

Conditional trust: The role of individual and system-level features for trust and confidence in institutions

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Abstract: This paper analyzes the role of individual and system-level factors and the interaction between both these levels in shaping citizens' trust in the moral integrity of institutions, and their confidence in the capabilities of institutions. We conceptualize the standard questionnaire item of 'institutional trust' as an additive composite of both trust and of confidence. Starting from the culturalist framework, we argue that social trust is sometimes transferred to institutions, but this transfer is condition on the institutions' trustworthiness. This explanation is supplemented with performance-based approaches to confidence in institutions, because the impact of institutional performance differs for citizens and might be conditional on their preferences and vulnerability to institutional failure. Because institutions are in charge of different tasks, the criteria for evaluating them can be expected to differ.

Our analysis confirms the hypothesis that social trust is transferred only to trustworthy institutions, which explains why a relationship between social and institutional trust is found only in some countries. While different criteria are of varying relevance for different institutions, there is no clear distinction between political and non-political institutions. The impact of an institution's performance on institutional confidence is usually not conditional on citizens' characteristics.

Keywords: System performance · Generalized trust · Corruption · Political institutions · Institutional trust

Bedingtes Vertrauen: die Rolle von individuellen Merkmalen und Systemeigenschaften für das Institutionenvertrauen

Zusammenfassung: Dieser Beitrag analysiert die Rolle von Faktoren für das Niveau an Vertrauen, welches Bürger den Institutionen ihres Landes entgegenbringen, auf der Ebene des Individuums und der Gesellschaft, insbesondere die Interaktion zwischen beiden Ebenen. Die Standardfrage nach Vertrauen in bestimmte Institutionen wird dabei als ein additives Kompositum aus Vertrauen in die Moral der Institution und Vertrauen in die Fähigkeiten der Institution konzeptualisiert.

Published online: 06.04.2011

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The author wishes to thank Sonja Zmerli for conversations and the data on the incumbency variable.

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Soziales Vertrauen, so wird argumentiert, schlägt nur dann in politisches Vertrauen um, wenn die Institution auch objektiv vertrauenswürdig ist. Diese Erklärung wird ergänzt durch Indikatoren der Leistungsfähigkeit der Institutionen. Da Institutionen für unterschiedliche Aufgaben zuständig sind, sollte sich auch die Relevanz der einzelnen Leistungsindikatoren je nach Institution unterscheiden. Zudem kann argumentiert werden, dass, da für Individuen je nach persönlicher Lage bestimmte Leistung von Institutionen unterschiedlich relevant sind, etwa die Arbeitslosenquote für Arbeitslose, bestimmte Leistungsindikatoren für bestimmte Individuen wichtiger sind.

Die Analyse bestätigt die Hypothese, dass soziales Vertrauen nur dann auf Institutionen übertragen wird, wenn diese auch vertrauenswürdig sind. Dieser Mechanismus erklärt, warum sich eine Korrelation zwischen sozialem und politischem Vertrauen nur in manchen Ländern findet. Zwar bestimmt sich das Institutionen entgegengebrachte Vertrauen in deren Leistungsfähigkeit nach verschiedenen Kriterien, eine klare Unterscheidung zwischen politischen und unpolitischen Institutionen findet sich jedoch nicht. Der Effekt der Leistungsfähigkeit von Institutionen auf das Vertrauen in ihre Leistungsfähigkeit ist dabei nicht von persönlichen Eigenschaften beeinflusst.

Schlüsselwörter: Systemperformanz · Generalisiertes Vertrauen · Korruption · Politische Institutionen · Institutionenvertrauen

1 Introduction

Societal institutions regulate and alleviate individual cooperation. They also allow a society to solve problems, to make and to implement collective decisions. They cannot work if they are generally neither accepted nor trusted (Tyler 1990; Putnam 1993; Brehm and Rahn 1997, p. 1003; Levi and Stoker 2000, pp. 491–493). Citizens' trust is important for legitimizing and stabilizing social institutions, in particular in times of hardship (Easton 1965), and for giving political actors the leeway required to act (Warren 1999). This importance has created a substantial body of research into its determinants. However a substantial share of cross-country and individual-level variation remains unexplained, and the mechanisms by which individual and country-level features interact are unclear.

Institutional, or 'political' trust is defined at this stage as trust in societal institutions, as opposed to 'generalized' or 'social' trust in other people (Lipset and Schneider 1983; Kaase 1999). What determines institutional trust? One can distinguish between socio-cultural causes and causes originating in the political sphere (Mishler and Rose 2001, p. 31; Deters et al. 2007, pp. 71 ff.; Norris 1999, pp. 217–220).

The **Institutional Performance Approach** argues that performing institutions generate confidence; (Miller and Listhaug 1999; Newton 2006; Kelleher and Wolak 2007). While this argument can explain declining institutional confidence in countries with poor economic performance (Newton 2006), it serves less well in explaining the long-term decrease in institutional confidence, as observed in many countries where overall performance is high (Crozier et al. 1975; Pharr and Putnam 2000; Chanley et al. 2000; see also Alesina and Wacziarg 2000 for an alternative evaluation). One possible argument is that the citizens' expectations have changed, and the institutional setting is unable to deliver (Inglehart 1999). More detailed research on the type of institutions has found differences between trust the more visible political institutions, like politicians, and the less publicized institutions like the police or the legal system (Fuchs et al. 1995; Pickel and Walz 1997).

The **Political Performance Approach** rests on the idea that citizens want certain political outcomes, and are more confident in a government which is delivering the policies they want (Anderson and LoTempio 2002). Ideological proximity should increase institutional trust, which is expected to be higher if the respondent's favored party is in government (Kaase and Newton 1995, pp. 92 ff.; Anderson and Guillory 1997; Criado and Herreros 2007; Herreros and Criado 2008). This argument has little to say however about trust in impartial (non-elected, non-political) institutions, about differences between countries, or about long-term decline in trust.

Located conceptually between institutional and political performance are approaches which study the impact of corruption on political trust. Case studies such as Pharr (2000) and della Porta (2000) show that corruption reduces political trust. On the other hand, Anderson and Tverdova (2003) argue that the effect of corruption on trust is not that straightforward, but is dependent upon the characteristics of individuals, in particular their political affiliation.

The **Cultural Approach** argues that there are certain values conducive to institutional trust, which are deeply ingrained in society and transmitted within social institutions, such as families and the educational system (Almond and Verba 1963). The social-psychological oriented strain (eg. Mishler and Rose 2001), sees trust as an individual-level characteristic, based on the person's background (e.g. education, income) and experiences with others. This is the input to a transfer process (see Putnam 1993, 1995), which starts in the personal environment and extends stepwise from the local or communal level and "(...) then "spills up" to create a nationwide network of institutions necessary for representative government. In this sense, interpersonal trust is projected onto political institutions" (Mishler and Rose 2001, p. 34). Critics of cultural theories, such as Foley and Edwards (1996) or Fukuyama (1999), raise the counter-argument that stable (and thus trustworthy) political institutions also exist in low-trust societies while in other countries, close social networks are installed to defend the individual against mistrusted political institutions. As for instance Norris (1999, p. 217) summarizes, cultural values are appropriate to explain long-term cross-national differences, but are of limited explanatory when explaining fluctuation, change, or decline.

Social Capital Approaches assume a "virtuous circle" in which social capital, in particular social engagement, increases social trust by installing norms of generalized reciprocity (Putnam 1993, pp. 173–174, 2000). This trust may then be transferred to political institutions (Brehm and Rahn 1997, p. 1003; Keele 2007). The mechanisms basically rest on the Tocquevillian argument that people engaged in civic associations learn about democracy, acquire first hand knowledge about the way politics (or collective decision making in general) works, about the necessity (but also the legitimacy) of conflict and compromise, all of which increases trust (Denters et al. 2007, pp. 66–67). Theis-Morse and Hibbing (2005) counter this argument by stating that voluntary associations do not (necessarily) have these effects. Voluntary associations are in Putnam's terms more bonding than bridging (Putnam 2000). They create an in-group vs. out-group distinction, focus loyalty and trust on group members, shifting trust away from politics. Empirically, differences in social capital were found to be relevant for differences in institutional trust at the cross-national level, but the evidence within countries is inconclusive (Newton 2006; Keele 2007; Denters et al. 2007, pp. 75–78).

In particular the hypothesis that social trust is generated outside of the political sphere, at the personal and inter-personal level, and then transferred to institutions is highly suggestive: “institutional trust is an extension of interpersonal trust, learned early in life and, much later, projected onto political institutions” (Mishler and Rose 2001, p. 31; Rosenberg 1956). As Brehm and Rahn (1997, p. 1003) argue, trusting people place their trust in institutions because these are staffed by trustworthy people.

While the ‘projection’ argument is straightforward, the empirical evidence is much less so. Most studies on the relationship between social trust (in people) and institutional trust (in institutions) have not found stable relationships, with the exception of only some countries (see Putnam 1995, p. 665; Kaase 1999; Newton 1999; Uslaner 2002; Delhey and Newton 2003). On the other hand, recent studies (Zmerli et al. 2007; Denters et al. 2007; Zmerli and Newton 2008), have found consistent correlations between social and institutional trust. Moreover, findings made at the aggregate level at times differ from findings at the individual level, see Norris (1999) and Uslaner (2008). Seemingly, in countries where many people trust others, many people also trust political institutions—however these are not necessarily the same people.

The ‘projection’ argument does not imply that social and political trust are the same thing. There is a body of social and psychological theories on social trust which distinguish it in terms of its nature and of its sources from institutional trust (Nannestad 2008; Hardin 2002; Newton 1999, p. 180; Kaase 1999; Zmerli et al. 2007, p. 40). Consequently, trust in institutions is more often conceptualized as confidence, a guess about capabilities, competence, transparency and the abidance to rules (see Levi and Stoker 2000, pp. 484–485). Neither does this imply that social trust is fully exogenous, and studies like Rothstein and Stolle (2002), Rothstein and Uslaner (2005) or Herreros and Criado (2008) show how institutions can create or destroy social trust. As Brehm and Rahn (1997, p. 1002) put it, the causality works in both ways.

Any analysis of institutional trust should include elements of all approaches. It should also take into account that which goes under ‘institutional trust’ in survey is by its nature partly trust in honesty and partly confidence in abilities. Elements of the explanatory approaches can be localized at the system level (such as economic performance) and at the individual level (such as social trust in fellow citizens). The questions we want to study are: what is the explanatory contribution of system-level features for the level of institutional trust in various countries; what is the contribution of individual-level features, and in particular, why does the role of individual-level social trust for political trust differ among countries—is there a cross-level interaction in the sense that social trust is only transferred to institutions under certain conditions?

2 Components of institutional trust: senders and receivers, confidence and trust

We argue that a respondent’s answer to the survey question “How much do you trust in this institution?” actually has two components, namely confidence in the institution’s competence and performance on the one hand, and trust in its honesty and moral integrity on the other. What goes under the notion of ‘institutional trust’ is a mix of trust and confidence. We further argue that there is a conditional role of social trust for the

trust component of 'institutional trust' in that the existence of trust needs both, in other words individuals willing to trust, as well as institutions worthy of trust. Our explanatory approach and the empirical implementation uses country-level features to explain the degree to which individuals project their social trust onto a given country's institutions. An equivalent conditional role of individual features is presumed for performance-related factors of institutional confidence. For the sake of simplicity, we will retain the term 'institutional trust', but will use the terms 'confidence' and 'trust' when discussing the two different components.

Bringing in the actual institutions can explain why the level of institutional trust is higher in countries with 'better' institutions, a fact consistently found by the empirical literature reviewed above. Higher performance of institutions increases the individual's confidence in those institutions. One can be confident that the institution does a good job (whatever its task). The confidence component of the respondent's answer is higher and thus their answer to the summary question "Do you have trust in this institution?", will indicate more trust.

However, it can also explain the much more puzzling observation that social trust sometimes 'spills over' onto institutions, and sometimes not. A share of the cross-national variation, in particular on the issue of whether social trust is projected onto government, is due to the fact that we are talking about something different when we talk about the government of Nigeria as compared to the government of Denmark. Further, we argue that citizens in Nigeria and Denmark are aware of this when asked about trust in institutions. However we also argue that to project trust onto a government, the individual needs some willingness to trust to begin with. Trusting individuals will project their trust onto the government in Denmark, but not in Nigeria. Untrusting individuals will not place their trust in institutions, for the simple reason that they have none to begin with. Trust is a relationship, and for it to be strong, it needs someone willing to trust and someone worthy of being trusted.

To explain institutional trust, our main hypothesis is that differences in the characteristics of institutions explain a part of the difference in the trust placed in institutions by a cross-level interaction effect. Levels of institutional trust and the relevance of social trust for institutional trust differ between countries. This is because institutions in these countries differ in their trustworthiness. Even people with a high level of social trust will not place trust in corrupt institutions. Thus in some countries, social trust will have a positive effect on institutional trust, whereas in others it will have no such effect.

The same argument holds for 'objective' institutional performance. Aspects of institutional performance matter to different degrees for different individuals. Thus whether a certain aspect of institutional performance increases the institutional confidence of an individual depends on whether this aspect matters to that individual. For someone in secure employment, the unemployment rate may be irrelevant as a criterion for evaluating political institutions, while for someone who is or has been unemployed, it might be the most important. Good performance by government in terms of lowering unemployment will matter to the latter, but not to the former.

To investigate the sources of institutional trust in a more encompassing way, and in particular to reconcile the diverging findings reported in the literature, it is necessary, as indicated above, to differentiate 'institutional trust'.

On the one hand, institutional trust can be differentiated according to the objects of trust: first, there are ‘representative’ or political institutions, such as parliament, government and politicians. Second, there are ‘impartial’ institutions, which are public but ‘non-political’, such as the judiciary and the Police (Klingemann 1999, pp. 33–34; Dalton 1999, p. 58). This distinction is reflected in citizens’ attitudes and corresponds empirically to distinct dimensions of institutional trust (Denters et al. 2007, p. 69). As we will later argue, institutions differ in their functions and thus in terms of the criteria, by which they are evaluated by citizens.

On the other hand, institutional trust can be differentiated according to the nature of trust. Firstly, there is trust in a moral sense—trust in honesty and rectitude, and also trust in holders of public offices being honest and law-abiding (Levi and Stoker 2000, p. 477). Secondly, there is the confidence in institutions’ capabilities, which is conceptually independent (Lipset 1959). An honest government might perform poorly in economic terms, whilst a corrupt government might perform well in terms of overall economic performance. If the levels of institutional trust were similar for both, the former would receive trust in moral terms, while the latter would receive confidence in terms of performance.

While survey questions only ask for trust in institutions, the respondent’s answer is affected by two sets of factors. Our basic argument is that what comes under ‘institutional trust’ has two components, trust and confidence, and that both are to some degree conditional. Our argument underlying this conditionality is that 1) performance and trustworthiness differ systematically between countries, 2) the performance and the trustworthiness of a country’s institutions is common knowledge, and 3) individuals with different characteristics will respond to the same degree of performance and trustworthiness in different ways. This explains differences in levels of trust and confidence, but also, whether social trust is projected onto institutions.

2.1 Trust in institutions: honesty and trustworthiness

Trust is a two-sided phenomenon—it takes certain features on both sides to establish a trust relationship. It takes someone willing and able to trust, and someone worthy of being trusted.

What is relevant for trust in a country’s institutions is their trustworthiness (Pharr 2000; della Porta 2000; Anderson and Tverdova 2003). All citizens in the country are basically confronted with the same set of institutions, which are trustworthy to a certain degree. All citizens in this country are—to some degree—aware of this degree of trustworthiness, which is common knowledge. If you have to bribe officials to obtain something, this is commonly known as the way things work hereabouts. The trustworthiness of a country’s institutions is a common factor in the attitude of all citizens towards these institutions, explaining—*ceteris paribus*—different levels of trust in different countries.

A relationship based on trust however needs a willingness to trust on the side of the sender to begin with. A person who possesses little social trust will not trust in institutions, even trustworthy ones, because this person is unable to trust for whatever personal reasons. One may generally trust other individuals, but still not trust the political institutions, because they are—even by objective criteria—not trustworthy. Placing one’s trust in them would be foolish, because one is not in doubt (as one might be when dealing

with a stranger), but one knows that one should not trust them. Under what conditions is social trust projected or transferred to institutions? Only if the addressee is known to be trustworthy. Thus we predict that depending on the trustworthiness of the political institutions in a given country, a person's social trust—insofar as it exists—is transferred to institutions.

2.2 Confidence in institutions: performance

The second component which is relevant to 'institutional trust' is the confidence in institutions which arises from their performance. One may not be a trusting person, but still have confidence in the government, even in a non-democratic/corrupt government, because objectively, it is doing a good job. Following the institutional performance approach, we predict that high performance of a country's institutions generally increases the level of confidence citizens have in these institutions. Institutional confidence will on average be higher. This does not refer to trust in their honesty, but to confidence in their abilities.

Still, two modifications are required: first, the performance evaluation is itself also conditional. While performance is common knowledge (the figures for inflation and unemployment are the same for all), there are reasons to assume that some aspects of performance are of different relevance for different people (Mishler and Rose 2001, p. 37; Herreros and Criado 2008). For instance, people who are unemployed or have been unemployed for some time, are more sensitive to the unemployment rate than are people in secure employment.

Second, while there exist general criteria and characteristics of institutions which will affect the level of trust/confidence an individual has in them, institutions differ in their function. It is not the function of the Police to formulate sound economic policy, nor is it the function of Parliament to make the streets safe at night. Thus we would expect that different criteria matter when evaluating different institutions.

Empirically, performance and trustworthiness of institutions are conceptually different. Ideally, they would be measured using different indicators. The contribution of a certain explanatory factor will indicate which share of the 'overall trust' is due to confidence, and which to trust. Moreover, different institutions are in charge of different tasks, and are thus evaluated using different criteria. We will discuss system-level features relevant to both institutional trust and confidence, and individual-level characteristics affecting institutional trust and confidence. The empirical sections will then analyze the impact of institutions' characteristics on individual-level trust in these institutions, political as well as non-political ones. The core question is, whether there is an explanatory 'value added' by including conditionality effects in the sense that characteristics of institutions affect people differently.

3 Factors for trust and confidence in institutions

Institutional trust—the mix of trust and confidence in institutions—is thus influenced by individual-level characteristics, macro-level features and cross-level interaction effects linking individuals and institutions.

3.1 Individual-level factors

Much research has been conducted into the factors determining institutional trust, and there is a set of variables influencing institutional trust which need to be taken into account, despite their effects being neither stable nor universal (Newton 1999, pp. 180–181).

Individuals with certain socioeconomic characteristics, e.g. higher levels of education, have higher levels of 'political trust' (Kaase and Newton 1995; Newton 1999; Newton and Norris 2000; Mishler and Rose 2001; Zmerli et al. 2007; Denters et al. 2007).

Regarding individual values, Dalton (2004, 2008) argues that trust in 'hierarchical', power wielding institutions such as the law and the Police declines as people become more post-materialistic (Inglehart 1999; but also Denters et al. 2007 and Segatti 2008, who find no supporting evidence).

Political involvement comes in two forms. First, 'intellectual' involvement; politics is difficult and political sophistication, an understanding of why politics and policy turn out the way they do, should go together with more trust (Boix and Posner 1998). The opposite is mistrust created by resignation and alienation. Second, political involvement comes in the form of direct involvement, e.g. party membership, which also should increase trust (Finkel and Opp 1991).

The main argument of the 'social capitalists', most notably Putnam (1993, 2000), is that social engagement fosters trust in other people by practicing grass roots level democracy, and therefore might increase the trust in political institutions. While some authors presume this effect to depend upon characteristics of associations (e.g. hierarchical vs. egalitarian) (Theiss-Morse and Hibbing 2005; Warren 2000), others argue that only the memberships per se matters (Maloney et al. 2008). The empirical evidence is inconclusive (Denters et al. 2007, pp. 80–81). There is also the argument that being a member of associations increases the opportunities to discuss politics, which in turn increases political sophistication, which may increase institutional confidence (Claibourn and Martin 2007). One can also argue that associational membership is actually working against institutional trust by enclosing people in bonding groups (Theis-Morse and Hibbing 2005, p. 227 for a discussion of the mechanisms; and Zmerli et al. 2007, p. 58; Denters et al. 2007, pp. 71 ff. for empirical findings, which are often significant).

With regard to trust, media consumption is a double-edged sword. On the one hand, consuming information is an expression of interest and involvement in the political life of a country. However some authors argue that the media, in their present form, undermine trust in more or less everything—political institutions, politicians, but just as well as in people in general (Patterson 1993; Norris 1996).

Further individual-level factors discussed are the incumbency effect, i.e. the fact that a government receives more trust from those who voted for it (Citrin 1974; Anderson and Guillory 1997; Criado and Herreros 2007), and the alienation argument, which states that citizens holding extreme views—thus never receiving the policy they want, lose trust in the system (Miller 1974a, b but see also Craig 1996 for the opposite argument).

3.2 System-level factors

Trust and confidence in political institutions depend on their characteristics. The former is affected by how the institutions operate, the latter by the outcomes the institutions pro-

duce. An institution may be trustworthy in the sense that it is not corrupt, and that citizens believe that the institution is honest and so trust in it. All the same, it may not receive any confidence, because it is incapable of performing. For instance, while citizens believe a given politician is honest, they also think he is incompetent. Both concepts cover different things and are operationalized by different empirical indicators.

While trustworthiness is a characteristic relevant in evaluating all institutions, performance clearly means different things for different institutions. In particular, there is a divide between political and non-political institutions. Because the political system is more or less in charge of everything, the performance of political institutions is evaluated using many outputs. What is particularly notable however is the high relevance of economic performance. Non-political institutions have a more specialized task, and they are not in charge of producing economic prosperity.

Regarding the **trust component** of institutional trust, a general indicator of trustworthiness is the degree to which the 'system' is corrupt or not. This has been found to be relevant for levels of trust (della Porta 2000; Anderson and Tverdova 2003). An alternative indicator might be the incidence of scandals (for example Paxton 1999 and Chanley et al. 2000 for the US; Bowler and Karp 2004 for the UK). While certainly of interest, it is hard to say as an outsider what incidents qualify as scandal in the eyes of citizens.

The **confidence component** is influenced by performance, with high performance leading to high confidence. But performance is evaluated with respect to an institution's function. Elaborating the general performance approach, we argue that confidence in institutions is affected by what they produce and how they work.

One of the most relevant tasks of political institutions is the production of economic welfare. Politics has much to do with producing welfare for citizens. No institutional setting can hope for confidence if it neglects this output. We focus on GDP, inflation and unemployment because these three indicators are, in our view, most important for the material well-being of citizens. They are also the most publicized ones. Inflation and unemployment are a threat to current personal welfare, GDP is an overall measure of the level of welfare that the political system has reached.

Apart from outputs, political processes matter. Citizens like consensus and stability while disliking open quarrels (Hibbing and Theis-Morse 1995, 2002). Thus a factor for confidence might be the stability of governments. If a government's composition (and thereby its policy) changes often and is unpredictable, this might reduce confidence.

While it can be debated whether it is a genuine political output, social equality is a major theme in politics and it is often used as a criterion to evaluate society as a whole. It may also be relevant to trust in societal institutions. If the society is a fairly equal one, not fragmented and without large differences between 'classes', institutional trust will presumably be higher (Uslaner and Brown 2003; Rothstein and Uslaner 2005, p.43).

Obtaining indicators for political institutions is easier, as their task is much broader. While it is clear what legal institutions (as the most important non-political institutions) are presumed to do, i.e. grant legal and personal security, obtaining an empirical indicator of how well they are doing is difficult. Unfortunately, comparative data on the incidence of crime as an indicator of performance of the legal system is not available in any consistent form.

3.3 Conditionality of effects: cross-level interactions

The perception of institutional performance depends on the personal situation of the respondent, their characteristics and expectations (Miller and Listhaug 1999, pp. 212 ff.). Usually, this is modeled by including personal characteristics and attitudes in the explanatory model. We would argue that both system-level features, institutional performance and trustworthiness, exercise their effect intermediated by individual-level characteristics. They should thus be modeled by cross-level interaction effects.

An institution's **performance** is an objective fact, but the impact on the individual, and thus on the individual's confidence in the institution's capability, differs because of the individual's situation and vulnerability. For individuals working in public administration, the risk of actually becoming unemployed is quite low and thus the unemployment rate is less relevant as a performance indicator compared to people with a higher risk of unemployment. As a consequence, we would expect the unemployment level to be more important as a criterion for performance for people who are or have been unemployed. Moreover, institutions have different tasks, and we expect them to be evaluated with regard to their achievement in this task. For instance, while it is part of the task of the government to assure economic prosperity, it is not the task of the legal system to assure economic growth. Thus, we would expect that economic prosperity matters when evaluating political actors, while it should be of little relevance when evaluating legal institutions, such as the legal system or the Police.

As we elaborated in Sect. 3 above, an institution's **trustworthiness** is also the same for all citizens. If government and bureaucracy are corrupt, trusting as well as non-trusting citizens are confronted with it. But if a trusting individual is embedded in a trustworthy institutional environment, our argument of the conditionality of trust predicts that this trust will be transferred to the institutions.

3.4 Hypotheses

Summarizing the above arguments, the following main hypotheses can be stated:

The performance of an institution will increase the confidence citizens have in that institution. Which criterion is the most relevant indicator of the institution's performance depends on the task of the institution. The output relevant to citizens when evaluating performance differs in particular between political (politicians, parliament) and non-political institutions (Police, legal system).

The trustworthiness of the institution will increase citizens' trust in the institution. Trust is however a bilateral relationship. The trust relationship will be strongest if individuals who are generally trusting are confronted with trustworthy institutions. People who do not trust will not trust in institutions, and even people who are usually trusting will not place their trust in institutions which are not trustworthy.

We will test these hypotheses using cross-level interaction effects between several system-level performance indicators, and individual-level variables measuring the relevance of selected system-level performance indicators for the individual. The same will be carried out for the co-occurrence of individual-level trust and trustworthy institutions.

4 Statistical implementation and data

The explanation proposed is basically a multilevel explanation and the method chosen reflects this. At the individual level, individuals differ in personal attitudes, some of which have fixed effects on institutional trust, independent of context. For instance, better educated individuals might put more trust in institutions because they better understand how these work.

System-level features affect average institutional trust. All individuals in a country are confronted with the same honest or corrupt institutions. Individuals in country A place on average less trust in institutions, their institutions being less trustworthy than in country B.

Additionally, we predict several cross-level interaction effects covering conditionality, i.e. that the impact of an individual feature depends on features of the country concerned.

The appropriate method for this approach is the multilevel regression (Snijders and Bosker 1999; Steenbergen and Jones 2002), which allows us to estimate the effect of system-level features, individual-level features as well as cross-level interactions, i.e. individual-level effects which depend in their magnitude upon system-level features.

The basic data set is the 2002 edition of the European Social Survey, cf. Jowell et al. (2003) which was supplemented with system-level data. The net sample size is about 40,000 cases at the individual level across 21 countries. These are heterogeneous in many regards, yielding a substantial variation in the system-level data as obtained.

In the following, we will briefly enumerate the system and individual-level variables used in the analysis.

4.1 System-level data

Given the limitations imposed by the available data, we have limited our investigation to a basic model containing system-level explanatory variables. These are most interesting from the theoretical point of view, in that they are indicators of trustworthiness and performance.

The corruption perception index, CPI, compiled by Transparency International is a measure of the trustworthiness of a country's political and societal institutions. The CPI is compiled from both surveys and ratings, carried out by citizens and country experts. It is designed to capture the overall extent of corruption, taking into account its frequency and magnitude. With regard to the evaluation of institutions which are the subject of the study, the CPI covers the public sector (Judiciary and Police) but also the political system (cf. Transparency International). The CPI sample range extends between 4.1 (Poland) to 10 (Finland).

This is supplemented by three economic performance indicators: GDP, unemployment and the inflation rate. As a complementary indicator of political output, we have included the equality of society, as measured by the Gini index. This indicator was chosen for pragmatic as well as substantive reasons. There is evidence that equality in Society is related to the trust placed in that society's institutions. It is also a political goal, held in high regard by many citizens and is thus an aspect of political performance. Moreover, there

is also a survey question concerning the importance of inequality to the individual. These four system-level indicators are taken from the UN Human Development Report.

As a system-level variable covering procedural aspects of politics, we have included government stability. The idea is that short-lived governments are an indicator of political instability, reducing trustworthiness, but also confidence, as it is less certain that current government policy will continue and an individual's decisions made on the basis of that government's policy are still optimal. The indicator measures the average cabinet duration in months, whereby cabinet changes are defined as changes in party composition. The data was compiled from the European Journal of Political Research Annual Data-books, and Ismayr (2004).

4.2 Individual-level data

Firstly, the explanatory individual-level variables test whether there actually remains an effect of social trust upon trust in institutions, after other factors have been controlled. Second, whether the predicted conditionality of the impact of social trust on trust in institutions holds true.

Social trust is measured by the response to the statement "Most people can be trusted", ranging from 0 "You can't be too careful" to 10, "Most people can be trusted".

The respondent's overall satisfaction constitutes a subjective evaluation of institutional performance. The ESS contains five items relating to satisfaction with public issues: satisfaction with the economy, the government, democracy, the educational and health systems. The variable 'Satisfaction' is the score obtained by conducting a factor analysis of these five items.

Trust also depends on the subjective feeling of how much control one has over institutions. The argument is that one will not trust anything which is beyond one's comprehension and control (Craig et al. 1990). Political institutions are under control of citizens, which is not true for the Police or the legal system. The feeling of efficacy, as captured by internal and external efficacy, should thus matter for political but not for non-political institutions. 'ExternalEfficacy' covers whether the respondent thinks that "politicians in general care what people like you think". 'InternalEfficacy' is the disagreement to "politics is sometimes too difficult to understand".

The variable of 'Incumbency' is a proxy of political outcomes (i.e. the policies pursued by the current government). It has a value of 1 if the respondent states that they feel close to a party currently in government. The argument is first, that the respondent believes to be obtaining a policy closer to their preferences, and second, that trust is higher if the respondent feels ideologically close to the parties in government, irrespective of actual political outcomes or performance (Anderson and Tverdova 2003). The impact of political performance may however depend on the importance the respondent assigns to politics. If one does care about politics, one may be particularly confident if 'one's' party rules the country. To test for this argument, we generated an interaction effect between being close to a party and the incumbency variable, 'ImpactIncumbency'. Again, this effect should be particularly relevant in the case of political institutions.

We have included whether the respondent feels close to any particular party as an indicator of involvement in the political process as 'PartyClose'. While active party membership might be the better indicator, this is too rare an event.

Regarding social capital indicators, 'SocialMemberships' denotes the sum of memberships of associations such as sport clubs, human rights organizations, trade unions, professional organizations, consumer associations, environment and religious associations.

Further, we have included indicators of media usage. With Patterson (1993) and Norris (1996), one might presume that consuming media diminishes trust, due to the predominance of bad news. Equally, one can argue that different types of media affect trust differently. Different types of media are, by their very layout and format, prone to report different news and moreover to report it in a different way. Thus, a more refined hypothesis would be that media consumption per se has a positive effect on trust in those institutions which protect the individual from the 'risky world', e.g. the Police and the legal system. We would also expect that consuming political news increases trust in political institutions, as it gives the respondent a better understanding of what is going on. The four media variables cover the daily time spent consuming political content (on TV or in newspapers) and the daily time spent consuming non-political content. Because media usage was measured on a half-hour scale, we were able to calculate a measure of political and non-political news consumption.

Personal safety is an important output of a society's institutions, and thus influences the performance evaluation (Chanley et al. 2000). If a respondent feels unsafe walking the streets, the institutions are not providing safety to a degree sufficient for this respondent. While creating a peaceful society is also a political output, we would expect that it is most relevant for evaluating institutions in charge of providing safety (Police and legal system). The ESS asked respondents about their 'Feeling of safety of walking in a local area after dark', ranging from 1—feeling safe, to 4—feeling unsafe (AfraidDark).

If the respondent is from a minority, this might decrease their trust in the institutions of the country. Herreros and Criado (2008) find evidence for the argument that being a member of a minority, and in particular the feeling of being discriminated against, decreases trust in institutions, which are staffed by 'natives' and which work for the 'natives' (Minority).

To cover the importance attached to a certain political outcome, that of social equality, we included the respondent's preference for equality, proxied by the agreement with the statement that the government should engage in reducing income differences (EqualityValue).

As for socioeconomic indicators, 'Unemployed' is a dummy indicating either that the respondent was unemployed, is currently unemployed, or the respondent's partner is currently unemployed. Further socioeconomic variables are years of education, age and a dummy variable designating females.

4.3 Cross-level interaction variables

This study attempts in particular to capture the conditionality of trust and of confidence in institutions.

Regarding the conditionality of trust, we generated an interaction term between the respondent's social trust and the country's CPI, or 'Conditional Trust'. It captures the link between the individual's social trust and the country's institutions as being more or less trustworthy recipients of trust. Only in societies with trustworthy institutions is social trust transferred from individuals to institutions. Only here do we expect a strong and positive relationship between social and institutional trust. From studies like Rothstein and Stolle (2002), it is clear that perceived trustworthiness is also a result of subjective experiences with institutions, but there is no such data in the ESS.

As regards the conditionality of confidence, we have generated interaction terms between objective indicators of institutional performance and individual-level features affecting the relevance of this performance indicator. The variable 'ImpactUnemployment' is the cross-level interaction between individual-level unemployment experience as constructed above, and the country's unemployment rate. The idea is that the unemployment rate is more relevant as a performance indicator if the respondent views him or herself as vulnerable to unemployment.

The argument that different citizens perceive the relevance of a certain system output differently also applies to the Gini index. Social inequality is only relevant as a criterion in evaluating the political system if the issue is of relevance for citizens. Using the Gini index per se implies that everyone cares to the same degree about income inequality, which may or may not be the case. Thus a cross-level interaction term was constructed between the Gini index and the importance the respondent attaches to inequality or 'ImpactGini'.

Another potentially interesting interaction term would look for a cross-level effect of the inflation rate on income. This would test the popular hypothesis that respondents on lower incomes are more affected by inflation than wealthier respondents, however the income variable was not asked in all countries.

4.4 Dependent variables

Often institutional trust is measured by summary indicators (indices or factor scores) combining the respondent's trust in a range of institutions (e.g. Zmerli et al. 2007; Denters et al. 2007). Contrary to this approach, we will analyze trust in each institution separately, as we predict that the criteria by which these institutions are evaluated differ among institutions. Moreover, as argued above, we see each dependent variable as a composite of trust (created by trustworthiness) and confidence (created by performance). The first round of the European Social Survey asked for trust in four national institutions. First, in politicians and parliament, which we see as genuinely political institutions. Then in the legal system and the police, as non-political or 'order' institutions. As we argue above, different institutions are installed for different functions, and have a different standing in the population, in particular because they actually differ in their performance regarding their function. They should thus be analyzed separately. Each dependent variable is measured on an interval scale ranging from 0, indicating no trust, to 10, indicating complete trust in this institution.

5 Results

Summarizing our predictions, we expect that confidence in the two political institutions is strongly dependent on those elements of performance amenable to political control. We expect performance indicators to contribute significantly to the institutional trust variable. For the two non-political institutions, we expect these to be much less affected by indicators of system performance, such as economic welfare, as these are clearly not their responsibility. For all four institutions, we predict that trust increases if the institution *per se* is trustworthy. We expect that social trust is transformed into institutional trust only if the target institution is trustworthy. We expect no significant effect for ‘SocialTrust’, but expect a significant effect for the cross-level-interaction term covering conditional trust.

Table 1 shows the results indicating the relevance of system and individual-level factors for trust in the four institutions. The effects found for social trust and the conditional trust variable respectively confirm the hypothesis that trust is only placed in trustworthy institutions. The conditional trust variable, not social trust *per se*, is the determinant of institutional trust. Only in the case of the Police do we observe a small but significant effect of ‘social trust’ *per se* and a smaller and insignificant effect of conditional trust, indicating that the trust which individuals have in the Police is more of an interpersonal attitude than an attitude towards an institution.

As for the magnitude of the effect of conditional trust, its beta-coefficient ranks third or second after satisfaction and external efficacy, but differs substantially among the four objects of trust. This finding is particularly noteworthy, as social trust correlates with each dependent variable to a similar magnitude, in the range of 0.26 (for the Police) to 0.33 (for politicians).

The mechanism proposed above is confirmed: a person may be trusting, but if the institutional setting is not trustworthy, he or she will not trust in the institutions at all. Consider a fictive country where the CPI has a value of zero: the ‘ConditionalTrust’ value will also be zero, irrespective of the level of social trust. There is also no contribution of social trust *per se*. Analyzing the relationship between social trust and institutional trust in this country will find no correlation. Consequently, in the case of this country, one would conclude that social trust and institutional trust are uncorrelated.

In a country with trustworthy institutions, social trust will be transferred to the institutions. If (but only if) someone has social trust, this trust will also be projected onto the institutions. Social and institutional trust will be correlated. In countries with institutions of some trustworthiness, the effect will be present but weak, while in countries with high levels of trustworthiness, the effect will be substantial. So without looking at the system level, at the institutions and their features, i.e. without looking at the second element of a trust relationship, one will find various effects. This is what one observes in the existing literature.

Figure 1 illustrates this mechanism by showing the rates by which social trust is projected onto politicians in countries with different CPI levels. The vertical axis gives the additional contribution of conditional trust to the level of overall institutional trust, which is due to the other independent variables, such as performance.

If a country’s institutions, for instance in a transition country, become more trustworthy, e.g. more transparent and more subject to the ‘rule of law’, the level of institutional

Table 1: Factors for trust in institutions

Variable	Parliament	Politicians	Police	Legal System
<i>Macro Level Features</i>				
CPI	-0.034*	-0.092***	0.091***	0.045**
GDP	-0.047***	0.022*	0.025**	0.023*
GINI	-0.003	0.001	-0.041*	-0.079***
Unemployment	-0.035***	0.016*	0.154***	0.025**
Inflation	-0.025**	0.015*	-0.118***	-0.025**
CabinetStability	0.003	0.070***	-0.032***	-0.052***
<i>Individual Level Features</i>				
SocialTrust	0.042	-0.017	0.060*	0.019
Satisfaction	0.426***	0.427***	0.318***	0.355***
InternalEfficacy	0.053***	0.045***	0.006	0.038***
ExternalEfficacy	0.203***	0.297***	0.057***	0.091***
Incumbency	0.01	-0.003	0.001	-0.033***
ImpactIncumbency	0.01	-0.002	-0.023**	-0.016*
TVPolitical	0.002	0.015**	-0.008	-0.019**
NewspaperPolitical	0.031***	0.022***	0.004	0.029***
TVNonPolitical	-0.024***	0.003	0.008	-0.004
NewspaperNonPolitical	-0.004	-0.012*	0.001	-0.011
PartyClose	0.038***	0.055***	0.025***	0.043***
ValueEquality	-0.031	0.007	-0.07	-0.257***
AfraidDark	-0.014*	0.009	-0.043***	-0.049***
Minority	-0.028***	-0.006	-0.038***	-0.026***
Female	-0.006	0.039***	0.035***	0.012*
Age	-0.023***	0.007	0.058***	-0.024***
Education	0.032***	-0.012*	-0.01	0.066***
Unemployed	0.007	0.01	0.006	0.005
<i>Cross Level Interactions</i>				
ImpactUnemployment	-0.014*	-0.014*	-0.021**	-0.016*
ImpactGINI	0.065	0.014	0.090*	0.331***
ConditionalTrust	0.068*	0.154***	0.038	0.095**
<i>Model Fit</i>				
$\sigma(e)$	0.748	0.707	0.806	0.78
R ² within	0.337	0.391	0.165	0.228
R ² between	0.827	0.913	0.762	0.528
R ² Overall	0.383	0.451	0.249	0.272
N	24779	24893	24931	24837
N(Groups)	21	21	21	21

Entries are beta-coefficients

Multilevel regression using STATA xtreg routine

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

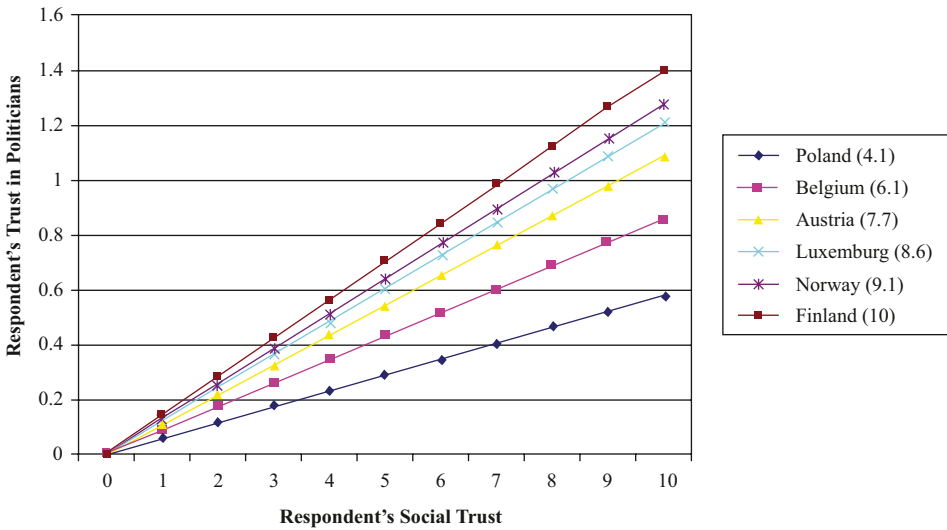


Fig. 1: Contribution of the conditional trust component to trust in politicians. The country's CPI score is given in brackets

trust will increase, even though individual-level attitudes have not changed. The second element of the trust relationship has improved, and the existing trust is now also transferred towards institutions. If social trust decreases in a country, for whatever reason, this will decrease institutional trust, as found by Keele (2007).

A decline in social trust can be compensated, for instance by a higher belief in the competencies of institutions. Overall institutional trust then depends on whether the institutions can compensate this by performing better (Chanley 2002). The link may also be subject to short run fluctuations. For instance, a corruption scandal might weaken the link. Not because individuals lose trust in their fellow citizens, but because institutions lose trustworthiness.

For those cross-level effects which test whether the relevance of an institution's performance to a person's institutional confidence depends on the respondent's economic situation and preference, the evidence is mixed. Knowing unemployment from first hand makes the unemployment rate slightly more relevant to confidence in all institutions. The level of social inequality (as measured by the Gini Index) is not always a more important performance criterion for people who believe equality to be an important political output. On the contrary, the only institution for which this attitude is context-dependent is the legal system, not the political institutions, which are ultimately in charge of this output. So to summarize, one can say that the confidence component of institutional trust is less conditional upon personal characteristics but more influenced by 'objective' performance.

Individual-level factors were found to have similar effects as in previous studies. Satisfaction, the subjectively perceived performance of societal subsystems, increases confidence in institutions and is the single most important explanatory determinant. We use the term 'confidence' because we would argue that satisfaction is an indicator of the performance component rather than of the 'honesty' component.

Internal efficacy, the feeling that one understands politics, increases the trust put in political institutions. Its effect is strongest for parliament, somewhat weaker for politicians. As expected, its impact decreases when the legal system is concerned, and vanishes completely for the Police. The subjective impression that one understands politics and political processes increases trust. The effect of external efficacy, the perception that politicians actually care about people like oneself, is positive and much stronger. The mechanism becomes clearer when one keeps in mind what low values indicate, namely apathy and alienation. Just as with internal efficacy, the effect is found for all four institutions, but it is much stronger for the political ones. Satisfaction and external efficacy are the strongest predictors of institutional confidence. While satisfaction can be seen as a proxy of performance (the respondent's subjective perception of it), the perceived control (the subjective perception of influence over those in charge of ruling the country) is not performance-related.

Whether the party one has voted for forms the government, proxied by the incumbency variable, this does not affect trust in political institutions. There is also no additional effect in the sense that higher importance of politics, proxied by the feeling of being close to a particular party, would increase this effect. Being close to a party increases the trust in all of a country's institutions, maybe by being a simple proxy for a feeling of identification with the political system. Again, interpreting the content of the effect becomes easier when considering individuals who do not feel close to any party, who are also likely to be alienated from "the system".

The respondent's media consumption has divergent effects on the trust put into institutions. Overall, the effects are only small in magnitude, the strongest effects occur for political newspaper consumption, which usually increases trust.

The feeling of being at risk, proxied by 'AfraidDark', decreases confidence in institutions, in particular in those institutions which are in charge of providing personal safety, namely the Police and the legal system. Members of minorities have significantly less institutional trust. If one feels discriminated against, e.g. in personal experience with 'natives', this perception will also apply to the country's institutions.

As for the socioeconomic variables, the effects are mixed. Women show higher levels of trust in politicians and the Police, while older respondents have more trust in the Police. Education increases trust in parliament and the legal system. Unemployed persons do not have lower levels of confidence and trust. The attitude that the State should reduce economic inequality matters only for the trust in the legal system, which is much lower for respondents thinking that the State should engage more equalizing income.

Contrary to our expectations, a range of individual-level variables were found to be of no impact. The income variable was found to be insignificant for evaluating institutions with the exemption of the legal system, where it exerted a small positive effect. It was omitted in the analyses presented, because the question was not asked in all countries. In the case of the social memberships variable, the same problem was observed. When included, the variable was found to be insignificant for all trust variables. The only effect found—weakly significant (5% level)—concerned trust in the legal system.

System-level variables affect trust and confidence in a way which confirms some expectations while rejecting others. Higher levels of the CPI—which objectively indicate less corruption—increase trust in non-political institutions, but reduce trust in the

political ones. Citizens in a country in which corruption is less virulent actually put less trust in their political institutions than do citizens in countries in which corruption is a more serious issue. The CPI might not be the best indicator for capturing corruption in the political domain, because the ‘perceived corruption’—what citizens perceive as an illegitimate behavior in the political arena—might be legal, and as such might be a violation of decency rather than of the law. Successful lobbying by a highly visible industry might count for citizens as corruption, while it is surely not illegal, and thus not covered by the CPI. The effect on parliament is similar, albeit smaller in magnitude, and we think that the same reasoning applies.

Societal wealth affects institutions differently and to different degrees. Overall, higher levels of GDP increase trust in non-political institutions. Parliament is seen as less trustworthy in richer societies, where, interestingly, trust in politicians is slightly higher. Poor economic performance with regard to unemployment reduces in particular the confidence in parliament, while it only slightly increases confidence placed in politicians, and strongly increases confidence in the Police and the legal system. High levels of inflation reduce confidence in all institutions apart from politicians. Political stability increases confidence in politicians, leaves confidence in parliament unchanged, but reduces the levels of confidence placed in non-political institutions. While the first observation is in line with the argument, the mechanism underlying the latter one is unclear. The country’s achievement with regard to the political aim of an ‘equal society’ (low Gini index values) does not matter for confidence in political institutions. However, in a highly unequal society with a high Gini index, confidence in the Police and the legal system is significantly lower.

How well does the standard model explain the variation in institutional trust which individuals in different countries have in their country’s institutions? The statistical model differentiates the overall variation in institutional trust into two components: the variation between countries and the variation within countries. The between- R^2 is the explained variation at the individual country level, i.e. how well average institutional trust in the countries can be explained by system-level variables used in the model. The within- R^2 is the explained variation among citizens of the country, i.e. the variation of individuals around the country’s mean. The overall R^2 is the combined explained variation, the divergence of the individual from the overall mean of the whole survey; see Snijders and Bosker (1999, pp. 16–22). All three R^2 are reported in the lower rows of Table 1.

Looking at the between- R^2 in Table 1, the variation between countries can be explained to a large extent by the system-level variables, while the variation among citizens of the same country can be explained only to a lesser degree. The explained variation differs systematically between political and non-political institutions, the system-level features, i.e. the trustworthiness, but also macro-economic performance strongly affects the two political institutions. The system-level features determine the cross-national variation in trust in the institution which is the “most political” one, namely the politicians themselves. The parliament follows closely behind but so does the Police, as a non-political institution. The legal system, as the least political institution, is least affected by the overall economic situation in the country. The high level of explained variation between the countries does not increase the level of explained overall variation by a large amount. The reason for this is that while the countries differ sufficiently in the system-level data,

in particular in the CPI, and the differences between countries can be explained very well, most of the variation occurs between individuals. Two individuals from two countries might differ to some degree, because the characteristics of the country they are living in differ. However the major share of the difference between the two individuals has individual-level reasons.

6 Conclusions

The paper's first hypothesis is that institutional trust is an interaction between the trusting individual and the trustworthy institution receiving this trust. This hypothesis is supported. For the political institutions and the legal system, the cross-level interaction between the trustworthiness of the institutions and trust as a personal trait of the citizen, is a significant positive determinant of 'institutional trust', while social trust per se is not.

Regarding the question whether the relevance of institutional performance depends upon characteristics of the respondent, i.e. depends on his or her economic situation and political preferences, the evidence indicates some conditionality. Having personally experienced unemployment makes the unemployment rate slightly more relevant to confidence in institutions. Objectively existing social inequality matters significantly more for the respondent's trust in the legal system and the Police, and this effect is significantly stronger if this person holds the opinion that the State should engage in reducing social inequality.

At the individual level, the most important factor for confidence in institutions is (subjective) satisfaction with institutional performance, followed by the (subjective) perception that people like oneself matter for politicians. Political affiliation—feeling close to any party or a party in government—increases trust in all institutions. The effects are plausible, and are usually in line with the arguments made in the literature. System-level performance indicators matter for institutional confidence, but not always in a straightforward way. Performance indicators matter for different institutions in very different ways, and it is not easy to understand why a certain indicator matters for confidence in a certain institution, which may or may not be responsible for this aspect of performance. For instance, given the media presence of politicians who are members of the cabinet, it is perfectly clear that politicians are held responsible for the stability of the cabinet. If they fail and the cabinet breaks up, this is seen as low performance, which in turn lowers confidence in politicians. The strong positive effect of cabinet stability on confidence in politicians is not surprising. However why higher cabinet stability should reduce confidence in the Police and the legal system, is not that easily explainable.

The overall explanatory power of system-level features, in particular economic indicators, for trust in non-political institutions is much lower than for political institutions. So, while all institutions are affected by low performance, this matters more for the political ones.

A frequent pattern is that trust in politicians is not affected to the same degree as trust in other institutions. We believe that this is due to two reasons. First, when asked about politicians, the respondent might have certain politicians in mind. So, trust might be affected by the personality of the politician the respondent is thinking of. Second,

politicians are generally held in low regard (the variable has the lowest mean and the smallest standard deviation).

One important task for the future would be to capture ‘objective’ trustworthiness of institutions with better indicators, which are more specific to individual institutions. Following the more detailed work on trust in US state-level institutions by Kelleher and Wolak (2007), we would agree that there are different sets of variables, which are the most important factors in explaining trust in a specific institution. In cross-national research, this quickly runs into obstacles of having comparable system-level data. As regards the levels of political trust, the implications are that making institutions more trustworthy (e.g. in transitional countries) or by increasing performance (e.g. higher levels of wealth) are necessary, but not sufficient for the State to acquire and retain citizens’ trust. If—for societal reasons—the social trust of citizens declines, this will also reduce the trust placed in institutions.

Appendix

Countries included in the analysis:
Austria, Belgium, Switzerland, Czech Republic, Germany, Denmark, Spain, Finland, France, United Kingdom, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Sweden and Slovenia.

Descriptives of the dependent variables

Variable	Obs.	Mean	Std. Dev.	Min	Max
Trust in Parliament	24779	5.12	2.35	0	10
Trust in Politicians	24893	4.14	2.23	0	10
Trust in the Police	24931	6.32	2.35	0	10
Trust in the Legal System	24837	5.66	2.50	0	10

The wording of the questions was: How much you personally trust each of the institutions

- ... [country]’s parliament?
- ... the legal system?
- ... the police?
- ... politicians?

The answers range from “No trust at all” (0) to “Complete trust” (10).

Descriptives of the independent variables

Variable	Mean	Std. Dev.	Min	Max
<i>Macro Level Features</i>				
CPI	7.49	1.80	4.1	10.0
GDP	22.04	6.35	8.5	42.8
GINI	30.48	4.42	24.7	39.2
Unemployment	6.47	3.62	1.8	18.2
Inflation	6.30	8.03	1.5	28.0
<i>Individual Level Features</i>				
Cabinet Stability	32.40	11.82	13.8	52.5
SocialTrust	5.26	2.39	0.0	10.0
Satisfaction	0.06	0.86	-2.4	2.5
InternalEfficacy	3.00	1.10	1.0	5.0
ExternalEfficacy	2.49	1.03	1.0	5.0
Incumbency	0.32	0.47	0.0	1.0
ImpactIncumbency	0.16	0.36	0.0	1.0
TVPolitical	2.12	1.24	0.0	7.0
NewspaperPolitical	1.25	0.89	0.0	7.0
TVNonPolitical	2.11	1.66	0.0	7.0
NewspaperNonPolitical	0.67	0.86	0.0	7.0
PartyClose	0.40	0.49	0.0	1.0
ValueEquality	3.73	1.07	1.0	5.0
AfraidDark	1.95	0.77	1.0	4.0
Minority	0.06	0.24	0.0	1.0
Female	0.49	0.50	0.0	1.0
Age	45.71	17.21	13.0	109.0
Education	12.48	3.73	0.0	40.0
Unemployed	0.03	0.18	0.0	1.0
<i>Cross Level Interaction Variables</i>				
ImpactUnemployment	1.01	3.01	0.0	18.2
ImpactGINI	114.43	38.41	24.7	196.0
CondTrust	40.83	22.91	0.0	100.0

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