

RESEARCH INSIGHTS



Can Social Trust Explain the Quality of Government?



Voters would be better off if they removed politicians whose populist policies lead to low-quality government, yet in many political contexts, including those with free and fair elections, voters do the opposite.



Voters must act collectively to shape political incentives, but low trust among voters is an obstacle to collective action. In this environment, low-quality government and populism emerge as optimal electoral strategies for political candidates.



New survey data from 6,040 individuals in seven Latin American countries indicate that voters who express low trust are significantly more likely to prefer populist candidates and policies that reflect a low quality of government.

CONTEXT

Why does electoral competition often fail to drive societies inexorably towards higher-quality government? Why do voters sometimes opt for populist politicians who advocate ultimately unsustainable policies? Voter mistrust in politicians is a clear indicator that politicians' ability to make credible pre-electoral commitments is weak. Low social trust is an even more fundamental concern: if voters do not trust fellow voters to act with them to hold politicians accountable, politicians have less reason to fear the electoral consequences of breaking their promises, and more generally of welfare-reducing policy and institutional choices.

THE PROJECT

This research, through a systematic review of the knowledge accumulated on the quality of government and populism, identifies fundamental similarities between these two important phenomena that are the focus of two distinct bodies of research. Second, it presents the new argument that low social trust, by hindering citizen collective action, leads to the emergence of low-quality government and populism. Third, it analyzes new data from a 2017 survey of voters in seven Latin American capital cities (the IDB-LAPOP Survey) to provide evidence for the link between social and political trust and policies associated with low quality government.

Key Concept



ELECTORAL POPULISM

Electoral strategies and public policies seeking to replace democratic institutions with individuals claiming to represent the popular will.

Key Concept



COLLECTIVE ACTION

The ability of a social group to act in a unified and organized manner to achieve a common purpose from which each member of the group benefits.

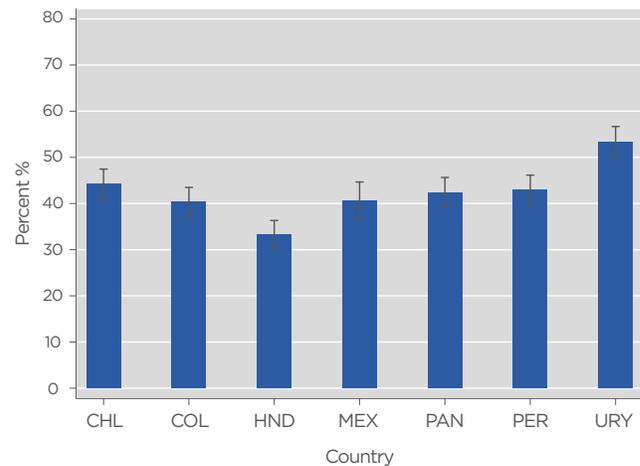
RESULTS

Voters who cannot act collectively pose a less credible threat to punish politicians who renege on their commitments, reducing politicians' incentives to pursue welfare-improving economic policies and to preserve institutions that yield impartial, credible, and sustainable policies. Low social trust is a basic obstacle to collective action. When voters cannot act collectively, they cannot vote out those politicians who break their promises and therefore have low political trust that elected officials will keep their electoral promises. Low political trust in turn reduces voter demand for growth-promoting public good policies, such as investments in education. These linkages imply a significant correlation between various dimensions of voter trust and voter support for policies associated with high-quality government.

The data measuring voter trust and policy preferences in seven Latin American countries indicate a strong correlation between low voter trust and preferences for policies associated with low quality and populist governments. Low social trust—citizens' low trust in each other—is a key obstacle to collective action and therefore strongly associated with low political trust. We further demonstrate that low political trust strongly affects support for policies that are incompatible with the quality of government and consistent with populism. The estimated level of social trust in the seven countries is shown in the figure.

Social trust is a strong predictor of respondent confidence that social assistance will go to the poor, and citizens who believe that the government will redistribute tax revenues to the poor are more likely to support higher taxes to finance redistribution. Social trust predicts voter confidence that politicians obey the law, which in turn predicts voter support for taxes to finance the police and the judiciary. Finally, social trust is associated with higher trust that politicians will fulfill their electoral promises; this political trust is associated with voter support for taxes to finance public education.

Social Trust in Seven Countries



Notes: Graph shows for each country the percentage of respondents to the 2017 IDB-LAPOP Survey who respond that most people can be trusted. Ranges at the top of the bars are 95% confidence intervals.

Key Concept

SOCIAL TRUST

The propensity for a member of a society to express trust in a person they do not know.

POLICY IMPLICATIONS

1. Trust is vulnerable to a variety of dangers. Social trust may be eroded in societies and economies with high inequality, discrimination, and crime. Political trust may decline when politics is highly partisan and polarized.
2. Nonetheless, trust can be built over time. To improve social trust policymakers can support a strong civic culture and uphold the rule of law. Social trust can also be built through providing equal opportunities for education and economic advancement, which are also essential for economic growth.
3. To develop political trust and particularly trust in government institutions, government transparency is essential, so that citizens can track government fulfillment of electoral promises. Elected officials can promote trust in political institutions by seeking citizen support for their policy initiatives not only during electoral campaigns but also during the governing process.
4. Developing a strong economy requires public investment in public goods, including security, education, health, and infrastructure. Raising the necessary taxes to make these investments is not politically feasible unless voters trust that elected officials abide by the law and use tax revenues effectively to deliver these public goods.

IDB RESEARCH ON TRUST

This project was carried out at the IDB Research Department with data collected in collaboration with the Latin American Public Opinion Project (LAPOP) at Vanderbilt University.



FULL STUDY

[Keefer, P., C. Scartascini, and R. Vlaicu. 2019. Social Trust and Electoral Populism: Explaining the Quality of Government.](#)

[Keefer, P., C. Scartascini, and R. Vlaicu. 2020. "Trust, Populism, and the Quality of Government." in: A. Bågenholm et al. \(Eds.\) Oxford Handbook of Quality of Government, forthcoming.](#)

DEPARTMENT OF RESEARCH AND CHIEF ECONOMIST

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