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Political Trust *In Extremis*

Antonis A. Ellinas and Iasonas Lamprianou

This article seeks to examine political trust during extraordinary times. In part because they are rare, such times have received scant attention in the literature on political trust, which has focused instead on understanding trust in less unusual situations or across longer periods that do not specifically capture the strain caused by individual crises. Despite their rarity, major crises can have a devastating blow on the quality and, perhaps, the survival of democracy and are hence worth examining in more detail than cross-sectional studies usually afford. A sizable literature, which considers political trust to be one of the most important resources to well-functioning democracies, provides a solid intellectual ground for such an examination. This literature points out that political trust can have a major impact on democratic politics by affecting political participation, institutional effectiveness, and policy choices.¹ Political trust is known to ebb and flow during normal times,² but it is uncertain if it can recover once being shattered by extraordinary shocks. Given the significance of political trust for the functioning of the political system, it is important to know whether the way citizens relate with political actors and institutions changes dramatically in times of unusual environmental stress.

The sharp contraction of various European economies in the past few years provides a good opportunity to examine the correlates of political trust *in extremis*. Now in its sixth year, the crisis in Europe started as a financial meltdown caused by subprime lending in the United States and turned into a sovereign debt crisis that has caused one of the widest, deepest, and longest recessions since the 1930s. The crisis has put at risk the very survival of the eurozone and has confronted European societies with unprecedented uncertainty about the sustainability of their standard of living. Southern European countries facing abrupt fiscal adjustments, double-digit unemployment, and protracted economic contraction have felt the crisis the strongest.

To examine, then, the factors affecting political trust during extreme conditions, the article focuses on the country where the crisis seems to be taking the biggest toll, on Greece. The ongoing crisis has wiped off nearly a fifth of the Greek national income, which is more than any other developed country has experienced in the postwar period. Scattered evidence from increasingly more frequent street demonstrations, arson attacks on government buildings, and public insults against politicians suggests that the crisis

is undermining the already low trust Greeks have been reported to have in their political system. In part because of the authoritarian past of modern Greece, the dire economic and social conditions have not only raised questions about the quality of Greek democracy but have also raised the specter of its collapse. The international press is filled with dooms-day predictions about the possibility of a military coup and with terrifying comparisons of modern Greece with Weimar Germany. If political distrust were ever to cause a democratic fatality, the extraordinary conditions generated by the eurozone crisis make Greece a likely candidate to be the first one.

Using data from successive waves of the European Social Survey, the article examines three claims regarding the correlates of political trust. Defined as “a basic evaluative orientation toward the government,”³ political trust has been shown to fluctuate in accordance with government performance. The sizable body of work assessing the link between performance and trust has mostly focused on economic performance, which “is one of the main policy goals of government.”⁴ In line with this literature, the article first examines economic correlates of political trust by investigating the effect of economic factors in a context where they should matter the most. Second, the analysis goes beyond economically based assessments of government performance and examines the link between “social” performance and political trust. Focusing mainly on economic performance, the literature often ignores the importance of other aspects of government activity, which are arguably equally important for establishing political trust. This article examines the performance of the government in education and health, areas that take up a sizable portion of government budgets but only a minor part in scholarly analyses. This article focuses on these important aspects of governance to assess how social performance affects attitudes toward political actors and institutions. It operationalizes the social performance of government by considering how citizens view the condition of the educational and health systems, which constitute long-established and much-expected functions of European states. Third, the article tests for asymmetry in the factors affecting political trust. Building on the findings of Hetherington and Rudolph, the article examines whether exceptional economic situations have an asymmetric effect on political trust.⁵ The main expectation is that during extraordinary economic shocks, the economic and social performance of government has a stronger effect on political trust than during normal times.

Examining these three hypotheses, the article shows that the way schools and hospitals are run has a more important effect on political trust than previously acknowledged. The effect of social performance on political trust is asymmetric: it is stronger during extraordinary conditions rather than during normal times. Contrary to conventional wisdom, economic performance does not have an overwhelming effect on political trust, and this effect does not become stronger as the crisis deepens. The findings of the article suggest that those worried about the radicalization of Greek society must pay closer attention to the administrative effectiveness of social welfare institutions. The findings also indicate that international creditors must take into consideration not only the economic but also the social performance of governments they deal with.

Political Trust In Extremis

Political trust has been the focus of the comparative political behavior research for decades, especially after the late 1960s, when pollsters started documenting a decline in public confidence in government and scholars rung alarm bells about the future of democracy.⁶ In recent years, political trust has gained increased scholarly traction benefiting from the growing interest in social trust and social capital, which are thought to indirectly affect the functioning and, ultimately, the trustworthiness of political institutions.⁷ Like earlier work, recent work has shown that public support for political institutions in both the US and in Europe has dropped significantly since the 1960s.⁸ However, it has also demonstrated that political trust has fluctuated enough⁹ to ease initial fears that its loss would inflict permanent damage to established democracies. “The longitudinal evidence clearly demonstrates that fluctuations over time usually prove far more common than straightforward linear or uniform downward trends.”¹⁰ The fluctuations in public support have encouraged analyses examining the link between political trust and government performance.¹¹ Attempts to explore this link have pushed the analyses away from culturalist explanations and focus instead on rationalist accounts of variation in political trust.¹² While the microfoundations of these latter accounts are not entirely clear, there is a near consensus that trust is based on a combination of normative and instrumental standards citizens use to assess government performance.¹³ Because trust “now seems to be more pragmatic, instrumental, and dependent upon second-hand political information and performance,” it is thought that “it is usually of a thinner kind than social trust,”¹⁴ fluctuating in accordance with changes in the political environment. Due to this perceived “thinness” of political trust, it has become commonplace to expect that political actors and institutions lose political trust when things are bad but regain it when things get better.

The sizable literature examining government performance has mostly focused on economic performance. Economic success or failure has more widespread and, arguably, more volatile effects on citizens’ well-being thereby offering ideal testing conditions for government performance. Furthermore, a rich literature examining the effects of economic conditions on political behavior rather than attitudes has demonstrated the important effects of economic performance on election outcomes.¹⁵ Despite the plentitude of data available for assessing economic performance, attempts to trace the link between economic conditions and political trust have yielded mixed results. Analyses using objective macroeconomic indicators like GDP growth, inflation, unemployment, and budget deficits have not produced firm and direct linkages to political trust.¹⁶ Objective measures of economic conditions do not necessarily capture individual perceptions of how the economy is performing. Perceptions are arguably more reliable indicators of economic performance, because they are based on a combination of personal experiences and political stimuli that objective indicators cannot capture: “*perceptions are reality* when explaining citizen behavior.”¹⁷ Work based on perceptions of economic conditions has produced evidence linking sociotropic or pocketbook perceptions of economic conditions with broader measures of political

support (e.g. satisfaction with democracy) but not directly with political trust.¹⁸ Attempts to find more direct evidence on political trust have produced weaker results.¹⁹

Despite its important insights, the literature has largely neglected examining political trust during major economic crises, when political actors and institutions fail to meet even the most basic expectations of performance. Trend lines of political trust since the 1950s capture a major deterioration of public confidence in US political institutions after the 1973 oil crisis. The analysis of these trends, though, tends to assume that citizen attitudes are shaped by similar factors during the crisis as they were before the oil shock. It is much more reasonable to expect that extreme situations bring about significant changes in attitudinal patterns. Extreme conditions do not only increase the number of distrusting citizens²⁰ but also alter the basic drivers of trust. The extremity of a situation is of course hard to specify, in part because severe economic crises are rare. It is the exceptional nature of these crises, however, that makes them important for the analysis of political trust. For it is during these conditions that one can best examine the link between political trust and government performance. Given the increased frequency in the past few years with which citizens in established democracies are subjected to major failures in economic performance, it is important to acquire a better understanding of how public attitudes change during major economic crises. Based on the findings of earlier work we hypothesize that:

H1: During extreme economic conditions economic performance is a major driver of political trust.

The near exclusive focus of the literature on economic performance has come at the expense of other important dimensions of government performance. In most established democracies, and especially in Europe, government provides a number of important social services, like education, healthcare, and social protection, and it makes sense for citizens to assess its performance based on the quality of these services. In almost all European countries, for example, public expenditures for education are a multiple of private expenditure, and the state is by far the biggest provider of healthcare.²¹ Educational and healthcare services constitute two of the biggest budget items in the EU exceeding the amounts spent for economic affairs and defense.²² The hundreds of social protection services governments offer take up the biggest share of public expenditure in the EU, though there is considerable variation in the range and the cost of the services offered.²³ Political actors and institutions can gain or lose trust if they succeed or fail to provide adequate social services – the social performance of government. A state providing quick access to high quality healthcare can be trusted more than a state pushing its citizens into humiliatingly long queues or in camp beds in hospital corridors. Similarly, a well-run educational system can help generate more political trust than one in which students frequently miss their annual exams due to teacher strikes and student riots.

In this sense, social performance is the administrative effectiveness of state institutions and agents, and it is conceptually – and as we subsequently show, empirically – distinct from economic performance. The failure of state agencies to
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provide adequate social services is related, but cannot be reduced, to the relative availability of economic resources. Teachers and doctors might fail to deliver adequate social services for reasons that go beyond budgetary constraints. Corruption is one such reason.²⁴ Survey data suggest, for example, that healthcare is perceived to be among the most corrupt sectors in developing countries.²⁵ Furthermore, cross-country analyses have shown strong links between perceptions of corruption and political distrust.²⁶ Performance failure in the education, healthcare or welfare sectors, though, may also be due to a combination of factors, such as clientelism or inefficiency, which are conceptually distinct from corruption.²⁷ The reason why civil servants cannot be trusted “to do what is best for the country”²⁸ might not solely be because they are corrupt, but also because they are incompetent partisan appointees parachuted into the top echelons of the civil services or because they are the products of a problematic system that does not effectively reward productivity. In addition to corruption, factors like partiality,²⁹ inefficiency, or even politicization might seriously curtail the capacity of administrative agents to effectively deliver socially important services. It is important, then, to develop empirical tools to grasp a better understanding of how social performance affects political trust. We hence hypothesize:

H2: During extreme economic conditions social performance is a major driver of political trust.

The effect of government performance on political trust has largely been assumed to be similar in extreme and normal conditions, but it is plausible that economic or social performance matters more during bad than during good times. Building on Hetherington and Rudolph’s work on fluctuation in political trust in the United States, we therefore examine whether economic performance has an asymmetric effect on trust. Their research shows that during economic downturns citizens are more attentive to economic conditions and hence, more distrusting of the government. “Feelings about government are sure to suffer a lot during bad economic times because such conditions capture widespread public attention, giving economic considerations greater weight when citizens evaluate government.”³⁰ Based on this insight, and extending it to take into account social performance, we hypothesize that:

H3a: During extreme economic conditions, economic performance has an asymmetric effect on political trust.

H3b: During extreme economic conditions, social performance has an asymmetric effect on political trust.

Greece as a Case Study

In some ways the Greek case has elements that are commonly found in southern or eastern European countries as well as in developing or transitioning democracies.

In 2007, before the onset of the financial crisis in the US, Greeks generally had lower levels of political trust than the average Western European but higher than the Italians, French, or British.³¹ Similarly, social trust was lower in Greece than in most West European countries.³² The relatively low level of social trust is associated with the existence of a centralized state structure that inhibited the development of civil society and the generation of social capital.³³ As it is often typical of societies with low levels of social trust,³⁴ Greek social distrust exists in a context of high levels of perceived corruption and relatively high levels of inequality.³⁵ Corruption may be a good starting point for understanding Greek political distrust, but country experts have repeatedly shown that it is just one of many features of the Greek political system. As in a number of countries where political mobilization preceded state formation,³⁶ the large and inefficient Greek public sector, populist and clientelist politics, and the politicized bureaucracy can also help interpret the attitudes Greek citizens have toward their political actors and institutions.³⁷ To this litany of features characterizing the Greek political system, one must also add the importance of historical contingency. For example, Greek universities are frequently taken over by rioting students because this is a historically-induced and ideologically-driven form of political engagement. Students often end up missing their exams and prolonging their study because, due to the legacy of Greece's dictatorial past, the police cannot enter school premises.

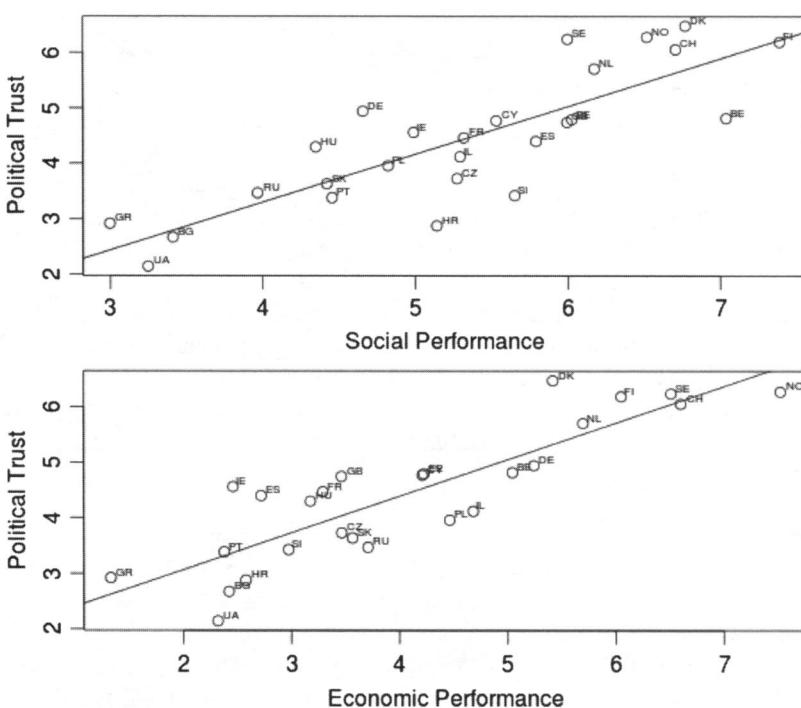
While a number of countries display some of the basic features of the Greek political system, none have experienced such a deep and protracted recession. This makes Greece an important case for understanding how major crises affect political trust. Although there have been a number of economic contractions in the postwar period, no other long-established democracy has undergone such a deep recession for such a long period of time. One of the most frequently mentioned macroeconomic crises, the Finnish depression of the early 1990s, lasted for three years throughout which the GDP contracted by fourteen percent.³⁸ Sweden experienced an equally long, but smaller, economic contraction during this period. Even after the 1973 oil crisis, which some have associated with a sharp deterioration of trust,³⁹ postwar democracies did not experience major or protracted contractions.⁴⁰ By contrast, the Greek economy has cumulatively shrunk by 18.6 percent between 2008 and 2012, and is expected to shrink even further in 2013.⁴¹ Whereas the 1973 oil crisis or the 2008 financial crisis were exogenous for most countries, and hence made it easier for governments to avoid direct blame for the negative economic performance, the situation facing Greece can partly be attributed to political mismanagement. The magnitude and duration of the crisis makes Greece a strong test for theories associating economic performance with political trust and an important case for examining citizen attitudes toward political institutions and actors.

Aggregate-level data are indicative of the impact the crisis has had on Greek political trust and of the urgent need to better understand the Greek case. The analysis of mean levels of trust in Greece across the four European Social Survey (ESS) rounds in which it participated shows that, in absolute terms, the crisis has taken a heavy toll on political trust, which dropped from 5.2 (S.D.=2.2) in 2002 to 2.9 (SD=1.9)

in 2011. An analysis of Eurobarometer measures of trust displays similar results. Unlike political trust, social trust remained relatively stable throughout this period (for example, the mean values for the variable “Most of the time people are helpful ...”, which is one of the three ESS social trust variables, ranged from 3.02 ($SD=2.31$) in 2003 to 3.24 ($SD=2.18$) in 2011). Moreover, while the assessments of both economic and social performance decreased across time overall, they diverged for the second and fifth round of the ESS (even after taking the error of measurement into account), thereby suggesting that the two variables are empirically distinct.

Cross-sectional analysis of the last ESS further highlights the importance of understanding the Greek case, as it shows how the steep and protracted recession has pushed political trust from relatively to really low levels. After the onset of the crisis, Greek political distrust has dropped to much lower levels than those in any West European country and to levels comparable with those in only two post-communist countries, Bulgaria and Hungary (see Figure 1). Interestingly for our purposes, there is a strong correlation between both economic performance and political trust (0.86, $p<0.001$) as well as between social performance and political trust (0.83, $p<0.001$).

Figure 1 Scatterplots of perception for social and economic performance vs. political trust (data for the 5th round of ESS)



Datasets

To test these three crisis-related hypotheses, the study uses Greek data from the four ESS rounds in which Greece participated: the first (N=2107), second (N=1985), fourth (N=1915), and fifth rounds (N=2464). The data for the first and second rounds were collected in a period of pre- and post-Olympics economic euphoria. The timing of the data collection for the last two rounds is important, because it offers an opportunity for a before- and during-the-crisis assessment of variation in political trust. The data for the fourth round were collected right before the commencement of the Greek debt crisis between July and November 2009. The fifth round in Greece took place between May and July 2011, more than a year after the Greek economy sank deeper into recession due to the implementation of the first economic adjustment program.⁴²

Variables

Political trust was operationalized using relevant questions asked in all ESS rounds: “Please tell me on a score of 0–10 how much you personally trust each of the institutions I read out.” Respondents were asked to state how much they trusted the country’s parliament, the legal system, the police, politicians, the political parties, the European Parliament, and the United Nations. Trust towards political parties was excluded from our analysis because this question was not part of all ESS questionnaires. We also did not consider the questions regarding trust towards the European Parliament and the United Nations to be related to our study. The dependent variable—political trust—is an average of the responses to the four remaining questions (trust to parliament, the legal system, the police, and politicians).⁴³

Economic Performance To assess the relationship between economic performance and political trust we examined both sociotropic and pocketbook perceptions of the economic situation. Sociotropic perceptions of economic conditions were based on responses to the question “How satisfied [are you] with present state of economy in country.” To investigate whether trust is related to the personal financial situation of the respondents rather than overall economic conditions, we included responses to the ordered categorical variable “Feeling about household’s income nowadays,” which is coded from 1 “Living comfortably on present income” to 4 “Finding it very difficult on present income.”

Social Performance One of the main innovations of the study is the operationalization of social performance. Although the ESS does not directly gauge public perceptions of welfare provision, it does include two questions we consider important for assessing how the government is performing on the social front. The two questions ask respondents to report what they “think overall about the state of education/health services” in the country. Education and healthcare are two of the most important

services governments provide in Europe, and the quality of these services can be thought to directly affect political trust in political actors and institutions.

Apart from the intrinsic importance of these two public services, the inclusion of education and healthcare in our model allows us to indirectly investigate whether evaluations of social performance can be reduced to perceptions of corruption. Given how much emphasis the literature has placed on corruption,⁴⁴ it is important to empirically distinguish social performance from corruption. Unfortunately, the ESS does not directly gauge attitudes toward corruption, which makes it hard to trace the link between corruption and trust. Similarly, a recent Eurobarometer (2011) asks a battery of questions about corruption but does not include standard questions on political trust. Even if it did, it would have been difficult to assess how corruption affects political trust due to limited variation: in Greece 98.1 percent of respondents agree or tend to agree that corruption is a very big problem in the country. That said, there is significant variation in Greek perceptions of corruption for a long list of public agencies, actors, and institutions. Interestingly for our purposes, corruption is thought to be most widespread among employees in the health sector (75.7 percent of respondents) and least widespread among those in the education sector (33.4 percent).⁴⁵ Thus, the inclusion of questions regarding the education and health systems not only captures satisfaction from the operation of public services but may also incorporate differential perceptions of corruption. To the extent that evaluations of social performance are due to perceptions of corruption, the results should be different for the two questions on health and education systems.

Social Trust An important theoretical literature links social capital with the functioning of democracy⁴⁶ and, more specifically, with political trust.⁴⁷ Arguably, societies with adequate stocks of social capital, public institutions perform better, and, hence, social trust can indirectly generate political trust by improving government performance.⁴⁸ One can expect that individuals who trust others are also more likely to trust political actors and institutions. Indeed, research has shown a significant correlation at the individual level between social and political trust for twenty-three European countries and for the United States.⁴⁹ In our study, we examine the effects of social trust by averaging responses to questions that asked respondents to state on a 1 to 10 scale whether most people can be trusted, would try to be fair, and try to be helpful.

Inequality In line with a significant strain of the literature on trust,⁵⁰ we also include in our model a question gauging perceptions of inequality. The basic claim of this literature is that inequality depresses social and political trust among those most negatively affected by the unequal access to and distribution of resources. Based on this insight it is reasonable to expect political trust to vary in accordance with perceptions of inequality and with attitudes regarding whether the government should do something about it. We assess the effects of inequality by considering responses to the statement “the government should take measures to reduce differences in income levels.”

Political Winners and Losers The model also considers the extent to which voter affiliation with the governing party or coalition affects political trust. The literature suggests that supporters of the incumbents are likely to be more satisfied with the political system and, ultimately, more trusting than non-supporters.⁵¹ We hence used information from the ESS on the reported voting behavior of respondents and tested whether those who voted for the incumbents are more trusting than those who voted for non-incumbents.

Experience with Authoritarianism In addition to these general predictors of political trust highlighted in the literature, we have included in the model a variable that is more specific to the Greek historical experience with democracy. We sought to test whether the experience respondents have had with Greece's authoritarian past shape the way they think about political actors and institutions. We operationalized "experience with authoritarianism" by breaking up the sample into three age groups. We classified those who turned fifteen during the seven-year military junta to be the group of individuals who "matured" politically under the influence of authoritarianism. This group includes individuals who were between fifteen and twenty-two when the junta was overthrown in 1974. We considered those who were older than twenty-two in 1974 to have matured politically before the junta. Finally, the third group consists of those individuals who were younger than fifteen when the junta was overthrown: those who did not experience the influence of the junta at a mature age.

Background Variables In addition to the variables mentioned above, we controlled for theoretically significant background characteristics of the respondents such as age (measured in whole years) and education (an ordinal measure of the highest educational qualification achieved). These variables were shown to be significant correlates of political trust by previous research.⁵²

Models

We used OLS regression to identify the variables which relate to the overall measure of political trust. The dependent variable was the aggregated measure of political trust. We started with a null model with no explanatory variables and added the independent variables, one by one. For the sake of brevity, we only present the final model, which solely includes the statistically significant independent variables. We accompany the final model with alternative models, which are useful to illustrate the percentage of distinct variance explained by two of our most important variables: social and economic performance.

We investigated the model-data fit extensively through visual and numerical methods, and we are convinced that our results are robust and that the model-data fit is satisfactory for all intents and purposes of the study. For the analysis of the data

we used the R software version 2.15.1. For purposes of comparing data from different rounds using a single model, we combined all four datasets into a single dataset. We used in the OLS model the variable “ESS round” as an independent variable. The ESS round variable was entered into the model using dummy variables for the first, the second, and the fourth rounds. The 5th ESS round was treated as a reference category because that dataset was collected during the period of the extreme economic distress.

Results

We present four alternative models, each offering us the opportunity to observe how economic and social performance affects variation in political trust. Table 1 presents the coefficients and their standard errors for the variables that made it into the final OLS model. In accordance with our descriptive data, the baseline model shows that the mean trust rating falls for each successive round. Older people seemed to be more trusting, and individuals who demonstrated more social trust also tended to demonstrate more political trust. In contrast to earlier findings, education does not seem to have significant explanatory power for political trust.⁵³ After further investigation we realized that the effect of education, at least in the Greek data, is mainly captured by the effect of the variable “age.” We also found “winners” to have higher levels of trust compared to “losers” (the coefficient was statistically significant), but the inclusion of the variable added a very small value on the R^2 and did not change the sign or the magnitude of the coefficients of the other variables. For the same reason, we also decided not to include the variable “experience with authoritarianism” in the final model.⁵⁴ Finally, the variables “inequality” and “individual economic condition” are not presented in the model because their contribution was not statistically significant.

We investigated hypothesis 1 through Model 1, which presents the same model as the baseline model, with the addition of sociotropic satisfaction from economic performance. Sociotropic economic performance was statistically significant and had a very large impact on the predicted political trust. One notch shift on the economic performance scale was equivalent to a shift of 0.40 notches on the political trust scale (the R^2 improved from 0.24 to 0.36). In contrast, egocentric economic performance had a negligible effect on political trust. We thus partly confirmed our hypothesis that during extreme economic conditions economic performance is a major driver of political trust.

We investigated hypothesis 2 through Model 2, which presents the same model as the baseline model, with the addition of satisfaction from social performance. Social performance was statistically significant and had a very large impact on political trust. One notch shift on the economic performance scale was equivalent to a shift of 0.43 on the political trust scale (the R^2 improved from 0.24 to 0.40). Comparing the net effect of satisfaction from economic performance and satisfaction from social performance, we observe that the latter has more explanatory power over political trust. This comes

Table 1 Four alternative models to describe political trust (standard errors of coefficients are presented in brackets; all coefficients are significant at least at the 0.00001 level)

		Baseline Model	Model 1	Model 2	Comprehensive model
Intercept		1.12 (0.08)	0.98 (0.08)	0.39 (0.07)	0.49 (0.07)
ESS round (the 5 th round is the reference category)	Round 1	2.34 (0.06)	1.42 (0.06)	1.80 (0.05)	1.38 (0.06)
	Round 2	2.07 (0.06)	1.19 (0.06)	1.25 (0.06)	0.92 (0.06)
	Round 4	1.04 (0.06)	0.62 (0.06)	0.87 (0.05)	0.66 (0.05)
Age		0.02 (0.001)	0.02 (0.001)	0.01 (0.001)	0.01 (0.001)
Social Trust		0.25 (0.01)	0.16 (0.01)	0.16 (0.01)	0.13 (0.01)
Economic Performance			0.40 (0.01)		0.24 (0.01)
Social Performance				0.43 (0.01)	0.33 (0.01)
Adj. R ²		0.24	0.36	0.40	0.43
F		F(5,8447)= 525.0, p<0.001	F(6,8446)= 785.9, p<0.001	F(6,8446)= 919.2, p<0.001	F(7,8445)= 906.3, p<0.001

as a surprise, because social performance has been, traditionally, neglected in the literature in favor of economic performance.

However, it was important to investigate if satisfaction from the social performance remained a statistically significant indicator of political trust, after controlling for the satisfaction from the state of the economy. This was investigated through the comprehensive model, which presents the same model as the baseline model, but both variables of satisfaction from economic and social performance were added. The two variables were statistically significant, and the combined R² improved from 0.24 to 0.43. Using the relaimpo package,⁵⁵ we found that indeed, the effect of the

social performance of the state has more explanatory power than the economic performance of the state. More specifically, if satisfaction from economic performance is entered as a first variable in the model, it explains 27.9 percent of the variance of political trust. The corresponding percentage for the satisfaction from social performance is 29.2 percent. If economic performance is added as a last variable in the model, it explains 3.4 percent of the variance of the dependent variable (the corresponding percentage for social performance is 7.1 percent). The *lmg* index (R^2 partitioned by averaging over orders⁵⁶ of the economic performance variable) is 13.7 percent, whereas the corresponding percentage for the social performance of the state is 16.2 percent. This confirmed our initial hypothesis that the social performance of the state has been unfairly overlooked in favor of the economic performance and provided additional evidence allowing the confirmation of hypothesis 2.

We investigated hypotheses 3a and 3b by introducing interactions between ESS round and other variables. The models of Table 1 only present main effects, although we tested the significance of a number of interactions between ESS round and other variables. Table 2 presents Models 3a and 3b, which investigate hypotheses 3a and 3b, respectively. Adding in the comprehensive model an interaction effect between ESS round and satisfaction with economic performance (see Model 3a, Table 2) did not improve the model significantly; the reduction in the sum of squares when moving from the comprehensive model to Model 3a was 20.583, $F(3)=2.34$, $p=0.072$. That shows that the assumption of asymmetric effects (hypothesis 3a)—that the significance of satisfaction from economy would be bigger in harsher times—cannot be confirmed with the existing evidence. Hypothesis 3b was investigated through Model 3b, which includes an interaction term between ESS round and satisfaction from the social performance. This gave significant improvements to the model; the reduction in the sum of squares when shifting from the comprehensive model to Model 3b was 66.758, $F(3)=7.60$, $p<0.001$. Thus, we confirm hypothesis 3b that the satisfaction with social performance had statistically significant interaction with ESS round, showing that its perceived significance changed from round to round.

As explained earlier, the overall state of education and healthcare were included in the models of Table 1 as an averaged measure of social performance. When the two were considered independently as explanatory variables, they were both statistically significant. The regression coefficients of the other variables remained practically unchanged. The coefficient of the composite variable “social performance” of the state was split between the two variables almost equally (the coefficient of 0.33 was split to a coefficient of 0.18 for the variable satisfaction from education and a coefficient of 0.15 for the satisfaction with the healthcare system). Also, the adjusted R^2 of the model did not change when the two variables were included independently in the model. Since healthcare is thought to be the most corrupt, and education the least corrupt public sector in Greece (see earlier section), the fact that the two variables had similar effects on trust suggests that social performance cannot be reduced to corruption.⁵⁷

Table 2 Two alternative models to investigate asymmetric effects on political trust
 (standard errors of coefficients are presented in brackets; all coefficients, except otherwise specified, are significant at least at the 0.00001 level)

		Model 3a	Model 3b
Intercept		0.49 (0.08)	0.42 (0.08)
ESS round (the 5 th round is the reference category)	Round 1	1.45 (0.08)	1.60 (0.10)
	Round 2	0.91 (0.09)	1.13 (0.11)
	Round 4	0.54 (0.07)	0.49 (0.10)
Age		0.01 (0.001)	0.01 (0.001)
Social Trust		0.13 (0.01)	0.13 (0.01)
Economic Performance		0.23 (0.02)	0.24 (0.01)
Social Performance		0.33 (0.01)	0.34 (0.01)
ESS round vs Economic performance (Model 3a) and Social performance (Model 3b)	Round 1	-0.01 (0.03), NS	-0.06 (0.02), p=0.009
	Round 2	0.01 (0.03), NS	-0.05 (0.02), p=0.035
	Round 4	0.05 (0.03), NS	0.05 (0.03), p=0.065
Adj. R ²		0.43	0.43
F		F(10,8442)= 635.4, p<0.001	F(10,8442)= 638.2, p<0.001

Discussion

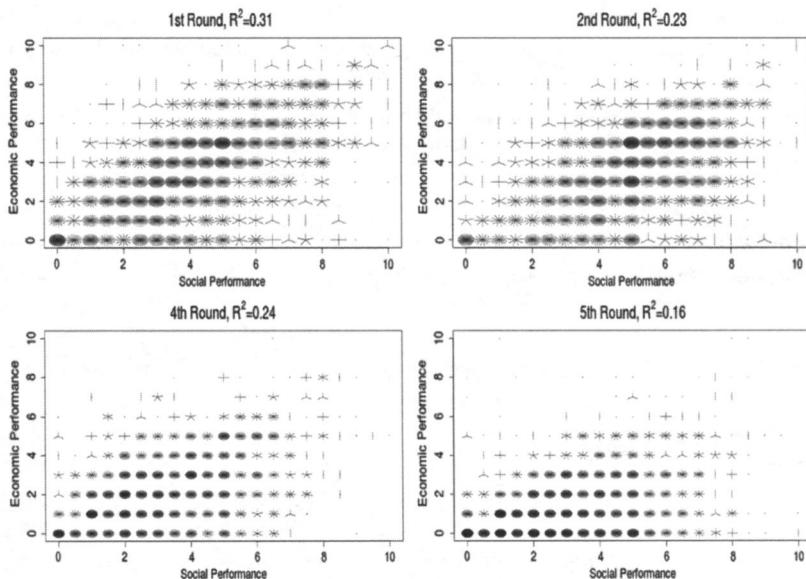
The Greek case offers new insights on political trust in a number of ways. First, the model shows that one of the two measures of economic performance has a moderate effect on political trust, and the other measure has no significant effect on 244

political trust. Even in a context where economic performance should be expected to matter the most, sociotropic assessments of economic conditions did not have an overwhelming effect on trust. Moreover, the egocentric measure of economic performance had a negligent effect on political trust. While taking a toll on their income, the crisis has not induced the Greek populace to use more individualistic criteria for evaluating political institutions. The way Greeks feel about political institutions is mostly affected by the economic situation of the country rather than by their individual financial condition. The finding that economic performance has a moderate effect on political trust is surprising and requires further investigation. It is plausible that the intense involvement of foreign creditors in the management of the Greek economy created ambiguity regarding the responsibility of domestic actors and institutions for the sharp deterioration of economic conditions. As the Greek crisis deepened, perhaps it became increasingly unclear to the Greek public whether the dire situation facing the country was due to the wrong therapy imposed by the international creditors or to the non-implementation of the agreed fiscal adjustment measures.

Second, Greek distrust is not only due to assessments of economic performance but also due to dissatisfaction with social performance. Whereas standard analyses of government performance tend to exclusively focus on macroeconomic indicators or public perceptions of economic performance, our model gauged how the provision of social services affects the way citizens feel about the government. The model shows that social performance is just as important in shaping citizen attitudes toward political institutions as economic performance. The provision of two of the most important public services in Greece – education and healthcare – explains as much of the variation in political trust as economic performance.

The strong association of social performance and political trust cannot be reduced to the widespread corruption plaguing the Greek public sector. As mentioned earlier, the Greek educational system is perceived as the least corrupt and the health system as the most corrupt among various domains of the Greek state. Yet, the effect of satisfaction with education and healthcare on political trust was found to be very similar. The strong link between these two systems and political trust is probably due to their perceived failure to deliver what citizens have learned to expect from states in Europe – decent public education and healthcare. Schools shut down by riots and hospitals burdening citizens with bureaucratic paperwork can do as much harm to political trust as economic failure. School riots and hospital delays are not necessarily due to shortage of resources. While a shrinking economy can take a toll on the provision of social services, economic and social performances are empirically distinct. The empirical distinction between the two variables is illustrated in Figure 2, which shows the relationship between social and economic performance for each of the ESS rounds. For the first round, the sunflower plot illustrates a moderate relationship between the two variables, which gets weaker by the fifth round. In effect, the shared variance between the two variables halves within eight years (mainly because of the collapse of the spread of the responses regarding economic performance), suggesting that the respondents can indeed differentiate their assessment of the social

Figure 2 Sunflower plots illustrating the correlation between Economic Performance and Social Performance. Each leaf demonstrates one response



and of the economic performance of the system. The empirical differentiation of the two variables is in line with the conceptual distinction made earlier: administrative effectiveness in the delivery of social services is due to deeper historical, political, and institutional factors that cannot be reduced to how the economy is performing at a given time.

Third, the model presented here challenges earlier findings about the asymmetric effect of economic performance. We find no evidence that during crisis economic considerations have greater weight in citizen evaluations of the government than during other times. Our model shows that the impact of sociotropic assessments of economic performance on political trust is similar across time. Given the unprecedented magnitude and long duration of the Greek crisis, one would reasonably expect that economic performance would have a bigger effect on political trust during the crisis, but it does not. In other words, the effect of the crisis on political trust is symmetrical to changes in the evaluations of the state of the economy. To the contrary, satisfaction with the provision of social services is a more important driver of political trust during the economic downturn than during the boom years. During crisis citizens are more likely to distrust political actors and institutions if they are dissatisfied with the state of public education and healthcare than during other times. The evidence presented here suggests that in times of extraordinary economic distress, citizens give more weight to social welfare provided by the state than during less extreme conditions.

Future research might want to further explore why in times of crisis the satisfaction with the delivery of social services has an asymmetric effect on trust. It might be that during times of sharp economic contraction more citizens turn to and are disappointed by the social services the state provides. The crisis has pushed more Greeks away from private education and healthcare toward public schools and hospitals. Although the full magnitude of this shift is yet to be known, there is already some evidence highlighting the increased reliance on public social services. According to the latest annual report of the Greek health ministry, for example, between 2009 and 2011 there was a thirty-two percent increase in the number of those hospitalized.⁵⁸ During the same period, private school enrollment reportedly dropped by twenty-three percent, compelling some private schools to shut down.⁵⁹ The increased demand for social services then further stresses the capacity of the state to effectively supply such services. More importantly, this shift to public schools and hospitals exposes an increasing number of households to the deficient public education and healthcare systems. Social performance is more important for political trust during distressed than normal times, because the state fails to deliver social services when citizens need them most.

Conclusion

The debt crisis has taken a big toll on how Greek citizens associate with political institutions, giving rise to dire predictions about the future of Greek democracy. The literature on political trust assures us that the rise of Greek distrust is unlikely to be fatal for Greek democracy. Distrusting citizens distance themselves from political institutions but are thought to remain loyal to democratic principles and ideals.⁶⁰ However, scholarly assurances about the impact of political distrust on democracy are largely based on the experience of long-established democracies like the United States, which traditionally had high levels of trust. It is uncertain whether such assurances are valid for a country that went into one of the biggest economic crises in postwar history with relatively low levels of trust. The widespread social unrest, increasing suicide rates, and rising crime levels reported in the international press suggest reasons for concern about not just the quality but about the very survival of Greek democracy. The electoral collapse of the major political parties in the 2012 elections and the electoral breakthrough of the extremist Golden Dawn point to the need to develop a better understanding of the ramifications of growing Greek distrust. Interestingly, the Golden Dawn mobilizes voter support by providing social services, such as food and blood, to Greek-only citizens.⁶¹ The party engages in community activity that helps highlight the failures of the Greek healthcare system and allows it to present itself as the substitute for the inadequate social services the state provides.

The rise of the Golden Dawn demonstrates the urgent need to fix the bond linking citizens with the political system. Doing so will require going beyond solutions that focus merely on how to improve fiscal performance and generate sustainable growth. Whether political institutions and actors regain trust will not only depend on the state

of the economy but will also come down to whether citizens feel an improvement in the social services the state provides. In countries with political characteristics similar to those of Greece, international creditors and domestic reformers might need to better appreciate the importance of improving institutions that deliver social services. Increasing administrative effectiveness in such political environments might take longer and might be more difficult than lowering deficits and debts. Institutional change probably requires going beyond the relatively short time horizons that international creditor organizations are known to have. However, better-run schools and hospitals seem to provide a solid promise for regaining lost political trust and for preventing the collapse of democracy.

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