THE ORIGINS AND CONSEQUENCES OF PUBLIC TRUST IN GOVERNMENT
A TIME SERIES ANALYSIS

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Abstract   The study of citizens' trust in the national government has been primarily individual-level, cross-sectional analysis. In the current research, we develop a quarterly time series measure of trust in the U.S. national government from 1980 to 1997 and conduct the first multivariate time series examination of public trust in government. We find that negative perceptions of the economy, scandals associated with Congress, and increasing public concern about crime each lead to declining public trust in government. Declining trust in government in turn leads to less positive evaluations of Congress and reduced support for government action to address a range of domestic policy concerns. These results provide new evidence of the influence of public concern about crime and the centrality of Congress in understanding public evaluations of the national government and new evidence of how declining levels of trust in government may influence elections and domestic policy making.

Introduction

Public evaluations of the U.S. federal government have grown increasingly negative in recent decades. Survey data indicate that public trust in government in the early 1990s reached a new nadir for the era of survey research (Orren 1997). Government continues to function, but public cynicism is understood to have consequences short of governmental collapse. Citizen trust in gov-

ernment is necessary for political leaders to make binding decisions, commit resources to attain societal goals (Gamson 1968), and secure citizen compliance without coercion (Barber 1983; Levi 1997, 1998; Scholz and Lubell 1998; Scholz and Pinney 1995; Tyler 1990). Some level of skepticism about the actions of government officials is undoubtedly healthy in a representative democracy. As citizens withdraw support for government and become less willing to comply with governmental decisions, however, the legitimacy of a democratic regime may be called into question (Easton 1965, 1975).

Changes in public views of trust in government have captured the attention and concern of political scientists since the 1960s. Early debate focused on whether declining trust reflects citizens' disaffection with the political system or regime (Miller 1974a, 1974b) or whether it simply reflects dissatisfaction with incumbent political leaders (Citrin 1974; Citrin et al. 1975). In subsequent research, responsibility for changes in trust in government has been attributed to a variety of causal factors. As suggested by Nye (1997), these factors can typically be classified as economic, social-cultural, or political. First, scholars suggest that trust in government is influenced by the performance of the national economy and citizens' evaluations of the economy, as negative perceptions of the economy promote greater distrust (Citrin and Green 1986; Citrin and Luks 1998; Feldman 1983; Hetherington 1998; Miller and Borrelli 1991; cf. Lawrence 1997). Second, declining trust has been attributed to social-cultural factors such as rising crime and child poverty (Mansbridge 1997; Pew Research Center 1998). Finally, changes in trust in government have been linked to numerous political factors, including citizens' evaluations of incumbents and institutions (Citrin and Green 1986; Citrin and Luks 1998; Craig 1993, 1996; Erber and Lau 1990; Feldman 1983; Hetherington 1998; Miller and Borrelli 1991; Williams 1985), an increasing number of political scandals and increased media focus on political corruption and scandal (Garment 1991; Orren 1997), and the end of the Cold War (Nye 1997). In short, the literature suggests that declining trust in government is a complex phenomenon with multiple potential causes.

In addition to explaining the causes of changing evaluations of trust in government, researchers in recent years have begun to demonstrate the consequences of such changes. Trust in government not only has implications for citizen compliance, but it also has more direct political consequences. Distrustful voters are more likely to support nonincumbent and third-party candidates (Hetherington 1999) and are more likely to express support for devolution of decision making from federal to state governments on issues such as crime, welfare, and the environment (Hetherington and Nugent 1998). Using a simultaneous equation model, Hetherington (1998) finds that individuals' degree of trust in government affects their evaluations of both the president and Congress. Moreover, Hetherington finds evidence that the causal relationship between trust and evaluations of the president and Congress is reciprocal, effectively challenging a common assumption in the trust literature.

Most models assume that the causal arrow runs from presidential and congressional evaluations to trust, without acknowledging the possibility of reciprocal causation (for an exception, see Feldman 1983). However, as Hetherington suggests, models that ignore this potential simultaneity risk misspecification and severely biased estimates.

The study of trust in government has been almost exclusively a micro-level enterprise dominated by cross-sectional analyses of survey data. Although panel data have occasionally been employed (Citrin and Luks 1998; Erber and Lau 1990), such data have not been used to test the direction of causality between trust and evaluations of incumbent politicians or institutions. Our treatment of trust as a macro-level phenomenon is motivated by several considerations. First, time series methods are uniquely suited to help identify the appropriate structural relationships among our variables of interest. Second, we are interested in explaining the causes and consequences of changes in trust over time rather than explaining individual-level variation in levels of trust at any given point. By developing a quarterly time series measure of trust, we maximize variation in both trust and its potential causes and consequences. Additionally, several analysts have concluded that the decline of trust in government has been fairly uniform across demographic groups (Alford 1998; Blendon et al. 1997; Craig 1993), suggesting that, as with trends in other public policy attitudes, there seem to exist "parallel publics" (Page and Shapiro 1992). Thus our macro-level analysis is unlikely to be undercut by variation in trust across important subgroups in the population.

Measuring Trust in Government

To allow for a multivariate time series examination of trust in government, we first needed to develop a time series measure of trust. In 1964, the National Election Study began asking, at 2-year intervals, the question, "How much of the time do you think you can trust the government in Washington to do what is right—just about always, most of the time, or only some of the time?" In the 1970s, national survey houses such as Gallup, the *New York Times*, the *Washington Post*, ABC, CBS, and Roper began to ask questions to assess public levels of trust in government. It is not until the 1980s, however, that these questions are asked frequently enough to allow for the quarterly time series measure that we develop for the current research.

The technique we employ for our measure of trust was developed by Stimson (1999) to overcome the problem of intermittent time series data in public opinion research. In situations where there is no single question measuring a concept of interest at regular time intervals, Stimson developed a dyad ratios algorithm that takes advantage of the common variance in a number of questions designed to measure the same concept. In the first quarter of 1995, for example, an ABC News/*Washington Post* poll of a representative sample of

U.S. citizens finds that 22 percent of the public express the view that they trust the government in Washington to do the right thing just about always or most of the time. An ABC News/*Washington Post* poll next repeats the question about trust in government in the fourth quarter of 1995 and finds 26 percent of the public expressing this view. In the intervening second and third quarters of 1995, Gallup and CBS/*New York Times* polling organizations ask a question very similar to the question asked by ABC News /*Washington Post*. No one question is asked regularly each quarter, but the different questions that are asked provide information about changes in trust in government over time. If the results of the various survey organizations reveal similar changes in trust in government over the same time period, we gain confidence that the increase in trust we observed from the ABC News/*Washington Post* polls is not simply a function of sampling error.

Stimson's dyad ratios algorithm first calculates a common metric for the different series included in a measure by a process of backward recursion. The algorithm assumes a common arbitrary value at time t for each of the questions that contribute to the measure, and then computes the ratio of that value to each prior value. Given that t has the same value for each of the questions, the metric becomes comparable for each series included in the measure. The algorithm then averages the values at any given time point to yield a single value for that time point. The algorithm then proceeds with a process of forward recursion, again starting with a common value, but starting with the first point in time and calculating ratios forward in time. The final series is an average of the series derived from the process of backward and forward recursion. Although any particular survey observation is influenced by sampling error, averaging across items works to eliminate much of this error, with random errors tending to cancel one another.

There are six different time series that contribute to our measure of trust in government, and the questions upon which these series are based are listed in table 1.[1] The table also includes information concerning the number of observations for each series, the number of quarters between 1980 and 1997 in which there are observations, and the correlation of the individual series with the overall measure calculated on the basis of the dyad ratios algorithm. The question for each of the series is asked of nationally representative samples.

Figure 1 presents the resulting measure of trust in government, with quarterly observations from 1980 to 1997. Higher values reflect a greater level of trust, and the values represent the percent of the public expressing trust in

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1. To examine whether the findings of our analysis differed with a different measure of trust, we also created a time series measure that parallels the four-item measure of trust commonly used in individual-level analyses (see, e.g., Hetherington 1998). The results with the four-item measure were identical to the results reported in table 2 in both the direction and statistical significance of the coefficients. The magnitude of the coefficients was also similar across the two measures.

Table 1. Questions Comprising the Measure of Trust in Government and Correlations with Derived Measure

Series	Item Wording	Correlation
Trust 1	How much of the time do you think you can trust the government in Washington to do what is right—just about always, most of the time, or only some of the time? ($n = 69$, asked in 43 quarters)	1.00
Trust 2	How much of the time do you think you can trust the government in Washington to do what is right—just about always, most of the time, only some of the time, or hardly ever? ($n = 11$, asked in 10 quarters)	.98
Trust 3	How much of the time do you think you can trust the government in Washington to do what is right—just about always, most of the time, only some of the time, or never? ($n = 9$, asked in 8 quarters)	.95
Trust 4	How much of the time do you think you can trust the government in Washington to do what is right—just about always, most of the time, or only some of the time? ($n = 8$, asked in 6 quarters)	.83
Trust 5	Thinking about the government in Washington, how much trust do you have in the federal government to do what is right? ($n = 3$, asked in 3 quarters)	.99
Trust 6	How much of the time do you trust the government in Washington to do what is right—would you say just about always, most of the time, or only some of the time? ($n = 8$, asked in 3 quarters)	.84

government just about always or most of the time. Evaluations of trust in government ranged from a high of about 35 percent in the second quarter of 1983 to a low of approximately 12 percent in the second quarter of 1994. The average level of trust in government from 1980 to 1997 was 24 percent. The high point in public trust coincides with President Reagan's first term in
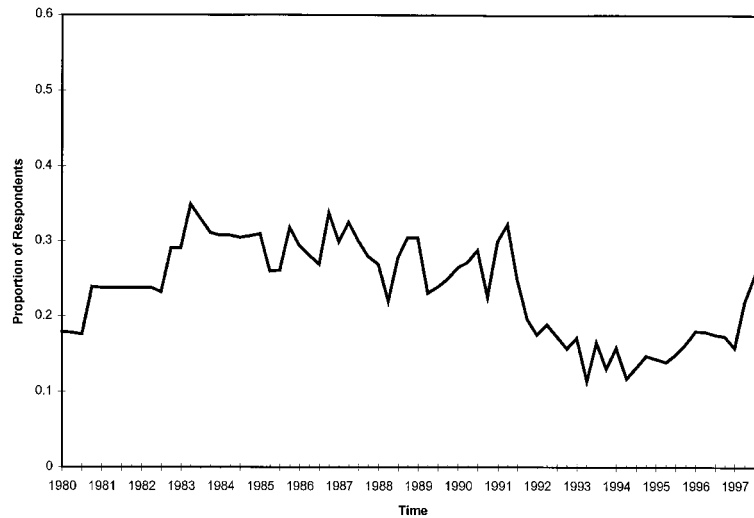
Figure 1. Proportion of the public expressing trust in the U.S. government "just about always" or "most of the time" (quarterly data, 1980–97).

office. This is consistent with the observation that President Reagan helped to renew public trust in government, at least until revelations concerning the Iran-Contra affair became public during his second term in office (Citrin and Green 1986; Miller 1983; Miller and Borelli 1991; Orren 1997). The low point in trust occurs just prior to the historic 1994 congressional election, when the Republican Party took control of the House of Representatives for the first time in 40 years. Comparing public perceptions of the integrity and authenticity of President Reagan to those of President Clinton and other prominent political figures in the 1990s, the decline in trust apparent at this time is not particularly surprising (Orren 1997).

Beginning as it does in 1980, our quarterly measure of trust does not capture the decline in trust that began in the 1960s. The measure does, however, uncover a substantial amount of variation in the 1980s and 1990s, and it provides a more complete picture of changes in trust in government than is possible using data such as that available at 2-year intervals from the National Election Study. There are clear periods of both rising and falling trust in government, indicating changes in trust that our research is designed both to explain and to examine the effects that follow.

The Causes and Consequences of Trust in Government

The preceding section provides a descriptive account of fluctuations in public trust in government over the past 2 decades. Our primary interest, however, is to determine which factors are most responsible for causing these fluctuations and to identify consequences of changes in public trust. To achieve these objectives, we formulate a system of equations designed to explain both the causes and consequences of changes in trust in government. Before addressing issues of model specification and estimation, this section describes our model's endogenous and exogenous variables and makes clear our expectations concerning how these variables will affect or be affected by public trust in government.

POTENTIALLY ENDOGENOUS VARIABLES

The endogenous core of our model is composed of four principal series. In addition to the trust series, we employ standard measures of presidential and congressional approval. Our presidential series is the mean quarterly approval rating generated by Gallup's familiar instrument. For congressional approval, we use an updated and modified version of the series developed by Durr, Gilmour, and Wolbrecht (1997).[2] Consistent with much of the trust literature, we expect increases in both presidential and congressional approval to result in greater trust in government. In light of Hetherington's (1998) recent findings, however, we also expect greater trust in government to lead to more favorable presidential and congressional evaluations. Finally, our model allows us to examine whether trust is differentially related to evaluations of the president and Congress and whether the results of our time series analysis are consistent with findings that expressions of trust in government are disproportionately influenced by evaluations of Congress (Feldman 1983; Hetherington 1998).

The fourth series in the endogenous core of our model is an updated version of Stimson's (1999) measure of policy mood. This measure reflects the extent of public support for increased government spending and activity across a range of domestic policy areas, including education, health care, welfare, aid to cities, and the environment. Higher values reflect greater support for gov-

2. Similar to our trust measure, this quarterly series was created using Stimson's (1999) dyad ratios algorithm. Using Stimson's procedure and survey data available from the Roper archive, we updated Durr, Gilmour, and Wolbrecht's (1997) series through the fourth quarter of 1997. To make the congressional series more comparable to the presidential series, we excluded the component series that asked about confidence rather than approval and that asked about individual members or policy decisions rather than the institution of Congress. For more details on the construction of this measure, see the appendix of Durr, Gilmour, and Wolbrecht (1997).

ernment spending and activity.[3] Hetherington and Nugent (1998) suggest that declining trust engenders public support for devolution of governmental decision making, indicating reduced support for federal involvement in public affairs. Similarly, we hypothesize that declining trust will make the public less willing to support increases in federal government spending and activity in the domestic policy arena.

EXOGENOUS VARIABLES

Along with the four potentially endogenous series, our model includes several exogenous variables that are expected to affect trust or other variables in the endogenous core of the model. The first of these variables is a measure of public evaluations of the economy. Specifically, we rely upon the following instrument from the University of Michigan's Survey of Consumer Finances and Survey of Consumer Attitudes and Behavior: "Looking ahead, which would you say is more likely—that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we'll have periods of widespread unemployment or depression, or what?" This measure of sociotropic prospections has been shown to be a powerful determinant of both presidential and congressional approval (Durr, Gilmour, and Wolbrecht 1997; MacKuen, Erikson, and Stimson 1992, 1996). In addition to driving both approval series, we expect that favorable economic expectations will lead to greater trust in government.[4]

Next, to capture public concern about crime, we include a variable we identify as "MIP Crime." This is a quarterly measure of the proportion of the public who identify crime as the most important problem facing the nation. It is based on responses to the open-ended question "What do you think is the most important problem facing this country today?"[5] Using annual data

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3. See Stimson (1999) for a more complete explanation of this measure. The Gallup organization and the Pew Research Center have employed a measure of "national mood" based on an assessment of the state of the nation overall, and the Pew Research Center (1998) reports a positive relationship between evaluations of the nation overall and evaluations of trust in government. Stimson's measure of policy mood is distinct from the Gallup and Pew measure of national mood in its focus on support for federal government spending in specific areas of domestic policy. We have not attempted to create a time series measure of mood comparable to the Gallup and Pew measure. Given our theoretical expectations concerning the consequences of trust, Stimson's measure of policy mood is a more appropriate measure for our analysis.

4. Given recent evidence that economic evaluations may not be exogenous with respect to measures of political approval (Freeman et al. 1998), we also considered a model in which our measure of economic evaluations was included as one of the endogenous variables. Finding no evidence of simultaneity between economic evaluations and either measure of approval, our model treats economic expectations as an exogenous variable.

5. The data for our two measures of the most important problem facing the nation, MIP Crime and MIP International (introduced next), are based on surveys conducted by Gallup, ABC News, CBS News, the *Los Angeles Times*, the *Washington Post*, the Opinion Research Center, and the Associated Press. No single survey house asks this question on a quarterly basis from 1980 to 1997, and we use Stimson's dyad ratios algorithm to develop quarterly measures for our analysis.

on national homicide rates as a proxy for crime, Mansbridge (1997; also see Pew Research Center 1998) finds that levels of crime and levels of distrust in government track well together over time. Our measure of public concern about crime has two advantages over the proxy of homicide rates. First, it is based on citizens' subjective perceptions of crime rather than objective levels of crime of which the public may be unaware. Second, it taps public concern regarding all crimes and not just homicide. We hypothesize that as the proportion of the public mentioning crime as the nation's most important problem rises, trust in government will fall.

Another possible explanation for changes in trust in government is variation in public concern about international affairs. Though he dismisses it as a sole explanation, Nye (1997) suggests that the concern for common defense inspired by the Cold War may have helped to solidify public trust in government. Similarly, other researchers have shown that threats to groups often result in increased group identification and cohesiveness and support for group authorities (Price 1989; Rothergerber 1997; t'Hart 1990; Turner et al. 1992). We expect that as public concern about international affairs increases, support for governmental authority will increase in the form of greater trust and approval. To measure public concern about international affairs, we employ a variable identified as "MIP International." This series is a quarterly measure of the proportion of the public who identify international concerns, including foreign policy, defense, or international affairs, as the most important problem facing the nation.

Though seldom possible to incorporate into cross-sectional designs, most scholars contend that political scandals have a negative impact on trust in government (but see Miller and Borrelli 1991). While doubting that actual political corruption has increased in recent years, Garment (1991) argues that media attention to political scandal has increased dramatically in the post-Watergate era (also see Nye and Zelikow 1997). To examine whether national political scandals appear to be responsible for movement in public trust, our model includes two dummy series designed to separately capture the influence of congressional and presidential scandals. We expect both congressional and presidential scandals to have a negative effect on public trust. Measuring the two types of scandal separately, however, allows us to examine whether expressions of trust in the federal government are differentially influenced by scandals associated with the distinct branches. Furthermore, we expect congressional scandals to have a negative influence on congressional approval, whereas presidential scandals are more likely to have a negative influence on evaluations of the president. The congressional series accounts for the effects of four prominent scandals, including the Jim Wright scandal, the Keating Five scandal, the House Banking scandal, and the Post Office scandal.[6] The

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6. The congressional scandal series takes on a value of one during the following quarters: 1989: 2, 1989:4, and 1991:3–1992:4.

presidential series captures the effects of four scandals as well, including Iran-Contra, the White House Travel Office firings, Whitewater, and Filegate.[7]

Consistent with research on political approval, we also include an events series to represent "rallying" events that may affect public evaluations of the president and Congress.[8] Finally, to account for the "honeymoon" period typically experienced at the outset of a new administration and to control for any leakage between administrations, we include a dummy series marking the first quarter of each new presidential administration.

Methods and Model

Having described our endogenous and exogenous variables, we turn now to issues of model specification and estimation. Given the possibility of simultaneity between several of our endogenous variables, using vector autoregression (VAR) is a particularly appropriate modeling strategy in the present context (Freeman, Williams, and Lin 1989). First, VAR does not impose a priori structural relations between potentially endogenous variables, reducing the risk of omitted variables bias. Freeman and colleagues contend that, by minimizing the likelihood of misspecification, VAR models permit more accurate causal inferences than do traditional structural equation (SEQ) models.[9] Second, VAR models are flexible enough to allow us to specify variables that are distinctly exogenous. The VAR model employed in this study is expressed below in matrix form:

$$y_t = c + \Phi_1 y_{t-1} + ... + \Phi_p y_{t-p} ... + \Theta X_t + \epsilon_t.$$

In this model, y_t is an ($n \times 1$) vector of potentially endogenous variables, including economic expectations, trust, policy mood, presidential approval, and congressional approval. The symbol c denotes an ($n \times 1$) vector of intercept terms, Φ is an ($n \times n$) matrix of coefficients relating lagged values of the four endogenous variables to current values of those variables, Θ is an ($n \times m$) matrix of coefficients relating the exogenous variables to the endogenous variables, and ϵ_t represents an ($n \times 1$) vector of disturbance terms. The

7. The presidential scandal series takes on a value of one during the following quarters: 1986:4, 1987:1, 1993:2, 1994:2–1994:3, and 1996:2.
8. Included in this series are dummies denoting the Iran hostage crisis (1980:1–1980:2), the Reagan assassination attempt (1981:2), Grenada (1983:4), Panama (1990:1), and the Gulf War (1990:4–1991:2).
9. Freeman, Williams, and Lin (1989) acknowledge that there is a "trade-off" when choosing between VAR and SEQ models. VAR models are said to provide more accurate causal inferences while sacrificing some quantitative precision. However, the gains in precision provided by SEQ models exist only when the SEQ model is correctly specified in the first place.

model estimates an equation for each of the potentially endogenous variables which, in the present context, results in four equations.

Before the VAR model could be estimated, the question of lag length had to be resolved. Modified likelihood ratio tests supported the use of a single lag.[10] We then estimated the VAR model using ordinary least squares. With identical right-hand-side variables and disturbances reduced to white noise by appropriate lag length, the least squares estimator is consistent and asymptotically efficient (Hamilton 1994). Analysis of the residuals detected neither serial correlation nor autoregressive conditional heteroskedasticity (ARCH) in any of the equations. To assess the nature and magnitude of the causal connections between our variables, we rely on Granger causality tests, a procedure commonly used in VAR analysis.

The concept of Granger causality is based on "the idea that a variable X 'causes' another variable Y, if by incorporating the past history of X one can improve a prediction of Y over a prediction based solely on the history of Y alone" (Freeman 1983). In the bivariate case, variable X is said to "Granger cause" Y if Y is better predicted by lagged values of both X and Y than by lagged values of Y alone. The concept of Granger causality is easily extended to multivariate models and is typically assessed through F-tests of blocks of coefficients. Since our model requires only a single lag, the F-tests generated by our model are functionally equivalent to standard t-tests. Consequently, in the next section we rely on simple t-tests of coefficients when making causal inferences.

Empirical Results

The results of our model are presented in table 2.[11] To facilitate comparisons among coefficients, all variables are scaled on a common range from zero to one. Consider first the determinants of trust. A common hypothesis in the trust literature is that levels of trust rise and fall with the economy. As shown in column 1, our results indicate support for this hypothesis. The coefficient for economic expectations is both positive and statistically significant, indicating that more positive evaluations of the economic future lead to an increase in trust in government. We next consider the hypothesis that trust in government is influenced by social-cultural factors such as crime. Tracking trust and

10. Lag length was determined by performing a series of modified likelihood ratio tests. As given by Hamilton (1994), the likelihood ratio statistic is expressed as $(T\text{-}k)\,(log\,|\,\Omega R\,|\,\text{-}log\,|\,\Omega U\,|)$, where T is the degrees of freedom, k is the number of parameters estimated per equation, and where ΩR and ΩU are the variance-covariance matrices of the residuals for the restricted and unrestricted models, respectively. This statistic is distributed chi-square with T degrees of freedom. The modified likelihood ratio tests supported the use of a single lag, as additional lags did not lead to a significant improvement in the fit of the VAR model.
11. In addition to the VAR analysis presented in table 2, we also conducted impulse response and decomposition of forecast error variance analyses. The results of these analyses are available from the authors upon request.

Table 2. VAR Results

	Trust in Government	Policy Mood	Presidential Approval	Congressional Approval
Trust $_{t-1}$	.61**	.09*	−.13	.27+
	(.12)	(.04)	(.20)	(.16)
Policy Mood $_{t-1}$	.12	.83**	.08	−.13
	(.14)	(.05)	(.23)	(.19)
Presidential Approval $_{t-1}$	−.03	.04*	.76**	.06
	(.04)	(.02)	(.08)	(.06)
Congressional Approval $_{t-1}$	.01	−.05	.04	.40**
	(.08)	(.03)	(.14)	(.11)
Economic Expectations $_t$	.08*	.01	.20**	.15**
	(.04)	(.01)	(.06)	(.05)
MIP Crime $_t$	-.22**	−.02	−.06	−.13
	(.08)	(.03)	(.14)	(.11)
MIP International $_t$	−.01	.02	−.04	.08
	(.09)	(.03)	(.16)	(.12)
Congressional Scandals $_t$	−.04**	.01	−.01	−.05**
	(.01)	(.01)	(.02)	(.02)
Presidential Scandals $_t$	−.01	−.01	−.05*	.01
	(.01)	(.01)	(.02)	(.02)
"Rallying" Events $_t$	.01	−.01	.08**	.01
	(.01)	(.01)	(.02)	(.02)
New Administration $_t$	−.01	−.01	.10**	.01
	(.01)	(.01)	(.03)	(.02)
Constant	.01	.07*	−.04	.13
	(.08)	(.03)	(.13)	(.10)
Adj. R^2	.80	.92	.77	.73
Standard error of estimate	.03	.01	.05	.04
Ljung-Box Q test (16)	11.00	19.23	20.72	12.27
LM test for ARCH (16)	8.85	10.96	11.21	22.14
N	71	71	71	71

NOTE.—Data are quarterly from 1980:1 to 1997:4. All variables are initially scaled on a 0 to 1 range. Statistically insignificant Ljung-Box and Lagrange Multiplier test statistics indicate the absence of serial correlation or ARCH in the residuals. Standard errors appear in parentheses.

+ $p < .10$.
* $p < .05$.
** $p < .01$, two-tailed.

murder rates over time, both Mansbridge (1997) and the Pew Research Center (1998) provide descriptive evidence that homicide rates and trust in government vary together over time. Employing a measure of the extent of public concern about crime, we subject the hypothesis of a causal connection between crime and trust in government to multivariate scrutiny. As revealed in column 1, the coefficient for MIP Crime is both negative and statistically significant. As the proportion of the public mentioning crime as the most important problem facing the nation rises, trust in government declines. From the second to the fourth quarter of 1993, for example, public concern about crime increased almost 20 percentage points, from 7 percent to 26 percent. Our estimates indicate that, ceteris paribus, this increase in concern about crime led to an approximate 4 percent decline in evaluations of trust in government.

Changes in trust in government have also been attributed to changes in concern about international affairs and the end of the Cold War. If increasing focus on international issues buoys support for the government, then trust in government may decline when international concerns become less salient to the public. As shown in table 2, our results do not provide support for this causal connection. The coefficient on MIP International fails to reach statistical significance, lending support to Nye's (1997; also see Alford 1998) contention that the decline in public concern about foreign policy associated with the end of the Cold War fails to provide an adequate account for declining trust in government over the same period of time.

Another potential culprit for declining levels of trust is political scandal. Several scholars have noted that focus on political scandal and media attention to corruption in government have increased considerably since Watergate. Increased exposure to allegations of political corruption is thought to erode public trust in government. Though in the expected direction, the coefficient on the presidential scandal series does not attain statistical significance. In contrast, the coefficient on the congressional scandal series is both in the predicted direction and statistically significant. Consistent with the contention that trust in the federal government is more closely tied to trust in Congress than to trust in the president (Feldman 1983; Hetherington 1998), we find that allegations of misconduct on the part of Congress exert greater influence on trust in government than do allegations of misconduct by the executive. Specifically, our results indicate that scandals implicating members of Congress, including the House Banking scandal and the Post Office scandal, each led to an approximate 4 percent decline in trust in government. Finally, trust in government is thought to reflect public satisfaction with political leaders and institutions. When presidential and congressional evaluations are favorable, trust in government is expected to increase. Similarly, negative evaluations are expected to result in lower levels of trust. These expectations are not confirmed by our results. Neither presidential nor congressional approval

exerts any causal influence on trust.[12] Rather, we find some evidence that the causal arrow runs in the opposite direction. To examine this finding, we turn our attention to the consequences of trust in government.

Hetherington (1998) suggests that presidential and congressional evaluations are as much a consequence of trust in government as they are a cause. Accordingly, our model tests whether trust drives either presidential or congressional approval. As shown in column 3 of table 2, we do not find evidence that trust influences presidential approval. Apart from lagged approval, the largest determinant of presidential approval is public perceptions of the economic future. Presidential approval is also higher at the outset of each new administration and during "rallying" events. These findings comport well with the idea of presidential "honeymoons" and Mueller's (1970) notion of a "rally around the flag" effect. In contrast, presidential approval is adversely affected during periods of presidential scandal. It is important to note that presidential approval is not affected by congressional scandals, a finding that lends support to the validity of our scandal measures.

The results of the congressional approval equation are reported in the final column of table 2. Here we find clear consequences of public views of trust in government.[13] As trust increases, so too does congressional approval. This finding provides further evidence in support of prior research that has found evaluations of trust to be more closely tied to evaluations of Congress than of the president (Feldman 1983; Hetherington 1998). Not only does trust matter, but its effects are almost twice as large as those of economic expectations. Again consistent with our expectations, congressional scandals hurt congressional approval while presidential scandals do not.

Finally, we consider our hypothesis that levels of trust in government affect public policy mood. As shown in column 2, we find that in addition to past values of policy mood itself, policy mood is driven by both trust and presidential approval. Greater support for government spending and activity is, at least in part, a positive function of public trust in government and presidential approval. The positive influence of trust on policy mood is consistent with Jacoby's (1994) micro-level evidence that individuals' beliefs about whether the government is fiscally responsible or wasteful affect their support for government spending and with the broader expectation that declining levels of trust endanger public support for government action. The positive influence

12. Despite the lack of a statistically significant coefficient for either the presidential scandal or presidential approval series, we do not dismiss the potential importance of evaluations of the president and presidential scandals for changes in trust in government. Rather, our findings may reflect the time period we examine. In particular, President Clinton maintained high approval ratings throughout much of his time in office, despite the scandals associated with his administration. If we were able to examine earlier periods, particularly including the Watergate years, we might be more likely to find clear connections among presidential scandals, presidential approval, and trust in government.
13. We use the $p < .10$ standard of statistical significance given the expectation of a positive relationship between trust and congressional approval.

of presidential approval on policy mood was not something we predicted, given that expectations concerning the relationship between approval and policy mood are less straightforward. Republican presidents are more likely to support less rather than more government spending, so we might expect to find a negative relationship between approval and policy mood during Republican administrations. Conversely, we might expect the relationship to be positive during Democratic administrations. Our results suggest, however, that greater support for the president yields greater support for government action regardless of the party affiliation of the president.[14]

Discussion

The causes and consequences of trust in government have been the focus of much research. The most significant contribution of the present research lies in our findings concerning the causal dynamics of trust in government, the influence of public concern about crime on evaluations of trust, and our findings concerning the implications of declining trust in government. Our research finds that evaluations of Congress and congressional scandals are more closely linked to trust in government than are evaluations of the president and presidential scandals. These results are consistent with the findings of Feldman (1983) and Hetherington (1998) and bolster Hibbing and Theiss-Morse's (1995) arguments about the centrality of Congress in public evaluations of the national government.

Our finding of a positive relationship between trust and public policy mood is consistent with theoretical expectations concerning the importance of trust in government for public willingness to commit public resources for policy ends. This result may be of particular concern to Democratic Party candidates, as Democrats typically are more likely to favor increased spending for domestic policy concerns.[15] Although we do not have clear evidence of a causal connection, we note that trust in government reached a low point in the summer before the 1994 midterm election, when Democrats lost over 50 seats in Congress and Republicans gained control of both houses of Congress for the

14. To further explore the relationship between presidential approval and policy mood, we conducted additional analyses that included two distinct interaction terms. In one analysis, we added a dummy variable for the party of the president and an interaction term composed of presidential approval and the party of the president. In a separate analysis, we added a dummy variable for the party of the president and an interaction between policy mood and the party of the president. In both of these analyses, the relationship between presidential approval and mood was unchanged, and the coefficients on the presidential party dummies and the interaction terms were not statistically significant. Thus, we found no evidence of interactions between either presidential approval and presidential party or policy mood and presidential party in determining the effect of presidential approval on policy mood.

15. We do not dismiss the likelihood that Republicans also have reason for concern when public trust in government declines. Although Republicans tend to favor government spending in different areas than Democrats—defense, for example—we expect that declining levels of trust may also lessen support for spending on conservative policy priorities.

first time in 40 years. Our results suggest that declining trust in government may have played a role in the election's outcome.

The dynamics of public trust in government are of central interest to the study of public opinion about politics and government. Is declining trust in government a cause for concern, or are low levels of trust in government largely inconsequential? Are evaluations of trust reactions to current conditions that may be easily changed, or do they represent opinions of greater consequence? Our analysis provides evidence of how trust in government may be changed and the consequences of such change. We find that trust in government is importantly influenced by political scandals and public perceptions of the economy and crime. Thus, an avoidance of scandal, skillful handling of the economy, and alleviation of public concern about crime each may help to restore public confidence in government. Moreover, trust in government has important implications for public evaluations of incumbent policy makers and the public's policy preferences. These, in turn, play a large role in shaping election outcomes and the direction of public policy. Thus, we find that evaluations of trust in government have considerable consequences for politics and governing in the United States.

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