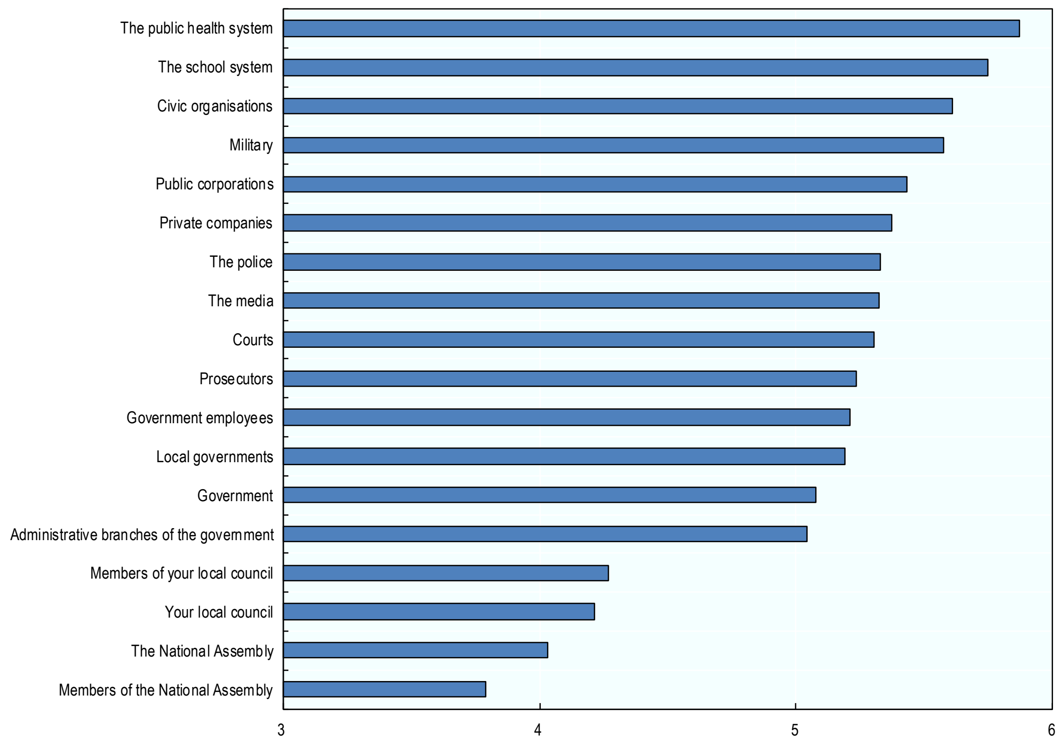
Note: Designed based on the data of the annual World Values Survey and You, 2005. Scale: 1-4.
Source: Jung, Y. -D. and S. Y. Sung (2012), "The public's declining trust in government in Korea", http://mjpse.meiji.jp/articles/files/01-04/01-04.pdf.

The OECD-KDI survey has also included a version of the institutional trust questions included in most household surveys. This is a general heading similar to "How much confidence do you have in…" followed by a list of institutions. Compared to non-official comparative household surveys, one of the main improvements achieved through the OECD-KDI measurement instrument is the inclusion of a larger set of institutions, both political and administrative. For example, the Gallup World Poll only includes five institutions (government, financial institutions, judicial system and courts, police and military).

Figure 2.3 shows that not all public institutions are valued equally when it comes to trust levels. In fact, respondents make clear differences in their assessment at two levels: 1) the political versus the institutional dimensions, as noted earlier; and 2) between the network of institutions, particularly public services, government agencies and the National Assembly (Figure 2.4). Consistently with findings from other surveys (KIPA, 2015) the National Assembly (4.0) emerges as the least trusted institution (see Box 2.1). In turn, most service-related institutions (i.e. public health and school system) have the highest comparative scores. The scores of 5.08 for trust in government and 5.19 for local government are very close to the average for all institutions taken together (5.09).

Figure 2.4. Trust in public institutions in Korea

Average answer to the question: "How much confidence do you have in the following public institutions or social organisations to act in the best interest of society?" 0 – none at all; 10 – complete confidence



Box 2.1. Trust and the National Assembly

A good functioning relationship between the executive and legislative branches of government is essential for defining and delivering solid policies and long-term structural reforms.

Some authors argue that public trust in the National Assembly is positively related to citizens' support for the majority political party, national economic situation, and approval rating for the president. The findings of the OECD-KDI Trust Survey, however, do not identify any significant differences across respondents in their perceptions of the National Assembly. In other words, there is a generalised mistrust and, thus, deeper institutional factors must be at play.

Empirically investigating the factors behind the low levels of public trust in the National Assembly, Yi and Jeong (2013) find that the most influential factors are distrust in politics and an overall public perception that the National Assembly does not represent citizens' interests. In addition, the basic elements of the political system such as lack of policy consistency, institutional competition between political parties and lack of internal collaboration in Korea may have a role of to play.

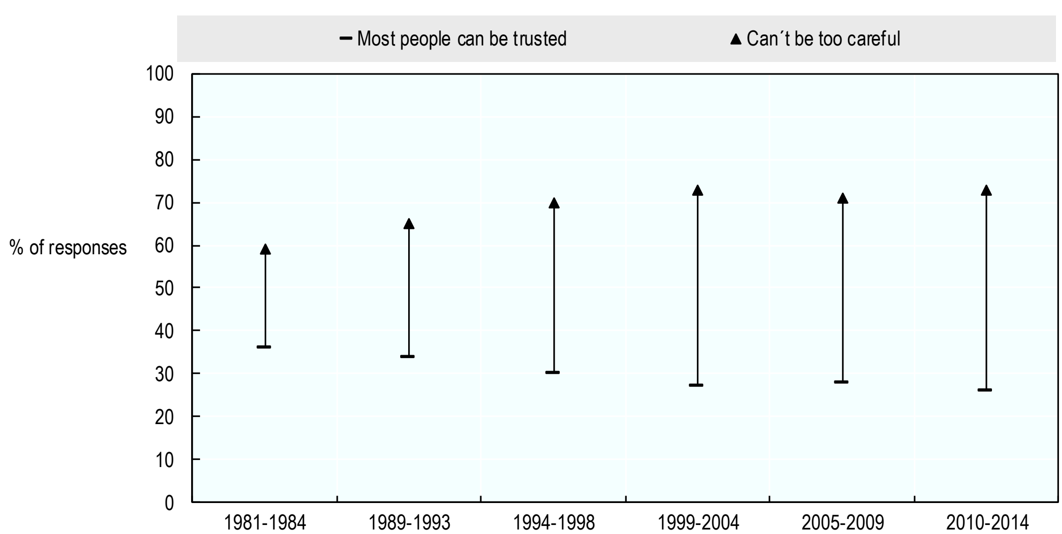
Low levels of interpersonal trust

While the focus of this report is on systemic or institutional trust, a general finding of the literature is that trust, as well as most of its drivers, are interlinked and often self-fulfilling. On the one hand, modern theorists suggest that interpersonal trust is influenced by increasing political and social participation. Contact with other members of the community allow people to know each other better and to improve their level of trust. In turn, this positive disposition derived from their civic experience is often extended to strangers (Fukuyama, 1995; Levi, 1997).

On the other hand, "new-institutionalist" scholars maintain that a trustworthy government generates interpersonal trust (Veenstra, 2015 Blind, 2006). For example, Rothstein and Stolle (2008) show that high trust in legal institutions has a positive impact on interpersonal trust. This means that in addressing low levels of institutional trust, Korea may want to consider approaches to strengthening interpersonal trust as well, which may also be related to the overall improvement of well-being in the country.

Interpersonal trust, used primarily as a proxy for "social capital", is highly influenced by the set of common values shared by a given society; as such, groups of countries with mutual cultural and religious backgrounds tend to have similar levels of interpersonal trust (OECD, 2009). Interpersonal trust is an important concept, as it contains values such as truth telling, promise keeping, fairness and solidarity. Because of this, questions on interpersonal trust have been used in many cross-national surveys.[3] Data from the World Values Survey show that, while distrust of other people has always exceeded trust in Korea, that gap has widened from 23% in Wave 1 of the WVS to 47% in Wave 6 (see Figure 2.5).

Figure 2.5. Interpersonal trust in Korea, 1981-2009



Note: Data refers to the question: "Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people?" Each time period refers to the successive waves of the WVS, with Wave 6 representing the most recent period of 2010-14.
Source: OECD calculations based on waves 1-6 of the World Values Survey.

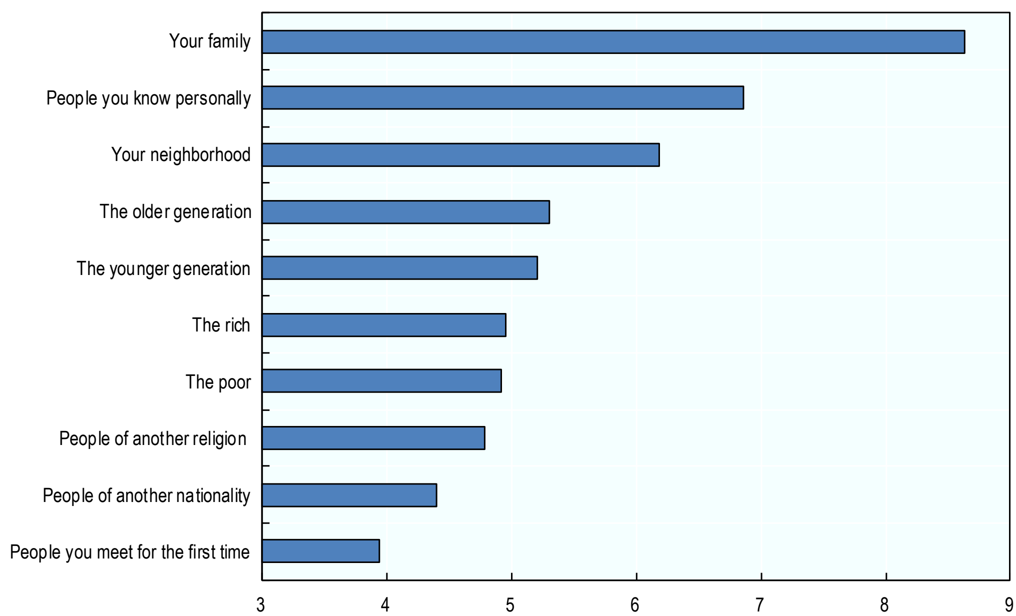
Interpersonal trust questions have been classified as two types: "generalised trust" and "limited trust". Generalised trust refers to trust in people who are not known to the respondent or to trust in situations where the person being trusted is not specified. Limited trust focuses on people known to the respondent, including family, friends and neighbours

(OECD, 2017a). The OECD-KDI survey includes questions both on generalised trust and limited trust, with a greater emphasis on generalised trust due to its greater relevance for most policy and analytical purposes.

The OECD-KDI survey also asked questions on interpersonal trust, showing complementary results to the WVS surveys. When asked whether or not respondents thought a lost wallet or purse containing items of great value to them would be returned to them if found by a stranger, 59.7% said "no" compared to 40.3% who said "yes". In turn, analysing trust in the different groups – consistently with the academic literature – finds that limited trust tends to be higher than generalised trust (Figure 2.6). Evidence for six countries from the Trustlab initiative (see Figure 2.2.), comparing them with available data, shows that generalised trust in Korea is the second lowest after France.

Figure 2.6. Interpersonal trust in Korea, 2016

Average answer to the question: "Could you tell me for each of these groups how much you trust them?" 0 – not at all, 10 – completely

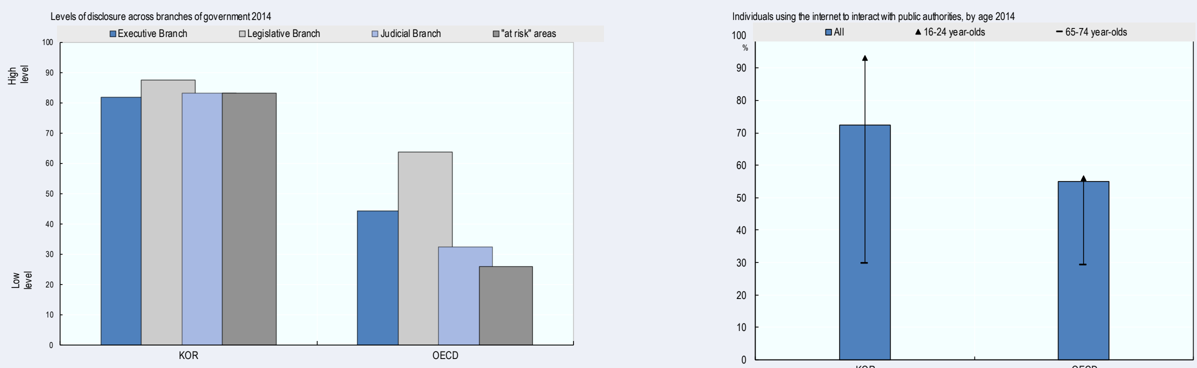


The data presented above poses a number of questions, particularly from the point of view of public performance. Indeed, in the context of Korea, we can talk about a public performance paradox. Korea rates consistently above the OECD average in many standard measures of public governance and performance (Box 2.2). Yet its levels of trust in public institutions rank, as shown above, well below the OECD average.

Box 2.2. The performance paradox in Korea

On many measures of "good public governance", the Korean government ranks highly compared to other OECD countries. Two key examples are for public disclosure of private interests and use of digital services (Figure 2.7). In 2014, the level of asset disclosure and public availability of information for all branches of government was higher in Korea than across the Group of Seven (G7) and OECD countries.

Figure 2.7. Institutional performance in Korea, selected indicators



Source: OECD (2016), *Government at a Glance: How Korea compares*, http://dx.doi.org/10.1787/9789264259003-en.

As another example, since the 1990s the Korean government has invested heavily in digital services and has developed state-of-the-art e-government systems and infrastructure. Digital services are a key component of the government's strategy to increase competence and foster a citizen-centred approach to service delivery. In 2014, more than 70% of all Koreans reported having used the Internet at least once over the past 12 months to interact with public officials, highest in the G7 and OECD. Moreover, Korea is the OECD leader in providing the enabling conditions for the re-use of open government data inside, and outside, the public sector.

Paradoxically, despite these and many other good practices, the results from the OECD-KDI survey show that Koreans are still highly distrustful of their government institutions. Data show that citizens rate their government quite well for basic government functions (protecting citizens and delivering public services), but lower regarding measures of integrity and openness. However, these results might also reflect that asset disclosure in itself is not sufficient to ensure that that government officials avoid capture by powerful interests. Similarly, digital infrastructure does not automatically lead to meaningful engagement with citizens in policymaking.

Note: The Group of Seven consists of Canada, France, Germany, Italy, Japan, the United Kingdom and the United States – an informal bloc of industrialised democracies that meets annually to discuss issues such as global economic governance, international security and energy policy.
Source: OECD (2016), *Government at a Glance: How Korea compares*, http://dx.doi.org/10.1787/9789264259003-en.

The context of trust in Korea makes this report particularly relevant; both in terms of the challenges the country faces today in consolidating itself as a high-growth, productive and inclusive society, and of closing the gap between institutional performance and perceived levels of trust.

Why are trust levels so low in Korea? A review of the literature

The issue of low trust in Korea has been addressed by numerous scholars, particularly nationally. This section summarises some of their key findings, starting with a good summary of reasons for low trust in the Korean government provided by Jung and Sung (2012) (Box 2.3).

Box 2.3. Reasons for low trust in government: Jung and Sung, 2012

According to Jung and Sung (2012), several factors have contributed to the low public trust in Korea:

1. **Political culture and democratisation**. Democratisation since the 1980s has raised the public's expectations of government to the point that they are easily dissatisfied with how the government operates and the policies it adopts. While it is easy to assume that the level of trust in the government will be much lower in authoritarian regimes, in reality, trust in government institutions can be lower as democratisation proceeds.
2. **Public officials' competence and integrity**. Government's critical policy failures have damaged the Korean people's trust in government institutions. Korea experienced a financial crisis in the late 1990s, when the government failed to adapt to the rapidly changing global economic environment. Public officials' malpractice and corruption also contributed to low trust levels; while Korea's Corruption Perception Index scores from Transparency International began to exceed the world average in 2000, they are still well below the average of OECD member states.
3. **Harsh criticism toward the government by the mass media**. Some studies claim that the media's corrosive criticism of the government is another factor that undermines public trust in the government. Moreover, the spread of social networking services creates an environment where this criticism of government by the media and individuals can quickly proliferate. Chapter 6 of this report deals specifically with the topic of government institutions' communication and how it relates to trust.
4. **Political institutions and competition**. Ideological conflict between the parties has continued to intensify since the democratic transition of 1987. Politicians must now compete all the time for power under the current five-year single-term presidential system, and this negatively impacts trust in government institutions by causing incumbent presidents to become "lame ducks" at an ever-earlier stage in their terms.

Source: Jung, Y. -D. and S. Y. Sung (2012), "The public's declining trust in government in Korea", http://mjpse.meiji.jp/articles/files/01-04/01-04.pdf.

Economic performance and trust

Over the past six decades, the Korean population has benefited from remarkable improvements in standards of living. Since the 1960s, Korea achieved fast economic growth based on export-oriented industrialization and human capital development. Korea did suffer a financial crisis in 1997 and was also affected by the global financial crisis in 2008 – but the country overcame those crises within relatively short periods of time, showing high levels of institutional resilience. Post-crisis recovery boosted public trust in government (Figure 2.1 and Figure 2.3). In 2016, Korea's per capita income reached more than 85% of the average in OECD countries, compared to slightly more than 20% in the early 1980s. Considering the steady catch up in standards of living with other OECD countries, it is again surprising that trust levels are so low; especially given that the interrelation between economic performance and trust, both institutional and interpersonal, has been found in the academic literature (Algan et al., 2017).

An analysis of the different phases of Korean development could shed light on the comparatively low levels of trust. A study on trust in the Korean government during 1980s argues that mistrust in government institutions increased as people were dissatisfied with government achievements from a distributional fairness perspective, or the extent to which all groups of the population were receiving the benefits, as well as how different groups were treated. In addition, during the same period, while the government's policy achievements regarding economic growth and national security did not have much impact on trust in government institutions, those relevant to politics and societal issues were found to have significant impact (Park, 1991).

In the meantime, democratisation since the late 1980s has raised people's expectations of the Korean government to a level that can easily lead to dissatisfaction if not properly met. Moreover, Korean citizens expect the public sector to be at the forefront in guaranteeing their rights and enabling them to realise their full potential in life, taking limited personal responsibility for their own well-being. The gap between people's renewed expectations and government institutions' capacity to meet them is one of the reasons why the media and public tend to criticise the public administration, which is expected to rapidly adapt to keep providing high-quality services.

In parallel with the Korean population's rising expectations, other complex challenges for Korean government institutions to address include widening household income disparity and the productivity gap between industries, companies and the labour market. Based on data from the European Social Survey for 22 countries, recent evidence has found that declining levels of trust are especially evident among the most vulnerable groups of the population (Ruelens and Nicaise, 2016). As in many other OECD countries, income inequality in Korea has widened over the past two decades and relative poverty has increased, especially among older people, while the share of young people unemployed or not in employment or training is now above the OECD average (OECD, 2016). As the next chapters of this report will show, some of the groups (e.g. the youth) tend to be particularly distrustful of public institutions in Korea. Addressing the needs of especially vulnerable groups is essential to avoid increasing the trust gap in Korean society.

Additionally, Lee (2014) suggests that public satisfaction with social policies, rather than economic policies, could have an effect on trust in government in Korea. Overall, there is significant evidence that people's trust in public institutions is affected by more than just economic performance. As the OECD Trust Framework suggests, trust is affected by institutional performance in terms of core competences and values. While it is certainly true that institutions could create the conditions for fostering economic activity this is only one aspect of institutional performance.

Understanding better institutional trust and its drivers

Beyond economic factors, the objective of this report is to analyse some of the key drivers of trust in government institutions. Based on the policy and measurement framework presented in the previous chapter, the objective is to test the policy drivers that the public management literature has identified as influencing trust in government institutions. A first step in that direction is to identify any latent factors that are captured by the data through a factor analysis (see Box 2.4).

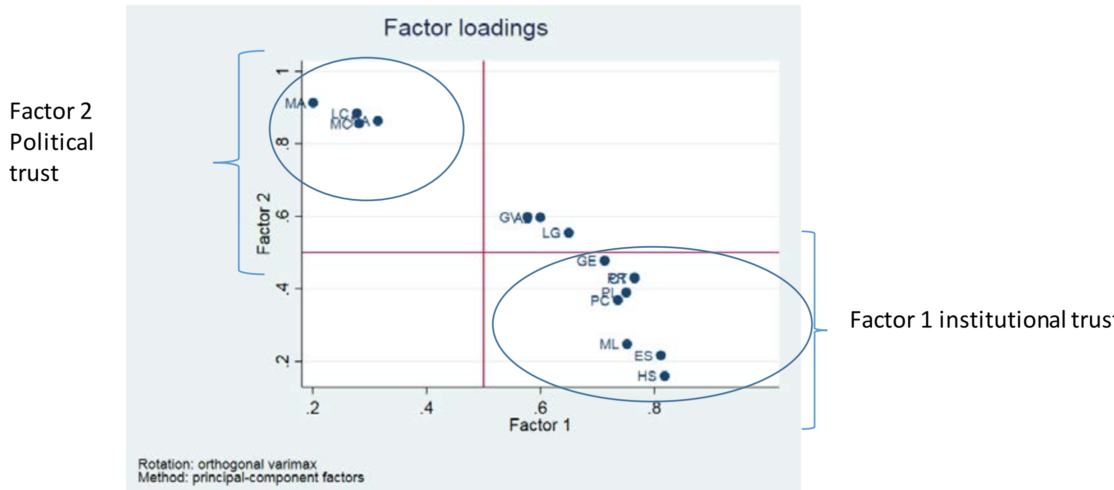
Box 2.4. Factor analysis

Factor analysis is a methodology commonly used for data reduction purposes. In other words, several questions (variables) could be capturing similar phenomena, causing redundancies and difficulties in making a comprehensive analysis of the issue under study. Based on the results of the factor analysis, it is possible to construct a synthetic measure that reflects the structure of the data and allows a large number of variables to be combined into a few easily interpretable factors. It is a methodology commonly used to measure complex concepts, which may apply in the case of trust in public institutions.

The idea of the methodology is to retain only factors where the data signal a common underlying concept. Only factors with an "eigenvalue" higher than 1 capture a latent or underlying phenomenon (eigenvalues measure the amount of variation in the total sample accounted for by each factor). "Factor loadings" are scores assigned to each variable and can range from -1 to 1. Loadings close to -1 or 1 indicate that the variable strongly affects the factor. Loadings close to zero indicate that the variable has a weak effect on the factor. Commonly, variables with a loading above 0.5 are retained within a single factor.

The results of the OECD-KDI trust survey suggest that it is indeed possible to identify latent factors. The factor analysis conducted over the entire sample shows the dimensions of analysis loading clearly into two differentiated clusters, signalling common underlying concepts (Figure 2.8): Factor 1 on institutional trust and Factor 2 on trust in political systems and politicians. Interestingly, some of the most commonly asked questions of trust in institutions, such as trust in government and trust in local government, have no discriminatory power and could load into any of the factors. Further discussion can be found in the methodological note included as Annex B to this report.

Figure 2.8. Factor analyses of institutions in Korea



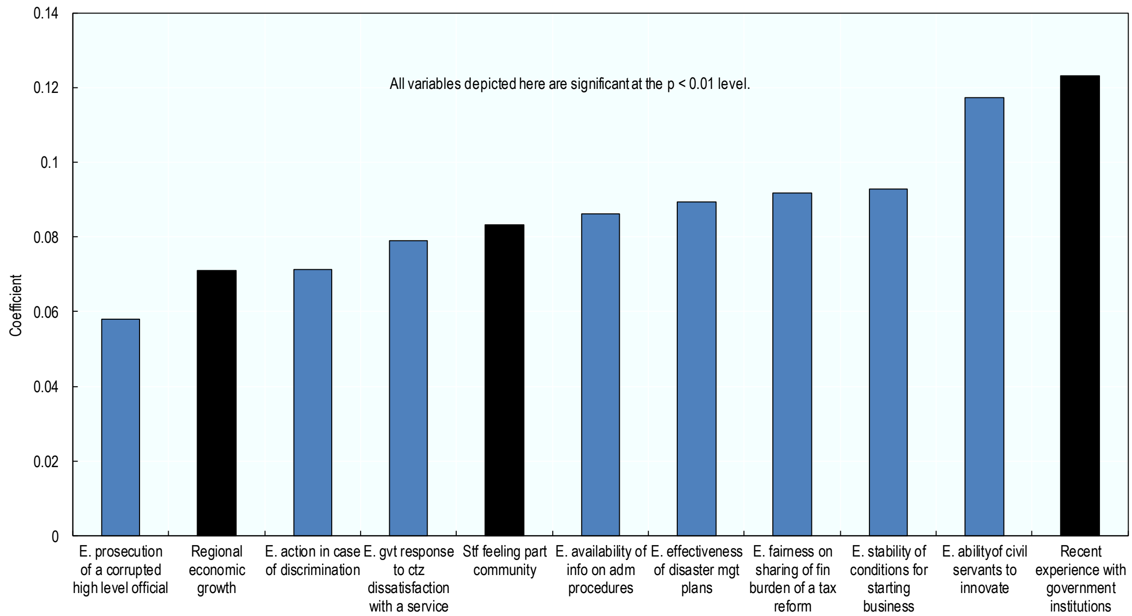
Note: Note: GV – government; AB – administrative branches; LG – local government; NA – National Assembly; MA – members of the National Assembly; LC – local council; MC – members of the local council; GE – government employees; CT – courts; PR – prosecutors; PL – police; ML – military; PC – public corporations; ES – education system; HS – health system. (see Annex B), composite measures for institutional and political trust were calculated.

Having such composite measures allows institutional and political trust to be regressed (e.g. estimating the relationships among variables through econometric processes) against a series of explanatory variables, based on situational questions and other relevant covariates with possible explanatory power (e.g. the capacity that a hypothesis or theory possess to effectively explain its subject matter). The institutional trust composite is regressed on the dependent variables through a stepwise regression.[4]

Figure 2.9 shows exactly which variables in the multivariate analysis represent the most important determinants of trust in government institutions in our cross-sectional study. The most important explanatory factor of trust in government institutions is having a recent experience with those institutions. In turn, both elements of competence (e.g. expected ability to innovate, expected stability of conditions for starting a business, expected effectiveness of disaster management plans) and values (expected availability of information on administrative procedures, expectation that actions would be taken in case of discrimination, expected prosecution of a corrupt high-level official) have an effect on trust in public institutions.

Turning to societal determinants of trust in government institutions, feeling part of a community is associated with higher levels of trust in government institutions. When it comes to economic determinants it is found that the regional economic growth rate has a positive, albeit relatively small, effect on trust.

Figure 2.9. The determinants of self-reported trust in government in Korea



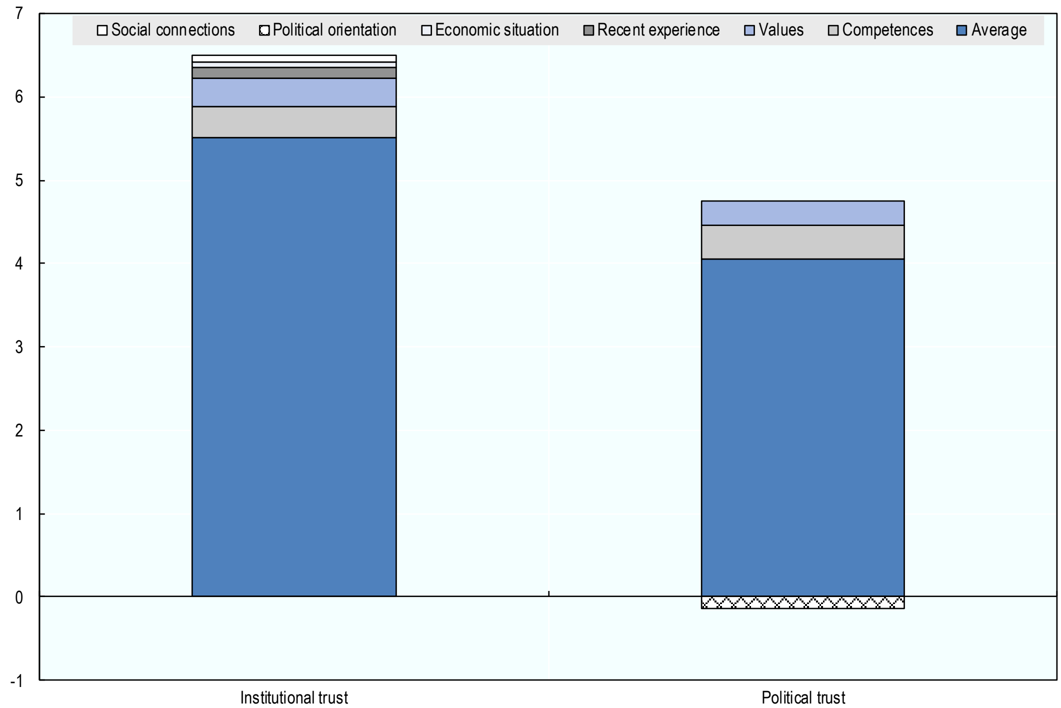
Note: adm – administration; ctz – citizen; E – expected; fin – financial; gvt – government; mgt – management; p – probability value or statistical signficance; stf – satisfaction with.

As discussed previously, institutional and political trust are not fully independent concepts. Despite the fact that no measurement framework has been specifically designed in this case study for the measurement of political trust and therefore no econometrical models have been specified for this purpose, testing whether or not some of the drivers of institutional trust have explanatory power over political trust could deepen the understanding of how trust in Korea is constructed. Information on political trust could shed light on specific and common determinants of both dimensions (i.e. institutional and political) and the relative size of their effect. In turn, this enhanced understanding can help tailor specific policy recommendations to restore trust in public institutions in Korea.

Based on the political trust factor resulting from the factor analysis described in Figure 2.8, it is possible to conduct regression analysis using a unified measure of political trust as a dependent variable and a similar specification of the model (e.g. same explanatory variables) as for institutional trust (see Annex B for details). Figure 2.10 presents the expected changes on both institutional and political trust following a one standard deviation increase in each of the factors that turned out to be statistically significant. As can be seen in Figure 2.10, differences in components of competence and values positively affect levels of institutional and political trust, although the drivers (or variables) with explanatory power and – when common across the two equations – the relative size of the effect vary across the two factors. While increases in most explanatory variables have positive effects on both institutional and political trust, changes in political orientation – defined as the level of conservativeness – negatively influence political trust. As the level of conservativeness increases, it is expected that trust in political institutions will decrease.

Figure 2.10. The drivers of self-reported trust in government and political institutions in Korea

Change in trust in government and political institutions associated with one standard deviation increase in:



Note: All coefficients significant at the p<0.01 level were included in the analysis; P – probability value.

Figure 2.11 shows elements of competence and values, as well as other explanatory variables that have a statistically significant effect on institutional and political trust, including the relative size of the effect when a determinant influences both (see Annex B for the full output of the regressions). For example, while the expected prosecution of a corrupt high-level official influences both institutional and political trust, it has a higher relative effect on political trust in our cross-sectional study. In turn, the expected ability of civil servants to innovate has a higher relative effect on institutional than on political trust. Some variables influence one type of trust exclusively, such as consultation processes on contentious issues, which are associated with political rather than with institutional trust. In turn, variables on the effectiveness of disaster management plans, availability of information on administrative procedures, responses to citizens' complaints and fair treatment in the provision of services influence institutional trust exclusively.

Figure 2.11. Similar and different determinants of institutional and political trust

	Trust gov institutions	Trust political institutions
Recent experience with government institutions		
E. abilityof civil servants to innovate/C	(+)	
E. stability of conditions for starting business/C		(+)
E. fairness on sharing of fin burden of a tax reform/V		(+)
E. effectiveness of disaster mgt plans/C		
E. availability of info on adm procedures/V		
E. gvt response to ctz dissatisfaction with a service/C		
E. action in case of discrimination/V		
E. prosecution of a corrupted high level official/V		(+)
E. Satisfactory answer to complaints/C		
E. Consultation on a decision that will affect the community/V		
E. Taking into account opinion at public consultation/V		
Feeling part community		
Regional economic growth		
Political orientation (conservative)		

	Variables that influence both institutional trust and political trust
	Variables that influence exclusively one type of trust

Note: adm – administration; C – competence; ctz – citizen; E – expected; fin – financial; gvt – government; mgt – management; stf – satisfaction with; V – values.

After acknowledging that overcoming the trust crisis has become a policy priority, the difficulty of identifying credible measures of trust that could lead to actionable policy recommendations has been a practical challenge. Based on the results presented above and additional complementary evidence from the OECD-KDI survey, the next two chapters of this report will focus specifically on analysing the drivers of trust in institutions (i.e. competence and values). In light of those results, the report will propose policy recommendations informed by international experiences and aimed at influencing the drivers – and ultimately, institutional trust in Korea.

Notes

[1] IAT is a psychometric technique used to test respondent attitudes where issues of social desirability may make them unwilling to respond honestly, or in areas that are difficult to measure through explicit self-reporting due to lack of awareness.

[2] In 1980 Korea was under martial law. Several pro-democracy demonstrations were severely repressed including through the use of airborne troops in May 1980 resulting in several demonstrators killed. The political context in 1980 could have influenced people willingness to report freely on government through surveys.

[3] The World Values Survey was chosen for analysis as it has asked the interpersonal trust questions in all six waves and, most recently, to a larger proportion of OECD countries than the other cross-national surveys. Gallup uses a slightly different approach to the others. Rather than asking directly about interpersonal trust, Gallup asks the "wallet question" (would a lost wallet be returned by a stranger; see Table 1.7), permitting both an analysis of the different directions of trust (i.e. relative rankings of trust between police and neighbours), but also direct comparisons between expected trust and actual trustworthiness (Helliwell et al., 2016). However, the wallet question has only been included in one Gallup Poll to date.

[4] In statistics, stepwise regression is a method of fitting regression models in which the choice of predictive variables is carried out by an automatic procedure. In each step, a variable is considered for addition to or subtraction from the set of explanatory variables. Only variables adding to the explanatory power of the model are kept.

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Chapter 3. Drivers of trust in government in Korea: Competence

Previous chapters presented the measurement and policy framework of this report and provided an overview of the levels of trust in government institutions and their evolution over time in Korea. This chapter deepens the discussion on a key dimension of the OECD Trust Framework: competence, or the ability of government to deliver to citizens the public services they need, at the quality level they expect. The chapter builds on the results of the OECD-KDI Trust Survey, complemented by a review of other relevant sources, it presents opportunities for policy action in Korea that could contribute to improve levels of institutional trust.

Previous chapters presented the measurement and policy framework of this report and provided an overview of the levels of trust in government institutions and their evolution over time in Korea, as well as the drivers that are influencing different types of trust (i.e. institutional and political). This chapter deepens the discussion on a key dimension of the OECD Trust Framework: competence, or the ability of government to deliver to citizens the public services they need, at the quality level they expect. To do so, the chapter builds on the results of the OECD-KDI Trust Survey, complemented by a review of other relevant sources, including related OECD work and relevant country examples that could serve the Korean government as a reference for policy actions that could help increase trust in public institutions.

Competence is a necessary, albeit insufficient, condition for trust in public institutions. Competence encompasses two critical dimensions: 1) responsiveness, or the provision of accessible, efficient and citizen-oriented public services, which effectively address the needs and expectations of citizens and evolve over time along with those needs; and 2) reliability, or the ability of governments to minimise uncertainty in people's economic, social and political environment, and to act in a consistent and predictable manner in responding to this uncertainty. This chapter is structured as follows. It has two broad sections on responsiveness and reliability; within each of the sections, the components of the drivers that were found to be statistically significant will be addressed, outlining the key challenges for Korea in each of them. The chapter will be concluded by putting forward some policy recommendations touching on key aspects of the drivers that are crucial for increasing trust in government institutions in Korea.

Responsiveness

The provision of public goods and services is one of the principal activities of governments in OECD countries. Any service provider with good intentions but without the ability to deliver on expectations cannot be trusted, especially where people are dependent on a single provider (Forsyth, Adams and Hoy, 2011; Mishra, 1996). In turn, access to quality services, such as education, health care, transportation and justice, is essential to provide people and businesses with opportunities to achieve higher-paid jobs, better living standards and longer, more fulfilling lives (OECD, 2015a).

Recognising responsiveness as an explicit dimension of trust reflects the core objective of public administration: to serve citizens. Increasingly, responsiveness refers not only to how citizens receive public services but also to government's capacity to adapt to, match people's expectations and respond to their feedback. Responsiveness, then, is not only about access, timeliness and quality; but also about agility, engagement and response. According to the OECD-KDI survey, on a scale of 0 to 10, only 40% of the Korean population assign a score of 6 or more to whether or not the government is competent to do its job (see Figure 3.1). However, when it comes to confidence levels in the capacity of public institutions to provide good public services, the share of the population providing a score of 6 or more increases to 48% – evidencing a gap between an abstract assessment ("my government is competent") and a more specific question on an institutional attribute ("public institutions provide good public services"). Still, when looking at comparative scores for the question on whether or not people trust public institutions to provide good public services, Korea (4.5) reports the third lowest score after Slovenia (3.91) and Italy (4.06) (Figure 3.2) in the six countries that participated in the Trustlab study. The average score in these countries is below the neutral score (5).

Figure 3.1.Percentage of the population who consider the government to be competent and who trust public institutions to provide good public services

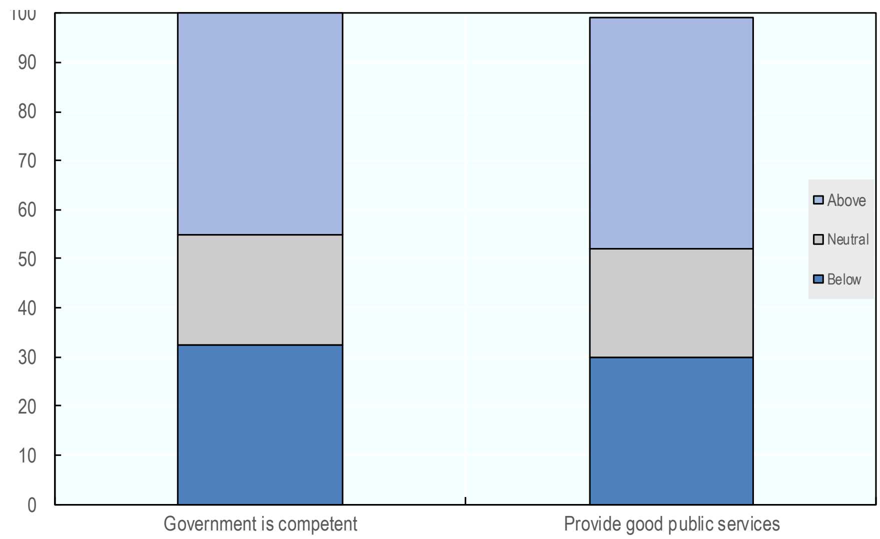
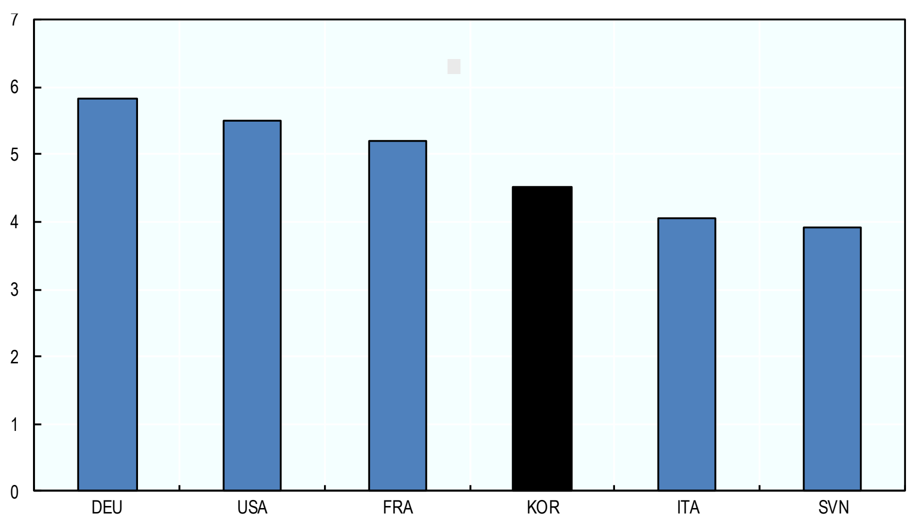


Figure 3.2. Average country score for people who trust public institutions to provide good public services



Note: Data collection in Korea lasted from November 2016 to January 2017 and overlapped with large scale protests surrounding a high profile corruption scandal eventually leading to President Park Geun-Hye's impeachment. The Korean report should therefore be interpreted with caution as trust in institutions might have been lower than usual during this particular turbulent time.
Source: Trustlab (France: 2016; other countries: 2017).

Public services are provided on a large scale and offered to citizens and businesses as a right, in return for their tax payments. It has been argued that improving the quality of public services can lead to more satisfied users, which, in turn, can increase trust in government; a transmission mechanism referred to in the literature as the micro-performance hypothesis (see Box 3.1).

Box 3.1. Trust, public services and the micro-performance hypothesis

Restoring citizens' trust in government is at the core of public-sector reform, and one of the obvious ways appears to be the provision of better-functioning public services. Scholars (Bouckaert and Van de Walle, 2003; Yang and Holzer, 2006) define this as the micro-performance hypothesis: better public services will lead to increased satisfaction among their users, which, in turn, will lead to more trust in government. According to this hypothesis, trust in government is a consequence of ongoing citizen experience of public services. People do not trust their government in abstract but according to their aggregated interaction with government service providers. Improved services lead to more satisfied citizens, and citizen satisfaction in turn increases trust in the government.

Some recent literature supports this hypothesis. For instance, Kampen et al. (2003) focused on Flanders (Belgium) and found that the largest effect on trust in the government comes from satisfaction with public services. All the services that were included in their research (e.g. police, waste collection, education, transport) had an impact on public levels of satisfaction with the government. Christensen and Laegreid (2005) find that citizens who are more satisfied with specific public services generally have a higher level of trust in public institutions in a cross-sectional study. Badri et al. (2015) confirm this link, using structural equation modelling based on data from the Abu Dhabi Citizen Satisfaction Survey. They find that quality of services, demographics, and expectations have an impact on citizen satisfaction and ultimately, this satisfaction influences trust in the government.

In the health sector, Whetten et al. (2006) investigated trust in the government and health care providers, and its association with using health services among HIV-positive participants in the United States. They find that trust was associated with a higher use of services and better health outcomes. They conclude that distrust in the government may be a barrier to service use and therefore to optimal health. Finally, empirical results (e.g. Kampen et al., 2006) suggest that a negative experience of a public service has a much more pronounced effect on trust in government than a positive one.

At the same time, Bouckaert and Van de Walle (2003) warn that while public administration performance has a certain impact on trust in government, existing levels of trust may also have an impact on perceptions of government performance. This means that improving public services can be an important but only partial solution to increasing trust in government, and that trust-building efforts should seek to reinforce synergies across each of these different spheres.

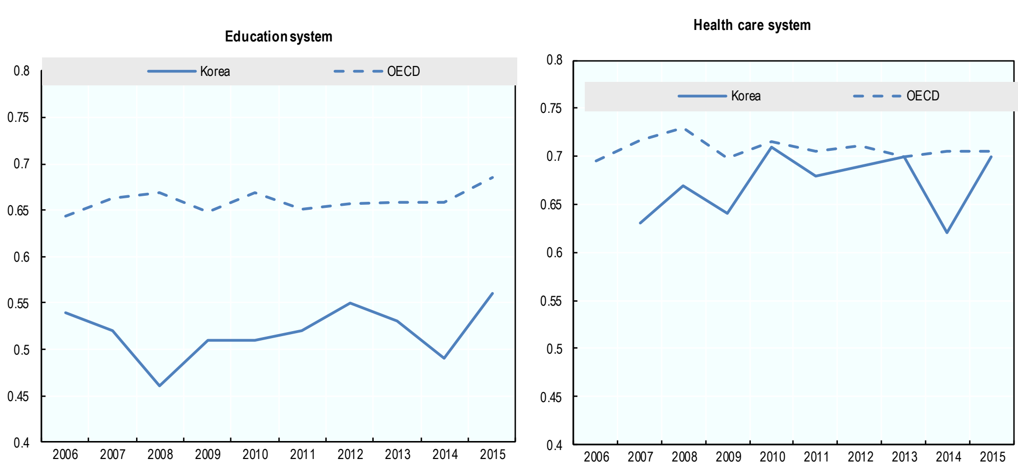
Indicators of people's reported satisfaction with public services provide an overall assessment of those services rather than of their specific features. Still, analysis of those indicators demonstrates that compared to OECD countries, Korea has a satisfaction gap in service provision (see Figure 3.1). For health, the satisfaction gap has narrowed and reached the OECD average regularly since 2010. This could be associated to a government focus on improving public health and access to health services since the 1970s. Indeed, since the 1970s, public spending on health has increased substantially in Korea, although it remains well below the OECD average on a per capita basis and as a share of GDP. Conversely, private spending (out of pocket) on health care is comparatively high (OECD, 2016).

The government in Korea has provided greater access to health services over the past few decades. National health insurance in 1977, mainly covered employees of large corporations at first, but which was extended progressively to other groups of workers in the following decade – with universal health coverage achieved by 1989. Since 2008, the Korean government also introduced long-term care insurance to respond to the growing needs of the increasing number of elderly people who require some long-term care (OECD, 2016).

Coupled with rising standards of living, improved health services lead to a substantial increase in life expectancy that exceed many OECD countries by a wide margin. In 2014, the life expectancy at birth for the Korean population (men and women combined) surpassed 82 years, a gain of more than 20 years since 1970, and is now 1.6 years higher than the OECD average (and also above the G7 average). Similarly, life expectancy for people at age 65 has sharply increased in Korea since 1970 and is now more than one full year above the OECD average. Despite the substantive progress achieved by the Korean government in crucial health indicators over the past years, some challenges still lie ahead, such as reducing persistent barriers to accessing health care (e.g. a high level of private out-of-pocket expenditure) or strengthening the capacity to provide long-term care outside hospitals (OECD, 2016).

The education sector is a different story, with reported levels of satisfaction scoring well below the OECD average (see Figure 3.3). This is particularly relevant in the case of Korea, a country consistently ranked as a top performer in educational attainment, including in the OECD's Programme for International Student Assessment survey, and among those with the highest proportion of young people who have completed upper secondary and tertiary education.

Figure 3.3. Satisfaction with health care and education systems in Korea, 2006-2015



Source: OECD calculations based on the Gallup World Poll, percentage of the population who answered yes to the following questions: in the city or are where you live are you satisfied or dissatisfied with the educational systems or schools? In the city or area where you live are you satisfied or dissatisfied with the availability of quality health care www.gallup.com/services/170945/world-poll.aspx

The Korean education system has increasingly focused on university education, creating a surplus of university-educated youth that has resulted in labour shortages for small and medium-sized enterprises (SMEs) and mismatches in the labour market.[1] Although the share of high-school graduates advancing to higher education fell from 83% in 2008 to

71% in 2014, 37% of workers in the 15-29 age group were mismatched for their jobs in terms of field of study and literacy skills, higher than the OECD average of 25% (OECD, 2016. Jung and Sung (2012) find that perceived inequality in job opportunities further erodes citizens' trust in government institutions in Korea. To try and solve this problem, the Korean government recently implemented reforms to better integrate youth into the employment system (Box 3.2).

Box 3.2. Reforms to the Korean education system

International organisations agree that the Korean education system needs to reform. Top reform priorities include: reducing the over-emphasis on university education, which leads to a labour mismatch and labour shortages in SMEs; improving the innovation framework by expanding the role of universities; upgrading government research institutes; and strengthening international linkages.

To address these issues, Korea has launched two important initiatives to reduce labour market mismatches by combining school and work experience at the secondary level. First, by the end of 2015, Korea had completed 847 out of 887 National Competency Standards (NCS), which identify the knowledge, skills and attitudes necessary to perform tasks by sector and level of industry. The NCS are playing a key role in revising training standards and setting the curriculum for vocational education.

Second, the Vocational High-School Advancement Plan (2010-15) aimed to build vocational schools based on industrial needs and sector-specific skills, favouring employment over college admission after high-school graduation. Improving the quality and relevance of vocational education is a priority: the average employment rate of junior college graduates was 61%, and that of specialised vocational high-school graduates was only 41% in 2013.

A key part of the Plan was the creation of Meister schools (i.e. schools designed to prepare students for working in high-skill manufacturing jobs). There are now 41 Meister schools nationwide, with more than 16 000 students, and six more are planned for 2016/17. The job placement rate for Meister school graduates is more than 90%, compared to only 44% for traditional vocational high schools.

A second initiative is the Work-Study Dual System, which aims to involve 70 000 students/workers and 10 000 companies in a Korean-style apprenticeship system:

- At the high school level, a pilot programme has been launched in nine schools since March 2015. By end-2017, the system is to be available in all 203 specialised vocational high schools.
- At the junior college stage, Uni-Tech will promote integrated high school-junior college education based on the NCS for students alternating between school-based education and in-company training.
- At the university level, Industry Professional Practice, a system of work-study, will be introduced.

At present, 2 322 firms and nearly 13 000 students are participating in the Work-Study Dual System, focused on machinery (45%), telecommunications (21%), and electric machinery (13%). However, the system faces financial challenges as most of the participating companies are SMEs, with limited financial resources to provide training. Government subsidies are thus necessary to induce the participation of both companies and students. Without government subsidies, the cost to firms and students is estimated to exceed the benefits: the net costs were KRW 5.7 million (Korean won; USD 5 300) to firms and KRW 1.5 million to students (Jun and Lee, 2015; Kang et al., 2014). To limit the fiscal cost as the programme expands, it should be reformed to make it more profitable to firms and students. For example, SMEs could establish joint training centres, which could be located on the local campuses of the Korea Polytechnic University. In addition, improving training quality would boost the returns to both firms and students.

Source: OECD (2016)

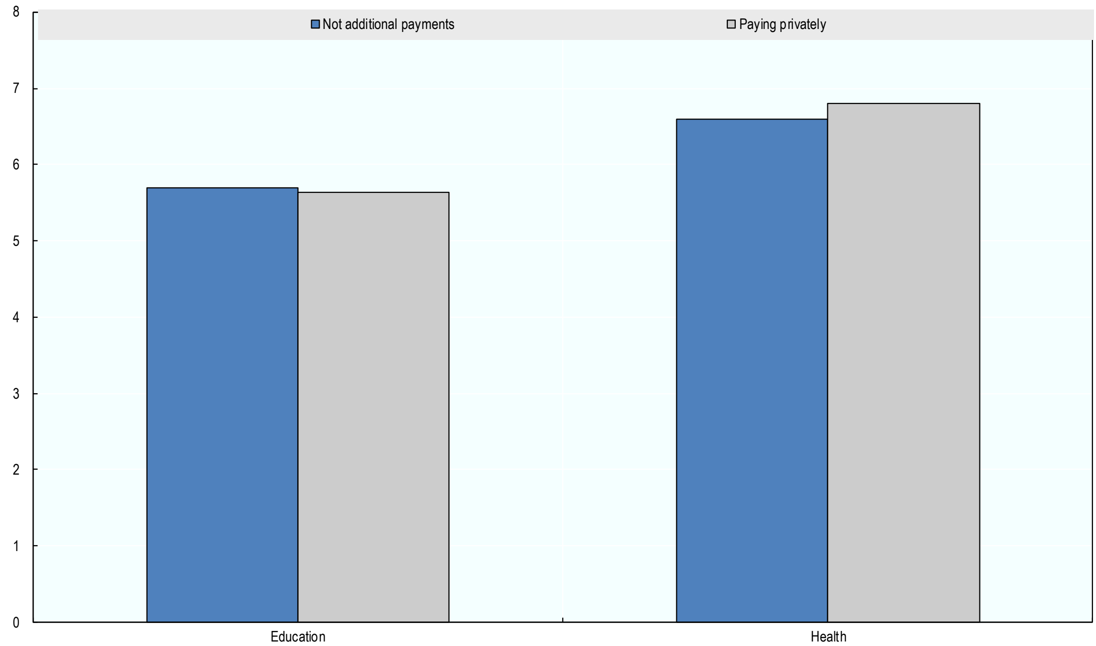
Although generally provided through a mix of public and private funds, the direct experience of citizens and businesses with these services matters in shaping their attitudes towards government institutions. Evidence from 19 European Union (EU) countries shows that, compared to users without a recent experience, those that have had recent interaction with the education and health sectors report higher satisfaction (OECD, 2017a). This result is consistent with the findings for Korea from the OECD-KDI survey showing that having a recent experience with the health care or education systems plays an important role (i.e. the highest positive coefficient) in explaining trust in government institutions (see Figure 3.4.).

It could be reasonably argued that having a recent experience with public services would lead people to having a better-informed judgment about their satisfaction with public services. According to the OECD-KDI survey, measured on a scale from 0 to 10 and consistently with cross-country comparative surveys the average satisfaction score for health services (6.8) is higher than for education services (5.6). In turn, 82%[2] of the Korean population reported an experience with the health system and 49%[3] with the education system. Of these shares, 81% reported paying privately for health and 68% for education services.

As previously mentioned, in the case of the health sector this could be explained by the comparatively low share of health funding by the public sector in Korea – 12.5% of total government spending compared to an average of 18.7% in OECD countries (OECD, 2017b). Similarly, enrolment in private non-tertiary and tertiary educational institutions and private spending for classes outside school are comparatively high in Korea (OECD, 2016). Still, when comparing average satisfaction with health and education services by payment patterns, no statistically significant difference is found across both groups (see Figure 3.4).

Figure 3.4. Paying privately does not affect satisfaction with education and health services

Average satisfaction according to paying patterns, where "0" is not at all satisfied and "10" is completely satisfied

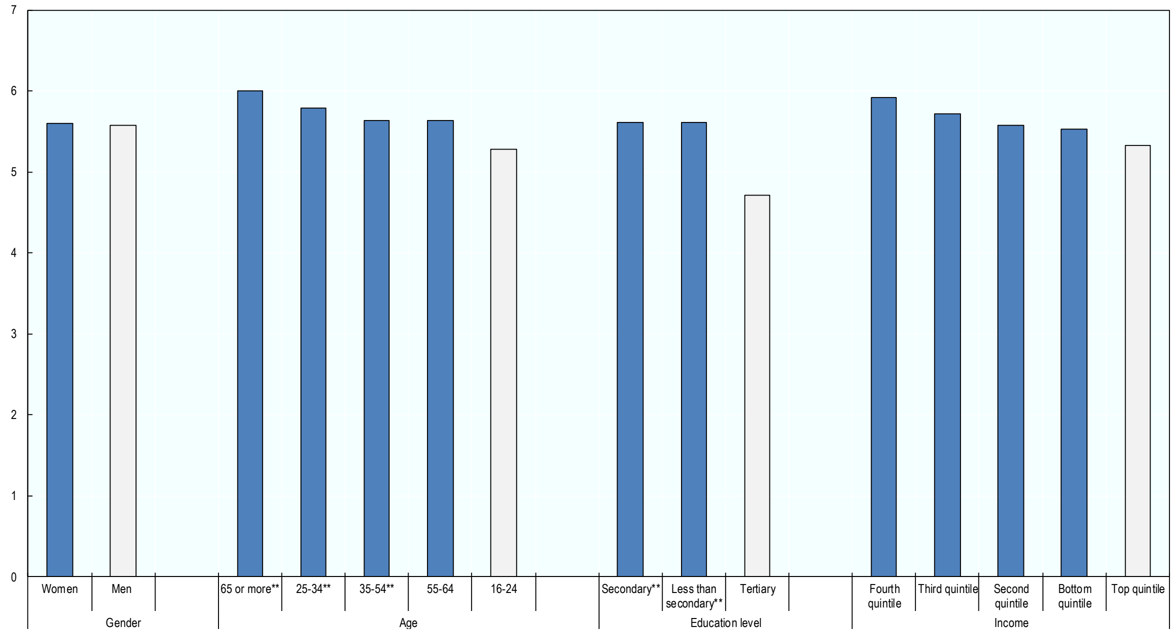


Note: Statistical significance is evaluated on the basis of a T test (a test comparing two statistical means and showing if they are different). No statistically significant differences at the 95% level were found.

In any case, satisfaction with public services varies by socio-economic characteristics. Figure 3.5 displays average satisfaction levels with the education system, including the reference group for comparison. Compared to people in the 16-24 age range, older cohorts (aged 25-34, 35-54 and 65 or more) are more satisfied with the education system, indicating that parents and grandparents are more satisfied with education services than high school or university students. In turn, according to the OECD-KDI survey, differences in satisfaction with the education system by income level are not statistically significant.

Figure 3.5. Satisfaction with the education services by socio-economic characteristics

Average mean score on a 0-10 scale, where “0” is not at all satisfied and “10” is completely satisfied

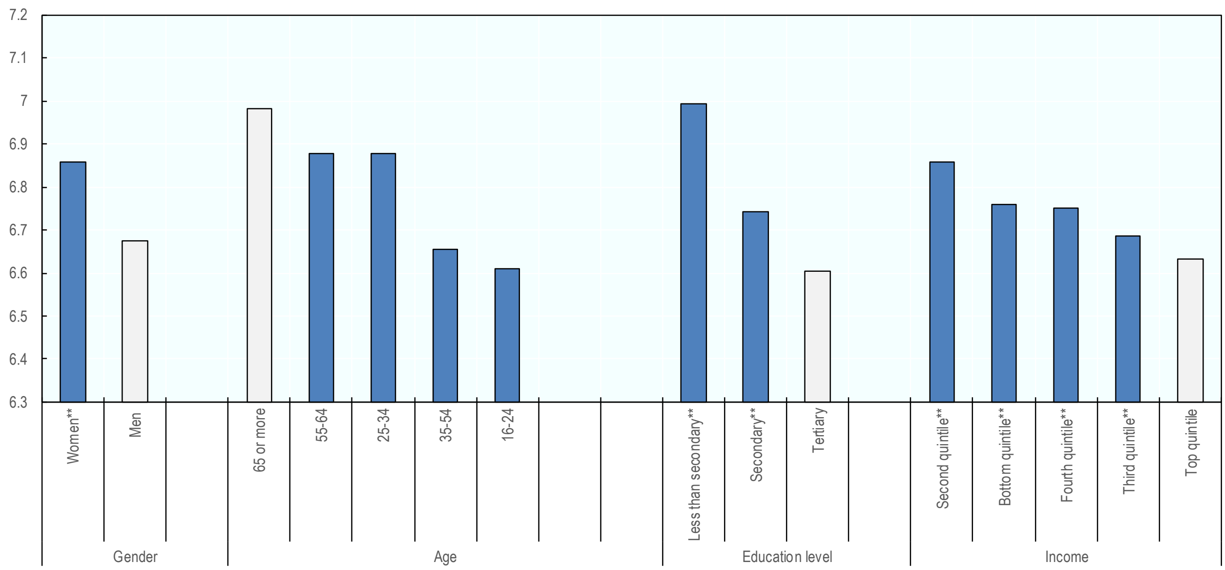


Note: Differences across groups are measured with respect to the following reference groups (shown by the light blue bars): men, people aged 16-24, people with tertiary education, and people in the top income quintile. Differences are assessed on the basis of a T test (a test comparing two statistical means and showing if they are different). When the label includes **, the difference between that category and the reference group is statistically significant at the 95% confidence level.

When it comes to satisfaction with health services, the opposite trend is observed: the oldest cohort (aged 65 or more) – presumably more frequent users of the health system and beneficiaries of the flat rate policy – is on average more satisfied than the younger ones (16-24 and 35-54) with health services (see Figure 3.6.) In turn, the high satisfaction levels of less educated people could be explained by the fact that older cohorts tend to be less educated. Women tend to be slightly more satisfied than men with health services, with the difference being statistically significant.

Figure 3.6. Satisfaction with health services by socio-economic characteristics

Average mean score on a 0-10 scale, where "0" is not at all satisfied and "10" is completely satisfied



Note: Differences across groups are measured with respect to the following reference groups (shown by the light blue bars): men, people aged 65 or more, people with tertiary education, employed people, and people in the top income quintile. Differences are assessed on the basis of a T test. When the label includes **, the difference between that category and the reference group is statistically significant at the 95% confidence level.

Evidence from the literature and work carried out by the OECD suggests that improving service delivery can improve not only satisfaction with public sector organisations, but also confidence in local and national governments. At the same time, trust in services and in service providers plays an important role in achieving key policy objectives. Distrust of government services, for instance in the health sector, can steer citizens to ignore or resist health information and services, negatively affecting their health outcomes (Whetten 2006). Distrust can thus lead to sub-optimal outcomes from public policies, involving wasted resources.

In addition to the continuous reform initiatives undertaken by the Korean government (see Box 3.3), further efforts to better align services with the needs and expectations of citizens and to improve their timeliness can help improve levels of satisfaction, and ultimately trust in government institutions. Additionally, properly capturing user feedback and actual experience is essential for improving responsiveness. But responsiveness goes beyond a unilateral relationship of government with citizens and business. Increasingly, the provider-beneficiary relationship between government and citizens is evolving to one based on partnership and joint value creation (OECD, 2017). Recognising that service users and communities have information and insight that are not readily available to the staff commissioning and delivering public services, and using that information, can help enormously to improve outcomes. Responsiveness in service delivery can thus also take the form of a new relationship between citizens and governments.

Box 3.3. Constant efforts to improve the health system in Korea

The Korean government has maintained efforts to reform the health sector through several policy actions, including the reinforcement of patient-oriented medical services, strengthening essential public health care services and preventative health care, and systematic response to infectious diseases. Some key initiatives are mentioned below.

- The use of remote medical treatment (e.g. a form of telemedicine, which allows constant monitoring of a patient's condition and the performance of preventive and control check-up outside hospital environment) has been extended and institutionalised, with a special focus on vulnerable areas and groups Among others remote medical treatment include elderly care facilities, visiting nursing care facilities and facilities for people with disabilities, as well as the promotion of early discharge programmes.
- The Korean government has also established a model for exchanging medical treatment information between medical institutions, and is promoting its use via various incentives.
- In response to the threat of infectious disease, the Korean government has established central and regional hospitals that specialise in treating infectious diseases, increasing the number of negative pressure (e.g. an insolation technique used to prevent room to room cross contamination) rooms (from 118 units in 2016 to 194 units in 2017) – which are essential for halting outbreaks.
- In terms of preventative health, the Korean government has established diverse programmes to reduce the smoking rate, the suicide rate, and to prevent chronic diseases by regularly monitoring the conditions and lifestyle habits of people with high blood pressure or diabetes at local clinics and through mobile applications.

Source: Korean Ministry of Health and Welfare (2017), Ministry website (accessed December 1st 2017)

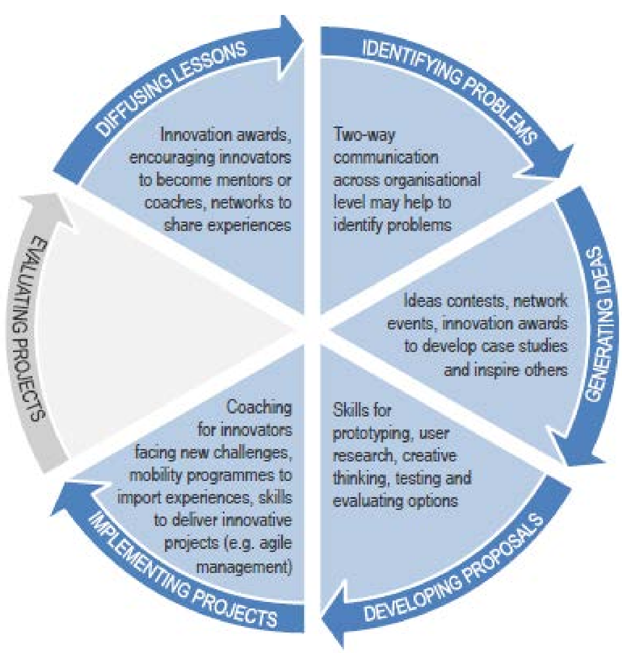
Perceived ability of public sector employees to innovate

As shown in the econometric analysis presented in Chapter 2, the perceived ability of public servants to innovate is one of the most influential determinants of trust in public institutions in Korea (see Figure 2.9). Increasing that capacity should therefore lead to higher levels of trust in government institutions. Novelty is relative[4]; that is, an innovation must be new for the organisation where it is implemented, but may already be in use elsewhere (OECD, 2015b). Furthermore, public sector innovation should not simply be about implementing something new, but also about achieving better results for society. Each public innovation addresses a public policy or delivery challenge, and a successful public innovation is one that achieves the desired public outcome. In recent years the Korean government has promoted various reforms and initiatives to build a customer-oriented, flexible and transparent administration. Still, further action can be taken to develop and implement innovations in Korea by helping to create an environment (i.e. an "innovation ecosystem") that is supportive of innovation in the public sector.

Public employees are central to all stages of public sector innovation, and how they are managed can be fundamental for enabling organisations to innovate. The most notable human resources management (HRM) factors proven to have an effect in specific settings for promoting innovation include: communication networks; rewards and incentive structures; managerial and leadership styles; organisational practices for attracting, selecting, training and compensating employees; and job design factors, such as using teams and delegating decision rights (Laursen and Foss, 2013).

For example, good two-way communication across organisational levels may help to identify problems which are apparent on the front line but may not be clearly visible to those at the top. Ideas contests and other engagement forums can be used to source ideas for improvement from employees. Staff skills needed for research and prototyping can be strengthened and deployed to develop proposals. Successful implementation then requires careful change management, making use of networks and mobility programmes, while innovation awards can help to disseminate experience and share lessons learned to inspire others. Furthermore, HRM tools are essential to create the conditions needed for any innovation to begin at all – by building a capable workforce and establishing an organisational culture that supports innovators at all levels of an organisation. Figure 3.7 maps examples collected from OECD countries of ways HRM can support public sector innovation onto the innovation lifecycle

Figure 3.7. How human resources management can support the innovation cycle



Source: OECD (2017c) Fostering Innovation in the Public Sector, http://dx.doi.org/10.1787/9789264270879-en.

In order to enable the appointment of qualified and innovative staff, selected through open recruitment to the senior civil service and director positions across organisations, Korea has established the Open Position System and the Job Posting System. The Open Position System recruits both inside and outside the public sector for positions that require specific expertise, while the Job Posting System recruits staff from within the public sector. Korea also maintains a Personnel Exchange System, which is a one-to-one exchange programme moving public servants between administrative agencies and other public organisations for a limited period (see Box 3.4).

Box 3.4. Korean initiatives to foster public sector innovation through HRM practices

Korea's Open Position System and Job Posting System

Korea's Open Position System and Job Posting System are two ways of appointing qualified people to the senior civil service and director positions, which play a crucial role in key government policy decisions. The Open Position System recruits from both inside and outside the public sector for positions that require special expertise which is not readily available in the public sector, and the Job Posting System recruits from within the public sector. There is a significant correlation between both systems and the ability, motivation and opportunity (AMO) of employees, conditions that are required to perform. According to surveys conducted in 2009 and 2011, personnel who took positions through these two systems reported an increase in their abilities and achievements.

Korea's Personnel Exchange System

Korea's Personnel Exchange System is a one-to-one exchange programme, moving public servants between administrative agencies and other public organisations for a limited period. Its goals are to improve professional understanding across different agencies through personnel exchanges; to remove departmental partitions by building a mutual co-operation system; to actively respond to changes in the administrative environment and demands for convergent administration; and to enhance the capabilities of the government's human resources by providing extensive experience and generally developing the abilities of individual public servants. The personnel exchange improved participants' ability to perform their jobs by allowing them to break out of the narrow perspective of their existing work, and directly experience the details, working methods and cultures of different organisations, which improved their understanding of other organisations.

Some staff were reluctant to participate in personnel exchanges due to concerns about job assignment and performance assessment, adapting to new organisations, and the economic or lifestyle changes of moving to a different city. To address these issues, Korea has improved the system to give staff a one-step higher grade in their performance assessment compared to the grade before the exchange; assign them a desired position when returning after the exchange; support consultation with a mentor; and provide incentives for moving to a different city, such as housing subsidies and housing support allowances. Furthermore, Korea has made every effort to encourage interest in exchanges in the civil service community by holding workshops to share information and experiences among existing participants. To further develop the practice, the Korean government has plans to systematise personnel exchange around collaboration, mutual use of expertise, policy-field link areas, and to diversify the exchange methods by including unilateral exchanges as well as one-to-one mutual exchanges. The typical exchange period is two years and can be extended up to five years.

Increasing the innovative capacity of the workforce means addressing employees' ability and their motivation to innovate, and giving them the opportunity to put these abilities and motivation to work. As part of the required ability to innovate, the OECD has carried out work to identify the skills that support and enable public sector innovation. To increase innovation levels in the public sector, it is important for the government not just to hire specialists with strong capability in these skills, but also to ensure that all officials have a basic awareness in each skill area. The following skill set is core for incentivising public sector innovation:

- iteration: incrementally and experimentally developing policies, products and services
- data literacy: ensuring decisions are data-driven and that data isn't an afterthought
- user focus: public services should be focused on solving and servicing user needs
- curiosity: seeking out and trying new ideas or ways of working
- storytelling: explaining change in a way that builds support
- insurgency: challenging the status quo and working with unusual partners.

While ability determines what the workforce is capable of doing, motivation determines what the workforce will try to do when given the chance. In some ways motivation can make up for a lack of skill, as highly motivated people will be more likely to transfer skills from other domains, or invest more effort in acquiring the necessary skills (Amabile, 1997). Work motivation can be influenced by the work environment, task design, organisational culture and management. While some individuals may arrive at a job with a higher degree of intrinsic motivation than others, this motivation can be nurtured or smothered by their organisational surroundings (for an overview see Mumford, 2000).

Furthermore, the motivation to innovate requires a level of trust in the organisation. If employees are afraid of losing their jobs, or of losing the quality of their workplace due to the outcome of their innovations, they will likely be less motivated to think creatively and honestly. Furthermore, if employees don’t trust their organisation to deliver on their ideas, they will be less motivated to contribute. This places a great deal of responsibility on managers, not only to motivate creativity (transformative leadership); but also to balance this with transactional leadership (focus on outcomes and targets); healthy leadership (ensuring a healthy work environment with manageable stress levels, to ensure staff have the time and energy to contribute to innovation); and authentic leadership (trust in the individual leader to make commitments that she or he can and will follow through).

Even when a workforce is made up of highly capable and motivated individuals, they may not effectively and efficiently achieve their goals if they have no opportunity to do so. In this context shifting the focus away from the individual and towards the organisation of work and the structures that organisations use to align resources with objectives could be an important step for generating a context that is prone to experimentation. Resources are essential for innovation. Having enough time is critical, as experimentation and creative design generally take longer than using existing processes as they usually require thinking up alternatives, testing them, learning and course correction. However, managers have to strike a balance: too many resources can also lower creativity by making individuals too comfortable (Shalley and Gilson, 2004). People are essential to innovation, and the way people are organised into teams and connect through networks seems to be a significant factor in developing innovative capacity within the workforce.

While individual innovation can be spontaneous, the ability of institutions to foster, identify and capture this innovation may not come so naturally. Worse, traditional institutional structures tend to work against individuals collaborating across organisations to bring their knowledge and insights to bear on common problems. In response to this, in recent years there has been a significant growth in the number of public sector teams, units, labs and institutions to support innovation in the public sector across OECD countries and beyond. These draw from the pioneering experiences of policy laboratories and delivery units in the early 1990s, while acknowledging that achieving innovation can be difficult and that it may require additional targeted support and resources.

Dedicated innovation units can help address some of the barriers to public sector innovation. They can compensate for the lack of innovative leaders and champions (Bason, 2010; European Commission, 2013) and help overcome rigidities in the reward and incentive systems which can often hinder innovative performance (Kohli and Mulgan, 2010). Innovation units can foster organisational knowledge about how to apply innovation processes and methods (European Commission, 2013), and support more collaborative and "joined up" approaches in problem solving to counter departmental silos (Carstensen and Bason, 2012; Queensland Public Service Commission, 2009). They can also provide safe environments for risk taking and experimentation (Hambleton and Howard, 2012; Townsend, 2013).

Innovation units and teams can also be seen as a structural response to the nature of innovation projects, which are often cross-cutting and interdisciplinary, and to the tensions involved in continuing business-as-usual work at the same time as experimenting and introducing new approaches. Innovation units can bring together different or new tools, methods and skills, as well as facilitating different conversations and different connections and thus introducing new insights.

Across OECD member countries, units supporting innovation could respond to different models. The OECD has established a typology of existing types of institutions supporting innovation (OECD, 2017c), which are found to play the following roles: 1) support and co-ordination for innovation solutions; 2) experimentation; 3) supporting service delivery; 4) investment and funding; and 5) networking support. For Korea, organisations that promote experimentation could be particularly relevant. This type of organisation is engaged in experimenting and testing different approaches for the design, development and delivery of public services. They tend to use current public sector innovation language, describing themselves as organisations that conduct prototyping, human-centred design and ethnography. Not only do organisations in this category conduct experiments to find the most effective solutions, they also experiment with different disciplines and methodologies to explore and address public policy issues. Many of the teams also draw heavily on data and the stories that data analysis can reveal. Innovation labs are one kind of organisation typically engaged in this type of activity, and although the term "innovation lab" is not always synonymous with experimentation, some relevant examples of innovation labs are presented in Box 3.5.

Box 3.5. Innovation labs: Examples from Chile, Denmark and France

Denmark's MindLab, based in central government, uses human-centred design as a way to identify problems and develop policy recommendations. Similarly, **Chile's Laboratorio de Gobierno** (Laboratory of Government, https://lab.gob.cl/) aims to develop, support and promote innovation processes to create better people-centred public services, with the aim of helping to create a new relationship between government and society. To support this mission, it has three streams of action: 1) innovation projects for public services in high demand; 2) improving innovation capabilities for civil servants and public institutions; and 3) opening public challenges to the private sector through challenge prizes and grants, to invest in solutions and prototypes that could meet the needs of public services.

Based within central government in the Office of the Prime Minister **in France, Futurs Public** (www.modernisation.gouv.fr/mots-cle/futurs-publics) is testing new solutions for public sector challenges on a small scale to help create an "ecosystem" that supports innovation. This "lab" works with non-government organisations (NGOs) and social entrepreneurs to bring expertise into service design, such as agile software development. Futurs Public also works with external research labs to draw in specialist skills for digital technology or ethnography. It is also developing partnerships with universities and higher education establishments to help engage students in finding innovative solutions to address issues in government. Example projects include changing how people apply for social benefits, trialling more personalised approaches for disability benefits and reorganising public services in rural areas.

Source: OECD (2017c), *Fostering Innovation in the Public Sector*, http://dx.doi.org/10.1787/9789264270879-en.

Korea has room to develop a culture of innovation in the public sector by promoting the development of innovation organisations, units, teams, programmes and funds that will put experimentation at its heart. Part of this may involve "unfreezing" embedded practices in organisations, and operating them as neutral spaces dedicated to problem solving in a highly experimental environment (Box 3.5). To advance in this direction the government of the Republic of Korea has designed an organizational framework with multilateral organizations and units to sustain the government innovation strategy and implement government innovation projects.

The core components of the above mentioned framework are the establishment of a *government innovation committee* for designing collaborative initiatives involving national, local governments and citizens. A *government innovation citizen forum* helps citizens suggests policy ideas that governments will incorporate in policy making[5] and a *government innovation support unit* to ensure the implementation of government innovation projects and support government innovation bodies.

Receiving satisfactory answers to complaints

A second factor under the responsiveness dimension that has a statistical significant effect on institutional trust is the expected government response to dissatisfaction with a service expressed by a group of citizens. As mentioned previously, the responsiveness of public institutions is shaped not only by aspects related to quality, timeliness or administrative efficiency, but also, and increasingly so, by attitudes leading to stronger levels of engagement and exchange between government and citizens in both service design and delivery.

A key challenge for the Korean government is how to raise the effectiveness of their consultation and participation initiatives. Part of the solution lies in understanding how to design public participation around people's expectations and their busy lives. Another piece of the puzzle lies in raising professional standards and the quality of participation processes. These questions go well beyond the technical issues of choosing appropriate content, formats or channels; they refer to earning and keeping people's confidence that the government will actually use their input. Government organisations need to design engagement so that everyone gets direct, tangible personal benefit in terms of building skills for life, knowledge or self-confidence; they also need to make public policy more interesting and relevant to more people, and designing cost-effective and useful public consultation and engagement initiatives.

While traditional channels for participation are still an important mechanism for civic engagement, increasingly digital technologies are recognised as a strategic driver to create participatory and trustworthy public sectors, to bring together government and non-government actors, and to develop innovative approaches to contribute to national development and long-term sustainable growth. Digital technologies enable wider participatory policy-making processes, since they make it easier (in terms of time, space, place, setting) for people to participate, thus widening the range of possibilities for participation (multi-channel interactions and platforms) and attracting new target populations (young people, for example).

The idea of a user-centred public administration is not a new concept. On the contrary, it is a goal and mind-set found in the digital strategies of a number of OECD member countries over the last two decades. However, bringing in users' perspective to public sector processes requires new ways of reaching out, engaging and involving them in services' design and decision making (engagement by design). For this reason, the Korean government has invested heavily in digital services. Korea has developed renowned e-government systems and infrastructure since the end of the 1990s, becoming a leader across the OECD.

Korean citizens use these digital platforms extensively to interact with public authorities and carry out procedures. In 2014, more than 70% of all Koreans reported having used the Internet at least once over the past 12 months to interact with the public authorities, compared to 55% on average across the OECD. This includes, for instance, obtaining information from a government website, downloading a form or sending back a form electronically to public authorities (OECD, 2016). To a large extent, these positive outcomes are the result of continuous efforts by Korean institutions to communicate with people through online channels and by using information and communication technology platforms (see Box 3.6).

Box 3.6. The E-people system and the Cheongwadae (Blue House) petition system

The Korean government's **E-people system** is an online petition and discussion portal managed by the Korean Anti-Corruption and Civil Rights Commission. The portal on the E-people website (www.epeople.go.kr) allows citizens to submit civil petitions or proposals to the government. These petitions or proposals are automatically re-directed to the corresponding government agencies, which have a limited time to respond, and are also required sharing their procedures for reaching a decision with citizens. The results are shared online. The Korean portal is recognised internationally, mentioned as one of the top ten online government portals at the 7th world e-government forum in France in 2006, and receiving the Excellence award in the Public Service Awards in 2011.

The Korean government established the **Cheongwage people's petition system** in August 2017. Through this portal people can freely propose ideas and suggestions on the 17 categories available, spanning from reform of the political system, international relations, defence and economics to societal issues such as the ageing population, climate change and the labour market. If more than 200 000 citizens agree to a petition within 30 days of being posted, high-level government officials (e.g. ministers or presidential secretaries) are required to provide an answer. During the first six months of service, more than 74 000 people were registered on the platform.

Sources: https://www.epeople.go.kr/jsp/user/on/eng/intro01.jsp (accessed in December 2017) and http://english.president.go.kr/ (accessed in December 2017)

Despite these reforms and successes, with government digital services top in the world, the Korean people still expect more in terms of interaction and meaningful engagement with public institutions. The results of the OECD-KDI trust survey point to the issue of active listening by government, suggesting the need to build on the extraordinary digital capacities of the Korean government towards a culture of openness and engagement – beyond basic procedures for traditional information sharing and administrative exchange such as getting registration documents. For instance, while the government has provided general guidelines on the use of social networking services (SNS) for the Korean public sector, ultimately each government body and agency has developed its own culture and type of SNS usage, which varies in scope. Within government, efforts such as the "online spokesperson" system, where individual ministries and departments share their experiences in using social media and blogging platforms, are a step in the right direction (OECD, 2016). Box 3.7 presents the Danish strategy, comprising its most representative actions for achieving an integrated approach to digital welfare.

Box 3.7. An integrated approach to digital welfare in Denmark

The Common Public Strategy for Digital Welfare 2013-2020 is an important pillar in the Danish government's medium-term planning framework, Growth Plan Denmark. In this plan, modernisation of the public sector is expected to free up resources worth EUR 1 600 million by 2020. The Strategy is joined up across all levels of government, complementing the existing digital government strategy with a focus on digitalising public welfare services in seven focus areas:

- preconditions for digital welfare, including sufficient broadband coverage for people and businesses, establishment of a joint public solution for mobile security, joint security standards and digital competencies
- new digital methods in case handling, including freeing up resources through speech recognition, better evidence in social programmes, and increasing quality through better data sharing
- digital learning and education, including using digital teaching aids and educational materials in schools, digital exams, and digital tools for day care
- digital co-operation in the field of education, including a joint user portal for primary schools, a digital folder to store all educational certificates, and better sharing of digital learning tools
- national rollout of tele-medication, including identifying relevant areas, testing new patient groups and ensuring the necessary infrastructure
- effective collaboration in the health care area, including digital booking at hospitals, better use of patients' own information, implementation of a joint national medication card, fully digital communication in the health care sector, and increased use of video conferencing
- welfare technology and care, including the rollout of devices to help lift patients, use of robots in senior housing facilities, digitally supported recovery and testing of smart homes.

Source: DIGST, 2015 (https://en.digst.dk/ accessed in December 217) and OECD, 2014a.

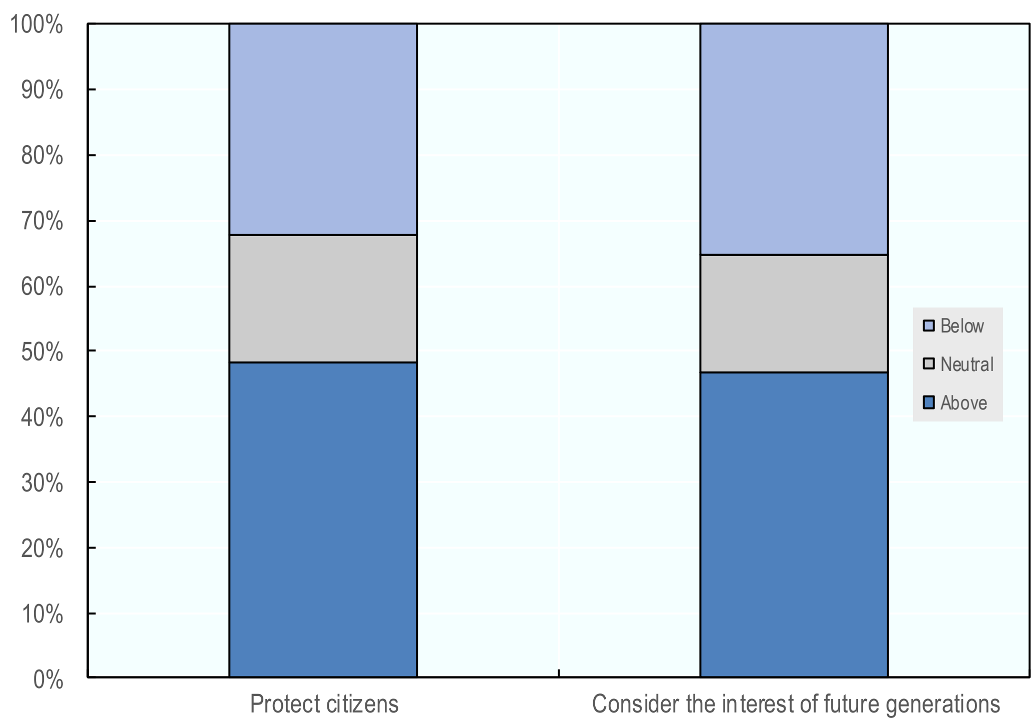
Reliability

In addition to responsive service delivery, governments need to assess the economic, social and political environment facing their citizens, and act on them. This may mean adapting certain services (e.g. to climate change) or creating new ones, and also being able to deal with uncertainty in a consistent and predictable manner.

In the aftermath of a crisis, long term planning and risk management have proven to be essential functions of government, albeit not made institutional universally. Reliability as a dimension of trust responds to the delegated responsibility on government to anticipate needs, minimise uncertainty in people's economic, social and political environment, and act in a consistent and predictable manner. Reliability means anticipating and adequately assessing citizens' evolving needs and challenges, and consistent and predictable behaviour, including of policies.

Improving government reliability is therefore essential to reducing uncertainty in society and generating trust. Figure 3.8 displays the percentage of the population who have confidence in public institutions to protect citizens and consider the interests of future generations. In both cases, slightly more than 50% of the population provided a score below 5 (0-4), showing substantial room for improvement in people's perception of government reliability.

Figure 3.8. Percentage of the population with confidence in the government to…

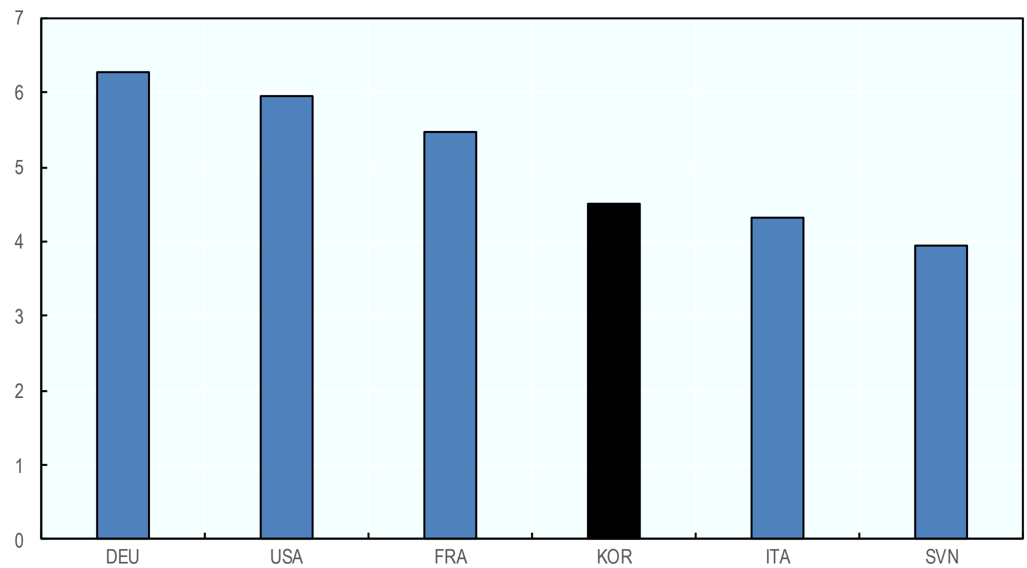


Note: Data corresponds to the percentage of the population who answered 0-4 (negatively) 5 (neutrally) or 6-10 (positively).

Using data from the Trustlab project, Figure 3.9 presents the average country score to the question: "Do you agree with the following statement: public institutions pursue long term interests?" On average, Korea (4.5) reports a lower score than Germany (6.27), the United States (5.9) and France (5.5); but is above Italy (4.3) and Slovenia (3.9). Notably, Korea's improvement of two aspects of reliability are shown to have a positive statistically significant effect on trust in public institutions: the perceived ability of public institutions to offer a stable policy environment for citizens and businesses to pursue their activity with an adequate degree of stability, and the ability of governments to protect citizens from risks, through adequate anticipation and planning.

Figure 3.9. "Public institutions pursue long-term interests": Average country scores

Average values on a 0-10 scale



Note: Average country scores to the question "Do you agree with the following statement: public institutions pursue long term interests?"
Data collection in Korea lasted from November 2016 to January 2017 and overlapped with large scale protests surrounding a high profile corruption scandal eventually leading to President Park Geun-Hye's impeachment.

Stability of the policy environment

Reliability is affected by the quality of policies themselves, but more importantly, by the policy-making process. Policies that are put forward without adequate analysis, justification and consultation will likely fail at the implementation stage. Policies that are not based on consensus, or at least discussed among relevant representatives and affected institutions, will be at risk of failure from the onset. In turn, this will damage the public's perception of the government's capacity to consider the medium term, design the right policies and once designed, successfully implement them. Furthermore, an institutionalised process of policy making is self-reinforcing: when stakeholders "invest" in legitimate avenues for political participation (rather than circumventing the system), there is more accountability of political representatives and better public policies are achieved.

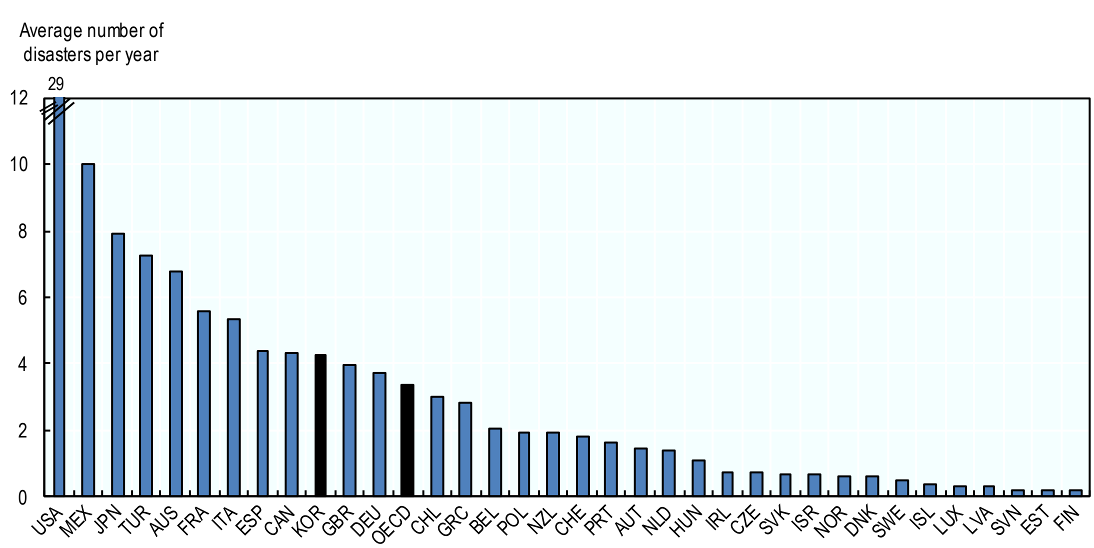
Feedback from OECD-KDI interviews point to several areas of concern in this regard. The first has to do with strong institutional competition among political parties and subsequent lack of collaboration on major policy reforms, which negatively affects the image of reliability (e.g. law propositions accumulate in parliament without being passed). The low level of trust that citizens express in the National Assembly is a reflection of this.[6] A single-term (five-year) presidency combined with frequent changes in the political parties and government ministers can also contribute to the perception of unstable governance. The second has to do with limited collaboration within the Korean public administration, which may undermine the co-ordination required for the successful implementation of whole-of-government policies.

In the World Economic Forum (WEF) Global Competitiveness Report 2016-2017, Korea ranks 26 of 138 economies (the same ranking as the 2015-2016 edition). While compared to the previous edition Korea's overall score improved, its relative position remained unchanged. According to the index assessment and based on the Forum's Executives Opinion Survey, the most problematic factor for doing business in Korea is policy instability. The main reason Korea continues to rank relatively poorly on the public institution pillar in the WEF methodology is the high level of administrative burden (ranking 85) and low level of transparency in government policy making (ranking 115) reported by business executives. In recent years, the number of regulations enacted by the Korean parliament has grown substantially; many of those regulations lack regulatory quality scrutiny or review (OECD, 2017d). Korea could benefit greatly from strengthening mechanisms to evaluate and measure the impact of regulations and ensure that parliament has sufficient evidence and capacity so that the legislature can know the expected impacts of regulations *ex ante*.

Effectiveness of disaster management plans

OECD countries have been, and appear to be, increasingly exposed to disruptive shocks that have not only had significant adverse impacts on directly affected areas and people, but have also had substantial spill-over effects at national and international level. Korea faces foreseeable economic, social and political risks of slowing economic growth; an ageing population; increased concentration of people in large cities; economic assets in risk-prone areas; the threat from North Korea; and exposure to global shocks, among others. Unforeseen health-related emergencies, which Koreans have faced recently, also require adequate planning and risk management procedures. Figure 3.10 presents the average number of disasters[7] per year across OECD countries, between 1980 and 2006; at 4.2 Korea is above the average of OECD member countries. In turn, an increasing number of disasters is accompanied by high levels of human and economic losses.

Figure 3.10. Average number of disasters per year across OECD countries, 1980-2016



Source: CRED (n.d.), *The International Disaster Database*, www.emdat.be.

Risk can be defined as the potential damage caused by a single event or a series of events. It is a combination of two factors. The first is the probability of occurrence of a hazard: a potentially harmful event which might itself be influenced by various factors. The second, vulnerability, reflects the potential damage inflicted by the occurrence of a hazard in terms of both direct and indirect consequences (OECD, 2014). In turn, a disruptive shock is a situation that causes serious damage [8] to human welfare, the economy, the natural environment or (inter)national security. Finally, resilience is understood as the capacity of a system to absorb disturbance and reorganise itself while undergoing change so as to still retain essentially the same function, structure, identity and feedbacks (OECD, 2014).

Disruptive shocks have occurred more frequently in recent decades but, perhaps more importantly, they are significantly increasing in their intensity and complexity. In this context, the Korean public institutions are called to take further action to increase their economic and social resilience. Such an endeavour requires generating the right incentives for risk management actors and the relevant stakeholders (see Box 3.8). It is crucial that the Korean government assesses its risk preparedness and co-ordinates risk management systems across all levels of government to ensure preparedness for all foreseeable and unforeseeable hazards.

Box 3.8. Building effective risk governance

Ineffective institutions have undermined many of the valuable efforts to boost resilience. The OECD has identified a set of policy actions, specified below, aimed at increasing resilience levels:

Promote forward-looking risk governance that takes into account complex risks. In evaluating risk exposure, do not only rely on past disruptive shocks and linear risk modelling, but also consider evolving risk patterns, including demographic, economic, technological, and environmental drivers, as well as their inter-dependencies and potential cascading impacts.

Establish a shared understanding of acceptable levels of risk at all stakeholder levels. Identify methods that support governments, businesses, and individual stakeholders to determine their optimal or acceptable levels of risks, based on which risk resilience strategies can be adopted.

Decide on an optimal and complementary mix of resilience measures. Consider a mix of hard (e.g. infrastructure) and soft (e.g. planning) measures that take into account a multi-hazard perspective and hence complement each other, while fostering economic development through positive spill-over effects.

Adopt a whole-of-society approach to engage all actors in strengthening resilience. Such a strategy is essential to align responsible risk actors and their institutional frameworks.

Acknowledge the important role of institutions and institutional gridlock in making risk measures effective in increasing resilience. Identify previous shortcomings in the institutional set up that have caused government, market, and collective action failures in risk management and that have impeded the achievement of higher levels of resilience. Once such institutional bottlenecks are addressed, they present very cost-effective opportunities for boosting resilience.

Employ diagnostic frameworks to identify institutional barriers and realign incentives to boost resilience. Such frameworks can systematically detect what drives existing institutional shortcomings that impede increased resilience.

The framework suggested in this report offers a possible guide for policy makers.

Source: OECD (2014), *Boosting Resilience through Innovative Risk Governance*, http://dx.doi.org/10.1787/9789264209114-en.

Opportunities for policy action

There is an opportunity in moving towards outcome-driven service planning and delivery. The traditional model of service delivery, based on individual administrative transactions, often following a silo approach to planning and evaluating, should be replaced with an outcome-based, whole-of-government approach. Understanding user needs and experiences allows governments to tailor service provision and improve access, including for disadvantaged groups.

Necessarily, this will entail the development of stronger mechanisms for citizen feedback and exchange with public institutions as suggested above. Introducing initiatives focused on better understanding user needs and experiences so as to then re-design and improve services could be a powerful tool on this direction. In turn, another example of mechanisms to promote a focus on outcome in service delivery that has been applied in a handful of OECD countries[9] are the Pay for Success Bond or Social Benefit Bond. This arrangement is a contract with the public sector in which a commitment is made to pay for improved social outcomes that result in public sector savings.

In addition enabling and encouraging innovation from within the public sector will be critical. The findings of the OECD-KDI survey suggest that citizens would welcome more initiative and flexibility for public servants to improve service delivery in particular, and government performance in general, by generating further opportunities and spaces for innovation. This is a shared challenge across OECD countries, where the benefits of hierarchy and orderly planning need to be aligned with those of innovation and challenging the "way we do things". In turn, this will require upgrading the civil service in terms of diversity and skills, revising and updating processes that limit innovation potential, and encouraging cultural changes within the organisations.

The *Government Innovation Strategy* enacted by the Korean government provides a unique opportunity for considering for encouraging culture change within government organisations. The development of spaces for policy experimentation, such as regulatory sandboxes, for testing new solutions to public challenges could be a first step for creating an ecosystem that supports innovation.

In turn, as an anchor to these efforts, Korea should continue to invest in information technologies and innovation, which are already well established. Focus should be placed on promoting inclusive approaches to service delivery, encouraging stronger citizen engagement and fostering the whole-of-government co-ordination to enable joined-up service delivery. At the same time, attention will need to be paid to the significant gap in digital government service usage by age group, particularly considering the rapid growth rate of people aged 65 and over. In Korea, more than 90% of the younger generation have used the Internet to interact with public authorities, compared to 30% for the older generation.

Continuing to strengthen the reliability of government processes, risk-management procedures and emergency response plans to face unexpected risks have a high potential to influence trust in public institutions. Reviewing and adjusting the mechanisms for dealing with hazards will help manage unanticipated and novel types of crises. Among other elements the revision should seek to guarantee flexibility at the local level combined with the capacity to co-ordinate among different a sectors, and to integrate new stakeholders for coping with all foreseeable and unforeseeable hazards. Enhanced emergency planning, reviewing the functioning of the multi-hazard warning system and implementing modernised crisis communication tools are also potential areas of development.

In addition, attention should be paid to the institutional arrangements and capacities governing the process of policy making in Korea. A policy-making process conducive to trust builds on reliable, relevant information, provides a clear information exchange structure and effectively articulates behaviours and expectations of different actors, thus facilitating an engagement process that achieves credible compromises, aligned with the public interest and conducive to implementation (OECD, 2013). In turn, sufficient evidence and capacity should be available for assessing policies' expected impact. Although beyond the scope of this report, these elements could serve as a starting point for identifying areas of improving the process, the actors and their relationship for policy making in Korea. Defining a set of long term national priorities acceptable to all institutional actors and spanning beyond the five years political cycle could help overcome some of the boundaries of the policy making process.

Likewise, pursuing stronger stability of overall policy direction and specific policies, including by simplifying those that may be posing barriers to market entry, could help bridge existing perception gaps of public institutions' reliability. Promoting collaboration – between government agencies as well as between government and citizens – is key to demonstrating that the government can reliably anticipate and respond to citizens' needs, and thus design policies that will reflect a whole-of-government approach.

These efforts could be anchored on a stronger whole-of-government, long-term vision for Korea, supported by clear policy packages, which is inclusive of all (particularly youth, as discussed earlier), and takes into account the interests of future generations. Delivering outcomes (a good overall marker of government competence and reliability) starts with setting a vision that charts the way, and helps align the public sector – but also society at large around shared goals. This vision could serve as the basis for identifying key national indicators (as other OECD countries are in the process of doing) that in turn shape policy packages and individual policies around shared outcomes. An important first step is to align institutions using multi-dimensional objectives. The success of these objectives will depend on different institutions co-operating with each other, both horizontally across government and vertically between the national and local governments (OECD, 2017f).

Notes

[1] An alternative or complementary way of looking at this "mismatch" problem is that SMEs that offer good jobs are insufficient in number and SMEs that are characterized by low productivity and little growth potential persist, due in part to government support. It is more a business ecosystem problem than an education problem.

[2] Percentage of the population who answered "yes" to the question: "In the last 12 months have you had a direct experience of the health care system?"

[3] Percentage of the population who answered "yes" to the question: "Are you currently enrolled in an educational institution?" or to the question: "Have you or your children been enrolled in an educational institution during the last two years?"

[4] The OECD has recognised that innovations should have two characteristics: first, an innovation must be implemented, meaning that it cannot just be a good idea, but must be operational. Second, an innovation must be either entirely new or a significant improvement of products, services or processes

[5] A government innovation platform has been developed for allowing citizens to participate in setting the innovation agenda, debate and vote over innovation initiatives. When over 1,000 citizens vote for an initiative and more than half of the participants support it, the initiative is transferred to the Government Innovation Committee for an official review. The results of this review are disclosed online. When an initiative is adopted, the ministry in charge of the agenda will integrate it as part of its official agenda. The government innovation platform is at www.innogov.go.kr

[6] Further work, beyond the scope of this case study, would be required to better understand the broader political economy of institutions that may be negatively affecting the policy-making process in Korea.

[7] For a disaster to be entered into the database at least one of the following criteria must be fulfilled: ten or more people reported killed; 100 or more people reported affected; declaration of a state emergency; call for international assistance.

[8] Serious damage is defined as: loss of human life; human illness or injury; damage to property or infrastructure; homelessness; business interruption; service interruption (including health, transport, water, energy, communication); disruption in the supply of money, food or fuel; contamination or destruction of the natural environment.

[9] For example, the UK is testing a six-year Social Impact Bond at HMP Peterborough prison, to address a gap in current service effectiveness. The pilot is focused on working with adult male offenders sentenced to less than 12 months in custody and released from Peterborough prison. The pilot project focuses on the delivery of the rehabilitation service and support interventions to about 3.000 members of this group, so to achieve a reduction in re-offending. Only the reduction in re-offending rates will trigger payment to the implementation agency. There are a number of international examples of initiatives designed along similar lines including schemes working with juvenile offenders in the United States.

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Chapter 4. Drivers of trust in government in Korea: Values

After discussing competence, the first key component of the OECD Trust Framework, in the previous chapter, this one will focus on the second component: values. As recognised in the public management literature, the process of policy making and its guiding motivations (values) are just as important as the actual results achieved for influencing trust in government institutions. The chapter builds on the results of the OECD-KDI Trust Survey, complemented by a review of other relevant sources, it presents opportunities for policy action in Korea that could contribute to improve institutional trust levels.

Why values matter for trust in government

Having discussed competence, the first key component of the OECD Trust Framework, this chapter will focus on the second component: values. As recognised in the public management literature, the process of policy making and its guiding motivations (values) are just as important as the actual results achieved for influencing trust in government institutions. In a context of growing inequality, citizens expect that governments will not only have a strong commitment to improve socio-economic conditions for all,[1] but impeccable behaviour in the exercise of its delegated authority. Downe et al (2016) notes that not only what government delivers but also how it conducts its procedures seem to have pronounced influence. Likewise, Hibbing and Theiss-Morse (2001) argue that people tend to focus on outputs because citizens contact service delivery institutions more frequently, but dissatisfaction with government has more to do with unfair policy and political processes.

These expectations entail three critical dimensions of values as a dimension of trust: 1) integrity, or the alignment of public institutions with broader principles and standards of conduct that safeguard the public interest and mitigate the risk of corruption; 2) openness, or the extent to which relevant information is shared with citizens in an accessible and usable manner, as well as a comprehensive approach to citizen engagement and interaction; 3) fairness, or the consistent treatment of citizens and business in policy making and policy implementation (Box 4.1). The following sections will discuss these dimensions of trust in detail in light of the results of the econometric analysis presented in Chapter 2.

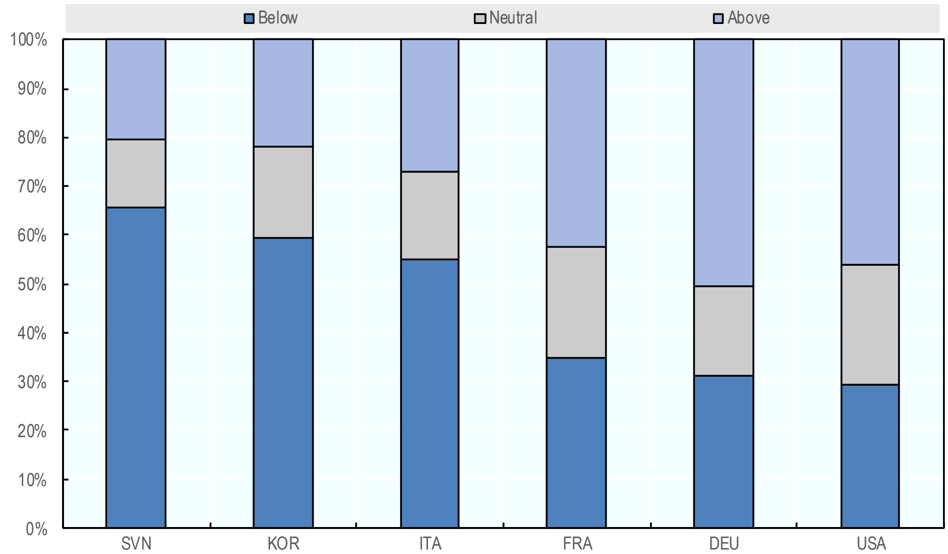
This chapter is structured as follows: it has three broad sections on integrity, openness and fairness. Within each of the sections, the components of the drivers that were found to be statistically significant will be addressed outlining the key challenges for Korea in each of them. The chapter will be concluded by putting forward some policy recommendations touching on key aspects of the drivers that are crucial for increasing trust in government institutions in Korea.

Integrity

Integrity is often mistakenly understood narrowly as the absence of corruption. However, the concept of public sector integrity is not simply about the use or abuse of power but rather about “the consistent alignment of, and adherence to, shared ethical values, principles and norms for upholding and prioritising the public interest over private interests in the public sector” (OECD, 2017c). While to a large extent bribery is the most commonly recognisable corrupt behaviour, the full complexity of corruption encompasses influence trading, embezzlement of public property, use of confidential information and the abuse of power – all of which are extremely harmful for society.

Using data from the Trustlab project, Figure 4.1 presents the share of the population in six countries who answered negatively (0-4), neutrally (5) or positively (6-10) to the question: “Do you agree with the following statements: people working in public institutions behave according to ethical standards aimed at avoiding corruption?” Slightly less than 60% of Koreans rank public institutions below average, the second highest share after Slovenia of all countries with available information, thereby signalling a relatively high share of perceived lack of integrity by public officials in Korea.

Figure 4.1. Perceived integrity of public officials in selected countries



Note: Data corresponds to the percentage of the population who answered 0-4 (negatively) 5 (neutrally) or 6-10 (positively).
Data collection in Korea lasted from November 2016 to January 2017 and overlapped with large scale protests surrounding a high profile corruption scandal eventually leading to President Park Geun-Hye's impeachment.

Furthermore, according to the econometric analysis conducted in Chapter 2 of this case study, people's expectations of the extent to which a corrupt high-level officer found guilty of misusing tax payers' money would be prosecuted has a positive effect on trust in government institutions. In other words, a lack of integrity in high-level civil servants demonstrated by misuse of public resources, or inadequate behaviour by government representatives, can negatively shape public opinion on the overall trustworthiness of government institutions. This finding is consistent with the negative relation between perception of government corruption at large and trust in government found in OECD countries and beyond (OECD, 2017a; OECD, 2017b; OECD, 2013a). Political leaders, especially senior management, can therefore leverage integrity to increase trust in government institutions by taking the lead, through measures such as asset disclosure, conflict of interest management, and transparency in lobbying and political financing.

A solid integrity framework, with high standards of behaviour, is necessary to reinforce the credibility and legitimacy of government. Countries have at their disposal a number of tools to create and continuously develop and improve a network of integrity and anticorruption mechanisms. Particularly those addressing high-risk areas at the intersection of the public and private sectors, including effective management of conflict of interests, high standards of behaviour in the public sector, and adequate lobbying and political finance regulation, can be leveraged to limit undue influence and build safeguards to protect the public interest (Box 4.1).

Box 4.1. Keeping a high standard of probity

Defining an effective policy approach to dealing with conflict of interest is essential to the political, administrative and legal structure of a country's public life. The OECD Guidelines, *for Managing Conflict of Interest in the Public Service* (OECD, 2004) provide a modern approach to conflict-of-interest policy which seeks to strike a balance – by identifying risks to the integrity of public organisations and public officials, prohibiting specific unacceptable forms of private interest, raising awareness of the circumstances in which conflicts can arise and ensuring that effective procedures are deployed to identify and manage conflict-of-interest situations.

In addition, the "revolving door" phenomenon that sees an increasing movement of staff between the public and private sectors has raised concerns over pre- and post-public employment conditions and negative effects on trust in the public sector. Such issues of impropriety (i.e. the misuse of "insider information", position and contacts) have led a growing number of countries to modernise arrangements to effectively prevent and manage conflict of interest in pre- and post-public employment, establishing standards or principles in order to ensure integrity in current or post-public officials. For example, a "cooling-off" period exists in many OECD countries, where public servants must limit their interaction with their former organisation for a given length of time. The OECD (2010) *Post-Public Employment Principles and Framework* can act as a reference point for policy makers to gauge their current or future post-public employment frameworks.

Lobbying is a way of informing public decision making, but it must be undertaken in a way that it balances benefits and risks. Lobbying can contribute to good decision making and improve governments' understanding of policy issues by providing valuable insights and data as part of open consultation processes. Yet lobbying can also lead to unfair advantages for vocal vested interests if the process is opaque and standards are lax. The OECD (2013b) *Principles for Transparency and Integrity in Lobbying* provide guidance to decision makers on how to promote good governance in lobbying.

Financing democracy, while a necessary component of the democratic processes, may undermine representativeness and raise risks of conflict of interest in the absence of adequate and effective regulation. This issue has been identified in the international arena, including the 2004 United Nations Convention against Corruption. Regardless of the particular mechanisms chosen, democratic countries face similar risks when addressing money in politics, including weaknesses in enforcement, capacity limitations of electoral management bodies, and common loopholes in regulations. The OECD has studied Democracy Financing (OECD, 2016a) mapping relevant risk areas and presenting policy options to promote a level playing field.

More recently the OECD has published the *Recommendation on Public Integrity* that provides policy makers with a vision for a public integrity strategy. It shifts the focus from ad hoc integrity policies to a context dependent, behavioural, risk-based approach with an emphasis on cultivating a culture of integrity across the whole of society (OECD 2017g).

Notes: Further information about the principles can be found on http://dx.doi.org/10.1787/9789264056701-en. Further information about the principles can be found on http://www.oecd.org/corruption/ethics/Lobbying-Brochure.pdf. Further information about the recommendation can be found on: http://www.oecd.org/gov/ethics/OECD-Recommendation-Public-Integrity.pdf.

High standards of behaviour and impartiality are expected of public servants in fulfilling their fundamental mission to serve the public interest. Public officials' conflicts of interest pose a threat to public trust. In this context, assuring transparency and accountability of public officials in their decision-making process is essential for restoring trust in government in institutions.[2] Although it remains primarily public officials' responsibility to manage their conflict of interest situations, disclosing their private interests can greatly aid in preventing apparent and potential conflicts of interest. In turn, some jurisdictions have developed innovative tools for helping public servants identify situations where they could be incurring ethical faults (see Box 4.2).

Box 4.2. Guiding public officials in facing ethical dilemmas in Australia

The Australian Government has developed and implemented strategies to enhance ethics and accountability in the Australian Public Service (APS), such as the Lobbyists Code of Conduct, the register of "third parties", the Ministerial Advisers' Code, and work on whistleblowing and freedom of information.

To support the implementation of the ethics and integrity regime, the Australian Public Service Commission has enhanced its guidance on APS values and code of conduct issues. This includes integrating ethics training into learning and development activities at all levels. To help public servants in their decision-making process when facing ethical dilemmas and choices, the Australian Public Service Commission developed a decision-making model. The model follows the acronym "reflect":

REFLECT:

1. **Recognise** a potential issue or problem; public officials should ask themselves:
   - Do I have a gut feeling that something is not right or that this is a risky situation?
   - Is this a right vs. right or a right vs. wrong issue?
   - Recognise the situation as one that involves tensions between APS values or the APS and their personal values.
2. **Find** relevant information.
   - What was the trigger and circumstances?
   - Identify the relevant legislation, guidance, policies (APS-wide and agency-specific).
   - Identify the rights and responsibilities of relevant stakeholders.
   - Identify any precedent decisions.
3. **Linger** at the "fork in the road".
   - Talk it through, use intuition (emotional intelligence and rational processes), analysis, listen and reflect.

4. **Evaluate** the options.
   - Discard unrealistic options.
   - Apply the accountability test: public scrutiny, independent review.
   - Be able to explain your reasons/decision.
5. **Come** to a decision
   - Come to a decision, act on it and make a record if necessary.
6. **Take** time to reflect
   - How did it turn out for all concerned?
   - Learn from your decision.
   - If you had to do it all over again, would you do it differently?

Source: Office of the Merit Protection Commissioner (2009), "Ethical decision making", www.apsc.gov.au/publications-and-media/current-publications/ethical-decision-making.

In Korea, the Civil Rights Commission of Korea (ACRC) is in charge of establishing Korea's anticorruption strategy and operating related policies, but the Ministry of Personnel Management (MPM) is responsible for enforcing asset disclosure policy across the government. As established in Korean regulations, public officials have more obligations than in other OECD countries regarding asset declarations (see Box 4.3). In parallel, increased mobility between the public and the private sector (the "revolving door" phenomenon) in Korea has pushed government to adopt legal instruments to monitor and investigate more closely pre- and post-public employment and the use of confidential information to avoid potential conflicts of interests (OECD, 2010).

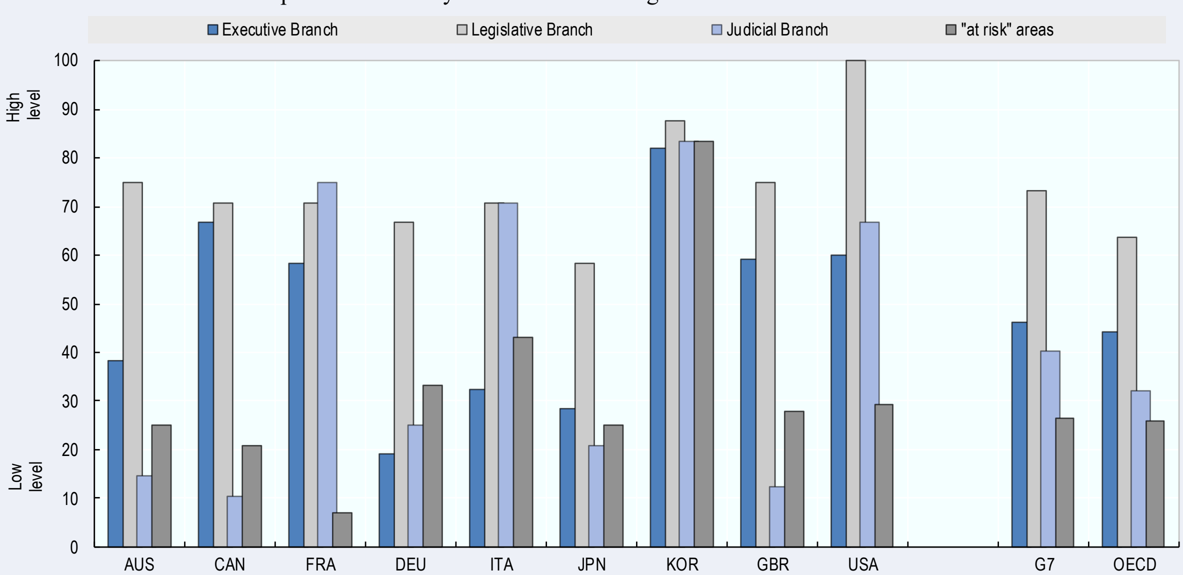
Most measures to prevent potential conflicts of interests in Korea are outlined in the Public Service Act. This was enacted in 1981 by the Public Ethics Policy Division in MPM and by the Government Public Service Ethics Committee, and has been amended several times. According to this act, public officials in Korea have limitations and "cooling-off" periods when they leave public sector employment. In general, the cooling-off period in Korea is two years and applies to the president, prime minister, line ministers, political advisors and senior civil servants.[3] In the cases of other civil servants there are no restrictions. Still, officials who leave the public sector also face restrictions on lobbying or engaging in official dealings, including with former subordinates or colleagues in the public sector, in order to obtain preferential treatment or privileged access. Furthermore, during the first three years following retirement, public officials of Grade 4 or above cannot get a job at organisations related to the agencies in which they have worked during the past five years. Finally, public officials are legally bound not to use confidential or other "insider" information after they leave the public sector.

Box 4.3. Disclosure requirements in Korea compared to G7 and OECD countries

The OECD has developed a composite indicator for the level of disclosure and public availability of private interests across branches of government. The composite is based on the 2014 OECD Survey on Managing Conflict of Interests in the Executive Branch and Whistle-blower protection (OECD, 2014). Korea reports higher disclosure requirements for all positions than the G7 and OECD average. As in most OECD countries, top decision makers in Korea (the president and prime minister) have more obligations for private interest declarations and public availability of this information compared to regular civil servants. In Korea, political advisors and senior civil servants also have significant obligations for private interest disclosure compared to the G7 and OECD country averages (see Figure 4.2).

Figure 4.2. Level of disclosure and public availability of private interests, all branches of government, 2014

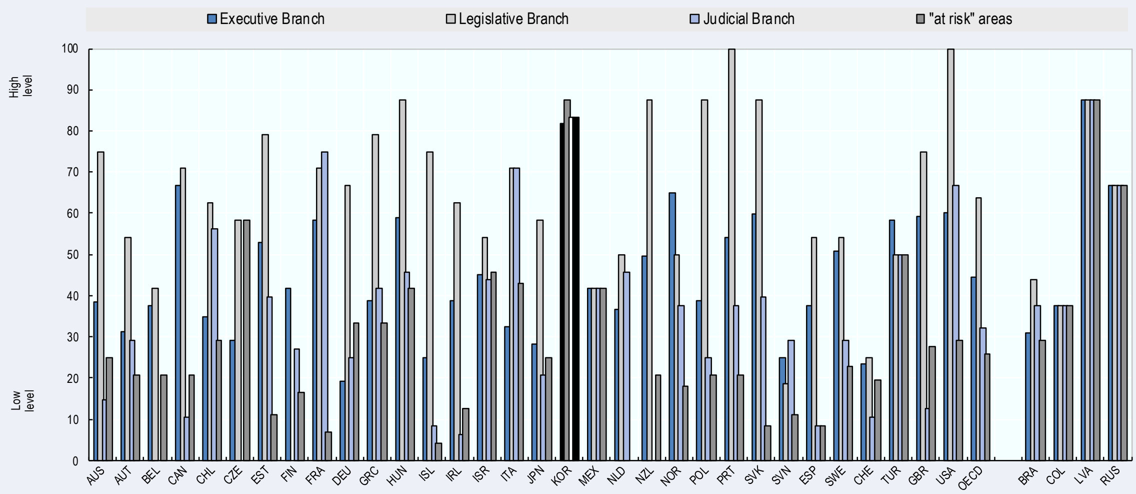
Asset disclosure and public availability of information is higher in Korea than the G7 and OECD countries



Note: When calculating an aggregate of country-specific data, all private interests and all positions were deemed equally important and were therefore assigned the same weights. The private interests include assets, liabilities, income sources and amount, paid and non-paid outside positions, gifts and previous employments. The "at risk" areas include tax and customs officials, procurement agents and financial authorities.
Source: OECD (2014), "2014 OECD survey on managing conflict of interest in the executive branch and whistle-blower protection", www.oecd.org/governance/ethics/2014-survey-managing-conflict-of-interest.pdf.

As in most OECD countries, public officials in the legislative branch have the highest level of disclosure requirements, but overall requirements are fairly homogeneous across branches in Korea (at rather high levels). Even in the category of government professions considered "at risk areas" – which include tax and customs officials, procurement agents and financial authorities – disclosure requirements are comparable to the high requirements in the executive, legislative and judicial branch, whereas it is generally lower than for the other branches in most OECD countries (see Figure 4.3).

Figure 4.3. Level of disclosure and public availability of private interests, all branches of government, 2014



Note: When calculating an aggregate of country-specific data, all private interests and all positions were deemed equally important and were therefore assigned the same weights. The private interests include assets, liabilities, income sources and amount, paid and non-paid outside positions, gifts and previous employments.
Source: OECD (2014), "2014 OECD survey on managing conflict of interest in the executive branch and whistleblower protection", www.oecd.org/governance/ethics/2014-survey-managing-conflict-of-interest.pdf.

Practice has shown that OECD countries are not immune to the risk of policy capture at the expense of the public interest. The global financial crisis in 2008 showed the extent of capture of financial policies, although the risk is present to different degrees in countries. In addition to managing conflict of interest, other forms of capture can be averted by enhancing integrity and transparency in lobbying practices, ensuring balanced political finance and guaranteeing the protection of whistle-blowers (see Box 4.4).

Vested interest groups wield influence through lobbying and providing financial resources to political parties and campaigns. In 2010, to level the playing field among all stakeholders in the policy-making process, the OECD adopted the Recommendation on Transparency and Integrity in Lobbying, aiming at mitigating lobbying-related risks of corruption and undue influence. While the number of countries that have introduced lobbying regulations is still low, it has increased substantially over the last decade. Common restrictions on senior public officials include engaging in lobbying after they leave the government, as well as pre-public employment restrictions. The Korean government has no restrictions regarding pre-public employment of private sector employees, lobbyists and government suppliers.

Box 4.4. Whistle-blowers in Korea

The protection of employees who report wrongdoing such as fraud, corruption and misconduct in the context of the workplace (whistle-blowers) is recognised as an essential element for safeguarding public integrity (OECD, 2005). Across the OECD, 88% of countries have a dedicated protection law for whistle-blowers or provide protection through piecemeal legal provisions. In Korea, the Act on the Protection of Public Interest Whistle-Blowers (2011) provides protection to whistle-blowers through a dedicated law.

The coverage of whistle-blower protection in Korea is rather broad. It includes both public and private sector employment and other categories of employment such as employees, consultants, suppliers, temporary staff, former employees as well as volunteers (for this last category protection is provided only in the public sector). The government also provides some financial incentives to report wrongdoing. Unlike other OECD countries, whistle-blowers are not protected if they report directly to the public in Korea (including for instance to the media). The Act on the Protection of Public Interest Whistle-Blowers, the Act on Anti-Corruption and the Establishment and Operation of the Anti-Corruption and Civil Rights Commission (ACRC) stipulate that whistle-blowers are protected when they make a report to external agencies including the ACRC and an investigative agency, as well as when the report is made under the internal procedures within the organisation to which the reporter belongs. The ACRC has the power investigate certain cases of discrimination against whistle-blowers who act in the public interest or those who report cases of corruption. The ACRC can also demand disciplinary action and/or bring a criminal charge against those who create disadvantages to whistle-blowers, and request from the institution to which the whistle-blower belongs to take necessary actions including reinstatement.

Source: OECD (2016b), *Government at a Glance: How Korea compares*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264259003-en.

Overall, the key elements of a sound integrity system are in place in Korea, both in the legal framework and in implementation. As a result, and together with a strong values-oriented culture, corruption is deterred in service provision, administrative transactions and even in core government processes. Looking forward, in addition to further deepening implementation to keep matching the increasingly sophisticated risks (e.g. in procurement), the challenge lies in moving up the ladder of integrity tools to focus on those related to risks of undue influence. By nature, these are more difficult to curb and investigate, and are a challenge across OECD countries. Nevertheless, and for Korea in particular, it is a pressing need to address these risks – given not only previous corruption scandals taking place at the political level, but the very negative perception of corruption expressed consistently by Koreans.

Another key challenge is achieving a culture of integrity and avoiding impunity as a component of a coherent and comprehensive integrity system (see Figure 4.4). Specifically, measures need to be based on risk assessments and adapted to the context and to specific sectoral and geographical conditions. Adequate institutional arrangements have to be in place to ensure that laws, regulations and policies are effectively implemented and mainstreamed throughout the government. Information about corruption offences needs to reach the relevant law enforcement authorities. And finally, the messages need to be reinforced in Korea that corruption erodes economic and social well-being and needs to be addressed by the public sector, business, civil society and citizens alike.

Figure 4.4. The OECD strategy for an integrity system

Building a coherent and comprehensive system	Fostering culture of integrity	Enabling effective accountability
1. Commitment at highest political and management levels	5. Promote a whole-of-society culture of integrity	10. Apply a control and risk-analysis based management framework
2. Clarify institutional responsibilities to strengthen the integrity system	6. Invest in integrity leadership	11. Respond to all violations of integrity standards
3. Develop a strategic approach to mitigate integrity risks	7. Promote a merit-based professional public service	12. Promote accountability and integrity through external oversight and control
4. Set high standards of conduct for public officials	8. Provide training, information, guidance and timely advice	13. Safeguard integrity at all stages of the policy cycle
	9. Support open organisational culture	

Source: OECD (2016c), "Strengthening anti-corruption and integrity for global productivity", www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=GOV/PGC(2016)4/REV1&doclanguage=en. Based on the OECD Recommendation to Public Sector Integrity.

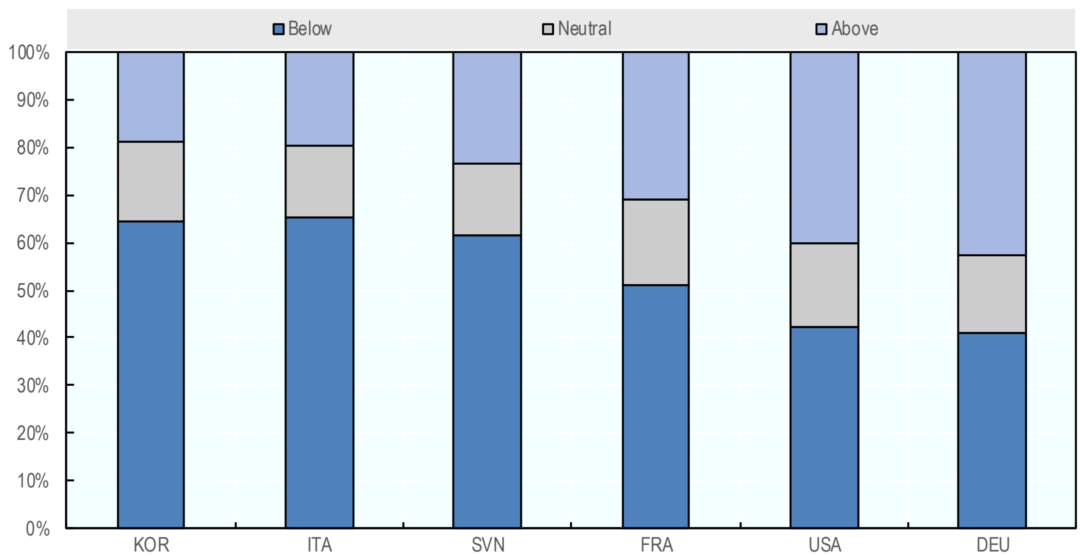
Openness

"Open government" is defined as a culture of governance that promotes the principles of transparency, integrity, accountability and stakeholder participation in support of democracy and inclusive growth (OECD, 2016d). According to this definition, promoting government transparency by granting access to public sector information, as well as by ensuring the public's ability to use information effectively, are cornerstones of open government. In addition to making public information and data easily available by taking advantage of public insights, scrutiny and input, government performance will improve via more effective policies, better regulation and higher-quality services. Transparency also helps the public gain a better understanding of policies and processes. As a result, citizens' trust in government can be expected to increase (OECD, 2017c).

The results presented in Chapter 2 of this report demonstrate that the perceived availability of finding information on administrative procedures has a positive effect on trust in public institutions in Korea. In addition to obtaining the information they need for specific purposes, it is expected that high levels of transparency help the public gain a better understanding of policies and through these channels increase trust levels. In terms of complementary evidence, a study from Seoul showed that assessments of government transparency by users of e-government services are positively associated with participants' trust in the government that provide e-participation programmes (Kim and Lee, 2012). In turn, Kim and Shim (2011), through a survey for residents near a nuclear power plant, empirically tested and found that increased transparency (by fully informing residents about the status of the nuclear power plant, its safety and government efforts to compensate the community) may increase the level of trust in responsible public institutions and the level of acceptance of their actions.

Using data from the Trustlab project, Figure 4.5 below presents the share of the population in six countries who answered negatively (0-4), neutrally (5) or positively (6-10) to the question "Do you agree with the following statements: public institutions are transparent?" 64% of the Korean population rank public institutions rather negatively – the highest share of all countries with available information – thereby signalling a relatively high share of perceived lack of transparency by government institutions.

Figure 4.5. Perceived openness of public institutions in selected countries[4]



Note: Data corresponds to the percentage of the population who answered 0-4 (negatively) 5 (neutrally) or 6-10 (positively).

Governments can increase transparency through a number of mechanisms. First, regulating the right to access information is a critical step to facilitate openness and stakeholder engagement in the policy-making process. Effective legislation, furthermore, provides rights and establishes the institutional framework to help ensure access. This includes measures that mandate the publication of information by public bodies (with the potential exception of some law enforcement, national security and judiciary offices); establish clear limitations on what information should not be made public; require public agencies to establish an information and documentation system to manage public information properly and efficiently; and form oversight offices to settle disputes and report on the implementation of the law.

As a member of the Open Government Partnership (OGP)[5] since 2011, Korea has ratified its commitment to build an open and transparent public administration. In line with this commitment, the government has carried out several initiatives to enhance transparency: promoting public information disclosure systems; motivating citizen engagement in the policy process; and strengthening participation mechanisms, such as government committees and the petition system. Recent efforts include publicly disclosing the names of programme line managers and enhancing the user-friendliness of public data, for instance by generating graphs of drinking water quality.

Access to information can also be supported by government efforts to design and implement open government data (OGD) within the broader framework of digital government and transparency policies. OGD refers to the release of data collected and produced by public organisations in the course of their work, or data commissioned with public funds. The data are released in an open format that allows for their free use and re-use.

The Korean government regularly sponsors special events to promote open government. For instance, since 2014 the government has held the IoT (Internet of Things) week to raise awareness of the possibilities offered by digital technologies such as OGD, as well as hackathons, where programmers and start-ups are invited to share and develop innovative services and mobile applications by re-using public data. The use of OGD is also promoted within the public sector, through regular training and seminars on using digital technologies and data, organised by the National Human Resources Development Institute in collaboration with the Korean National Information Society Agency.

In addition to making most government data available, Korea generally provides the enabling conditions for the re-use of open government data inside and outside the public sector. Since 2014, all central and local government organisations as well as public organisations have been mandated by law to develop annual data plans in line with the Open Data Master Plan (see Box 4.5). At the start of 2018, the Ministry of the Interior and Safety announced its new agenda for "achieving an intelligent public administration through the use of artificial intelligence (AI), big data and OGD" as part of its annual work plan. Under this agenda, the ministry intends to harness OGD as part of the emerging "fourth industry revolution". Among other aims, this strategy includes standardising OGD formats, enhancing data accessibility for citizens and businesses, and supporting start-ups and SMEs based on using OGD.

Korea has also put a lot of effort into creating the enabling conditions to support re-use of open government data inside and outside government. Strengthening the eco-system of actors and re-users of data (including SMEs and start-ups) and improving the methodology for impact assessment could help further leverage the benefits of OGD initiatives in Korea (OECD, 2016b).

Box 4.5. Open government data in Korea

In 2014, the OECD published a measure of governments' support for open government data (OGD) for the first time, based on the G8 Open Data Charter, ratified in 2013. A second version of the index was published in 2017. According to the OECD OURdata Index, Korea's support for OGD in terms of data availability, accessibility and support for the re-use of the data is the highest across the OECD. Several elements can explain the high ranking of Korea.

First, in terms of data availability, Korea has increased the amount of data available on its central open data portal (data.go.kr) in recent years. Since 2013, the Law on Open Data has mandated that all public sector agencies register their datasets in the central open data portal. Korea now provides a large quantity of government data through this central portal in an open format, including datasets identified in the G8 Open Data Charter as "high-value data", such as data on public expenditure and election results, but also crime and environment statistics and data on the performance of the health care and education system.

Second, to ensure greater accessibility to public data, an Open Data Management guideline was developed for the whole central government in Korea, which provides a framework to ensure data quality in terms of timeliness, data formats and the systematic provision of metadata. Finally, the Korean government's support for the re-use of public data is also strong and targeted at different types of audience.

Source: OECD (2016b), *Government at a Glance: How Korea compares*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264259003-en.

A further open government practice that builds trust is a policy-making process that facilitates the participation of all relevant and interested actors; trust in institutions is driven not only by the substance of policies, but also by the process through which policies are made. For example, Traber (2013) found that "public interest groups report higher satisfaction with the policy outcome the more they participate". To the same end, Esaiasson, Gilljam and Persson (2012) used a randomised field experiment to reproduce the decision-making process in large-scale democracies. They empirically tested ideas about legitimacy enhancing decision-making arrangements, including participatory constitution drafting, personal involvement in the decision making process, and fairness in implementing arrangements. The authors found that "personal involvement is the main factor generating legitimacy beliefs" Hibbing and Theiss-Morse (2001) also emphasised the importance of government procedure for citizens, noting that the process through which governments create policies is just as important for citizens as the policy itself. Taken together, these findings suggest that citizen and stakeholder inclusion in policy decisions can help legitimise resulting policies, in turn increasing citizen buy-in, compliance and trust in public institutions.

Government institutions could benefit greatly from people's feedback, as this would help them to understand better people's needs, leverage a wider pool of information and achieve higher levels of compliance. In turn, deepening engagement can lead to innovative partnerships between government and citizens. An example can be found in the co-creation and co-delivery of services. Box 4.6 presents the OECD typology on the levels of engagement between citizens and the public administration, ranging from information availability to higher levels of engagement.

Box 4.6. Levels of engagement between citizens and public administrations

Information: an initial level of participation characterised by a one-way relationship, in which the government produces and delivers information to stakeholders. It covers both on-demand provision of information and "proactive" measures by the government to disseminate information.

Consultation: a more advanced level of participation entailing a two-way relationship, in which stakeholders provide feedback to the government and vice versa. It is based on the prior definition of the issue for which views are being sought and requires relevant information to be provided, in addition to feedback on the outcomes of the process.

Engagement: the most advanced level of participation when stakeholders are given the opportunity and necessary resources (e.g. information, data and digital tools) to collaborate during all phases of the policy cycle and in service design and delivery.

Source: OECD (2017d), "Recommendations of the Council on open government", https://www.oecd.org/gov/Recommendation-Open-Government-Approved-Council-141217.pdf.

Cultural and sociological explanations of trust in government emphasise the impacts of generalised trust and social participation on trust in government. Yang and Park (2007) explore whether stakeholder participation in government-led participatory exercises can increase the level of trust in the government by analysing doctors' and pharmacists' perceptions of the Ministry of Public Health in Korea. They find that stakeholders who participated in these exercises on public health policy making came to trust the government more, as the consultations allowed stakeholders to understand government officials' motivations, their capacity to listen and respond to stakeholders' interests and needs.

A number of factors can offer insight into current performance and potential for improvement of engagement practices in Korea. First, the specific objective pursued through engagement needs to be clearly defined from the outset, so that the most appropriate mechanism can be considered, rather than defaulting to a standard approach. Second, the effectiveness of engagement initiatives relies on their relevance, both in terms of the scope of the policy issue at hand and the representativeness of social groups and stakeholders involved. Ensuring that those involved include under-represented groups is crucial to mitigate the risk of capture, both of the engagement process and of policy outcome. Third, for engagement and consultation to have a policy impact, there must be an explicit link between the results of engagement and how they feed into the policy process, the lack of which often leads to "consultation fatigue". Last, but not least, evaluation mechanisms on the effects of these efforts should be also considered. Other factors also matter in providing enabling conditions for effective engagement to happen in the first place. These include political and cultural attitudes; supporting legislative frameworks; and adequate institutional co-ordination mechanisms, capacities and incentives. Some efforts by OECD countries to foster engagement are described in Box 4.7.

Box 4.7. Informing national vision and policy choices through engagement

Approaches to engagement as a lever to shape national vision and inform key policy priorities can be further explored. For example, engagement can help identify key outcomes that represent a shared vision for society. It can also inform the identification of policy trade-offs and complementarities, including people's preferences for different policy options or packages. This can further the use of engagement for integrated policy making, leading to a broader understanding of the needs and preferences of citizens, one that cannot be fully captured through individualised engagement efforts.

A number of OECD countries have made progress in this regard. In Lithuania, the State Progress Council led a consultation process with the participation of civil society, business and community leaders, and government officials to shape the Lithuania 2030 national strategy. In Scotland, the 2011 National Performance Framework will be updated following an extensive consultation process. In Mexico, the draft of the National Open Data Policy was open to public consultation in 2015 with the goal of creating an open data policy better suited to users' needs. In New Zealand, the treasury is developing tools designed to gather and assess citizens' preferences on key policy issues that affect well-being across a variety of age, location and income groups. In addition, they are attempting to gain an understanding and to quantify the relative importance New Zealanders place on each aspect of well-being, including how preferences differ among social groups and geographical locations.

Source: OECD (2016e)

Fairness as a key dimension of trust

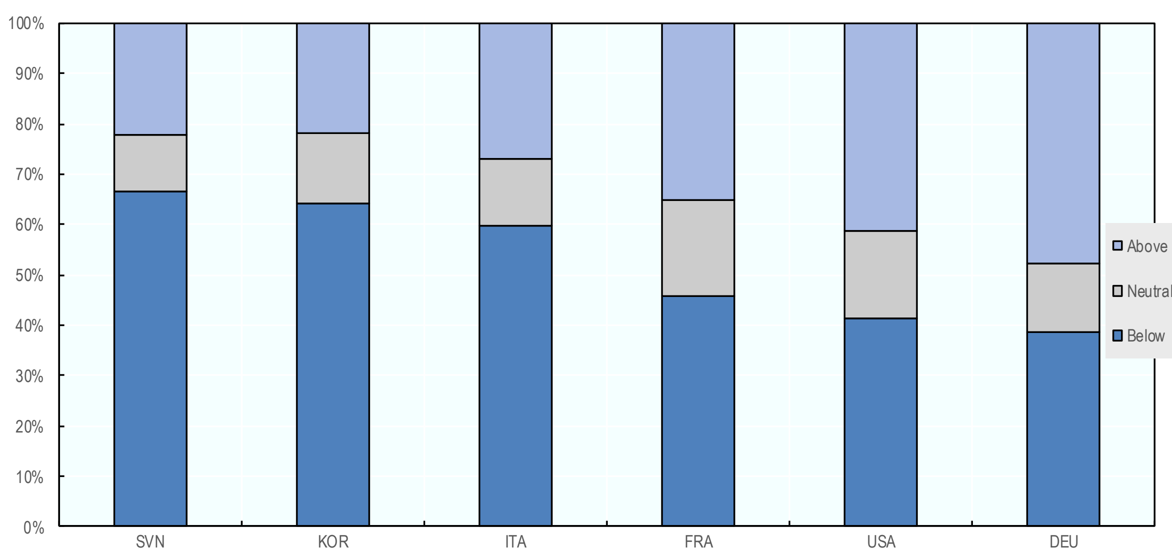
Positive perceptions of fairness lead to greater acceptance of agency decisions, better compliance with regulations and more co-operative behaviour in dealing with government agents. The reverse also holds: citizens are more likely to accept negative outcomes, such as financial penalties, if they feel that they have been treated fairly. Fairness as a dimension of trust includes the pursuit of socio-economic progress for society as a whole and consistent treatment of citizens and businesses. Dimensions that can be considered under fairness include that the interests of all stakeholders are properly considered in policy decisions that the rule of law applies to all equally, that public services treat all citizens equally or that vulnerable groups receive special attention so that they are not left behind. Another common distinction is between fairness in processes, or procedural fairness, and fairness in outcomes – distributional fairness. Both aspects have been found to have effects on levels of institutional trust.

There is evidence of a relationship between perceptions of fairness and trust in the government. This is confirmed by academic research. Using the 2009 Korea General Social Survey, Chi et al. (2013) examined the effect of perceived inequalities on trust in political institutions in Korea. Citizens' perceptions of elements of distributional fairness, such as income inequality and inequality of opportunity (in jobs and education) have a trust-eroding effect. When citizens perceive that their government and political elites are responding to their demand for "a fair share," their political trust increases. Similarly, Park and Kim (2006) find that perceived fairness, impartiality and honesty of state institutions do have an effect on trust in government institutions and in the development of social trust.

Moreover, conducting a national sample survey, Park and Bae (2011) found evidence that trust in government institutions in Korea was largely related to perceptions of fair treatment (i.e. procedural fairness) by government (distributive fairness) and procedural fairness in policy making. Furthermore, these variables are stronger predictors of trust in government than relative levels of policy benefits and assessments of national economic conditions. These findings imply that how government decides and implements policies is a critical input for shaping trust attitudes. Other sources point in the same direction (see Box 4.8).

Using data from the Trustlab project, Figure 4.6 presents the share of the population in five countries who answered negatively (0-4), neutrally (5) or positively (6-10) to the question: "Do you agree with the following statement? Public institutions treat all citizens fairly regardless of their gender, race, age or economic condition", aimed at capturing elements of procedural fairness. Over 60% of the Korean population rank public institutions below average, the second highest share after Slovenia of all countries with available information – thereby signalling a relatively high share of perceived unfair treatment by government institutions in Korea.

Figure 4.6. Perceived fairness of public institution in selected countries



Note: Data corresponds to the percentage of the population who answered 0-4 (negatively) 5 (neutrally) or 6-10 (positively) to the question, "Do you agree with the following statement? Public institutions treat all citizens fairly regardless of their gender, race, age or economic condition."
Data collection in Korea lasted from November 2016 to January 2017 and overlapped with large scale protests surrounding a high profile corruption scandal eventually leading to President Park Geun-Hye's impeachment.

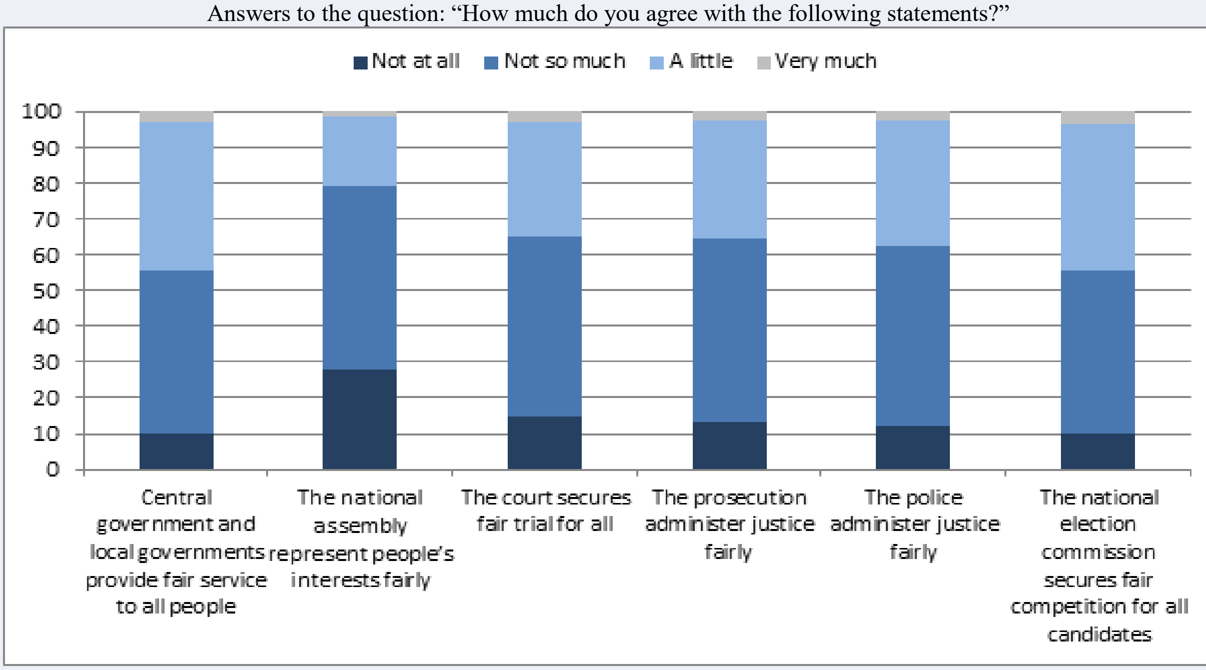
In terms of distributional fairness OECD interviews conducted for this review identified the perception of a growing concern among Korean citizens – especially after the 2008 financial crisis – that the distribution of burdens and rewards among members of society is skewed. Higher levels of wealth accumulation among the top few percent help fuel mistrust in government. Further, OECD interviews with stakeholders showed that while there is a perception that the Korean government is trying to provide services that lead to economic growth, these are not focused enough on the fairness dimension of policy making.

Box 4.8. Results from the 2014 KIPA survey about fairness

In 2014, a Korea Institute of Public Administration (KIPA) survey asked people about the perceived fairness of government institutions (Figure 4.7), further confirming a gap in the perception of fairness. For instance, 80% of respondents expressed very little belief that the National Assembly represents people's interests fairly. Fairness is also questioned for the justice sector, as discussed earlier in the report, with about 65% of respondents reporting concerns over fairness in the administration of justice. At same time, there is a relatively higher belief that "Ministries of central government and local governments provide fair service to all people" and that "The national election commission secures fair competition for all candidates".

Figure 4.7. Perceived fairness of public institutions

Answers to the question: "How much do you agree with the following statements?"



Source: KIPA (2015), *Korea Social Integration Survey 2015*, Korea Institute of Public Administration, Seoul.

Based on the econometric analysis presented in Chapter 2, two dimensions of fairness influence trust in government institutions: the extent to which a reported case of discrimination based on gender, sexual orientation, race or nationality would be pursued; and the extent to which a financial burden of a future tax reform would be shared fairly across social and income groups.

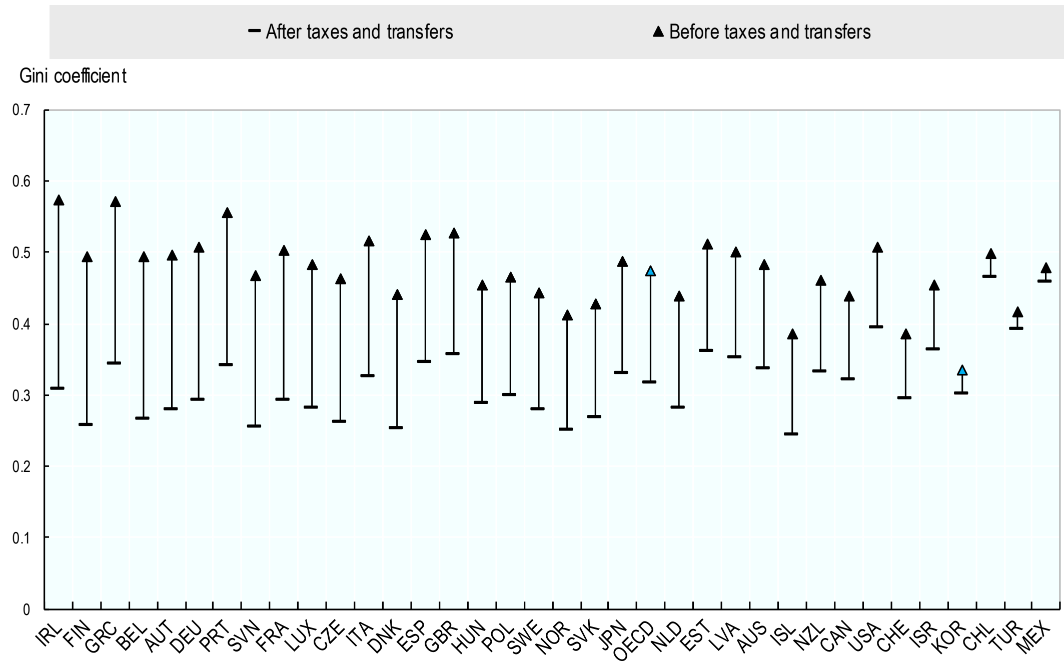
During the past 25 years, Korea has experienced the fastest productivity growth among OECD member countries, helping to lift per capita income – from 39% of the average of the top half of OECD countries in 1991, to 75% by 2014 (OECD, 2016b). However, while this rapid growth has benefitted the Korean economy as a whole, it has also created significant inequalities between the working conditions at large companies and SMEs resulting in a dual labour market.

While Korea has taken measures to correct the risks of rising inequalities, the effects of policies have been narrower than could be expected (Figure 4.8). The redistributive impact of the tax and benefit systems on income inequality among the working-age population is the weakest in the OECD area, and its impact on relative poverty is the second weakest, which contributes to income inequality. Despite the fact that market income inequality before taxes and transfers was much lower than in other countries, redistribution policy could be therefore more effective particularly as according to the latest available evidence, in 2015 the relative poverty rate[6] in Korea amounted to 13.8% within the highest tier of OECD member countries (OECD, 2015).

In addition, there is a large wage gap between regular and non-regular workers, which results in wide wage dispersion and a high share of low-wage workers. In 2014, non-regular workers were paid 38% less per hour than regular workers and were assigned to tasks of less responsibility, despite having matching skills to permanent employees. A third of all employees are non-regular workers and the share of temporary workers was 22% in 2014, more than double the OECD average (OECD, 2016b). Respondents to the OECD interviews recognised this duality in the labour market, which leads to a perceived "dual citizenship".

Figure 4.8. Differences in income inequality pre- and post-tax and government transfers, 2013

In Korea, the market income inequality before taxes and transfers was much lower than in other countries



Source: OECD (n.d.), *OECD Income Distribution Database*, www.oecd.org/social/income-distribution-database.htm.

Gender

As well as income inequality, gender inequality is also a dimension of fairness. To achieve fairness in policy making a civil service must be diverse, including in terms of gender. Available data show an important gap to be closed in the role of women in Korean public life. In 2015, only 44.3% of public employment was filled by women, compared to an average of 58.3% in OECD member countries. Furthermore, only one-third of professional positions was filled by women for the same year (OECD, 2017e). In turn, the shares decrease further for managerial positions – as only 18% of middle management and 6% of senior management positions were occupied by women, compared to an average of 32% of senior management positions in OECD member countries. Several actions could be considered to improve the gender balance in the Korean public sector (see Box 4.9).

But gender inequality in Korea is not exclusive to the public sphere; according to the OECD employment dataset, the employment rate for women was 52.1% in 2015, compared to 73.9% for men, which represents a difference of 22 percentage points, the fourth-largest gap in the OECD. Furthermore, the 37% gender wage gap at median earnings is the highest in the OECD, discouraging female employment. The low rate is due to the withdrawal of most women at the time of marriage or childbirth and the large share of women in low-paid non-regular jobs.

Contrary to most OECD countries, gender gaps (in favour of men) have not been decreasing in Korea. Figures show that the number of women elected to parliament has remained stable at low levels over the past two years and the gender gap in wages is still the highest observed in the OECD area. Compared to men, Korean women are still less likely to have a paid job or be elected to parliament, and more likely to spend many hours performing household tasks and feel more insecure when walking alone at night (OECD, 2017f).

Box 4.9. OECD Recommendation on Gender Equality in Public Life

In 2015 the OECD Council approved a Recommendation on gender equality in public life. It promotes a government-wide strategy for gender equality reform, sound mechanisms to ensure the accountability and sustainability of gender initiatives, and tools and evidence to inform inclusive policy decisions. It also promotes a "whole-of-society" approach to reducing gender stereotypes, encouraging women to participate in politics and removing implicit and explicit barriers to gender equality. This Recommendation is unique, as it provides not only governments, but also parliaments and judiciaries with clear, timely and actionable guidelines for effectively implementing gender equality and gender mainstreaming initiatives, and for improving equal access to public leadership for women and men from diverse backgrounds. The objectives of the recommendation are as follows.

- Mainstream gender equality in the design, development, implementation and evaluation of relevant public policies and budgets.
- Strengthen accountability and oversight mechanisms for gender equality and mainstreaming initiatives across and within government bodies.
- Achieve gender-balanced representation in decision-making positions in public life by encouraging greater participation of women in government at all levels, as well as in parliaments, judiciaries and other public institutions.
- Take adequate measures to improve gender equality in public employment.
- Strengthen international co-operation through continuously sharing knowledge, lessons learned and good practices on gender equality and mainstreaming initiatives in public institutions.

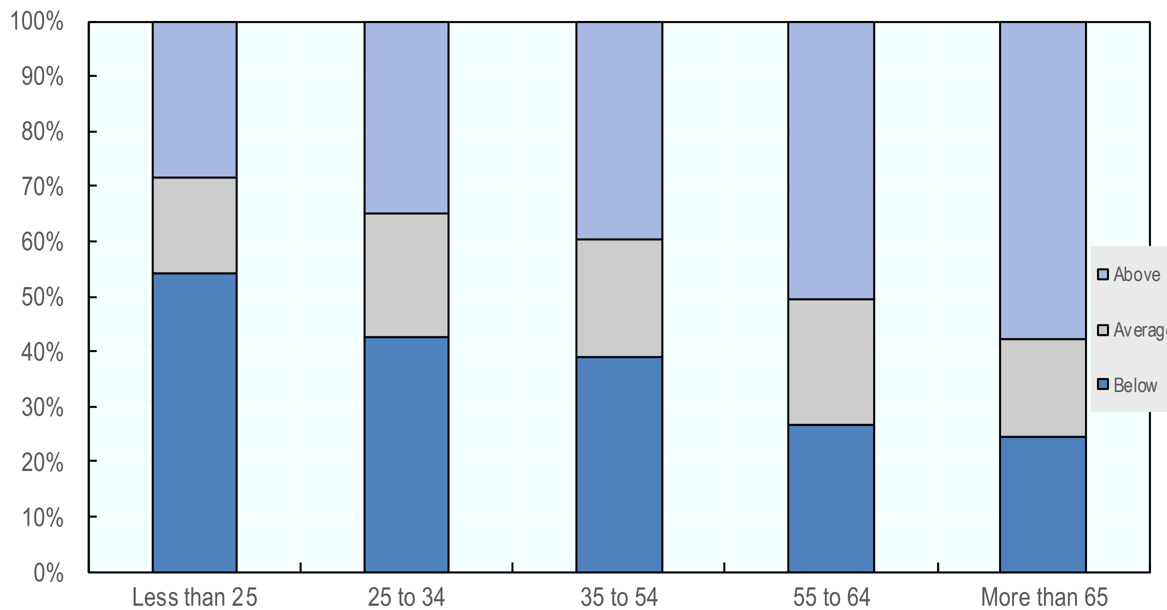
However, whether or not the gender gap contributes to trust in government requires more analysis. The results of the OECD-KDI survey show that trust in institutions is not driven by gender, as both men and women tend to assess institutions in a very similar manner, with women expressing slightly higher trust. Nevertheless, looking forward it is important for Korea to capitalise on the untapped potential of women's full participation in economic and social life.

Generation

Another dimension that could shed light on the effects of public policies is generational inequalities. Youth is another group confronted with several types of inequalities. According to the OECD-KDI survey, the younger cohorts rate the government poorly on whether or not it acts to defend the best interests of society. For example, Figure 4.9 shows that on a scale of 0 to 10, more that 50% of people aged 16-24 do not consider that the government is acting to defend society's best interests.

These perceptions could be framed by several factors. For example, according to the OECD employment dataset in 2016, while the overall unemployment rate in Korea was 3.7% it reached 10.7% – almost three times higher – for youth. Complementary evidence collected through interviews for this case study signals that, unlike older cohorts, today's younger workers are more likely to start their career with a non-regular contract. Additionally, over the last decade the share of public expenditure to support an ageing population has increased substantially, for example to adopt a basic old age pension and a long-term care programme – while fewer resources have been devoted to supporting the younger generations.

Figure 4.9. Share of the population who think that government acts in the best interests of society, by age group



Note: Data corresponds to the percentage of the population who answered 0-4 (negatively) 5 (neutrally) or 6-10 (positively).
Source: OECD-KDI survey

Opportunities for policy action

While the Korean government has articulated extensive detailed rules to engage citizens and key public and private stakeholders in the public life of the country and its long term development more can be done to achieve meaningful engagement. The results of the OECD-KDI survey point to the need of public institutions in Korea to better listen and engage with its citizens beyond formal administrative procedures.

To start with there is a need to better listen to and understand citizens' particularly at the early stages of policy development. A meaningful dialogue with citizens ensures that their needs and priorities are taken into account from the very start of the policy cycle, and therefore better reflected in policies and services. According to the OECD (2017e), Korea conducts later-stage stakeholder engagement on all primary laws and subordinate regulations, as well as early-stage consultations for some regulations. Greater use of early-stage consultations can help provide citizens with a sense of ownership over policy choices, which would, in turn, have a positive effect on their evaluation of reliability as a measure of trust in government.

A case in point is the youth, who are particularly weary of public institutions. Effective engagement, from consultation and participation to co-production practices, can be instrumental both in shaping the purpose of government action to better fulfil society's preferences and priorities, and to inform and support the delivery of outcomes in an accountable, innovative and cost-effective manner. In addition, effective engagement is associated with higher levels of policy compliance and implementation and better service delivery. As such, engagement can be an important driver of legitimacy and trust in government.

Existing government data should be leveraged to facilitate the development of meaningful engagement and consultation with stakeholders in designing, implementing and evaluating policies and regulations. The Korean government has placed a high priority on government information transparency, digital government and open government data. In fact, Korea leads the OECD in data availability, data accessibility and support for re-using data. To improve openness, digital tools and technologies could be further leveraged to strengthen consultation processes with citizens, businesses and other stakeholders. Korea can also leverage existing programmes to implement open policy-making processes. For instance, in 2014 the Korean government launched the "cost-in, cost-out" system to reduce regulatory burden by using regulatory impact assessments. Korea should also strengthen its efforts to build the Open Data Ecosystem of actors by involving SMEs and start-ups in the re-use of data.

Integrity measures to curb undue influence and ring-fence decision makers from private influence should be a priority of integrity policies in Korea. The Korean public's concerns about integrity focus on the top levels of decision making, including the political level (consistent with the relatively low risk of bribery in the country). Integrity risks at this level are more difficult to identify and curb; yet there is a pressing need in Korea to ensure that top levels lead by example and to monitor closely possible conflicts of interests between the public and private sector, and risks of undue influence, particularly between the government and *chaebols*. It is therefore crucial to ensure that existing and planned safeguards to avoid policy capture are fully implemented.

In line with the above, a whole-of-society partnership for integrity could be a necessary step to restore trust in government. The 2017 OECD Recommendation of the Council on Public Integrity deepens the notion of integrity to include "the consistent alignment of, and adherence to, shared ethical values, principles and norms for upholding and prioritising the public interest over private interests in the public sector". Its building blocks could help chart a path for Korea to strengthen the protection of the public interest and public officials from risks of undue influence.

Breaking down dualism in the labour market is an essential step for achieving fairness in Korean society that could lead to higher levels of interpersonal and institutional trust. This could be achieved by taking measures for reducing wage gaps between regular and non-regular workers and creating alternative mechanisms for firm-based worker training. In turn, relaxing employment protection for regular workers and making it more transparent while expanding social insurance coverage to non-regular workers could also help this purpose (OECD 2018)

Strengthening policies to support female labour force participation in the public sector, and in the economy as a whole, is crucial for reduce inequalities that are detrimental for trust levels. To achieve this, a workplace culture is needed that promotes work-life balance, ensuring that high-quality child-care is available and increasing the take up of maternity and parental leave. Additionally, upgrading the accreditation standards of early childhood and care institutions and making them mandatory, raising the qualification standards of teachers and relaxing entry barriers and fee ceilings on private childcare institutions could also contribute to this purpose (OECD 2018)

Overall, addressing concerns about fairness in the distribution of burdens, opportunities and rewards across social groups and regions in Korea is at the heart of restoring trust in the values and intentions guiding government action. The impressive sustained economic growth of recent decades has allowed Korea to reach an exemplary level of progress. For the country to continue evolving, citizens need to feel that they are at the centre of progress moving forward. Focusing on macro-economic variables needs to be complemented with a long-term vision for inclusive growth, more integrity, openness and fairness, and a strong focus on well-being, to chart a new direction for the country and lay a foundation for long-term success.

Notes

[1] The ongoing discussion around "public value" points in this direction, not only as an evolution of public management science, but as a direct consequence of increasing levels of inequality. Public value is achieved when governments produce what is either valued by the public, good for the public or both, leading to just and fair conditions in the society at large (Bryson, Crosby and Bloomberg, 2014).

[2] As part of its 2018 work plan the ACRC will present a new law for preventing conflict of interest. According to the plan, the Civil Service Conflict of Interests Prevention Act will be reviewed by the end of June and will be submitted to parliament in the second half of the year.

[3] The restriction applies to civil servants above Grade 2. The Korean civil service is based on a grade system which reflects a strong tradition of seniority. Position assignments are made strictly according to grade, and remuneration is based on grade and length of service. There are nine grades, with Grade 1 being the highest (assistant minister level). Qualification of every government position is specified strictly in terms of the title. A bureau chief, for instance, should be an administrative associate executive manager (Grade 3) or an administrative executive manager (Grade 2); a division chief should be an administrative senior manager, or a chemical engineering senior manager (Grade 4), or an administrative associate executive manager (Grade 3), and so on.

[4] Data collection in Korea lasted from November 2016 to January 2017 and overlapped with large scale protests surrounding a high profile corruption scandal eventually leading to President Park Geun-Hye's impeachment.

[5] The Open Government Partnership is a multilateral initiative that aims to secure concrete commitments from governments to promote transparency, empower citizens, fight corruption and harness new technologies to strengthen governance.

[6] Relative poverty is defined as the share of the population with an income of less than 50% of the respective national median income. Income after taxes and transfers adjusted for differences in household size.

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Chapter 5. Public conflicts and trust

This chapter explores the relationship between public conflicts and institutional trust[1] *in Korea. It emphasizes that the lack of effective mechanisms to prevent and resolve frequent and prolonged public conflicts in Korea may have generated a climate of distrust and animosity. In turn, based on evidence from the OECD-KDI survey, it argues that by endorsing innovative forms of conflict management such as sharing information on controversial policy issues before a decision is made, consulting public opinions early on and incorporating such opinions in the final decision, engaging relevant stakeholders in the creation of solutions, and finding facts jointly with stakeholders, a virtuous cycle transforming relations between citizens and public institutions from adversarial into collaborative could be created.*

Introduction

While the public's trust in government and in fellow citizens is the foundation for collaboration and social cohesion (Fukuyama, 1995), prolonged or frequent conflicts between the public and government are likely to create a vicious circle of distrust and further conflict within society. In other words, a history of conflict is likely to express itself in low level of trust, preventing collaboration and producing low levels of commitment, strategies of manipulation, and dishonest communications – further decreasing already low levels of trust (Ansell and Gash, 2008).

The level of public trust in many countries is generally low, and decreasing (OECD, 2017). Policy making in a democracy, for instance to distribute scarce resources or set standards of various kinds (such as regulations for public health and environmental protection), as well as moral disagreement on policies, are likely to create conflict between the public and the government (OECD, 2010).

With a background of low level of public trust, inevitable public conflicts around policy are difficult for governments to manage without a vicious circle ensuing. Ineffective government conflict management may decrease trust further, leaving government and public locked in a downward spiral. However, effective conflict management may help to rebuild trust, break out of the vicious circle and move into a virtuous circle.

South Korea provides a good context for research into the relationships between public conflicts, government conflict management and the level of public trust. Public trust in government in Korea has been very low; almost seven out of ten citizens did not trust the government in Korea in 2014, ranking Korea 26th out of 41 OECD member countries according to *Government at a Glance* (OECD, 2015). Since its democratisation in 1987, an increasing number of conflicts around public policies or projects (e.g. large infrastructure projects, welfare policies, education policies, urban planning) has incurred a high social cost (Kim and Cha, 2001; Lee et al., 2014; Park, 2009; Park, 2010). Korea was in the group of countries with the greatest severity of public conflicts in 2009 (Park, 2009) and ranked 27th of 34 OECD member countries in terms of public conflict management capacity in 2011 (Chung and Ko, 2015).

This lack of effective mechanisms to prevent and resolve frequent and prolonged public conflicts in Korea may have generated a climate of distrust and animosity (Kim, 2014). Korea's score in terms of social cohesion is among the lowest for OECD member countries, although social cohesion has gradually increased since the early 2000s (Park, 2010).[2] Citizens are constantly exposed and increasingly tired of conflicts between politicians and serious public conflicts, such as over large infrastructure projects (e.g. the four major rivers restoration project in 2009-2011,[3] and the relocation of the capital city in 2003-2012)[4] and show disturbing levels of apathy about significant public issues (Kim, 2014).

Is Korea in such a vicious circle of public conflicts and lack of trust? If so, how can the country move into a virtuous circle of effective public conflict management and trust-building? There is little empirical research globally or in Korea on these questions. To get more insight into them, newly designed survey questions on public conflicts were added to the nationally representative survey introduced in Chapter 1, on public perceptions of trust in government, conducted by the Korea Development Institute (KDI) and the Organisation for Economic Co-operation and Development (OECD) and fielded in early 2016. This survey on public conflicts and public trust is the first effort in Korea to better understand 1) the general features of public conflicts in Korea; 2) public perceptions of government conflict management; 3) the relationship between public conflicts and public trust; and 4) potential effects of improved conflict management on public trust in Korea.

This chapter begins by explaining the research methodology used to draw implications about the relationship between public conflicts and public trust in Korea. The outcomes of the analysis are then discussed to generate policy recommendations in order to break the vicious circle and move into a virtuous circle of effective conflict management, trust-building, and more collaborative governance in Korea.

Research methodology

Testing a vicious circle of conflict and trust involves two types of relations: first, public conflicts is associated with levels of public trust, and second, low levels of trust influence the occurrence of public conflicts. Without sequential observations over time, this research designed survey questions to ask Korean citizens whether they had experienced public conflicts in the past and how they would behave in a potential public conflict in the future.

A conceptual distinction reflected in the survey questions teases out public conflicts, perceptions of public conflicts and actual experience of public conflicts. Individual perceptions of public conflict and government conflict management may be formulated by media coverage alone, rather than by actual experience. Thus, understanding the impact of public conflicts on public trust more accurately requires an assessment of individuals' perceptions who have experienced public conflicts as stakeholders, and a comparison between these individuals' levels of trust in government with those who have not experienced public conflict.

This study defines individual experience as a stakeholder of public conflicts as "an experience or expectation that your personal or group's interests were (or will be) affected negatively by government policies or projects (e.g. large infrastructure projects, welfare policies, education policies, urban planning) during the past three years (2013-2015)." People simply answered "yes" or "no".

The survey question that measures trust in the government in a broad sense was: "How much confidence do you have in the government in the broad sense to act in the best interests of society?" The level of public trust in other public institutions was measured using the same question, naming each institution. Respondents rated their levels of trust on an 11-point scale, where 0 is "no confidence" and 10 is "complete confidence". To test whether conflict experience in the past affected levels of public trust in public institutions negatively in Korea, a multiple variables regression analysis was conducted over the entire sample with control variables of gender, age, education, income and political ideology.

The study also tested the second relation: whether lower levels of public trust is associated with citizens' predisposition to generate more conflicts rather than collaboration. This research assumes that citizens' efforts to resolve a conflict that are more adversarial rights-based or power-based approaches, such as litigation or demonstration, are far costlier and likely to worsen relationships between stakeholders than an interests-based approach, such as negotiation and mediation (Ury, Brett and Goldberg, 1988). In some cases, people will ignore conflicts rather than face them, either because they perceive themselves as weak or because they trust the government. However, ignoring or avoiding conflicts may not satisfy people's interests in the long run but simply cause them to accumulate grievances.

In order to understand how Korean people would behave when face similar public conflicts in the future, the survey asked respondents to choose one of several choices for possible behaviours including ignoring, interests-based approaches and rights-based or power-based approaches. For a more meaningful statistical analysis, their answers were grouped into five categories of approaches to conflict: 1) ignoring; 2) grievance-lodging activities; 3) rights-based approaches; 4) power-based approaches; and 5) negotiation. Multiple logistic regression analyses were conducted for each category in order to test whether Korean people with a lower trust in government will use more rights-based or power-based approaches that may reduce the level of trust, which implies a vicious circle of conflict and trust in Korea.

Survey outcomes

Demographic characteristics of respondents and various kinds of public conflicts in Korea

According to the survey results 13% of respondents reported to have experienced various public conflicts as stakeholders between 2013 and 2015. Table 5.1 describes the demographic characteristics of the respondents according to several variables. The data suggests that middle-aged, progressive, more educated, relatively rich, male respondents experienced more conflicts than others.

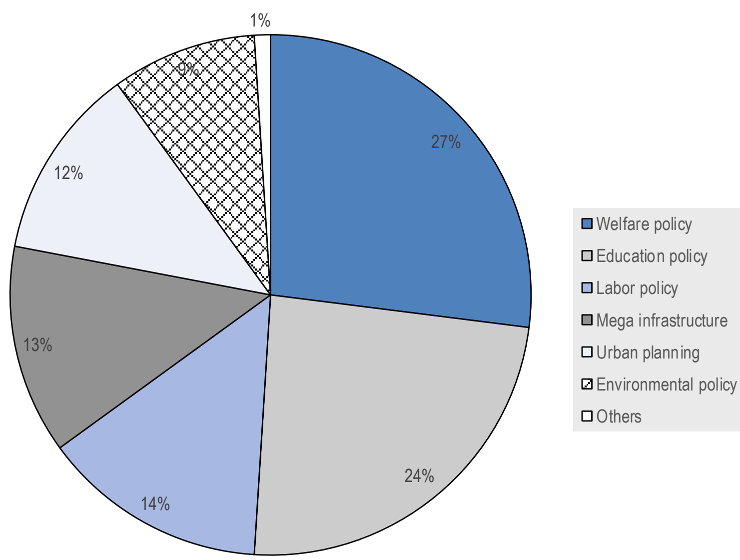
Table 5.1. Demographic characteristics of respondents

Variables		Percentage (%)	
	3,000	Citizens who had experienced public conflicts directly as a stakeholder (N=397)	Citizens who had not experience public conflicts (N=2,603)
Age			
20s	538	71 (13%)	467 (87%)
30s	636	99 (16%)	537 (84%)
40s	670	122 (18%)	548 (82%)
50s	536	63 (12%)	473 (88%)
60 and above	620	42 (7%)	578 (93%)
Gender			
Male	1 467	218 (15%)	1 249 (85%)
Female	1 533	179 (12%)	1 354 (88%)
Education			
No schooling	8	2 (25%)	6 (75%)
Elementary school	132	7 (5%)	125 (95%)+
Middle school	177	4 (2%)	173 (98%)
High school	948	84 (9%)	864 (91%)
Vocational college	502	61 (12%)	441 (88%)
Four-year university	1 176	212 (18%)	964 (82%)
Master's degree	51	24 (47%)	27 (53%)
Doctoral degree	6	3 (50%)	3 (50%)
Income			
<24m KRW	2 480	299 (12%)	2 181 (88%)
24-36m KRW	748	90 (12%)	658 (88%)
36-48m KRW	353	53 (15%)	300 (85%)
48-60m KRW	156	25 (16%)	131 (84%)
>60m KRW	56	15 (27%)	41 (73%)
Political preference			
Very progressive	109	25 (23%)	84 (77%)
Progressive	782	132 (17%)	650 (83%)
Neutral	1 393	151 (11%)	1 242 (89%)
Conservative	638	75 (12%)	563 (88%)
Very conservative	78	14 (18%)	64 (82%)

Note: N – number of respondents; m KRW – million Korean won.

Public conflicts that respondents experienced directly between 2013 and 2015 related to welfare policy, education policy, labour policy, mega-infrastructure projects, urban planning and environmental policy (Figure 5.1).

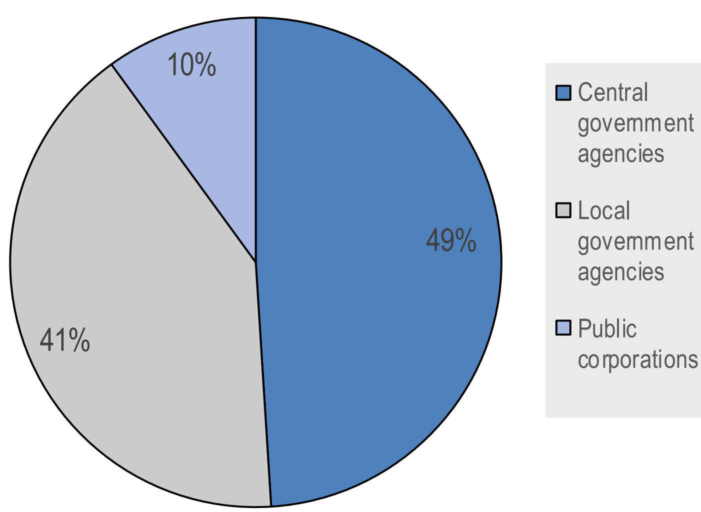
Figure 5.1. Policies for which respondents experienced public conflicts in Korea, 2013-2015



Note: 397 households experienced conflict and each household could select various types of conflicts. A total of 766 answers are from 397 households.

Those who had experienced public conflicts perceived that central government (49%), local governments (41%) and public corporations (10%) were responsible for them (Figure 5.2). Public corporations, such as KEPCO (Korea Electric Power Company) and K-Water, implement development projects and deal with residents who oppose those projects.

Figure 5.2. Public institutions perceived as responsible for public conflicts

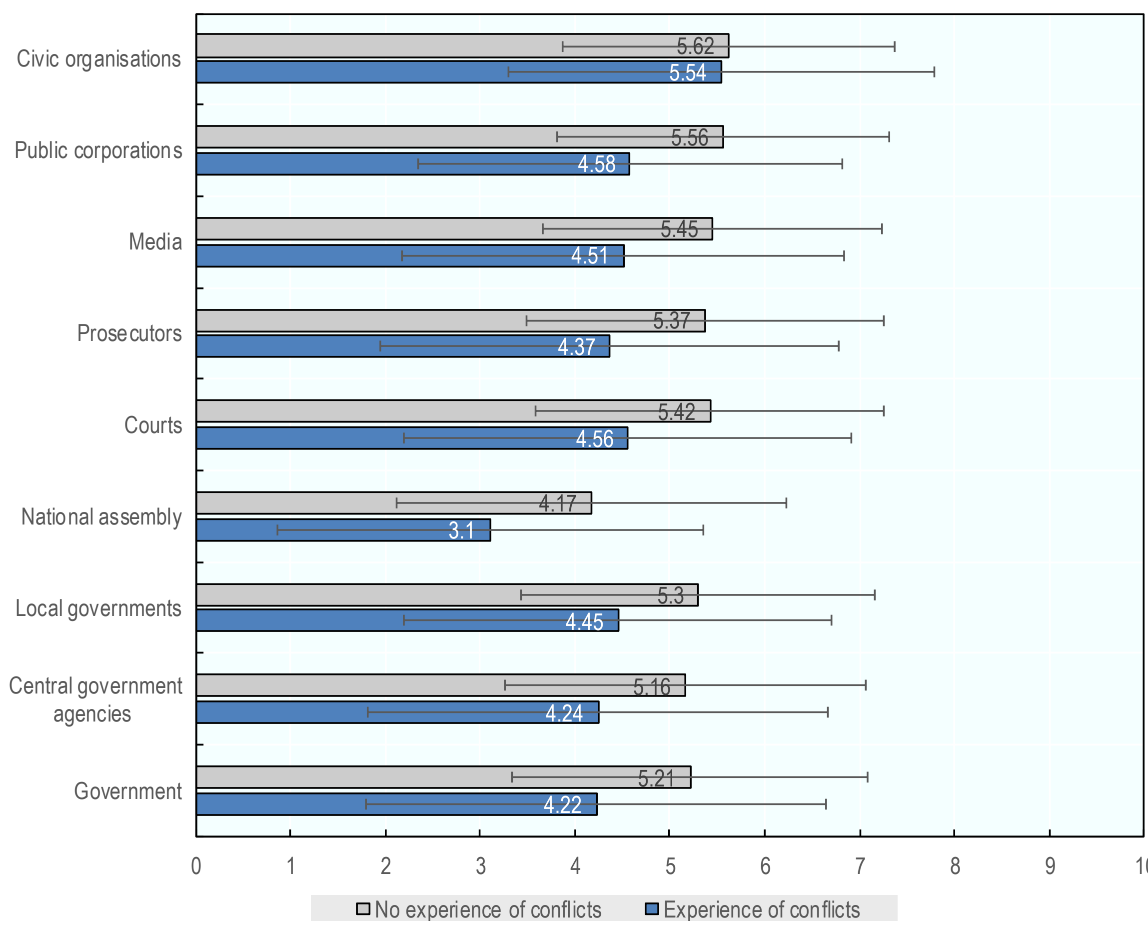


Note: 397 households experienced conflict and each household could select various institutions responsible for public conflicts. A total of 572 answers are from 397 households.

Impact of conflict experience on public trust

Figure 5.3 depicts the mean values of trust in various institutions perceived by people who have experienced public conflicts (N=397) compared to people who have not (N=2 603). In general, people who had experienced public conflicts seem to show less trust in various institutions. Where 5.0 is interpreted as a medium level of trust, those who had experienced public conflicts had mean values of institutional trust lower than 5.0, except in the case of civic organisations (5.54). The National Assembly scored the lowest mean values of public trust in both cases.

Figure 5.3. Institutional trust and individual experience of public conflict



Note: 0 means "No confidence" and 10 means "Complete confidence". Numbers are mean values.

A multiple variables regression analysis controlling variables of gender, age, education, income and political ideology suggests that when a person has experienced a public conflict in Korea, the level of his or her trust in government is lower than that of a person who has not (β= -.943, p<.001) (Table 5.2). Considering all the significant control variables, experience of public conflict seems the most powerful predictor of level of public trust. The negative relationship between conflict experience and public trust in Korea suggests that government conflict management or citizens' behaviour (or strategy) in conflict was not effective or satisfactory enough to build trust in government.

Table 5.2. Results of multiple variables regression of conflict experience and public trust in government

Variables	Trust in government			
	β	Std. Err.	t	VIF
Constant	4.36	.149	29.28	-
Control variables	-.103			
Male	**.018***	.081	5.40	1.32
Age	**-.408***	.003	-1.28	1.86
Education (≤middle school)	-.096	.161	-2.54	1.98
Education (high school)	-.110	.099	-.98	1.70
Education (vocational college)	.196	.103	-1.06	1.21
Income: poor (12 m~24 m KRW)	.106	.101	1.95	1.30
Income: medium (24m~60m KRW)	.274	.094	1.13	1.75
Income: rich (≥60m KRW)	**-.633**	.243	1.13	1.15
Very progressive	.012	.192	-3.29	1.05
Progressive	**.383***	.087	.14	1.19
Conservative	.103	.095	4.04	1.22
Very conservative		.227	.46	1.05
Independent variable				
Conflict experience	**-.943***	.106	-8.91	1.04
F	**14.05***			
Adjusted R^2	.058			

Note: β stands for the regression coefficient or the size or the change of value in the dependent variable corresponding to the unit change in the independent variable *p<.05 **p<.01 ***p<.001. P – probability value or statistical significance. The results of the F test indicate the joint significance of a group of variables. The adjusted R^2 indicates the percentage of variation explained by only the independent variables that actually affect the dependent variable

To estimate the effect of individual experience of public conflict on the levels of trust in each of the various public institutions, this study uses the same as previously presented multiple variables regressions approach (Table 5.3). The statistical results suggest negative relationships between conflict experience and levels of trust in all the various public institutions, and different degrees of impact of conflict experience. The impact of conflict experience was the largest (β= -1.01) on the level of trust in the National Assembly and the lowest (β= -.7.60) on the level of trust in local government in Korea. The different characteristics (e.g. frequency, severity or scope) of public conflicts that had something to do with each public institution may have influenced the relationship between conflict experience and levels of trust in different public institutions.

Table 5.3. Results of multiple variables regression of conflict experience and trust in various public institutions in Korea

Variables	Trust in Central government agency	Trust in Local government	Trust in National assembly	Trust in Court	Trust in Public corporation
Constant	4.31	4.48	3.76	4.84	4.96
Control variables					
Male	-.036	-.136	-.087	-.213**	-.214**
Age	.018***	.017***	.008*	.013***	.014***
Education (≤Middle School)	-.294	.072	.025	-.213	-.122
Education (High school)	-.135	.045	.138	-.170	-.121
Education (Vocational college)	-.059	.001	.114	-.040	.031
Income_Poor (12 m~24 m KRW)	.170	.058	.026	.169	.114
Income_Medium (24m~60m KRW)	.063	.099	-.054	.146	.163
Income_Rich (≥60m KRW)	.166	.118	-.114	.069	-.385
Very progressive	-.541**	-.385*	-.218	-.568**	-.311
Progressive	-.012	.024	.120	.078	.035
Conservative	.402***	.191*	.154	.329***	.186*
Very conservative	.172	-.165	-.768**	-.183	-.101
Independent variable					
Conflict experience	-.882***	-.760***	-1.01***	-.811***	-.914***
F	12.61***	11.32***	9.69***	10.20***	11.95***
Adjusted R^2	.052	.047	.041	.043	.050

Note: *p<.05 **p<.01 ***p<.001. P – probability value or statistical significance. The results of the F test indicate the joint significance of a group of variables. The adjusted R2 indicates the percentage of variation explained by only the independent variables that actually affect the dependent variable

Impact of the level of trust in government on individual conflict approaches

As shown in the previous section, individual experience of public conflict in Korea appears to lower the level of trust in government and other public institutions. So how will these current lower levels of public trust affect individual choice of conflict approaches in the future? If people with a lower trust in government tend to resort more to rights-based or power-based approaches, there may be a vicious circle between conflict and trust in Korea.

Survey respondents were asked to choose one approach they would use to address public conflict in the future (Table 5.4). Their answers were grouped again into five categories of conflict approaches (Table 5.5). Grievance-lodging activities include signing a petition or meeting with a National Assembly member. The rights-based approach covers administrative litigation only. Power-based approaches refer to signature campaigns, press conferences, alliances with another group or demonstrations. The negotiation category includes citizen negotiation with government, or multi-party collaborative governance.

Table 5.4. Potential approaches to public conflict in the future

Categories of individual approach	Frequency
Ignoring	1 327 (44.2%)
Filing a petition	641 (21.4%)
Meeting with a National Assembly member	16 (0.5%)
Participating in a signature campaign	492 (16.4%)
Organising a press conference	12 (0.4%)
Pursuing legal action against the administration	220 (7.3%)
Building an alliance with another group	87 (2.9)
Engaging in a demonstration	113 (3.8%)
Negotiation with government	20 (0.7%)
Participating in a multi-party forum	65 (2.2%)
Other	7 (0.2%)
Total	3 000 (100%)

Table 5.5 shows the approaches chosen by both groups of citizens with and without conflict experience. Citizens with conflict experience chose more power-based approaches (39.5%), the rights-based approach (9.4%) and negotiation (4.0%) to deal with public conflict in the future than citizens without it. Almost 50% of citizens with conflict experience in Korea seem to choose relying on power-based or rights-based approaches to address public conflict in the future. Also 26% of them would ignore it. Those potential patterns of public behaviour in conflict situations would make conflict management more difficult, incurring higher social costs and lowering trust between citizens and government.

Table 5.5. Individual approaches by citizens who have or have not experienced public conflict

Categories of individual approaches to public conflict	*Citizens with experience of public conflicts N=395 (100%)*	*Citizens without experience of public conflicts N=2 598 (100%)*
Ignoring	104 (26.3%)	1 223 (47.1%)
Grievance	82 (20.8%)	575 (22.1%)
Rights-based approach	37 (9.4%)	183 (7.0%)
Power-based approach	156 (39.5%)	548 (21.1%)
Negotiation with government	16 (4.0%)	69 (2.7%)

Note: N= number of respondents.

A multiple logistic regression[5] was conducted to analyse the impact of the level of public trust on individual choice of conflict behaviour (Table 5.6). Marginal effects after logistic regression show that public trust has a positive relationship with the ignoring approach and a negative relationship with the rights-based and power-based approaches, which implies that levels of trust in government may affect individual behaviours in addressing public conflict. If levels of trust increase (or decrease) by one unit, then the willingness to use a power-based approach may decrease (or increase) by 2.2%, and the willingness to use a rights-based approach may decrease (or increase) by 0.5%. Also, the ignoring approach will increase by 3.5% when the level of trust increases by one unit.

Table 5.6. Individual conflict approaches in the future and their relation to trust: logistic regression

Variables	Potential future approaches to conflict				
	Ignoring	Grievance-lodging	Rights-based	Power-based	Negotiation
Control variables					
Male	-.170	.025	**.029****	**-.042***	**.021****
Age	-.002	**.002***	-.000	-.001	-.000
Education (≤middle school)	**1.27*****	**-.096*****	**-.033***	**-.124*****	-.014
Education (high school)	**.524*****	-.033	**-.023***	**-.057****	.003
Education (vocational college)	**.600*****	-.009	**-.027***	**-.091*****	.006
Income: poor (12m~24m KRW)	.139	.005	-.001	-.030	-.002
Income: medium (24m~60m KRW)	.129	.008	-.012	.002	**-.014***
Income: rich (≥60m KRW)	-.411	.072	.025	.023	-.006
Very progressive	.244	-.031	**-.034***	.014	**.016***
Progressive	-.066	-.017	-.010	.021	-.004
Conservative	-.055	.028	.003	-.017	.015
Very conservative	-.219	-.032	.059	.006	
Independent variable					
Trust in government	**.036*****	-.006	**-.005***	**-.022*****	-.002
χ^2	**177.74*****	**29.45****	**40.67*****	**102.55*****	**26.87****
Pseudo R^2	.043	.009	.026	.031	.035

Note Logistic regression is similar to linear regression analysis except that the outcome is dichotomous (e.g. yes/no) multiple logistic regression analysis applies when there is a single dichotomous outcome and more than one independent variable. X^2 indicate the joint significance of a group of variables. The Pseudo R2 indicates the percentage of variation explained by only the independent variables that actually affect the dependent variable

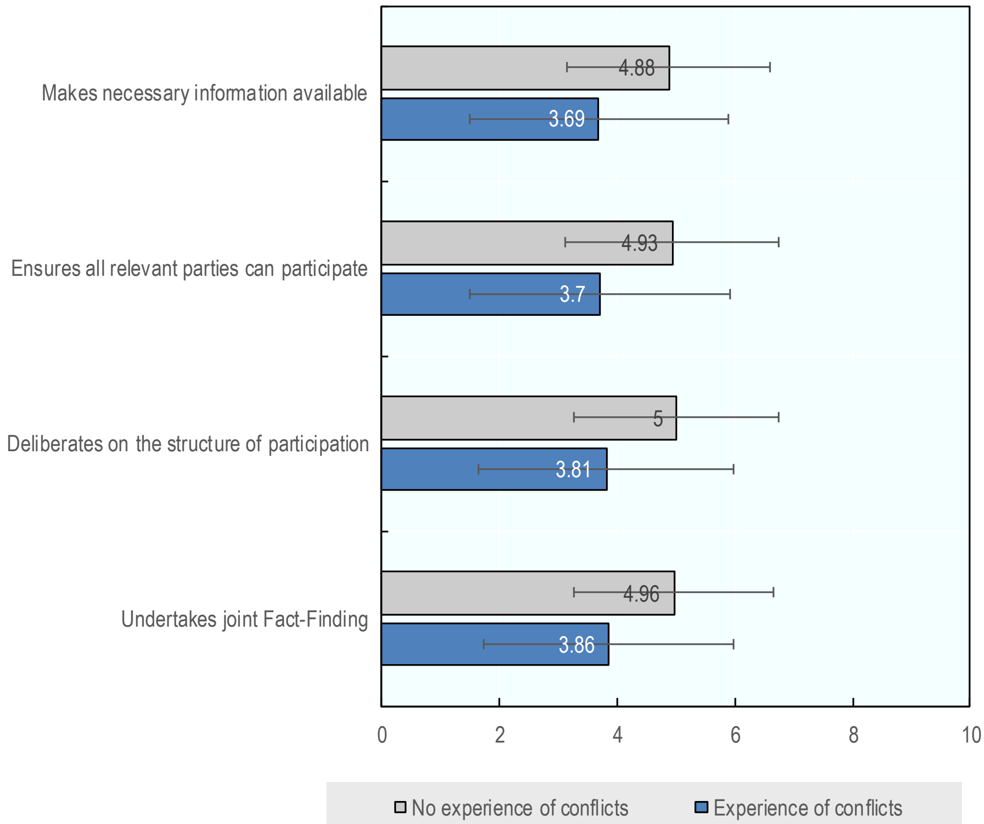
Public perception of conflict management by government

In order to understand how the public perceives conflict management by central government, the survey asks how much people agree that central government: 1) makes necessary information available in order to resolve public conflicts; 2) ensures that all the relevant stakeholders are involved in a collaborative governance committee; 3) deliberates with stakeholders on the structure of collaborative processes, such as scope of participants, agendas, timetable, and a decision-making rule in advance; and 4) makes an effort to fact-find jointly with stakeholders and experts when they face scientific and technical uncertainty in a conflict.

Mean values of public perceptions of the performance of conflict management by central government are relatively low (less than 5.0) (Figure 5.4). For those who have experienced conflicts before, the mean values of their perception are much lower (below 4.0).

Figure 5.4. Public perceptions of conflict management by central government

Answers to survey question: "How much do you agree that central government does the following?" 0 means "Completely disagree" and 10 means "Completely agree".



Note: Numbers are mean values and error bars represent standard deviation.

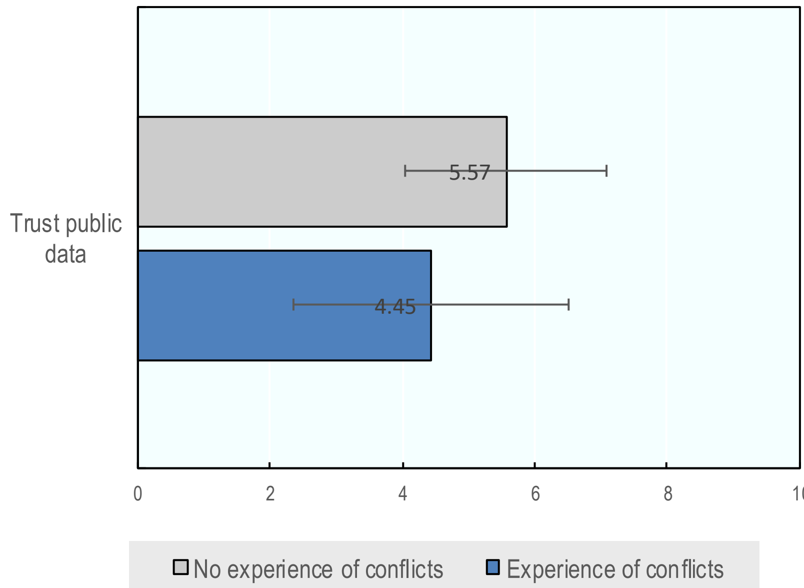
Trust in data from public institutions

Public conflicts resulting from government policies and projects often involve scientific or technical uncertainties about their impacts or consequences. In such a situation, trust in scientific or technical evidence, including data, from the government is very important in decision making. However, conflict often induces "advocacy science", where different stakeholders use their own experts strategically to attack the legitimacy of data from others, which makes conflict resolution difficult (Ozawa and Susskind, 1985; Wynne, 1992). For example, experts from both camps for and against the four major river restoration projects in Korea disputed the potential environmental impacts of the project.

Responding to the survey question about trust in data produced by the government and public corporations regarding controversial public policies and projects, Korean people showed moderate levels of trust in the data generated by those institutions (Figure 5.5). However, people with conflict experience trusted the data less (4.45 out of 10) than people without experience of conflicts (5.57 out of 10).

Figure 5.5. Trust in public data

Answers to survey question: "How much do you trust data from public institutions?" 0 means "Not at all" and 10 means "Completely"



Note: Numbers are mean values and error bars represent standard deviations.

A virtuous circle: Effective conflict management and public trust

According to data and statistical analyses from the questionnaire survey in this study, public conflicts in the past and citizens' conflict behaviours appear to lower levels of trust in various public institutions in Korea. This implies that there is plenty of room to improve government conflict management. Without any change or improvement in this area, the Korean people are highly likely to keep experiencing a vicious circle of more serious and frequent public conflicts, and even less trust, which may prevent collaborative governance in Korea.

How can the Korean government change the situation from a vicious circle and move into a virtuous circle, managing conflict effectively and therefore helping to build trust through more collaborative governance mechanisms, rather than rights-based or power-based approaches? In order to assess whether there are any positive expectations that the government and public can curb this trend, people were asked a few questions in the survey.

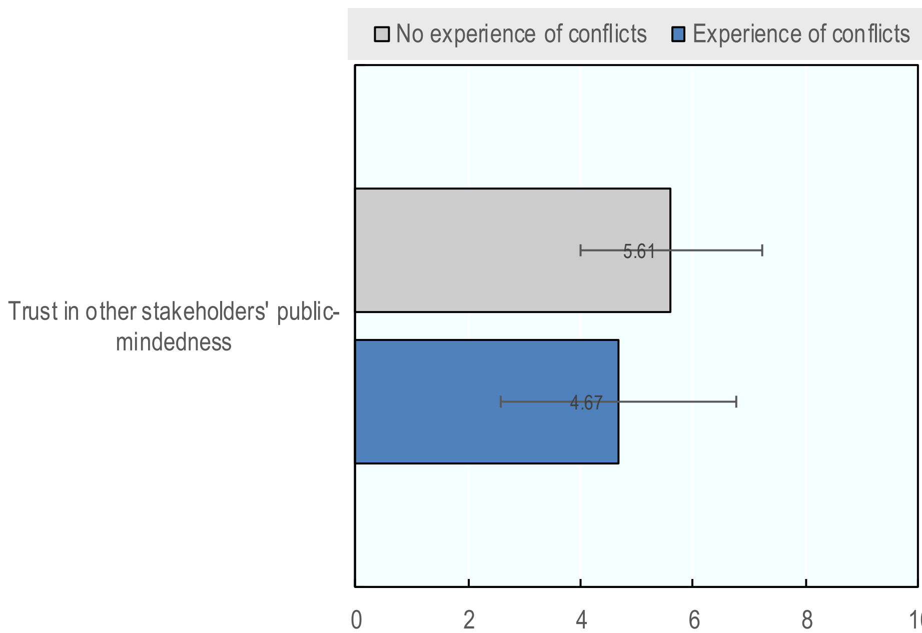
Belief in others' public-mindedness

People were asked if they believed that other stakeholders in conflict situations in Korea were "public-minded"– in other words, can people overcome their self-interest and consider public interests in conflicts? If they trust others' public-mindedness more, it may be more possible to engage people in collective discussions or deliberation to seek public interests collectively. If, however, they consider other citizens to be simply maximising their own self-interest, then people tend to compete rather than collaborate.

Survey respondents showed modest levels of trust in other stakeholders' public-mindedness in conflict situations, although people with conflict experience had lower levels of trust (4.67 out of 10) than those without (5.61 out of 10) (Figure 5.6). These levels of trust among citizens may be used as a foundation on which to build more trust in each other through various conflict-prevention or resolution mechanisms.

Figure 5.6. Perceptions of other stakeholders' public-mindedness in public conflicts

Answers to survey question: "How much do you think other stakeholders were 'public-minded' in conflicts you have experienced?" 0 means "Not at all" and 10 means "Very much so"



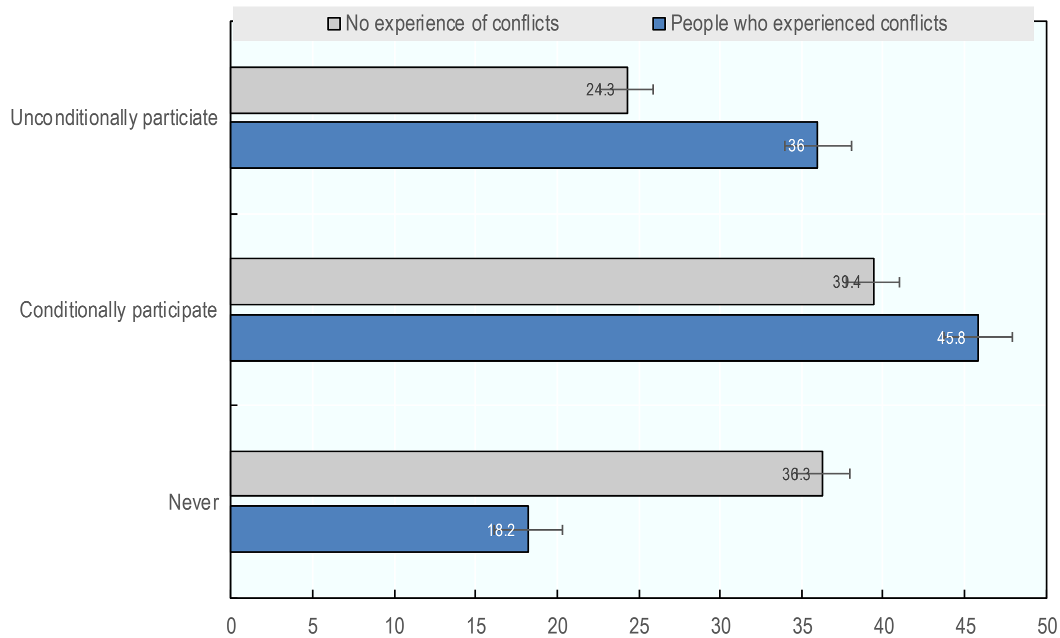
Note: Numbers are mean values and error bars represent standard deviations

Another survey question assesses people's willingness to participate in "deliberative polling", an innovative way to consult the public through citizens discussing controversial public issues with other citizens and with policy makers. Empirical studies show that people engaging in deliberative polls may create social capital (interpersonal and institutional trust), since participants may form a habit of deliberation with other ordinary citizens, hence trust-building (Ackerman and Fishkin, 2004). If a deliberative poll is prepared and managed fairly, and decision makers take the results seriously, participants and the general public may put more trust in politicians and the government agencies that endorse the poll.

Interestingly, people with conflict experience showed more willingness to participate in deliberative polling (81.8 %) than people without (63.7%), whether their participation in a deliberative poll was conditional (i.e. contingent on child care services or transportation cost reimbursement) and unconditional (Figure 5.7). Only 18.2% of people with conflict experience answered that they would never participate in a deliberative poll, while 36.3% of people without conflict experience expressed no interest in participating. This distribution of answers implies that people who are not satisfied with the government's conventional conflict management, even if they have little trust in the government, are willing to participate in alternative ways of conflict management or participatory decision making – as long as they are given the opportunity to participate and appropriate conditions for their participation are met.

Figure 5.7. Public willingness to participate in a deliberative poll

% of respondents



How conflict management could help increase public trust

Can Korean citizens trust the government more if public conflict is managed more effectively by the government? In order to assess the potential impacts of effective conflict management on public trust, we asked citizens how government improvements of certain components of conflict management might affect their level of trust in government. Three components of effective conflict prevention and conflict resolution were defined in the survey question: "In order to prevent a public conflict, the government should 1) make any necessary information on a proposed policy available to the public and important stakeholders before a decision is made; 2) actively consult important stakeholders and the public; and 3) incorporate the resulting opinions in actual policies. Also, in order to resolve a pubic conflict, the government should 1) provide the necessary information about controversial public issues for important stakeholders and the public; 2) ensure that all the relevant stakeholders participate in conflict resolution processes; and 3) allow stakeholders to deliberate on the structure of the process."

As a whole, respondents expected that the improvement in each component of conflict management of the government would increase public trust (averages were between 5.31 and 5.41) (Table 5.7). The numerical values of the answers do not represent the level of public trust, but the degrees of change in the level of trust in government. The potential impacts of each government activity on the level of public trust should be tested empirically in actual cases of conflict management in Korea in the future.

Table 5.7. Potential impacts of conflict management on public trust

Answer surveys to the question: How much do you think your level of trust in the government would change if it took the following actions prior to or following a public conflict?

0 means no change and 10 means a lot of change

Conflict prevention	Average	Standard deviation
Make necessary information available to the public and important stakeholders	5.31	1.82
Actively consult important stakeholders and the general public	5.37	1.87
Incorporate resulting opinions in actual policies	5.37	1.87
Conflict resolution		
Provide necessary information to important stakeholders and the public	5.38	1.85
Involve all the relevant stakeholders in conflict resolution processes	5.38	1.91
Deliberate on the structure of the process jointly	5.41	1.89

Note: Total number of respondents 3 000.

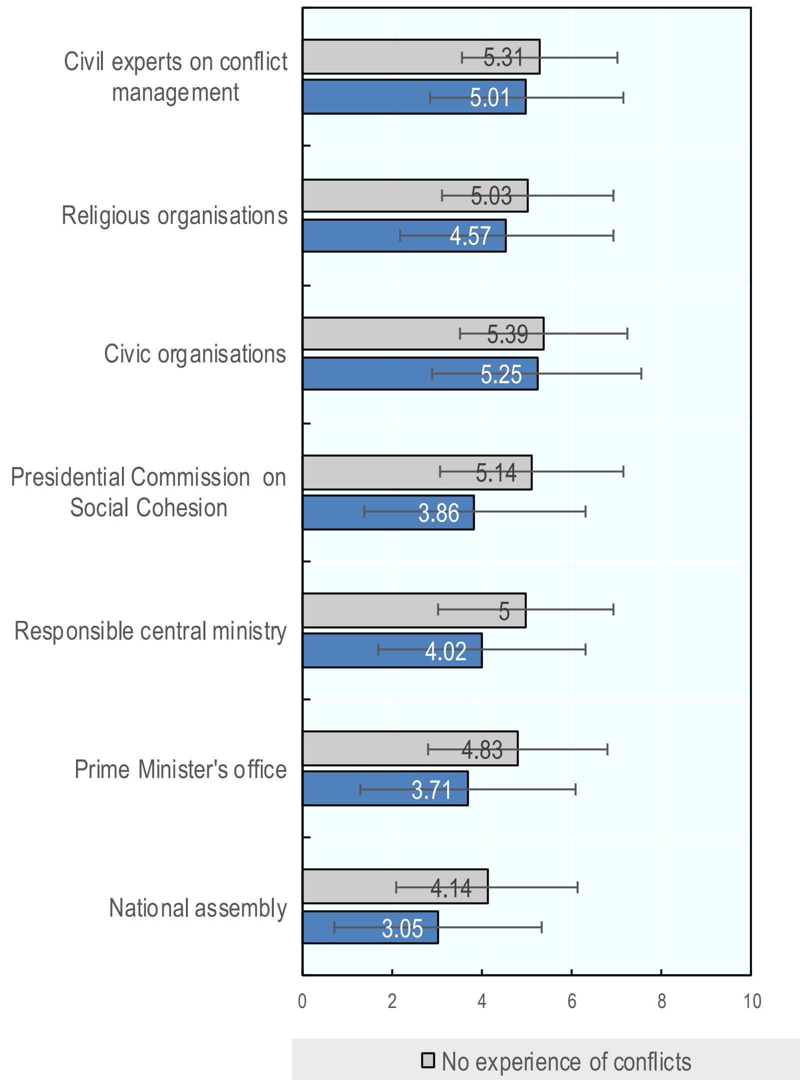
A convening role for institutions

The lack of public trust in government often makes it difficult for the government to convene or initiate a conflict management process that could involve multiple stakeholders in collaborative governance. In this case, other institutions or actors could play a convening role. Assuming that the level of trust in convening institutions and actors may affect stakeholders' motivation to participate in a collaborative process, we asked citizens how much they would trust a multi-stakeholder process convened by a specific institution.

Regardless of their experience of conflict, respondents to the survey said that they would not trust a multi-stakeholder process convened by the National Assembly, but would have more confidence in processes convened by experts on conflict management or civic organisations than by other institutions (Figure 5.8). People with conflict experience tended to trust a collaborative process less than people without. Particularly for those who had experienced conflict, a multi-stakeholder process would not be trusted much, unless convened by civic organisations (trust level of 5.25) and civil experts on conflict management (trust level of 5.01). These results imply that Korean citizens believe a multi-stakeholder process, if necessary, may have a higher chance of success if it is initiated, endorsed, or advised by civic organisations and experts on conflict management.

Figure 5.8. Trust in a multi-stakeholder process convened by various institutions and actors

Answers to survey question: “How much would you trust a multi-stakeholder collaborative process convened by the following?” 0 means “Not at all” and 10 means “Completely”



Note: Numbers are mean values and error bars represent standard deviations.

Opportunities for policy action

Public conflicts are an unavoidable component of modern democratic societies. However, such conflicts can be managed in ways that prevent them from becoming unnecessarily harmful, incurring a high social cost and reducing trust between stakeholders and in the government.

There are two possible dynamics linking trust in public institutions with conflict or co-operation: a vicious circle and a virtuous one. According to the survey answered by Korean citizens for this report, individual experience of public conflicts in the past seems to lower the level of trust in government. In turn, public perceptions of conflict management by the government in Korea are relatively negative. Perceived low levels of transparency, participation, representation of consulted opinions and joint-fact finding are influencing negatively public trust. Consequently, rights-based or power-based approaches to address public conflicts are more common than multi-stakeholder or collaborative governance processes reinforcing patterns of low institutional trust.

The results presented in this case study shed light on perceptions and behaviour patterns of the Korean population about social conflict as well as the relation between conflict and trust in government institutions. However, an open research agenda exists to investigate why the public in Korea is more prone to using ineffective conflict strategies, such as power-based or rights-based approaches. Some hypotheses that could be tested with additional empirical research are the following: are people who perceive themselves as weak when faced with a powerful government are likely to use power-based strategies in try to appear powerful before they negotiate with the government? Or have people learned from their experience that power-based approaches, such as demonstrations, are the most effective tool to get more from the government? Or, May people choose to use power-based or rights-based approaches simply because no other opportunities are given to them, such as dialogue, negotiation or deliberation. In turn, a variety of policy actions could be considered to address each of these patterns. For example, designing mechanisms to empower seemingly weak stakeholders, reviewing communication methods and channels between government and the public (see Chapter 5), or considering the adoption of additional participation mechanisms.

More generally government efforts to reduce the number and severity of public conflicts through innovative and effective forms of conflict management may help increasing public trust in Korea. For such purpose, the roles and capacities of public sector institutions in managing public conflicts will be crucial. In particular the identification of mechanisms and processes influencing the drivers of trust in public institutions (e.g. transparency, openness, responsiveness and fairness). Sharing information on controversial policy issues transparently before a decision is made, consulting public opinions early on and incorporating such opinions in the final decision, engaging relevant stakeholders in the creation of solutions, deliberating the rules of participation together, and finding facts jointly with stakeholders are steps in the right direction.

A substantive body of academic and practical work relies on collaborative governance or multi-stakeholder processes have as a mechanism for conflict management in order to transform adversarial relationships among stakeholders into more collaborative ones, and therefore enhance trust in government institutions (Ansell and Gash, 2008; Beierle and Konisky, 2001; Glasbergen and Driessen, 2005; Imperial, 2005; Murdock, Carol and Sexton, 2005; Vangen and Huxham, 2003).

Notes

[1] This chapter was drafted by Dong-Young Kim (KDI School of Public Policy and Management).

[2] Park (2010) constructs the index of social cohesion that consists of two groups of sub-indexes (free and safe society, and social tolerance and public trust). For more details of datasets and methodological notes, please refer to Park (2010).

[3] The rivers diversion and restoration project is a massive project covering South Korea's four main river systems. It aims to secure water resources, implement comprehensive flood control measures, improve water quality, restore river ecosystems, create multi-purpose spaces for local residents, and deliver watershed-based regional development. The project was proposed by the former South Korean president, Lee Myung-bak, in 2009 and was completed in October 2011. However, the project faced strong criticism from environmental non-government organisations and a group of scientific experts on the grounds that it would influence water quality and ecosystems negatively, and that the decision-making process was not democratic.

[4] In 2003 President Roh Moo-hyun spearheaded the relocation of South Korea's capital city to a rural area in Korea's midlands, in order to ease chronic overcrowding in Seoul and redistribute the state's wealth. Although the constitutional court declared the plan unconstitutional in 2004, the South Korean government adjusted the original plan to create a new administrative capital by moving all the major government agencies. The public was evenly split on the issue and political parties engaged in the conflict from two opposing rationales: fairness and equality versus efficiency and competitiveness.

[5] Logistic regression analysis is a popular and widely used analysis that is similar to linear regression analysis except that the outcome is dichotomous (e.g., success/failure, trust/don't trust, or yes/no). Simple logistic regression analysis refers to the regression application with one dichotomous outcome and one independent variable; multiple logistic regression analysis applies when there is a single dichotomous outcome and more than one independent variable.

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Chapter 6. Government communication and trust

This chapter explores the relationship between different communication models and trust in government institutions in Korea[1]. Based on results from the OECD-KDI survey it argues that for achieving higher institutional trust levels the following features in government communication are essential: democratic governance values; commitment by government leaders to build a horizontal relationship with its citizens; using the right channels; clear ground rules; resource capacity; and principles of transparency and fairness.

This chapter focuses on government communication effectiveness as a factor affecting public trust in government in Korea. The growing body of public administration literature on governance makes it clear: in order to resolve complex 21st century governance problems, government leaders need to build partnerships with citizens and communities and work collaboratively (Kettle, 2000; OECD, 2009; O'Leary and Bingham, 2008). When governance actors build trust and rely on civic norms, all levels of government are better able to implement policies effectively, provide high-quality services and make government innovation efforts more feasible and legitimate (Knack, 2002; Robert, Robert and Raffaella, 1993; Cleary and Carol, 2006). Scholars and practitioners posit that trust in government encourages compliance with laws and regulations and enhances the legitimacy and the effectiveness of democratic governance (Ayres and Braithwaite, 1992; Hetherington, 1999; OECD, 2017).

Considering the need for public trust in government to facilitate effective collaboration between government and civil society, there are complex challenges to overcome – and creative solutions to find. Previous chapters of this report emphasize that Korean government agencies should demonstrate their commitment to competence (i.e. responsiveness and reliability) and public values (i.e. integrity, openness and fairness) as a valid strategy for enhancing public trust in government.

In order to apply the OECD Trust Framework to the specific governance setting of Korea, both scholars and practitioners should consider how Korean citizen assess the key drivers of trust in government. This chapter poses the following research question: how do citizens' assessments of the effectiveness of Korean government agencies at communication correlate with citizens' perceptions of the key drivers of trust in government (i.e. competence and public values)? It concludes that citizens' assessment of government communication effectiveness could be an important factor indirectly affecting public trust in government, through its effects on public perceptions of Korea's public policy competence. In order to enhance government communication effectiveness, this chapter further analyses how national government agencies can reform their communication approaches to meet citizens' expectations of active information sharing, two-way communication and participatory decision-making.

Based on the paradigm of participatory, deliberative and collaborative governance as a new way of connecting government and citizens in the 21st century (OECD, 2009), government agencies must determine the best communication approaches for diverse stakeholders in the context of Korea's complex public policy settings. In light of declining trust and increasing demands for transparency in government in Korea, what communication strategies should they consider? Which ones will improve relationships with citizens, and lead to greater citizen participation and policy legitimacy?

Beyond Korea's legacy of transforming e-services and transparency through e-government (Karippacheril et al., 2016), public institutions face a daunting challenge: how best to use the emerging digital media ecosystems to communicate with the target population and stakeholders – both in formulating policies and during the ongoing policy process – in a complete, clear, conspicuous, timely and intentional manner.

In parallel to the data collection for this report the Korean government was also seeking to build better government communication mechanisms. For example, it carried out an assessment of the overall government communication effectiveness at agency level, as part of managing government agencies' performance (Kim and Moon, 2008; Kim, Cheong and Kim, 2014). As mentioned later in this chapter, several executive agencies were engaged in reforming agency-government communication mechanisms to better communicate with citizens. However, research is limited on citizens' assessment of overall communication effectiveness at national government agency level, and this under-explored theme is worth further analysis.

This chapter uses six indicators of government communication effectiveness, described below. The chapter first analyses citizens' assessment of government communication effectiveness at national government agency level. It then analyses how this assessment affects citizens' perceptions of the competency and values of public institutions, which are drivers of public trust (See Chapter 2). Next, in order to find policy action recommendations to enhance government communication effectiveness, the chapter analyses cases of reform in government agencies to strengthen communication effectiveness.

Effective government communication matters for governance

Beyond a narrow definition of government communication as a process of informing relevant stakeholders and communities about public policy decisions, this chapter defines government communication as a systematic two-way communication process between government agencies and citizens at every stage of the public policy process – including agenda setting, decision making, policy implementation and monitoring and feedback. In an era of increased focus on governance, government communication is an important mechanism for facilitating relationships between government agencies and citizens in various communities.

Transforming from a closed system of public administration to an open system of collaborative governance inevitably leads practitioners to consider the relationship between states and citizens as a partnership, rather than a vertical relationship (OECD, 2009). However, a country like Korea – with its long history of Confucian culture and the legacy of government-led economic and social development – may find it particularly challenging to establish a horizontal relation between state and citizens (Kim, 2010). Therefore, the best approach could be a systematic government communication strategy, experimenting with various communication channels throughout the public policy process, to indirectly affect trust in public institutions through its effects on citizens' perceptions of government competence and values.

A government communication strategy in a democracy needs to develop the competency of both public managers and citizens engaged in the communication process (OECD, 2009). It is essential to take government communication seriously in order to govern effectively, and urgent to determine how to build communication capacity for government employees and citizens in an era of collaborative governance. The Korean government must also develop flexible communication patterns, by constantly adapting the nature and tone of conversations to suit their context, both for government employees and citizens (Bartels, 2014).

From a citizen standpoint, the benefits of government communication can have several dimensions: information, empowerment, education, development, discussion and decisions. Government bodies provide citizens with information to try to enhance their perceptions, evaluations and choices, in order to improve the quality of citizen decision making. Since ordinary citizens have limited information about government and public policy, the primary reason for government communication by agencies is to ensure a supply of balanced information on public policy issues, changes and related resources. However, the success of government communication can only be judged to the extent that citizens notice and understand such information (Laing, 2003; Meijer, 2013; Sanders and Canel, 2015).

Alternatively, poorly designed government communication programmes that do not assess the context of specific policy issues and core stakeholders negatively affect government performance, policy effectiveness and governance values (Gelders, Bouckaert and van Ruler, 2007; Bouckaert and Van de Walle, 2003; Carpenter and Krause, 2012). Both academics and practitioners note the complexity of designing and evaluating various government communication programmes in different political systems (Laing, 2003; Liu et al., 2010). Government officials face the challenge of designing customised government communication programmes of various types, formats, and purposes, while keeping in mind the tensions of resource constraints and the complexity of engaging with diverse policy issues and stakeholders. More specifically, the relationship between the process of government communication and its effects have yet to be tested in the context of specific government communication programmes, governance values and political cultures in different countries (Froehlich and Rüdiger, 2006; Hong et al., 2012; Froehlich and Rüdiger, 2006; Hong et al., 2012; Waymer and Heath, 2015).

Government communication is a systematic two-way process between government agencies and citizens during a public policy process, including the stages mentioned above: agenda setting, decision making, policy implementation and monitoring and feedback. In order to analyse citizens' overall assessment of government communication, this study uses six indicators, based on theory – and widely used as a performance measurement framework of government communication, as well as its guiding principles. They are: 1) symmetrical-ethical communication; 2) two-way communication; 3) informative communication; 4) transparent communication; 5) procedural fairness through communication; and 6) risk and crisis communication. Each indicator is examined in more detail below.

Symmetrical-ethical communication

While asymmetrical communication is an imbalance between a governmental organisation and the public, symmetrical communication focuses on keeping the balance between an organisation and the public (Grunig, Grunig and Dozier, 2002; Moynihan and Soss, 2014; Grunig, Grunig and Dozier, 2002; Grunig and Todd, 1984). Government organisations that promote symmetrical interaction see communication as a relational interplay, in which two or more actors construct beliefs, attitudes, value systems, choices and decisions together, so that they behave in ways that are symbiotic (Waymer, 2013; Kent, Taylor and White, 2003; Grunig and Grunig, 2006). In Korea, the public sector has rooted itself in a symmetrical-ethical worldview by striving to promote consensus building, interdependence and a holistic approach as ways to improve understanding (Lee, 2017; Moon and Park, 2014; Rhee, Kim and Lee, 2013).

Summarising the literature, symmetrical-ethical government communication reflects government organisations' values about how to behave in society, rather than simply providing more sophisticated strategic management tools to manipulate the public. Symmetrical-ethical communication, as reflected and respected in the Korean public sector, aims to foster mutual trust and dialogue as a path to understanding in policy process and public governance (Choi and Han, 2014; Hwang, Moon and Lee, 2014). Together, symmetry and ethics in Korean government communication are about balancing the interests of organisations and the public, emphasising the government organisation's moral duty to engage in deliberative discourse with the public when it comes to problem solving and decision making.

Two-way communication

While one-way communication or "monologue" disseminates information and persuasive messages, two-way communication or "dialogue" exchanges information and meaning (Grunig, Grunig and Dozier, 2002; Sanders and Canel, 2015; Gilad, Maor and Bloom, 2015). The presence of feedback and dialogue in a communication process are keys to distinguish two-way communication from one-way communication, and this applies in Korea (Grunig and Hunt, 1984; Grunig and Grunig, 2006).

Specifically, feedback is a process that encourages communicators to share the thoughts and behaviours involved in government communication and decision-making processes (Kent et al., 2013). However, it is still possible that an information provider will manipulate audiences' opinions on public problems and policy issues due to a lack of information symmetry, value co-orientation or co-operative decision making (Bartels, 2014; Laursen and Valentini, 2015; Ni and Wang, 2011; Gilad, Maor and Bloom, 2015).

Fortunately, information and communication technology (ICT) has evolved in a way that can maximise two-way interaction between the government and the Korean public. In this ecosystem, Korean governments can listen in a timely and efficient way to citizens and communicate with them on a regular basis. At the same time, Korean citizens can also use ICT to create and deliver proposals, requests, opinions, or ideas to government entities. Korea's public sector has become more willing recently to adjust and balance ideas, opinions, decisions and behaviour between government and public, through a negotiated dialogue using ICT, rather than its former bureaucratic, vertical communication with citizens (Chung, 2017; Kim and Moon, 2008; Rhee, Kim and Lee, 2013).

Informative communication

One of the primary objectives of government communication is to aid citizens and stakeholders in deliberation, participation and collaboration (Piotrowski and Van Ryzn, 2007; Waymer, 2013). The potential benefits of government communication can only be achieved to the extent that citizens notice and understand its content. Effective government communication involves the interplay between information provision on the senders' side and use of information on the audiences' side.

Government officers must consider the audience when creating policy information in order to facilitate understanding (Kim and Lee, 2012; Reynaers and Grimmelikhuijsen, 2015). In other words, government communication should be perceived as providing credible information that explains policy decision making (Grimmelikhuijsen and Welch, 2012; Lee, Yun and Haley, 2017).

Empirical studies have found that Korean citizens increasingly expect government communications to be useful, and have more confidence in the institutional role of government when its communication is perceived as credible and informative (Kim, et al., 2014; Hwang et al., 2014). Moreover, a stream of research in Korea supports the notion that citizens who find government messages helpful are more likely to develop favourable attitudes toward a given public policy and its related organisations (Chung, 2016, 2017; Lee, 2016). Government communication and policy messages deemed informative received more attention. This suggests that informative government communications were perceived as more useful and therefore improved citizens' opinion of government.

Transparent communication

Transparency is vital to creating new mechanisms and institutions with higher standards of decision making. Transparency enhances the legitimacy of government decisions, by widely disseminating information about public sector decision processes, procedures, functioning and performance (Heald, 2012; Meijer, 2013; Grimmelikhuijsen et al., 2014; Grimmelikhuijsen et al., 2014).

Furthermore, a crucial element of transparency is making the necessary information available to engender active disclosure, inward observability, critical scrutiny and increasing accountability by the outside world (Grimmelikjuijsen, 2012; Welch, 2012; Meijer, Curtin and Hillebrandt, 2012). Transparency is the principle that enables the public to obtain information about the operations and structures of a government entity and allows people to monitor and assess the government's internal workings and/or performance outcome (Piotrowski and Van, 2007). The concept of transparency includes visible, inferable information that is easily accessible, can be correctly understood by the public and allows people to derive accurate conclusions (Grimmelikhuijsen and Welch, 2012; Reynaers and Grimmelikhuijsen, 2015; Welch, Hinnant and Moon, 2005).

Therefore, transparent communication in Korea's public sector requires government organisations to make publicly available all policy information that can be released legally – whether positive or negative in nature – in a manner that is accurate, timely, balanced and unequivocal (Lee and Chung, 2016; Kim and Moon, 2010). In particular, as citizens' diminishing interest in public affairs and lower levels of trust in government institutions are mostly due to maladministration and perceived high level corruption, Korean governments should practise transparent communication to achieve accountability, legitimacy and trust, as well as to combat high level corruption (Kim and Lee, 2012; Grimmelikhijsen et al., 2013).

The purpose of a transparent communication process is not merely to increase the flow of information, but also to improve public understanding (Lee, 2016). Disclosed policy information should meet the requirements of truthfulness and completeness; and the key to obtaining substantial completeness is anticipating what target audiences need to know (Lee, 2016).

Procedural fairness via communication

Citizens' perceptions of government procedures as fair, through engaging with government communication, is a main source of policy legitimacy in public institutions (Bingham, Nabatchi and O'Leary, 2005; Webler and Tuler, 2000). Citizen acceptance or support of government decisions and policy actions increases when they feel that communicative procedures are participatory and fair (Kim, 2017; Shin and Lee, 2016). Additionally, there is considerable evidence that overcoming citizens' cynicism about government communication is essential to developing governance capacity and communication effectiveness in the public sector (Chung, 2016; Lee, 2017).

Recently, Korean government organisations have recognised that demonstrating procedural fairness via government communication means maintaining good quality relationships and citizen participation (Moon and Park, 2014; Rhee, Kim and Lee, 2013). Treating citizens fairly and with respect and giving them a voice can strengthen citizen–government relationships; this in turn cultivates social capital in community, society and culture (Kent, Taylor and White, 2003; Welch, 2012).

There is also emerging evidence that citizen observation and participation in fair procedures facilitated by government communication services helps improve transparency in government and government policy (Liu and Horsley, 2007; Moynihan and Soss, 2014). As discussed earlier, the transparency of an organisation can be measured by policy stakeholders' perceptions of incorporating their point of views into determining what and how much information they really need, and how well government organisations are fulfilling that need.

Procedural fairness and equal treatment also require government accountability and inclusiveness in Korea (Chung, 2017; Kim, Jeong and Park, 2015). In many Korean contexts, government organisations continue to be accountable for their words, actions and decisions. Communication services towards all stakeholders with whom the government serve and interact are designed to foster partnership, with the private sector and members of the public (Choi and Han, 2014; Kim et al., 2015; Lee and Choi, 2014). To this end, Korean government organisations strategically exploit new media technology, including social media, in order to allow citizens to provide feedback that develops shared values and improves governance policies and practices. This ICT-based approach can enhance trust and satisfaction with services in the public sector.

Risk and crisis communication

The quality of relationship between governments and citizens is influenced by man-made crises such as industrial accidents, foodborne illnesses, corporate malfeasance or terrorist attacks; and by natural disasters such as hurricanes, floods or infectious diseases. The broad range of health issues from chronic diseases to emerging and novel risks are increasing in intensity with effects cascading beyond national borders, triggering economic changes and deteriorating environmental conditions coupled with climate change and shocks to society (OECD, 2017). Risk communication serves to inform citizens and businesses of potential exposure to hazardous events before they occur, and to encourage investment in precautionary measures that avoid, reduce, or transfer risks.

The four core objectives of risk communication suggested by the OECD (2017) are:

- Inform people of risks and how to handle them.
- Teach people to change their behaviour and habits to reduce risks to wealth, health and happiness.
- Enhance the confidence of public institutions that are in charge of risk assessment and management.
- Build a governance structure capable of inviting the public and stakeholders to participate in the decision-making process and resolve conflicts involved in risk assessment and management.

Once a hazardous event has begun or just occurred, crisis communication directs its audience to take specific actions (OECD, 2017). Crisis communication is a fundamental component of a sound governance framework that builds and develops more robust societies and economies. Governments have a basic responsibility to identify, monitor and anticipate critical hazards and threats via risk analysis (Jaque, 2009; Sellnow et al., 2015). For example, in terms of crisis prevention, Jaque (2007) addresses that public managers responsible for crisis communication keep investing in the institutional and strategic development of early warning and scanning – such as audits, preventive maintenance, issue monitoring, social forecasting, environmental scanning, anticipatory management and future studies (Jaque, 2007, 2009). In addition, the following can be useful, timely information resources: leadership surveys; media content analyses; public opinion surveys; legislative trend analyses; participation in trade associations; literature reviews; conference attendance; social big data analytics (computer-based issue monitoring), monitoring key websites and social media, and chat-group analysis (Avery et al., 2010; Yang, Aloe, and Freely, 2014).

Government, in partnership with other key actors, should continually improve public awareness of critical risks to ensure that communities are stable and secure in times of crisis (Sellnow et al., 2015). Crisis communication also gives timely support to governments in developing an adaptive, agile approach to mobilising and co-ordinating households and business, inter-agency and international stakeholders to manage critical risks and emergencies (Bakir, 2006; Yang, Aloe and Freely, 2014).

Finally, crisis communication strengthens the qualities that are needed to cope with unplanned cataclysmic events and their impacts: crisis leadership, capacity to understand a crisis situation, informed decision-making and public budget flexibility. To this end, government should incorporate evidence-based participatory communication and learning from experience into governance practices for national resilience and responsiveness, as a way to foster trust in government (Jaque, 2007, 2009).

Against this backdrop, Korean government institutions could emphasise an integrated approach to risk and crisis communication to empower citizens and stakeholders to take action swiftly to avoid and minimise risks, minimising the consequences of emergencies.

For instance, the Korean government should make optimal use of interactive media channels and social media for risk and crisis communication. Social/mobile media helps disseminate information rapidly through different channels, as a horizontal, decentralised and relationship-focused communication tool. This helps to target information and adapts communication strategies to particular audiences' contexts. It also promotes a more interactive exchange of relevant information among stakeholders, directly or indirectly affecting risk and crisis policy decisions and implementation processes (Chung, 2016; Lee and Choi, 2014). At the same time, governments play the role of information intermediary, monitoring the accuracy of information flow among the public by using ICT as an effective means of risk and crisis intervention (Kim, Jeong and Park, 2015; Lee and Kim, 2015).

Sample and procedures

Based on the dimensions of government communication effectiveness outlined above, this study developed the following methods for measuring government communication effectiveness in the context of Korean society. Similarly to previous chapters, the evidence presented here comes from the 2016 OECD-KDI trust survey fielded in early 2016 to 3000 Korean households. Descriptive statistics of the survey are presented in Table 6.1. In turn, these variables are used as control variables to analyse the relationship between the assessment of government communication and citizens' perceptions of the key drivers of trust in public institutions (i.e. competence and values).

Table 6.1. The sample description

Variables	Values	N/%
Gender	Male	1 467/48.9%
	Female	1 533/51.1%
Home location	Urban	1 399/46.6%
	Suburban	1 315/43.8%
	Rural	286/9.5%
Age	20s	538/17.9%
	30s	636/21.2%
	40s	670/22.3%
	50s	536/17.9%
	60s +	620/20.7%
Political orientation	Liberal	891/29.7%
	Centre	1 393/46.4%
	Conservative	716/23.9%
Education level	High school graduate or below	1 265/42.2%
	College graduate	1 678/55.9%
	Post-college education	57/1.9%

Note: N – number of survey respondents

Measurement

In this study, all variables were measured using multiple item scales. Table 6.2 summarises all the measurement items of policy effectiveness dimensions as well as the measurements of drivers of trust in public institutions. This study employed a ten-point Likert scale in order to optimise the measure of population variances in the variables, where 1 indicated "strongly disagree" and 10 indicated "strongly agree". All survey questions used to measure all variables of the current study, and the results of the reliability tests with Cronbach's alpha, are presented in Table 6. 2.

Table 6.2. Potential drivers of communication effectiveness included in the survey

Variables	Survey items	Scores mean/SD
	Drivers of government communication effectiveness	
Symmetrical-ethical communication (a=.98, M=4.81, SD=1.83)	1. The government consults members of the public who will be affected by policy decisions.	4.77/2
	2. The government provides truthful policy information to the public.	4.88/2.03
	3. The government provides adequate explanation to the public on the need for policies.	4.83/2.03
	4. The government takes responsibility for potential negative effects of policies.	4.7/2.06
	5. The government respects the opinions of the public in addition to its own in communicating on policies with the public.	4.81/2.03
Two-way communication (a=.92, M=4.84, SD=1.87)	1. The government always considers the effects that its policy promotion activities may have on the public.	4.89/2
	2. The government seeks to change its own attitudes/behaviours in addition to those of the public in its policy promotion activities.	4.82/2
	3. The government seeks to understand the public's perspectives and positions on policies.	4.79/2.03
	4. The government assesses its own performance after publicising policies.	4.98/1.93
	5. The government pays attention to the public's views on policies.	4.74/1.99
Informative communication (a=.96, M=5.13, SD=1.75)	1. Government policy promotion efforts provide a great deal of information.	5.18/1.9
	2. Government policy promotion efforts provide important information.	5.12/1.93
	3. I can obtain necessary information from government policy promotional materials.	5.09/1.91
	4. I think that government policy promotion efforts are useful to the public.	5.18/1.96
	5. The content of government policy promotion materials is detailed.	5.05/1.94
	6. Government policy promotion activities help to improve public perceptions of policy.	5.15/1.9
Transparent communication (a=.95, M=4.93, SD=1.82)	1. The government's policy decision-making process is becoming more transparent.	4.97/1.99
	2. The number of instances of government employees being involved in corruption is decreasing.	5.06/2.04
	3. The government is working to communicate bidirectionally with the public.	4.92/2.01
	4. The government provides many opportunities for the public to participate in policy decision-making.	4.85/1.95
	5. The government provides fair opportunities for the public to participate in policy decision-making.	4.84/1.94
Procedural fairness communication (a=.95, M=4.64, SD=1.84)	1. The central government's administrative branches share relevant information in an accessible and transparent way prior to making policy decisions.	4.66/1.91
	2. The central government's administrative branches actively solicit the opinions of citizens prior to making policy decisions.	4.63/1.97
	3. The central government's administrative branches solicit citizens' opinions prior to making policy decisions, and they reflect these opinions in their policies.	4.62/1.91
Risk/crisis communication (a=.95, M=4.82, SD=1.88)	1. The government does an effective job of communicating with the public on risk prevention and management policy.	4.89/1.99
	2. The government is prepared to communicate effectively with citizen groups and private businesses in the risk prevention and management communication process.	4.84/2.01
	3. The government is capable of effective communication with specific population segments that warrant priority consideration in the risk prevention and management communication process (e.g. senior citizens, children and the disabled).	4.82/2.04
	4. There is effective communication between central government, local governments and public institutions on risk prevention and management policy.	4.74/1.97
Drivers of trust in public institutions (competence and values)		
Responsiveness	1. If I reported an experience with unsatisfactory public service to the relevant body, I would receive a satisfactory answer to my complaint.	5.09/1.84

(a=.92, M=4.98, SD=1.74)	2. If a government employee had an idea that could lead to better provision of a public service, I think that it would be adopted.	4.93/1.89
	3. If a large group of citizens expressed dissatisfaction with the functioning of a public service (e.g. the education, health care or justice system), I think that corrective actions would be taken.	4.91/1.87
Reliability (a=.91, M=4.99, SD=1.82)	1. If an alert were raised due to the appearance of a new disease, existing public health plans would be effective.	5.04/2.04
	2. If I started a business today, the conditions under which I operate (taxes, regulations, etc.) would remain stable enough that unexpected changes would not threaten my business.	4.85/1.94
	3. If a natural disaster occurred, the government would provide adequate food, shelter, and clothing to survivors.	5.07/1.95
Integrity (a=.7, M=5.27, SD=1.63)	1. If money were offered by citizens to government employees, it would be possible to speed up administrative procedures (e.g. obtaining of licenses or allocation of services).	5.23/2.07
	2. If a large company offered money to a public employee to secure a contract with a public entity, that company would be awarded the contract.	5.39/2.08
	3. If a high-ranking government employee were guilty of misusing taxpayer money, he or she would be prosecuted accordingly.	5.18/2.06
Openness (a=.9, M=4.91, SD=1.71)	1. If I needed information about an administrative procedure, it would be easy to find.	5.31/1.78
	2. If a decision affecting my community were taken by the government, my opinion would be sought.	4.69/1.98
	3. If a decision affecting my community were taken by the government, my opinion would be considered.	4.73/1.89
Fairness (a=.8, M=5.06, SD=1.63)	1. If a citizen belonging to a social minority (e.g. sexual, racial/ethnic and/or based on nationality) were the victim of discrimination, the relevant authorities would make adequate efforts to pursue the case.	5.01/1.89
	2. If, in the context of a local construction project, the economic interests of big business and the environmental interests of the community were in conflict, business interests would prevail.	5.4/1.93
	3. If tax reforms were implemented, the increased financial burden would be shared fairly across social groups.	4.75/1.95

1. The government provides truthful policy information to the public.
2. The government provides adequate explanation to the public on the need for policies.
3. The government takes responsibility for potential negative effects of policies.
4. The government respects the opinions of the public in addition to its own in communicating on policies with the public.
5. The government seeks to change its own attitudes/behaviours in addition to those of the public in its policy promotion activities.
6. The government seeks to understand the public's perspectives and positions on policies.
7. The government assesses its own performance after publicising policies.
8. The government pays attention to the public's views on policies.
9. Government policy promotion efforts provide important information.
10. I can obtain necessary information from government policy promotional materials.
11. I think that government policy promotion efforts are useful to the public.
12. The content of government policy promotion materials is detailed.
13. Government policy promotion activities help to improve public perceptions of policy.
14. The number of instances of government employees being involved in corruption is decreasing.
15. The government is working to communicate bidirectionally with the public.
16. The government provides many opportunities for the public to participate in policy decision-making.
17. The government provides fair opportunities for the public to participate in policy decision-making.
18. The central government's administrative branches actively solicit the opinions of citizens prior to making policy decisions.
19. The central government's administrative branches solicit citizens' opinions prior to making policy decisions, and they reflect these opinions in their policies.
20. The government is prepared to communicate effectively with citizen groups and private businesses in the risk prevention and management communication process.

21. The government is capable of effective communication with specific population segments that warrant priority consideration in the risk prevention and management communication process (e.g. senior citizens, children and the disabled).
22. There is effective communication between central government, local governments and public institutions on risk prevention and management policy.
23. If a government employee had an idea that could lead to better provision of a public service, I think that it would be adopted.
24. If a large group of citizens expressed dissatisfaction with the functioning of a public service (e.g. the education, health care or justice system), I think that corrective actions would be taken.
25. If I started a business today, the conditions under which I operate (taxes, regulations, etc.) would remain stable enough that unexpected changes would not threaten my business.
26. If a natural disaster occurred, the government would provide adequate food, shelter, and clothing to survivors.
27. If a large company offered money to a public employee to secure a contract with a public entity, that company would be awarded the contract.
28. If a high-ranking government employee were guilty of misusing taxpayer money, he or she would be prosecuted accordingly.
29. If a decision affecting my community were taken by the government, my opinion would be sought.
30. If a decision affecting my community were taken by the government, my opinion would be considered.
31. If, in the context of a local construction project, the economic interests of big business and the environmental interests of the community were in conflict, business interests would prevail.
32. If tax reforms were implemented, the increased financial burden would be shared fairly across social groups.

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Note: "Competence and values" based on the OECD Public Trust Model; Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. It is considered to be a measure of scale reliability. A reliability coefficient of .70 or higher is considered "acceptable" in most social science research situations α – Cronbach's alpha; M – mean; SD – standard deviation.

Findings: Citizen assessment of government communication effectiveness

Variations in demographic characteristics

Table 6.3 and Figure 6.2 show the gender differences in assessing government communication constructs. Regarding all constructs of government communication effectiveness, females perceive the Park Geun-hye government's communication efforts and activities (February 2016) to be more effective than males do. Interestingly, as mentioned earlier, women participants expressed slightly higher trust in institutions, even though gender was not a statistically significant factor for trust in public institutions.

However, both female and male participants gave higher scores on for the informative dimension of government communication. In addition, both male and female participants in the survey gave the lowest assessment score for procedural fairness in government communication.

Table 6.3. Gender differences in assessing government communication

Construct	Gender	N	Responses M/SD	t(df), p
Symmetrical-ethical	Male	1 467	4.72/1.83	2.64(2 998), p<.01
	Female	1 533	4.9/1.83	
Two-way	Male	1 467	4.76/1.86	2.26(2 998), p<.05
	Female	1 533	4.91/1.87	
Informative	Male	1 467	5.06/1.77	2.13(2 998), p<.05
	Female	1 533	5.19/1.73	
Transparent	Male	1 467	4.85/1.81	2.45(2 998), p<.05
	Female	1 533	5.01/1.83	
Procedural fairness	Male	1 467	4.54/1.85	2.72(2 998), p<.01
	Female	1 533	4.73/1.81	
Risk/crisis	Male	1 467	4.75/1.88	1.96(2 998), p<.05
	Female	1 533	4.87/1.88	

Note: N – number of survey respondents ; M – mean; SD – ; t – T is a parameter of statistical significance. The greater the magnitude of T (it can be either positive or negative), the greater the evidence *against* the null hypothesis that there is no significant difference, this parameter is assessed jointly with the p value. The; df – degree of freedom; p – probability value or statistical significance.

Figure 6.1. Gender differences in assessing government communication

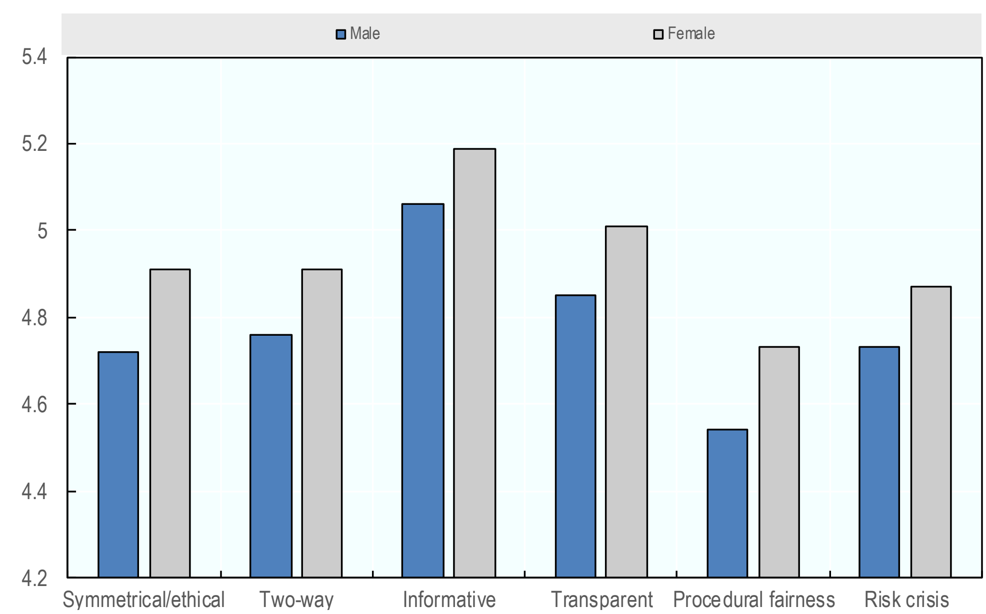


Table 6.4 and Figure 6.3 show the overall age differences in assessing government communication constructs. The group aged 60 and above indicates the highest scores for government communication effectiveness, more than any other group for all constructs. Except for informative communication (where the 20s age group is the second highest), the perception of those in their 50s is more positive than those in their 40s, 30s and 20s. Interestingly, these "generation gap" findings are similar to the findings of trust in public institutions by generation. Overall, public trust in government data show that older citizens express higher levels of trust in government than the younger generation.

The OECD-KDI trust survey analysed earlier confirms this gap. As depicted in Figures 6.5 and 6.6, people in their 20s and 30s not only express the lowest levels of perceived trustworthiness in public institutions, but also the lowest levels of government communication effectiveness. Maybe due to easy access to ICT tools and advanced e-government websites, the 20s and 30s gave relatively high scores for the informative dimension. However, their assessment of the other dimensions was lower than that of all the other age groups. These findings imply that meeting the communication expectations of younger generations could be a challenging policy agenda for government agencies.

Table 6.4. Age group differences in assessing government communication

Constructs	Age	N	Responses M/SD	F(df), p
Symmetrical-ethical	20s	538	4.491/1.88	30.26(4,2995),p<0.1
	30s	636	4.54/1.86	
	40s	670	4.62/1.82	
	50s	536	4.91/1.73	
	60s	620	5.44/1.68	
	Sub-total	3 000	4.81/1.83	
Two-way	20s	538	4.52/1.93	21.64(4,2995),p<0.1
	30s	636	4.55/1.88	
	40s	670	4.6/1.85	
	50s	536	5.02/1.74	
	60s	620	5.51/1.73	
	Sub-total	3 000	4.84/1.87	
Informative	20s	538	4.94/1.79	21.64(4,2995),p<0.1
	30s	636	4.87/1.77	
	40s	670	4.93/1.74	
	50s	536	5.28/1.7	
	60s	620	5.64/1.65	
	Sub-total	3 000	5.13/1.75	
Transparent	20s	538	4.57/1.97	29.64(4,2995),p<0.1
	30s	636	4.64/1.83	
	40s	670	4.77/1.79	
	50s	536	5.14/1.71	
	60s	620	5.52/1.63	
	Sub-total	3 000	4.93/1.82	
Procedural fairness	20s	538	4.34/1.88	23.74(4,2995).p<0.1
	30s	636	4.39/1.87	
	40s	670	4.46/1.79	
	50s	536	4.8/1.72	
	60s	620	5.19/1.77	
	Sub-total	3 000	4.64/1.84	
Risk/crisis	20s	538	4.47/1.94	29.52(4,2995),p<0.1
	30s	636	4.54/1.9	
	40s	670	4.61/1.85	
	50s	536	5.03/1.82	
	60s	620	5.44/1.72	
	Sub-total	3 000	4.82/1.88	

Note: : N – number of survey respondents; M – mean; SD – standard deviation; F –The F test determines whether there is more variability in the scores of one sample than in the scores of another sample. An F statistics is often used when comparing statistical models that have been fitted to a data set in order to identify the model that best fits the population from which the data were sampled. Thus, the F-statistics can be obtained by taking the larger sample variance and dividing by the smaller sample variance.; df – degree of freedom is the number of parameters of the system that may vary independently; p – probability value or statistical significance; n.s. – not significant

Figure 6.2. Age group differences in assessing government communication

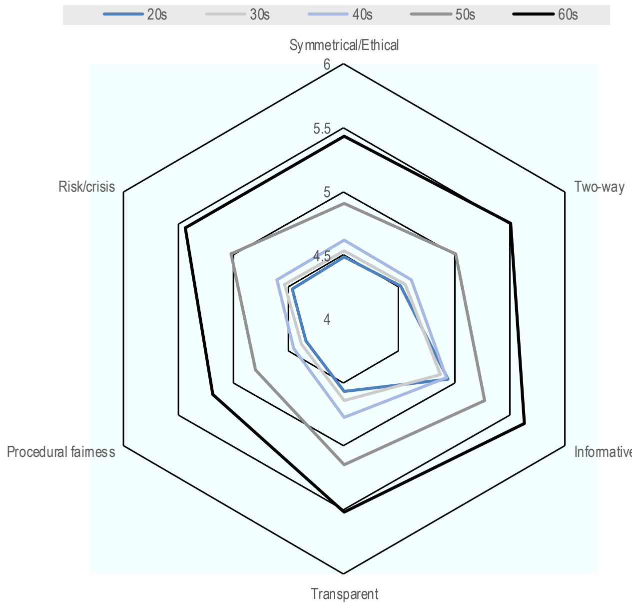


Table 6.5 shows group differences by place of residence (or home location) on government communication constructs. There are significant differences between the assessments of symmetric-ethical, informative, transparent, and risk-crisis communication among groups living in urban, suburban or rural locations, while there are no differences in assessing two-way and procedural fairness communication.

As indicated in Figures 6.8 and 6.9, the findings also indicate that government agencies need to pay more attention to people in suburban areas; they gave the lowest scores for government communication effectiveness, including symmetric-ethical, informative, transparent and risk-crisis communication.

Table 6.5. Group differences by location in assessing government communication

Constructs	Home location	N	Responses M/SD	F(df), p
Symmetrical-ethical	Urban	1 399	4.89/1.77	3.42(2, 2 997), p<.05
	Suburban	1 315	4.71/1.89	
	Rural	286	4.9/1.82	
	Sub-total	3 000	4.81/1.83	
Two-way	Urban	1 399	4.88/1.79	1.28(2, 2 997), n.s.
	Suburban	1 315	4.77/1.93	
	Rural	286	4.9/1.92	
	Sub-total	3 000	4.84/1.87	
Informative	Urban	1 399	5.24/1.71	6.65(2, 2 997), p<.01
	Suburban	1 315	5/1.78	
	Rural	286	5.19/1.81	
	Sub-total	3 000	5.13/1.75	
Transparent	Urban	1 399	5.02/1.78	3.58(2, 2 997), p<.05
	Suburban	1 315	4.83/1.87	
	Rural	286	4.94/1.79	
	Sub-total	3 000	4.93/1.82	
Procedural fairness	Urban	1 399	4.7/1.78	2.1(2, 2 997), n.s.
	Suburban	1 315	4.56/1.88	
	Rural	286	4.67/1.89	
	Sub-total	3 000	4.64/1.84	

Note: N – number of survey respondents; M – mean; SD – standard deviation; F –The F test determines whether there is more variability in the scores of one sample than in the scores of another sample. An F statistics is often used when comparing statistical models that have been fitted to a data set in order to identify the model that best fits the population from which the data were sampled. Thus, the F-statistics can be obtained by taking the larger sample variance and dividing by the smaller sample variance.; df – degree of freedom is the number of parameters of the system that may vary independently; p – probability value or statistical significance; n.s. – not significant

Figure 6.3. Group differences by location in assessing government communication

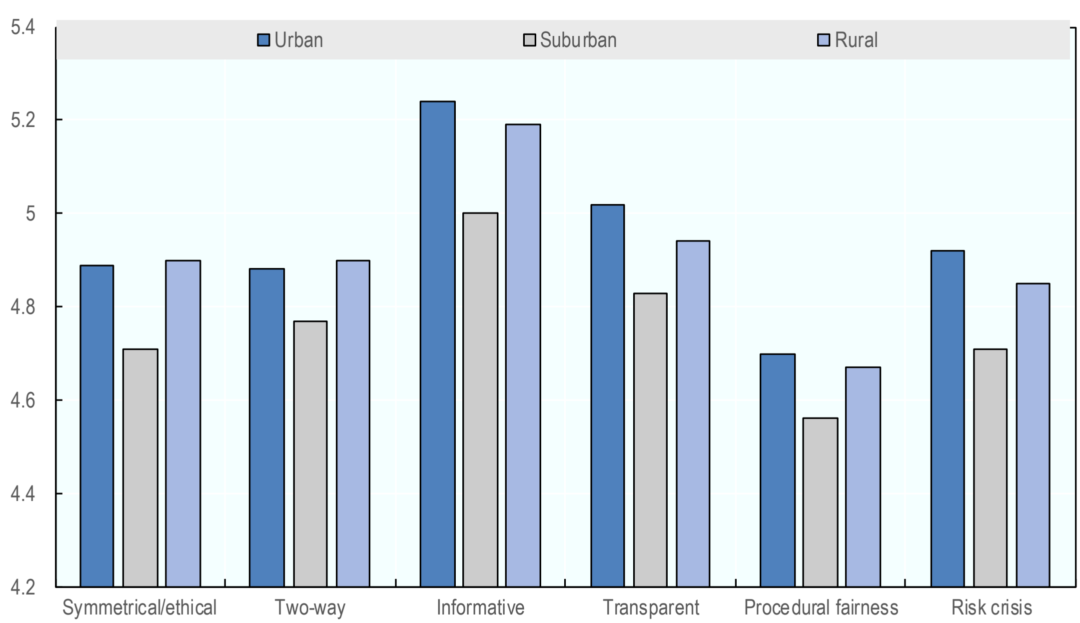


Table 6.6 and Figure 6.5 show group differences by education level in assessing government communication constructs. People educated to high-school graduate level evaluate government communication as more effective than those educated to college or

post-college level for all constructs. Considering the growing college-educated population in Korea, government agencies now have the challenges of meeting their expectations of better government communication in all six dimensions.

Table 6.6. Group differences by education level in assessing government communication

Constructs	Education	N	Responses M/SD	F(df), p
Symmetrical-ethical	High school	1 265	5.16/1.75	43.09(2, 2 997), p<.01
	College	1 678	4.58/1.83	
	Post-college	57	3.95/2.23	
	Sub-total	3 000	4.81/1.83	
Two-way	High school	1 265	5.16/1.8	35.75(2, 2 997), p<.01
	College	1 678	4.62/1.86	
	Post-college	57	4.02/2.3	
	Sub-total	3 000	4.84/1.87	
Informative	High school	1 265	5.34/1.68	16.71(2, 2 997), p<.01
	College	1 678	4.98/1.78	
	Post-college	57	4.75/2.17	
	Sub-total	3 000	5.13/1.75	
Transparent	High school	1 265	5.21/1.71	27.54(2, 2 997), p<.01
	College	1 678	4.74/1.86	
	Post-college	57	4.37/2.29	
	Sub-total	3 000	4.93/1.82	
Procedural fairness	High school	1 265	4.9/1.75	23.73(2, 2 997), p<.01
	College	1 678	4.46/1.86	
	Post-college	57	4.07/2.35	
	Sub-total	3 000	4.64/1.84	
Risk/crisis	High school	1 265	5.13/1.78	32.23(2, 2 997), p<.01
	College	1 678	4.61/1.9	
	Post-college	57	4.14/2.43	
	Sub-total	3 000	4.82/1.88	

Note: N – number of survey respondents; M – mean; SD – standard deviation; F –The F test determines whether there is more variability in the scores of one sample than in the scores of another sample. An F statistics is often used when comparing statistical models that have been fitted to a data set in order to identify the model that best fits the population from which the data were sampled. Thus, the F-statistics can be obtained by taking the larger sample variance and dividing by the smaller sample variance.; df – degree of freedom is the number of parameters of the system that may vary independently; p – probability value or statistical significance; n.s. – not significant.

Figure 6.4. Group differences by education level in assessing government communication

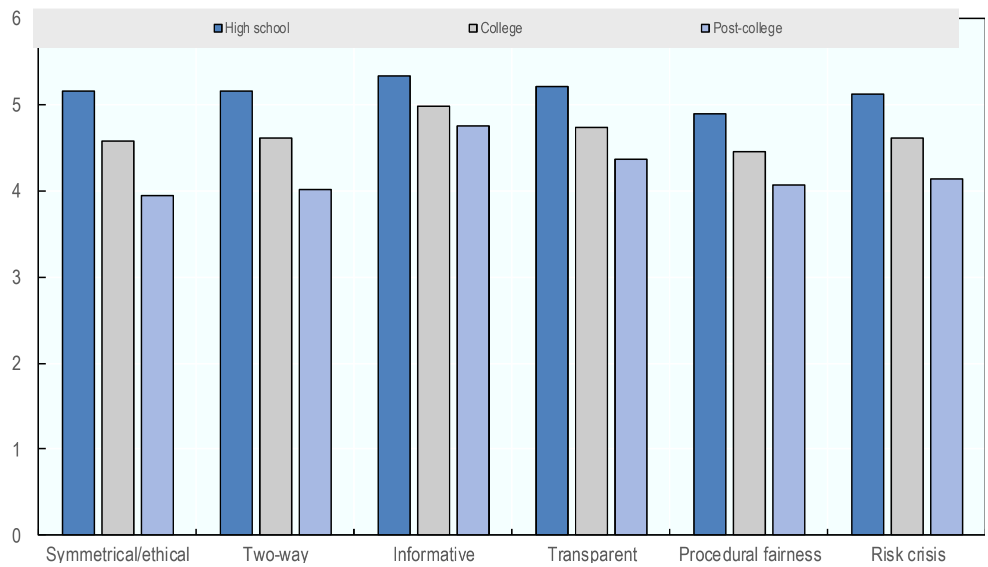


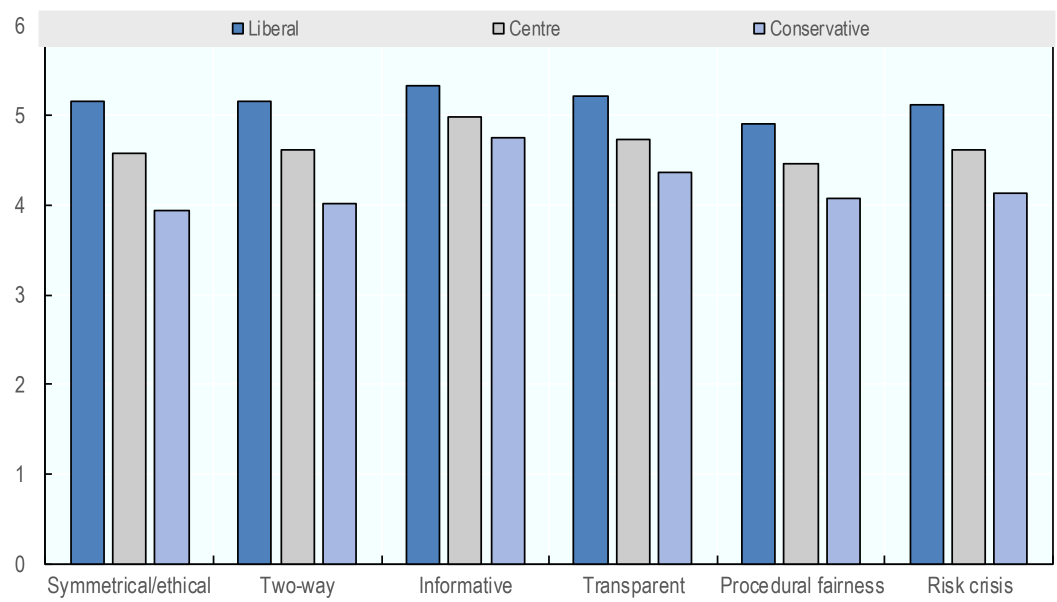
Table 6.7. Group differences by political orientation in assessing government communication

Constructs	Political orientation	N	Responses M/SD	F(df), p
Symmetrical-ethical	Liberal	891	4.56/1.93	27.31(2, 2 997), p<.01
	Centre	1 393	4.77/1.77	
	Conservative	716	5.22/1.77	
	Sub-total	3 000	4.81/1.83	
Two-way	Liberal	891	4.58/1.96	28.1(2, 2 997), p<.01
	Centre	1 393	4.79/1.8	
	Conservative	716	5.26/1.8	
	Sub-total	3 000	4.84/1.87	
Informative	Liberal	891	4.86/1.84	27.03(2, 2 997), p<.01
	Centre	1 393	5.1/1.68	
	Conservative	716	5.5/1.73	
	Sub-total	3 000	5.13/1.75	
Transparent	Liberal	891	4.63/1.94	31.61(2, 2 997), p<.01
	Centre	1 393	4.91/1.73	
	Conservative	716	5.24/1.76	
	Sub-total	3 000	4.93/1.82	
Procedural fairness	Liberal	891	4.38/1.96	23.3(2, 2 997), p<.01
	Centre	1 393	4.61/1.74	
	Conservative	716	5/1.79	
	Sub-total	3 000	4.64/1.84	
Risk/crisis	Liberal	891	4.49/2.03	34.85(2, 2 997), p<.01
	Centre	1 393	4.8/1.8	
	Conservative	716	5.27/1.76	
	Sub-total	3 000	4.82/1.88	

Note: : N – number of survey respondents; M – mean; SD – standard deviation; F –The F test determines whether there is more variability in the scores of one sample than in the scores of another sample. An F statistics is often used when comparing statistical models that have been fitted to a data set in order to identify the model that best fits the population from which the data were sampled. Thus, the F-statistics can be obtained by taking the larger sample variance and dividing by the smaller sample variance.; df – degree of freedom is the number of parameters of the system that may vary independently; p – probability value or statistical significance; n.s. – not significant

Table 6.7 and Figure 6.6 show group differences by political orientation in assessing government communication constructs. Specifically, people with a conservative political ideology see all constructs of government communication as more effective than those with central and liberal orientations. It is worth noting that this finding shows a similar tendency to that of trust in public institutions by political ideology. As mentioned earlier, survey participants with conservative political views express greater trust in public institutions.

Figure 6.5. Group differences by political orientation in assessing government communication



Opportunities for policy action

Improving government communication in Korea: Gaps and opportunities

Improving symmetrical-ethical communication

While government organisations in Korea have recently started to consider the impact of how they communicate on colleagues, clients, organisations and wider society, it is crucial to emphasize that they should adhere to high ethical standards when communicating. Indeed, the symmetrical-ethical model could be a useful tool to promote dialogue between organisations and their public while keeping integrity at the centre of problem solving.

Box 6.1 offers examples of the government applying symmetrical-ethical communication to certain issues.

Box 6.1. Examples of applied symmetrical-ethical communication

Government 3.0 Design Group is a team of government officials, citizens and service designers that reinterprets and develops public policy from a citizen's perspective. Its main role is to enhance the effectiveness of government policy. The design group was formed for one particular topic, but the practice of re-interpreting policy from the citizen's point of view during policy development became embedded in service design methodologies. In 2015, the design group was shown to achieve policy improvements in 67 cases, mostly (80.6%) in creating new types of public services (information collection, welfare facilities, programme content development and environmental activities) and in improving the service delivery process (19.4%; public policy regulation, administrative processes, career and start-up programmes). This government-citizen-expert collaboration has also improved participants' perceptions of government. In 2016, the Government 3.0 Design Group was nominated for a gold award in the service design sector of the iF Design Awards 2016, held in Germany. Minister of the Interior in Korea commented, "the Government 3.0 Design Group demonstrated a creative role model for policy makers, experts and citizens to participate in efforts to improve public services."

e-People. The Anti-Corruption and Civil Rights Commission (ACRC) of the Republic of Korea is in responsible for handling complaints and petitions via the e-People online portal system (www.epeople.go.kr). Through this portal, people can express their opinions on unfair or ineffective administrative handling, infringements of their rights and interests, improving institutions and policies; all governmental administrative organisations link to the portal, through which they can receive and process people's complaints and suggestions. Once submitted, people's civil service requests are categorised into both "Anti-corruption and Civil Rights Commission" and "processing organisations" to define which organisation is responsible. ACRC recognises that e-People has contributed to improving administration efficiency and increasing citizen participation. Processing time has reduced by nearly half – from 12 days to 6.9 days per case between 2005 and 2008 – despite the number of suggestions soaring from 16,086 to 57,851. This effective handling of people's requests has raised citizen satisfaction levels by over 20 percentage points to 51.2% within the same period. Alongside better government efficiency, the integrated system has helped to improve not only individuals' lives but also to secure the public-sector transparency.

The Korean government keeps working to make communication effective in boosting public participation, collaboration and deliberation; and, moreover, leading to positive perceptions of public institutions and enhancing social capital between government and citizens. Some examples of the government using two-way communication follow.

The vision of the Ministry of Food and Drug Safety (MFDS) is "safe food and drugs, healthy people, happy society" for the people of South Korea. Recently, MFDS has been re-positioned as a friendly and well-known government organisation, thanks to employing "fourth industrial technologies – such as a 360° virtual reality web drama and a mobile phone-based augmented reality game, leveraging crowd-sourcing strategies (see Box 6.2). In this way, MFDS has been trying to move away from one-way to two-way communication between public and government, which has contributed to an increase in awareness of food and drug safety, and public agreement with food and drug safety policies.

Box 6.2. Food and drug safety policy via two-way communication

360° virtual reality web-drama production

The Ministry of Food and Drug Safety (MFDS) in Korea has launched a web-drama production, *Birth of a Professional*, using VR (virtual reality) – the first time trial from a government organisation. The purpose of this was to provide practically reachable policy advertising promotion in the public with using new technology film contents. The 3D drama was screened at two renowned festivals for film and cartoons (the 21st Bucheon International Fantastic Film Festival and the 21st Seoul International Cartoon and Animation Festival). The film story is about how newly employed staff at MFDS becomes a professional expert while dealing with adulterated foods.

A food poisoning augmented reality game

MFDS has created a mobile phone-based AR (augmented reality) game, "Sik-Jung-Dok-Jap GO" (means 'catching food poison' in Korean), which educates users how to prevent food poisoning. After playing the game, participants' level of awareness on "three key methods of food poisoning prevention" increased on average by 53%.

MFDS has also distributed education guidelines to be used at kindergartens and elementary schools through 10 ministries (including the Ministry of Health and Welfare, Ministry of Education, Ministry of Gender Equality and Family), 17 provinces and cities, and 6 agencies related to the food poisoning issue.

MFDS plans to distribute the AR game to other countries that need education on food poisoning prevention.

Improving informative communication

The nature of effective government communication is to provide appropriate information to its various audiences and boost interaction between them and/or with government. For this reason, government communication should be perceived by the public as understandable and useful. Box 6.3 provides an example of government efforts towards informative communication.

Box 6.3. Public Service Advertising of the Korea Communications Commission and the Korea Broadcast Advertising Corporation

The Korea Broadcast Advertising Corporation (KOBACO) is an affiliate of the Public Service Advertising of the Korea Communications Commission (KCC). KOBACO carries out public service advertising campaigns to help form public consensus on government policies and major social issues. The essential feature of its work is to interact with people, entailing inclusive campaigning.

KOBACO and the Korea Advertising Council carry out surveys to identify major social issues and related public opinions; they then discuss the results and make them available to the public. The idea is to assess what the social agendas are and share this publicly. KOBACO also holds the Korea Public Service Advertising Festival, which aims to form a public consensus on social issues and promote awareness of good practice. At the festival they hold advertising competitions for primary school students, and exhibit award-winning advertising campaigns from Cannes, Clio and New York festivals. A variety of programmes in booths for the public to engage with demonstrate that everyone can freely communicate with and experience a public services campaign. KOBACO also runs campaigns for educational purposes, such as delivering public services advertising (PSA) classes and producing PSA textbooks.

Commitment to transparent communication

As a general rule Korean government organisations try to make their actions and decisions understandable to all interested parties. Transparent communication could be an effective way of increasing public trust in government, as it could influence the responsiveness and openness dimensions of the trust framework. As mentioned earlier, the purpose of a transparent communication process is not merely to increase the flow of information, but also to improve understanding. Thus, government communication should meet the requirements of truthfulness and substantial completeness. Some examples follow that show the government’s efforts towards transparent communication (see Boxes 6.4 and 6.5).

Box 6.4. The dBrain: Digital Budget and Accounting System

The Republic of Korea ranked as one of the top performers for budget transparency in the Asia Pacific Region and its score of 60 out of 100 is substantially higher than the global average score of 42, according to the Open Budget Index released in 2017. This is the result of years of continual effort. In 1987, the democratic transition highlighted the need for government fiscal transparency. The first transparency reforms were implemented under the president in the early 1990s, when a law mandated that high-level public officials must disclose their assets. However, widespread corruption in the public sector and many other financial scandals led to the financial turmoil of the “IMF crisis” in 1997.

Afterwards, the Korean government resorted to systemising its fiscal reform efforts and launched the Digital Budget and Accounting System (dBrain). The dBrain system aims to enable an accurate analysis of fiscal data and information, providing policy makers with real-time support for policy formulations. It aimed to improve the credibility of the national budget and to integrate and connect up the fiscal information system – not only for central and local government, but also public enterprises. The Korean government also created Open Fiscal Data (www.openfiscaldata.go.kr), which daily processing amount of money exceeds $5.1 billion, also handles 360,000 tasks daily, and approximately 55,000 civil servants use this system regularly at work, according to the Telecommunications Technology Association (TTA) 2013 report. This Open Fiscal Data System is connected to 44 administrative institutions and 63 other external organization information systems, and has the Fiscal Information Disclosure function which monitors government budgeting and financing in a real-time. These data are displayed in visible forms such as mobile graphs and tree maps to aid public understanding. The dBrain system has seen a great deal of positive effects in boosting transparency, budget efficiency and civil participation, while reducing corruption. As a result, public trust in government has improved, and citizens' checks on government budget spending have contributed to combatting waste.

Box 6.5. DATA.GO.KR: Korea's Open Data Portal

In 2004, the Korean government established the Five-year Plan for Public Information Distribution Support Projects, and has continued its efforts to promote e-government and open government data (OGD) ever since. In 2013 the government announced Government 3.0 – making government data available to the public to re-use as a raw material for creative and innovative economic activities.

The main objectives were to improve efficiency in public services and government transparency; to promote inclusive citizen engagement; and eventually to boost economic growth. The 2013 Act on Provision and Active Use of Public Data obliged the government and public organisations to launch OGD programmes to make their machine-readable data available to the public. In January 2016, the Public Data Provision and Use Revitalisation Act was established to provide a legal basis for public openness and information use.

As a result, a wide range of public data – such as on history, culture, arts, education, public policy, statistics, law, land management, weather and disaster prevention – are available via a public data portal (www.data.go.kr). The Open Data Portal provides more than 17,000 datasets disclosed by the government for free use by people for their convenience and to create added-value activities such as the Night Owl Bus in Seoul and more.

Establishing the Open Data Portal has been shown to generate benefits both for government and citizens. As the volume of open data provided by the portal increased from 5,272 datasets in 2013 to 17,064 datasets in 2015, its use by the public increased over 100 times from 13,923 types of data to 1,401,929 datasets within the same period. The Korean government has not only reduced budget waste by making its administration more efficient through OGD, but also officially acknowledged how OGD can be a reliable methodology which opens new door for the citizens to bring innovations themselves in the real life.

Values of procedural fairness through communication

The perception of being fairly treated in communication processes is a main source of public trust in government. Public support for the government increases when people feel that procedures are fair. According to the findings of this study, procedural fairness through communication is positively influential on many indicators of trust in government, such as perceptions of responsiveness, reliability, integrity, openness, and fairness.

Therefore, the Korean government should keep working on these communication efforts for all policy decision making and activities. Boxes 6.6, 6.7 and 6.8 give examples of government efforts towards fairness communication.

Box 6.6. Gwanghwamoon First Avenue: citizens participate in policy making

Gwanghwamoon in central Seoul, is symbolic for Korean democracy; it was the location of a series of protests against corruption under previous president between October 2016 and April 2017. With a strong emphasis on government-citizen communication, the new administration under President Moon Jae-in has initiated a nationwide forum for citizens to share their policy suggestions. Following its inauguration in May 2017, the new administration opened a forum on Gwanghwamoon's First Avenue to call for citizen participation in policy making over a period of 50 days – inviting all citizens to join the Government Transition Committee. In the venue, citizens could publicly share their ideas from the stage and discuss future government plans. The on-site booth operated from Tuesdays to Sundays, 10 a.m. to 6 p.m. (and until 8 p.m. on Wednesdays), and the online channels were available 24/7 via text messages, call centres, its website (www.gwanghwamoon1st.go.kr), and emails.

During the lifetime of the project, more than 180,000 policy suggestions were collected and all became seeds for the better future. And there were various types of suggestions like insistence on blind recruitment, raising voice on using more renewable energy, on making fair competition order throughout the whole society including the education system, noise complaint issues from downstairs neighbour in the apartments, and more. At the end of the 50 days, President Moon Jae-in held a broadcasted session to report on the project results. All the suggestions were shared on the website by category and number, and major suggestions reflected in national plans are followed up regularly on the website. The Gwanghwamoon First Avenue website remains an open channel for citizen policy discussions to this day.

Box 6.7. Government communication on a "hot topic": nuclear energy

Public conflict over nuclear power has caused problems in Korea. The first built nuclear power plant in Korea "Kori 1" operated from 1977 and shut down permanently in 2017. Even the closure of the plant there have been conflicts over the construction of new nuclear power plants, radioactive waste management and building power transmission lines, and other relevant policies have been delayed. This has left Korea with a number of economic and social burdens. The Korea Nuclear Energy Agency is committed to promoting a sustainable energy policy, conflict resolution and social consensus on nuclear energy.

On 7 July 2017, after consulting related ministries, the Office for Government Policy Co-ordination announced the establishment of a public relations committee for Shin-Kori 5 and 6 – the two latest proposed nuclear reactors, which have been a source of great controversy. The Shin-Kori Committee will consist of nine members including the chair, who must be neutral. The committee members will represent each field of the humanities, science and technology, survey and statistics, and conflict management, and must mediate public communications neutrally. Gender balance and youth representation were also taken into consideration in the committee's composition. The committee selection process will be based on recommendations by eight professional organisations, including those both for and against nuclear power, for the first 24 candidates. In this way, each referee organisation can recommend three candidates who must include one or more woman, while humanities and science and technology organisations have to include one or more candidate between the ages of 20 to 30. The State Co-ordination Office won't disclose the names of the candidates to protect their privacy and will later publicise the final committee members.

Once formed, the chair and the committee members into public discussion for three months, aiming to manage the process of public debate fairly, create public consensus and promote government-citizen communication. Although the committee does not have the authority to decide on whether to suspend construction of Shingori Units 5 and 6, its main role is to facilitate the opinions of experts and stakeholders, to be properly reflected in the government's decision.

Box 6.8. Citizen participatory budgeting in Seoul

Citizen participatory budgeting is a system that allows residents to directly participate in the process of budget allocation, traditionally monopolised by local government. The first international experiences date from the late 1980s and it started to influence Korea in the 2000s. A turning point in the movement was in 2011, the government established a legislative system for implementing citizen participatory budgeting. As a result, the Metropolitan City of Seoul has been actively implementing a budget system that allows citizen participation since

2012. This participation by new stakeholders has changed the structure of budgeting authority, procedures and decision-making methods. Participatory budgeting is regarded as a "paradigm shift", in that it breaks down established budgeting methods and adopts new principles and processes, with the core values and motivation of the new system at their heart.

The Seoul Participatory Budget website (yesan.seoul.go.kr) displays the projects for which residents participated in budgeting by category and geography, as well as educational materials for enhancing budgetary understanding and a forum for suggesting city budget changes. The number of city businesses conducted with citizen participation has increased approximately 20 times, from 223 to 3 979 between 2013 and 2016, and the size of the participatory budget has grown more than tenfold, from USD 503 000 to USD 5 400 million, during the same period. The Participatory Budget Committee, formed to monitor activities and publish system assessments, has helped expand citizen participatory budgeting in Seoul. The city government has also reflected on its outcomes over the last five years and revised the system to help achieve a fairer budgeting system.

Capacity building for risk and crisis communication

The last meaningful finding of the current empirical study is that effective government communication during risk, crisis and/or disaster situations is a key that positively influences the drivers of trust in government, including perceptions of responsiveness, reliability, integrity, openness and fairness. As the main findings suggest, the Korean government puts more effort into communication when a crisis occurs in order to communicate with a number of public audiences. Boxes 6.9 and 6.10 give examples of what the government has done in terms of risk, crisis and disaster communication.

Box 6.9. Center for Disease Control and Prevention: Risk communication for infectious disease

When it comes to national health issues, prevention is at least as important as cure. Although immunisation is key to avoiding preventable diseases such as measles and polio, a lack of public awareness has led to low immunisation rates. The Korean Center for Disease Control and Prevention, therefore, carries out immunisation support as one of the government's major projects, and has received significant investment since 2013. Children under 12 years old are eligible for 15 types of immunisations for free, while the elderly (over 65) are offered two types of immunisation. To facilitate this project, the Center for Disease Control and Prevention (CDCP) has committed to organising effective health communication for the entire nation. An analysis conducted by the CDCP showed lackadaisical public perceptions, believing that immunisation is a concern for mothers and children, not a societal issue. As mothers' economic activities increase, it has become more likely that one or two vaccinations for children will not be given on time, and the full immunisation rate was lower for older cohorts. For example, immunisation rates were found to be 93% for 1 year-olds, 80.4% for 3 year-olds, and 60% for 6 year-olds. The results implied a need to focus public attention on immunisation. In turn, in general the elderly also reported comparatively low immunisation rates.

CDCP therefore organised a campaign targeting children under 12 and the elderly over 65 in particular, as well as adults and relevant organisations such as government offices, the media, education and medical centres. In 2015, CDCP implemented a variety of programmes suitable for each target group. For children aged 4-7, they produced musical shows and puppet shows on disease prevention, while creating online and offline communities to communicate with and educate mothers. They also organised various events for adults to promote immunisation for themselves and their families. The media, health communication contests, public advertisements and social media were also used to reach out to the public.

These extensive measures did improve public awareness of immunisation, built communication channels and increased immunisation rates for the elderly by 12%. According to a public survey on policy satisfaction, 93.8% showed satisfaction with the government's support for influenza vaccinations. Moreover, the immunisation support policy was selected as the best policy in 2015 by the public.

Box 6.10. An early warning system to prevent financial fraud

Various financial scams use telecommunications, such as telephone calls, mobile phone text messaging and the Internet. In 2014, phishing scams accounted for KRW 216.6 billion, an increase of 58.6% over the previous year. Criminals increased the damage inflicted by impersonating government agencies such as prosecutors and financial institutions. On the other hand, financial fraud monitoring agencies lacked the means of reaching the public immediately when fraud damage rapidly increased or a new law appeared. In response, the government established a co-operation system with financial fraud monitoring agencies – such as the National Police Agency, the Financial Supervisory Service and the Korea Consumer Agency – to establish an early warning system to prevent financial fraud.

These agencies are responsible for monitoring and analysing financial fraud cases through telecommunication services. The Korea Communications Commission sends warning messages if crucial damage is expected, in collaboration with three major telecommunication companies (LG U-plus, KT and SK Telecom). If an offence is expected to result in widespread damage, the three telecommunications operators send a text message to their 48 million subscribers with instructions and countermeasures from the Korea Communications Commission. The early warning system, according to Government 3.0, is expected to prevent large-scale financial fraud damage with its systematic and pre-emptive countermeasures. The early warning system should thus help effectively address, prevent and avoid financial fraud.

Strengthening government communication: management capacity

This report highlights how government communication strategies affect citizens' trust in public institutions. Government communication policies need to be aligned with governance values and ethics, and establish an ecosystem in the public sector that is conducive to mutual understanding, deliberative discourse and optimal decision making.

When designing and implementing government communication services, public managers should be sensitive to the target citizens' social and cultural realities as well as the political and economic dimension. Only then can communication services elicit meaningful responses from people and hope to enhance public well-being. The old one-way, top-down bureaucratic communication model no longer applies. Government managers will need to delve into communication strategies that empower citizens to engage in direct interaction over policy issues.

Moreover, government communication managers should exploit communication strategies that can turn government vision into reality. Government needs to remain committed to improvement, measuring the impact of communication strategies objectively, in order to reform organisations with a focus on greater openness, engagement and social capital.

Lastly, given the socioeconomic impact of digital and social media in public management, government communication should invest in digitalisation to maintain a seamless relationship with tech-savvy citizens. Given that mobile and social media use is a common denominator among young adults, government communication managers should use these more agile and adaptive communication approaches. This can facilitate a two-way, symmetrical exchange of information on government policy, decisions and actions, especially with groups of people who have higher levels of digital and media literacy than government capacity and expertise.

Public sector colleagues who do not work in communication can devalue the role of communication in the sector. Indeed, intergovernmental relations and cross-department communication within and between government organisations can influence or alter policy of governments and hold government officers accountable to raise public awareness and inform the public about current activities. Moreover, quality communication service for government organizations and practitioners can strengthen the position of governments over parliaments and increase access information and necessities for engagement and cooperation bilaterally. Nonetheless, inadequate budget and highly skilled roles have been a key problem for government communication activities than can rapidly adapt to fundamental changes in demographics, social values, media and technology compared to private sector communication.

Building communication capacity: governance approach

Government should become more interdependent with policy actors and stakeholders to achieve their goals. The findings in this chapter show that the following factors matter in more effective government communication: democratic governance values; commitment by government leaders to build a horizontal relationship with its citizens; using the right channels; clear ground rules; resource capacity; and principles of transparency and fairness. Our study therefore opens up a myriad of recommendations for government communication managers in the following:

- Communicate and inform the public of the mission, values, and roles of the government organisation and its policies that benefit external stakeholders.

- Facilitate the flow of information within a government organisation or project, to enhance synergistic, efficient operation and to avoid duplication.
- Raise awareness of "hot" public issues and employ relevant communication and media strategies in order to support changes in perceptions, attitudes, and behaviour of the targeted population and the wider public.
- Inform, support and reassure the public in times of risk, crisis, and disaster so that both society and government reputation can stay resilient.
- Create environments for sustainable change in society and the public sector, by engaging stakeholders through horizontal communication that meets legal requirements (of integrity, honesty, objectivity and so on) when making decisions that affect their lives.
- Develop an integrated government communication model and performance measurement framework across communication strategies, including citizen participation, in order to measure and maximise the impact of government communications.
- Government should be confident and knowledgeable about using digital technology – such as the internet of things, mobile technology, big data, artificial intelligence, and the cloud – in order to gain citizen insights into policy making, develop media strategies for implementing policies, and bring about maximum communication impacts.

Aligning government communication goals with good governance values should be high on the agenda to enhance public trust in government institutions in Korea , by making a commitment to the value of openness, government agencies could make communication patterns flexible – such as providing budget information online at the time of policy implementation. This kind of online information-sharing system could also provide excellent opportunities for designing two-way communication mechanisms and customised, easy-to-understand budget information for various population groups. A stronger commitment to implementing the Freedom of Information Act should be considered as well, as a way of enhancing the public's assessment of government communication effectiveness.

Accountability should be a foundational value for government communication. Effective ways to demonstrate this value include proactively sharing government data, online and offline; analysing agency performance; policy evaluations; and programme monitoring information. Also, getting feedback from diverse citizens could facilitate citizens' assessment of government communication effectiveness.

Delivering on the value of accountability in government communication demands co-ordination. The prime minister's office could pay closer attention to co-ordinating and sharing policy performance data among national government agencies, and between national and sub-national government agencies, in order to better target information for citizens by policy area. For example, Statistics Korea could expand its collaboration efforts with government agencies for speedy policy performance data sharing, such as on regional variations in small business start-ups, labour markets, and quality of life and well-being indicators for diverse groups of citizens. Strengthening the Anti-Corruption and Civil Rights Commission's capacity for participatory governance is important to allow proactive two-way communication with citizens on the performance of anti-corruption policies and public dispute resolution.

Commitment to participatory governance should be a priority to improve government communication with citizens, addressing citizen as experts and partners in solving community concerns, including emergency and crisis management and public dispute resolution. With this in view, government agencies should strengthen participatory governance by adopting horizontal and diversified two-way communication tools, of both online and offline, customised for specific groups of citizens. Through participatory governance, civil servants and citizens can engage in authentic communication and deliberative decision-making processes.

In order to deliver participatory governance, government should consider expanding citizen engagement programmes to give people more opportunity to participate in the agenda-setting stage of the policy process. The Korean government's advanced e-government systems could be used to design participation in setting agendas by opening the process to the public. Online policy forums to set the agenda of a specific policy area could allow more citizens to gain access to policy issues, provide input and observe how those issues are shaped by citizens' input. However, considering that the digital divide may limit some groups' participation, proactive offline programmes should be developed reaching out to younger generations, low-income families and rural communities. Special attention should be paid to government capacity for responsiveness in managing the participation programme, with quality feedback and proactive two-way communication between public managers and citizen participants in agenda setting.

Government should prioritise proactive, authentic and co-ordinated communication with people in their 20s and 30s, especially for government agencies delivering policies directly relevant to their interests. Government leadership should consider creative forms of offline and online communication with younger people to promote understanding of their culture, as well as to promote understanding between generations. To improve young people's assessment of government communication effectiveness, government agencies should experiment with various engagement opportunities, from consultation to participatory decision making.

Finally, communication training programmes for civil servants could be redesigned to meet the increasing need for engagement and creative problem solving in a complex era for governance and policy setting. Redesigned training programmes could include a simulation approach for dealing with the media, public communication, listening, persuasion, negotiation, dispute resolution and facilitation.

To reiterate, this chapter goes beyond a narrow definition of government communication as a process of informing relevant stakeholders and communities about public policy decisions. Instead, it defines government communication as being systematic and two-way between government agencies and citizens throughout the public policy process, from agenda setting, decision making, policy implementation to monitoring and feedback. It concludes that government communication is an important mechanism for building relationship between government agencies and citizens in various communities.

Notes

[1] This chapter was drafted by Taejun (David) Lee and Soonhee Kim from the KDI School of Public Policy and Management.

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Annex A. Definitions in the OECD Trust Framework

The OECD Trust framework recognises the following definitions of drivers of trust in government institutions. These definitions are based on a wide-ranging review of the academic literature, which is consistent in finding specific attributes that matter for trust, both in relation to the "competence" and to the "values" components.

Competence

Competence, while insufficient on its own, is a necessary condition for trust; a provider with good intentions but without the ability to deliver on expectations cannot be trusted, especially when people depend on its services (Forsyth, Adams and Hoy, 2011; Mishra, 1996). The provision of public goods and services (from security public health to civil registries) is one of the principal activities exercised by governments in OECD countries today. In many countries, these services are provided at a massive scale and offered to citizens as a right, in return for their tax payments. Despite being entitled, citizens are dependent on the ability of governments to actually deliver the services they need, at the level of quality they expect. These expectations entail two critical dimensions of trustworthiness: 1) responsiveness, and 2) reliability.

Responsiveness: recognising responsiveness as an explicit dimension of trust reflects the core objective of public administration, which is to serve citizens. Common findings in OECD countries, including Canada, France and the United Kingdom, suggest that improving service delivery can improve not only satisfaction but confidence in government in its role as service provider. Under tight fiscal constraints and high expectations, governments are exploring alternative ways of service delivery, including a bigger private sector role. In this context, responsiveness looks not only at how citizens receive public services but also at how government listens to citizens and responds to their feedback (Denhardt and Denhardt, 2000). Responsiveness then is about availability, access, timeliness and quality, but also about respect, engagement and response. Authors such as Machin (2014) assert that the performance of public services is a strong predictor of trust levels. Additionally, Gyorffy (2013) finds evidence that good quality in public services generates trust towards the institutional framework, and contributes to general compliance with rules and paying taxes.

Reliability: prior to delivering responsive services, governments must assess their citizens' economic, social and political environment, and act accordingly. This may mean adapting certain services (e.g. in response to climate change) or creating new ones, but also being able to deal with uncertainty in a consistent and predictable manner. In the aftermath of the last global financial and economic crisis, long-term planning and risk management have proven to be essential, albeit not universally institutionalised, functions of government. Reliability as a dimension of trust responds to this delegated responsibility to anticipate needs, minimise uncertainty in people's economic, social and political environment, and act in a consistent and effective manner. Gyorffy (2013) states that in a low-trust environment, policies are short-term oriented – thus trust affects decision making by influencing time horizons in planning.

Values

When it comes to influencing trust, the process of policy making and its guiding motivations, or values, are just as important as actual results.[1] In a context of growing inequality, citizens expect governments to commit strongly to improving socio-economic conditions in society at large,[2] but to behave impeccably in the exercise of its delegated authority. These expectations entail three critical dimensions of trustworthiness: 1) integrity, 2) openness and 3) fairness.

Integrity: the way in which public administrations conduct themselves, and the degree to which they can be expected to safeguard the public interest without the need for scrutiny, has the most direct influence on levels of trust in government. A solid integrity framework is needed, with high standards of behaviour, to reinforce government's credibility and legitimacy. According to Knack and Keefer (1997), trust matters in the context of repeated transactions, where reputation needs to be built. Trust would be instrumental in this case. Blind (2006) claims that trust is enhanced by affecting quality of government (in particular, lowering corruption).

Openness: openness and stakeholder engagement in the design and delivery of public policy and services can help governments better understand people's needs, leverage a wider pool of information, achieve higher levels of compliance and increase trust (OECD, 2013). Openness as a dimension of trustworthiness reflects a renewed social contract between citizens and state, where the former contribute not only by paying taxes and obeying the law, but also by being receptive to public policies and co-operating in their design and implementation. Bouckaert (2012) acknowledges the importance of transparency; however he claims that open government *per se* does not create trust; the existence of co-design, co-decision, co-production, co-evaluation is a necessary but not sufficient condition to build trust in the public sector.

Fairness: citizens share a growing concern since the financial crisis that the distribution of burdens and rewards among members of society is skewed. Higher levels of wealth accumulation in the top few percent help fuel mistrust in government. Fairness as a dimension of trust addresses this concern by focusing on the consistent treatment of citizens and business by government, and protecting the pursuit of benefits for society at large. Slemrod and Katuscak (2002), using data on interpersonal trust and trustworthiness from World Values Survey, find that both prosperity and government involvement are higher in more trusting societies.

Notes

[1] Competence, in the light of wrong guiding principles or corrupted mechanisms, does not lead to trust. As argued by Hibbing and Theiss-Morse (2001) people tend to focus on outputs because citizens contact output institutions more frequently, but dissatisfaction with government has more to do with unfair policy and political process.

[2] The ongoing discussion around public value points in this direction, not only as an evolution of public management science, but as a direct consequence of increasing levels of inequality. Public value is achieved when governments produce what is either valued by the public, good for the public or both, leading to just and fair conditions in society at large (Bryson, Crosby and Bloomberg, 2014).

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Annex B. Methodology

Objectives

This methodological annex has three key objectives: 1) to describe the sampling frame used to generate the quantitative evidence collected through the OECD-KDI questionnaire; 2) to display the weights used to construct the composite indicators on institutional and political trust; and 3)present the detailed results of the econometric analyses conducted to generate the results of this case study.

Sampling frame

The OECD-KDI survey examined perceptions of the Korean population regarding their level of trust in government institutions. As defined in the instructions accompanying the survey, the main focus was on administrative agencies of central and local government that develop and execute public policy for education, public health, security, defence, transportation and other areas that provide related public services. The survey was structured around eight different sections.[1]

As the questions focused primarily on administrative institutions, respondents were asked not to take into account their subjective feelings about political organisations (e.g. the National Assembly, local councils or political parties) or about the president, the prime minister, cabinet ministers, National Assembly members, local government heads, or city council members when giving their responses to the various sections of the survey, except when specifically mentioned.

In total, 3 000 citizens were surveyed from all 17 of Korea's administrative divisions. The sample is representative of the Korean population and follows the sampling frame of the Korean census. Regarding the geographical distribution, 46.6% of respondents were from urban metropolitan areas, 43.8% from mid- and small-sized cities (suburban), and 9.5% from rural areas. The sample was gender balanced, and age distribution was as follows: 18% in their 20s, 21% in their 30s, 22% in their 40s, 18% in their 50s, and 21% 60 and above. The majority of respondents shared a household with their spouse (74%) and with their children (59 %) (multiple responses possible). The vast majority (71%) of respondents were married, while 26% were single (never married) and only 1.4% were divorced.

The survey asked respondents to state their highest level of education: 2% followed a master or a PhD, 32% had graduated from a four-year university programme, while 31% had graduated from high school and 16% from a vocational college. Almost 40% of respondents were permanent employees (with a contract for more than a year), 20% were full time homemakers, while 14% were self-employed. Around 56% of respondents reported earnings between KRW 12 million and KRW 48 million (EUR 9 000 to 36 000) a year. More than half (54%) described themselves as having no religion, 20% were Buddhist, 20% Protestants, and 7% Catholic. For political views, almost 30% considered themselves progressive, 46% neutral and 24% conservative. See Box A B.1 for the survey sample frame.

Box A B.1. OECD-KDI survey sample frame

Subjects and time period

- Population: all citizens over 20 years old
- Sampling size (number of respondents): 3 000 people
- Time period: 20 January to 22 February 2016.

Sampling design and sampling

- Sampling frame: Korea Census 2010
- Sampling method: stratified random sampling
- Stratification criteria: region, gender, age
- Data collection method: face-to-face interview using a structured questionnaire
- Interviewers' comments: no specific observations on the survey were reported except for the prolonged length of questionnaire.

Table A B.1. Sample structure

Region	Population (as of 2010)			Sample size (per region, gender, and age)									
				20-29		30-39		40-49		50-59		Over 60	
	Total	Male	Female	M	F	M	F	M	F	M	F	M	F
Whole country	36 765 374	17 974 239	18 791 135	280	258	320	316	336	334	265	271	266	354
Seoul	7 640 942	3 693 583	3 947 359	64	66	70	69	63	66	53	59	51	62
Busan	2 688 226	1 292 297	1 395 929	20	19	20	20	22	24	22	24	21	27
Daegu	1 857 618	897 765	959 853	14	13	15	16	17	18	14	14	13	18
Incheon	1 996 647	985 734	1 010 913	16	15	18	18	20	20	14	14	12	16
Gwangju	1 076 346	521 693	554 653	10	9	9	10	10	10	7	7	7	9
Daejeon	1 113 295	548 034	565 261	10	9	10	10	10	10	8	8	7	9
Ulsan	794 357	401 874	392 483	6	5	8	7	9	9	6	6	4	5
Gyeongi	8 348 377	4 124 682	4 223 695	63	60	82	82	85	83	57	55	50	64
Gangwon	1 131 797	560 975	570 822	8	6	8	7	11	10	9	9	10	14
Chung-buk	1 138 889	561 343	577 546	9	7	10	9	10	10	8	8	9	13
Chung-nam	1 527 623	762 167	765 456	12	9	13	12	13	12	10	11	14	19
Jeon-buk	1 346 471	648 665	697 806	9	8	10	10	11	10	10	10	13	19
Jeon-nam	1 337 622	641 679	695 943	7	6	9	9	11	10	10	10	15	22
Gyeong-buk	2 013 413	982 586	1 030 827	14	11	15	14	17	16	15	16	19	27
Gyeong-nam	2 365 348	1 162 847	1 202 501	15	13	20	20	23	22	19	17	18	26
Jeju	388 403	188 315	200 088	3	2	3	3	4	4	3	3	3	4

Composite indicators on political and institutional trust

The objective of the research is to identify trusting patterns among different population groups and to analyse some of the key drivers of trust in government institutions. The questionnaire's design was based on the measurement and policy framework developed by the OECD, which in turn is based on a comprehensive literature review of the main drivers of institutional trust.

An important challenge is analysing the wealth of information available in a way that is amenable to policy recommendations; in other words, to construct a robust dependent variable that could be tested against respondents' individual characteristics; the policy drivers identified by the framework; and exogenous factors that could shape trusting patterns. A first step was to evaluate the variability among observed correlated variables and whether or not they can be synthetised into fewer underlying variables. A common data reduction methodology is factor analysis.

The OECD-KDI includes a set of perception questions about trust in several public institutions. After conducting factor analysis, two different factors were identified that captured common data patterns: Factor 1 on institutional trust, and Factor 2 on political trust or trust in the elected leadership.

After identifying variables that capture the same underlying pattern, the question was how to aggregate them into a single measure (i.e. how to weight and combine them). Based on the results of the factor analysis differentiating between two factors (i.e. political and institutional trust) a neutral solution is to mathematically calculate the weights or scoring coefficients. The scoring coefficient identifies the relative weight of each variable within the selected factor, based on the explanatory power of each variable represented by the factor loading. The larger the value of the coefficient, the more important the corresponding variable in calculating the component. Table A B.2 presents the normalised weights for each of the variables within the factor on institutional trust, derived from the mathematical approach described above. Based on these weights, a composite measure for trust in institutions was constructed at the individual level. This is the main dependent variable in our analysis.

Table A B.2. Normalised weights for the institutional trust factor

Factor 1: Institutional trust	Normalised weights
Government employees	0.084632711
Courts	0.107098743
Prosecutors	0.111676233
Public corporations	0.112112185
Police	0.140528954
Education system	0.161643537
Health system	0.174772942

A similar approach was followed to calculate the second factor on political trust. Table A B.3 presents the normalised weights for each of the variables within Factor 2, derived from the mathematical approach described above. Based on these weights a composite measure for trust in political institutions was constructed at the individual level.

Table A B.3. Normalised weights for the Political trust factor

Factor 2: Political trust	Normalised weights
National Assembly	0.233441
Members of the National Assembly	0.278289
Local council	0.249619
Members of the local council	0.238651

Source: OECD analysis

Econometric analyses

The econometric analyses conducted as part of this case study took into account three main channels that may influence trust: 1) an individual's characteristics, including their preferences and expectations; 2) the individual's socio-economic characteristics; 3) the institutional environment the individual acts in (e.g. policy drivers). Both short and long-term factors, as well as micro and macro-level aspects, are thus comprehensively addressed.

At the individual level, a person's expectations of other people's behaviour and the future development of the economy, as well as general socio-economic and demographic characteristics, are connected with trust.

Preferences and expectations

An individual's beliefs about how secure the future will be in terms of income and job conditions, and how accessible are opportunities for social mobility, are linked to whether government institutions afford these. People who consider themselves most at risk of future financial problems or job loss display low trust in public institutions not able to provide security (Bouckaert et al., 2002; Inglehart and Norris, 2016). In turn, a perceived lack of equality and mobility may be another source of frustration among those who do not reap the benefits of economic growth and feel left behind in increasingly unequal societies (Alesina et al, 2017). In turn, volunteering and civic engagement is positively associated with trust in government, even though the direction of causality is debated (Myong and Seo, 2015).

Socio-economic background

Individual demographic and socio-economic characteristics have been consistently found to be highly correlated with trust, including age, gender, education, income level and labour force status (Alesina and La Ferrara, 2002; Algan and Cahuc, 2013). There is a positive relationship between interpersonal and institutional trust and educational status (and to a weaker degree, income levels) (Stolle et al., 2008; Helliwell and Wang, 2010; Carl and Billari, 2014). People that are better off financially and higher educated are likely to enjoy more opportunities and channels to take part in society (e.g. through volunteering and political participation), helping to develop and maintain larger and more diverse social networks (Helliwell and Putnam, 2007; OECD, 2015b). The cognitive skills gained through education also allow for a better understanding of government functions, translating into higher trust of public institutions (Christensen and Laegreid, 2005).

Personal values

A person's values about how society should be organised is also connected with trust in other people in that society, as well as with trust in the institutions that guard the organisational rules. For instance, religious observance is a strong correlate of social ties, and this correlation is generally observed across religious affiliations (Schoenfeld, 1978; Traunmüller, 2011). Furthermore, one's political orientation is likely a mitigating factor when formulating judgements about public institutions: in the United States for instance, trust in government is always higher for members of the party of the sitting President (Pew, 2015).

Institutional determinants

The institutional context or the system of bodies, rules, regulation, policies procedures and processes in which people operate is crucial to foster co-operation as well as inspire trust in the institutions themselves. Both the competence of institutions to carry out their role and the values and intentions that guide government action are key components of the institutional determinants of trust (OECD, 2017; Bouckaert and Van der Walle, 2003; Nooteboom, 2007; Bouckaert, 2012).

Government competence

Government competence encompasses the ability to deliver quality public services, to respond to citizen needs and to effectively manage social, economic and political uncertainty. Trust in government institutions responds to shocks in government performance, as measured by scandals in government agencies (Keele, 2004). Moreover, citizens' evaluations of government services they encounter regularly have been found to be quite accurate (Van Ryzin, 2007) and feed into the advocacy by the "new public management" literature for greater emphasis on improving customer service to strengthen trust (Aberbach, 2007). Nevertheless, the direction of causality between public service performance and trust is not straightforward, since existing levels of trust in institutions might also impact perceptions of quality of services received (Bouckaert and Walle, 2013).

Government values

The notion of government values revolves around norms of integrity: low corruption and high standards of accountability; openness of the policy process to citizen participation; and fair and equal treatment of all population groups.

People are less likely to trust institutions whose effectiveness is limited by corruption, and there is a robust cross-country correlation between trust in institutions and perceptions of corruption (Anderson and Tverdova, 2003; OECD, 2013). At the same time, low institutional and interpersonal trust are likely to reinforce institutions' weakness: low institutional trust may hinder government efforts to improve integrity, and a society with weak interpersonal trust and norms of low co-operation is likely to be more tolerant of non-compliance with regulations and laws (Morris and Klesner, 2010; Aghion et al, 2010). When it comes to the connection between fairness and institutional trust, experiences of discrimination have been found to harm perceptions of trustworthiness of government actors (Wang, 2016).

Linear regression results

In order to test the relationship between trust in public institutions, its main drivers and the impact of other contextual variables, the study carried out an analysis based on linear regressions. In all regressions, independent variables are normalised, meaning that the coefficients reported represent the change in the dependent variable as a result of one standard deviation increase in the explanatory variable. Results from linear regressions are presented for trust in government institutions and trust in political institutions.

The policy and contextual drivers of trust in government are presented in Table A B.4, while those of trust in political institutions are presented in Table A B.5. Both trust in government institutions and trusts in political institutions are regressed using the three broad categories presented in the conceptual framework: preferences and expectations (Column I), socioeconomic background (Column II) and government competence and values (Column III). Each of the individual categories is first regressed on the dependent variable, first including the full set of variables, and in the following using a selection determined by a stepwise regression. In the final column (Column IV), all three categories are grouped together, and the significant variables are retained (using the same methodology).

[1] The eight sections were: 1) life perceptions, experiences and satisfaction; 2) interpersonal trust; 3) trust in institutions and organisations; 4) trust in government (broad sense); 5) capabilities of central government administrative branches; 6) experience with and opinions about policy communication by central government administrative branches; 7) local governments (city, province, country, and district) and the resident participation system; 8) experiences of public conflicts and opinions about administrative capabilities.

Table A B.4. Determinants of institutional trust

The dependent variable is a composite measure of institutional trust

	I. Preferences and expectations		II. Socio-economic background		III. Government competences and values		VI. Full model
VARIABLES	All	Selection	All	Selection	All	Selection	
Satisfaction with standard of living	-0.0774***						
	(0.0215)						
Satisfaction with safety from crime	0.0341						
	(0.0335)						
Satisfaction with feeling part of a community	0.0416*	0.0336					0.0991***
	(0.0249)	(0.0241)					(0.0131)
Satisfaction with safety from accidents	0.0131						
	(0.0413)						
Satisfaction with safety from disasters	0.167***	0.201***					
	(0.0368)	(0.0226)					
Satisfaction with future security	0.0706***	0.0371					
	(0.0255)	(0.0241)					
Satisfaction with your job	0.00410						
	(0.0170)						
Importance of family wealth	0.0741***	0.0691***					
	(0.0214)	(0.0205)					
Importance of having an aspiration	-0.000541						
	(0.0255)						
Importance of working hard	0.151***	0.148***					
	(0.0232)	(0.0209)					
Importance of having a personal network	-0.0837***	-0.0979***					
	(0.0257)	(0.0229)					
Importance of school ties	-0.0260						
	(0.0317)						
Importance of having a regional connection	0.000931						
	(0.0289)						
Importance of having a political connection	0.0810***	0.0721***					

	(0.0248)	(0.0220)					
Interpersonal trust	0.227***	0.218***					
	(0.0208)	(0.0205)					
Gender			-0.0311	-0.0379**			
			(0.0212)	(0.0180)			
Civil status			0.0439*	0.0440*			
			(0.0240)	(0.0231)			
Income level			-0.00146				
			(0.0232)				
Age			0.0783***	0.0803***			
			(0.0238)	(0.0235)			
Employment status			0.0148				
			(0.0219)				
Regional growth rate			0.113***	0.112***			0.0847***
			(0.0167)	(0.0166)			(0.0127)
Recent interaction with a civil servant			0.0935***	0.0930***			0.0718***
			(0.0179)	(0.0179)			(0.0127)
Political orientation (conservativeness)			0.0587***	0.0597***			
			(0.0190)	(0.0189)			
Expected satisfactory answer to a complaint					0.0284		
					(0.0264)		
Expected capacity to innovate for civil servants					0.143***	0.154***	0.140***
					(0.0285)	(0.0271)	(0.0241)
Expected government response to dissatisfaction with a service					0.0920***	0.107***	0.0941***
					(0.0290)	(0.0280)	(0.0241)
Expected effectiveness of disaster management plans					0.0881***	0.105***	0.106***
					(0.0268)	(0.0261)	(0.0225)
Expected stability of conditions for starting a business					0.0911***	0.106***	0.110***
					(0.0282)	(0.0264)	(0.0218)
Expected provision of food and shelter in case of a disaster					0.0380		
					(0.0278)		
Expected prosecution of a corrupt high-level officer					0.0661***	0.0701***	0.0624***

					(0.0206)	(0.0205)	(0.0168)
Expected availability of information					0.0984***	0.108***	0.103***
					(0.0237)	(0.0231)	(0.0182)
Expected consultation when a decision affecting the community is to be taken					-0.0238		
					(0.0287)		
Expectation incorporation of an opinion following a consultation process					0.0414		
					(0.0330)		
Expected action in case of discrimination					0.0747***	0.0836***	0.0848***
					(0.0267)	(0.0262)	(0.0228)
Expected fairness in sharing the burden of a tax reform					0.108***	0.111***	0.109***
					(0.0255)	(0.0252)	(0.0220)
Constant	-2.35e-09	-1.30e-09	-0.00191	-0.00189	-7.55e-10	-8.99e-10	-0.00140
	(0.0165)	(0.0165)	(0.0179)	(0.0179)	(0.0129)	(0.0129)	(0.0127)
Observations	3 000	3 000	2 990	2 990	3 000	3 000	2 990
R-squared	0.191	0.186	0.043	0.043	0.503	0.502	0.524

Note: Robust standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1
Source: OECD-KDI survey

Table A B.5. Determinants of political trust

The dependent variable is a composite measure of political trust

	Preferences and expectations		II. Socio-economic background		III. Government competence and values		IV. Full model
VARIABLES	All	Selection	All	Selection	All	Selection	
Satisfaction with standard of living	-0.0137						
	(0.0221)						
Satisfaction with safety from crime	-0.0469						
	(0.0334)						
Satisfaction with feeling part of a community	-0.0266						
	(0.0250)						
Satisfaction with safety from accidents	0.0968**						
	(0.0392)						
Satisfaction with safety from disasters	0.0697**						
	(0.0352)						
Satisfaction with future security	0.118***	0.146***					
	(0.0253)	(0.0199)					
Satisfaction with your job	0.0170						
	(0.0169)						
Importance of family wealth	-0.0151						
	(0.0204)						
Importance of having an aspiration	0.00397						
	(0.0238)						
Importance of working hard	0.0315						
	(0.0225)						
Importance of having a personal network	-0.0641***	-0.0435*					
	(0.0246)	(0.0230)					
Importance of school ties	-0.109***	-0.110***					
	(0.0306)	(0.0265)					
Importance of having a regional connection	-0.00280						
	(0.0290)						

Importance of having a political connection	0.192***	0.185***					0.0577***
	(0.0253)	(0.0222)					(0.0141)
Interpersonal trust	0.263***	0.271***					
	(0.0196)	(0.0189)					
Gender			-0.00915				
			(0.0218)				
Civil status			0.0846***	0.0945***			0.0467***
			(0.0243)	(0.0183)			(0.0175)
Income level			-0.0107				
			(0.0243)				
Age			0.00808				-0.0517***
			(0.0250)				(0.0181)
Employment status			0.0458**				
			(0.0219)				
Regional growth rate			0.0462***	0.0433**			
			(0.0170)	(0.0169)			
Recent interaction with a civil servant			0.0402**	0.0369**			
			(0.0180)	(0.0180)			
Political orientation (conservativeness)			-0.00581				-0.0560***
			(0.0199)				(0.0146)
Expected satisfactory answer to a complaint					0.137***	0.137***	0.135***
					(0.0280)	(0.0269)	(0.0253)
Expected capacity to innovate for civil servants					0.0907***	0.0936***	0.0825***
					(0.0294)	(0.0278)	(0.0258)
Expected government response to dissatisfaction with a service					0.0109		
					(0.0301)		
Expected effectiveness of disaster management plans					0.103***	0.102***	0.0878***
					(0.0314)	(0.0313)	(0.0246)
Expected stability of conditions for starting a business					0.127***	0.127***	0.114***
					(0.0299)	(0.0299)	(0.0243)
Expected provision of food and shelter in case of a disaster					-0.0753**	-0.0755**	
					(0.0301)	(0.0300)	

Expected prosecution of a corrupt high-level officer					0.0452**	0.0449**	
					(0.0211)	(0.0211)	
Expected availability of information					-0.0855***	-0.0869***	-0.0859***
					(0.0240)	(0.0238)	(0.0211)
Expected consultation when a decision affecting the community is to be taken					0.137***	0.136***	0.133***
					(0.0304)	(0.0304)	(0.0281)
Expectation incorporation of an opinion following a consultation process					0.0910***	0.0898***	0.0847***
					(0.0340)	(0.0335)	(0.0299)
Expected action in case of discrimination					-0.0182		
					(0.0264)		
Expected fairness in sharing the burden of a tax reform					0.178***	0.172***	0.182***
					(0.0296)	(0.0279)	(0.0232)
Constant	0	-2.05e-10	-0.000851	-0.000769	1.52e-09	1.51e-09	-0.000278
	(0.0167)	(0.0168)	(0.0182)	(0.0182)	(0.0140)	(0.0140)	(0.0139)
Observations	3 000	3 000	2 990	2 990	3 000	3 000	2 990
R-squared	0.163	0.150	0.016	0.012	0.416	0.416	0.423

Note: Robust standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1
Source: OECD-KDI survey

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Understanding the Drivers of Trust in Government Institutions in Korea

The erosion of public trust challenges government's capacity to implement policies and carry out reforms. While Korea has achieved and maintained rapid economic growth and development, and performs comparatively well in several existing measures of the quality of public administration, trust in government institutions is relatively low. This pioneering case study presents a measurement and policy framework of the drivers of institutional trust and explores some policy avenues Korea could take to restore trust in public institutions.

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