The Erosion of Public Trust in Government

Yun-han Chu
Familiar Headlines

January 20, 2014
Europe’s public trust in government plunges

August 8, 2014
Public trust In government hits new lows
U.S. Congress has suffered a collapse of public trust.

Lawyers and car salesmen earn more trust than members of Congress.
Erosion of public trust in government is essentially structural, not cyclical.

A secular trend of dwindling public trust overwhelms short-term fluctuations due to electoral cycles or economic cycles.
Trust the government in Washington to do what is right

Trust: “always” or “most of the time”

Survey Research Center polls from National Election Study, University of Michigan, Ann Arbor
A Comparative Survey of Democracy, Governance and Development

- First systematic comparative survey of attitudes and values toward governance, democracy and reform, and citizen politics in Asia
- Standardized survey instruments designed around a common research framework
- Headquartered at Institute for Advanced Studies, National Taiwan University, and principally funded by Taiwan’s Ministry of Education
- Supplementary funding support from World Bank, Henry Luce Foundation, and national funding agencies throughout East Asia
- The survey network covers 14 East Asian countries and territories plus 5 South Asian countries. Together it gives voice to almost half of the world population.
- The regional partner of Global Barometer Surveys
Democracies fare a lot worse than non-democratic regimes.
Democratic Institutions also Suffer Steady Erosion in Public Trust in Taiwan

Longitudinal Trend of Institutional Trust in Taiwan
Four Waves of Asian Barometer Survey (2001-2014)
The trust level bottomed during the tenure of Roh Moo-hyun
Hong Kong Looks Much Better Than Most Asian Countries

Longitudinal Trend of Political Trust in Hong Kong
Three Waves of Asian Barometer Survey (2002-2013)

Level of political trust was at the highest during the tenure of Donald Tsang.
Sources of Erosion

1. Lasting impact of political turmoil
2. Polarization and hyper-partisanship
3. Economic stagnation and the squeeze on the middle class
4. Plutocracy and the widening gap between the rich and the poor
5. Government’s dwindling capacity to deliver socio-economic results.
6. Critical citizens and their rising demand and aspiration in the age of globalization and digital revolution
I. Devastating long-term effect of political turmoil in United States

- **Political Shock: JFK Assassination**
- **Big scandal: Watergate**
- **Social turmoil over divisive issues: Vietnam War**

After the tumultuous assassinations of the 1960s, the Vietnam War, the resignation of President Nixon, and the stagflation of the late 1970s, public trust fell from 80% in 1966 to about 25% in 1981.

Since then it's only peaked over 50% once, after 9/11.
Devastating long-term effect of political turmoil in Taiwan

• Political Shock: The Bizarre shooting incident during the 2004 presidential election
• Big scandal: Chen Shui-bian’s and his wife’s corruption scandal
• Social turmoil over divisive issues: Sunflower Movement
II. Polarization and Hyper-Partisanship

- Escalating clash over values, ideology or identity with little room for compromise.
- Politics has increasingly become a nasty and ugly zero-sum game.

- Endless partisan bickering
- Recurring political gridlock or showdown.
- Depletion of mutual trust: Vicious and ruthless attack on one’s opponents.
- No longer willing to play by the rule: foul plays run amok.
Confidence Gap between Winning and Loosing Camps
(National Election Study, University of Michigan Ann Arbor)
In East Asia, partisanship also dampens the public trust in government.
III. The working class has been squeezed by the forces of globalization

- Real income of middle-class and working-class families has stagnated or even shrunk over the last three decades in many OECD countries.

- Growing economic insecurity: both blue and white-collars are vulnerable to economic restructuring, financial crises, and off-shore outsourcing.

- Windows for upward social mobility have virtually been shut down.
Evaluation of the Economy and Trust in Government
Asian Barometer Survey Wave 3 (2011-13)

Percentage of the respondents who trust the government
IV. The Growing Economic Inequality and the Reign of Plutocracy
The last straw on the back of the Neo-liberal camel.
25 years ago the richest 1% of Americans had 33% of the nation’s wealth and took 12% of its yearly income, whereas the corresponding figures today are 40% and almost 25%.
In some countries, one fifth or more of total income growth was captured by the top 1%

Share of income growth going to income groups from 1975 to 2007

Note: Incomes refer to pre-tax incomes, excluding capital gains
Source: OECD calculations based on the World Top Income Database.
The dramatic increase in inequality was not the natural/inevitable result of increased competition from globalization, but of the work of political forces. Those at the very top of the economic ladder have developed and used political muscle to dramatically cut their taxes, deregulate the financial industry, keep corporate governance lax and labor unions hamstrung.
US Supreme Court opened the gate for new flood of money in politics.

- In *Citizens United v. FEC*, the Supreme Court ruled that corporations have the same First Amendment rights as individuals in 2010.
- On April 2, 2014, the U.S. Supreme Court issued its ruling in *McCutcheon v. FEC*. By a 5-4 vote, the Court struck down limits on the total amount that any one donor can give to candidates, party committees, and PACs in an election cycle.
They looked at a data set of 1,779 policy issues between 1981 and 2002 and matched them up against surveys of public opinion broken down by income as well as support from interest groups. They estimate that the impact of what an average citizen prefers put up against what the elites and interest groups want is next to nothing, or “a non-significant, near-zero level.”

Martin Gilens of Princeton University and Benjamin Page of Northwestern University

Perspectives on Politics
V. The Government’s Dwindling Capacity to Deliver

- The hollowing-out of “national” politics.
- Under a US-orchestrated liberal international economic order, the government of nation-state has surrendered a bulk of its governing authority and jurisdiction to:
  - supra-national bodies (EU, IMF, WB, WTO)
  - multilateral regimes (FTAs, Kyoto Protocol)
  - powerful transnational actors such as Federal Reserve Board, rating agencies, global media conglomerates, high-tech giants, investment banks, accounting firms, think tanks.
Government is not the solution to our problem; government is the problem.
--Ronald Reagan, Inaugural Address, 1981

• The hollowing-out of national politics is driven not only by external pressures but also the spread of neoliberal gospel.

• The government has been hammered down by neo-liberal Ideology since Margaret Thatcher and Ronald Reagan Years.

• The government has lost much of its regulatory, taxation, redistributive, industrial targeting, or economic fine-tuning capacity after decades of neo-liberal “reform”.

Government Is Responsive to People's Need

Asian Barometer Survey (Wave 2, 3 and 4)

- Japan: Wave2 32%, Wave3 32%
- Korea: Wave2 21%, Wave3 29%
- Taiwan: Wave2 36%, Wave3 38%, Wave4 29%
- Singapore: Wave2 67%, Wave3 62%, Wave4 63%
- Hong Kong: Wave2 44%, Wave3 40%
- Mainland China: Wave2 77%, Wave3 77%
VI Critical citizens and their rising demand and aspiration
Rising Pent-up Demand in the Age of Globalization

- Government is called upon to help its citizens to cope with the risk and ripe the benefit of globalization. Otherwise, the distribution of the risk and benefit will be outrageously lop-sided. The majority will become increasingly socio-economically marginalized.

- Government is called upon to create the conducive environment and enabling conditions for upward social mobility. Otherwise, the class divide will be wider and solidified.
Critical Citizens in the Age of Digital Revolution

- In the Internet age where people expect instant reply to their e-mails or text messages, government always looks too slow and so clumsy.
- The Millennials don’t have the patience to wait for the next fiscal year, much less the next election. They demand response and result right away.
- The vicious cycle between untrustworthy government and irresponsible and sensational journalism, which only exacerbates the collapsing public trust.
- With the explosion of social media, rumors spread much faster and wider than the government’s capability to clarify or dispute.
Six Take-Aways

- Leadership matters.
- Integrity matters.
- Speed matters.
- E-Communication matters.
- Attitude matters. Government ought to believe in itself.
- Capacity-building is the key: Government has to shore up its capability to deliver socio-economic results. Otherwise, it won’t be able to meet the rising pent-up demands in the age of globalization and digital revolution.
It’s not about trust, it’s about quality of governance

- **Quality of Government Project** under the leadership of Bo Rothstein proved that state’s administrative capacity and the quality of their government institution are crucial for countries’ economic prosperity and social development.

- In *Making Democratic Governance Work*, Pippa Norris shows that liberal democracy is not enough to create human well-being if state lacks the capacity to implement policies.