



Deliverable D1.1

Report on trust in government, politics, policy and regulatory governance

Point of Contact	DAVID LEVI-FAUR
Institution	Hebrew University of Jerusalem
E-mail	levifaur@mail.huji.ac.il

Project Acronym	TiGRE
Project Title	Trust in Governance and Regulation in Europe
Grant Agreement No.	870722
Topic	H2020-SC6-GOVERNANCE-01-2019: Trust in Governance
Project start date	01 January 2020
Nature	Report
Dissemination level	Public
Due date	M04
Date of delivery	M10
Lead partner	HUJI
Contributing partners	Kozminski, UAntwerpen, UNIL, UNI-Speyer, UU, IBEI
Authors	David Levi-Faur, Libby Maman, Yael Kariv-Teitelbaum, Rotem Medzini, Dominika Latusek, Koen Verhoest, Frederique Six, Bjorn Kleizen, Patricia Popelier, Monika Glavina, Esther van Zimmeren, Martino Maggetti, Rahel Schomaker, Moritz Kappler, Lauren Fahy, Judith van Erp and Stephan Grimmelikhuijsen
Reviewer	UiO



© TiGRE 2020. This work is licensed under a [Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License](https://creativecommons.org/licenses/by-nc-nd/4.0/).



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 870722 (TiGRE). This document reflects only the view of the author(s). The Agency is not responsible for any use that may be made of the information it contains.



Revision History

Version	Date	Author	Comment
0.1	14.09.2020	David Levi-Faur	First compilation of all involved partner contributions
	22.09.2020	Heidi Houlberg Salomonsen, Caroline Howard Grøn	Review
0.2	28.09.2020	David Levi-Faur	Compilation of revisions by all involved partners
	05.10.2020	Martino Maggetti, Ioannis Papadopoulos, Edoardo Guaschino	Review by the coordinator
0.3	07.10.2020	Clara Roujeau	Formatting and minor corrections
0.4	12.10.2020	David Levi-Faur, Clara Roujeau	Some corrections in Section 4
0.5	13.10.2020	Peter Ulrich, Clara Roujeau	Formatting and minor corrections
1.0	15.10.2020	Clara Roujeau	Final version, approved by the coordinator



Contents

Abbreviations, Participant short names	vii
Abbreviations	vii
Participant short names	vii
List of Figures	viii
List of Tables	viii
Summary	1
Section 1: Trust and distrust: conceptual issues	2
1.1 Trust and Distrust as Concepts	4
1.1.1 Conceptualizing trust	4
1.1.2 Conceptualizing Distrust	6
1.1.3 Relation between trust and distrust and functionalities of trust and distrust as two different concepts	8
1.1.4 Trust and control	12
1.1.5 Philosophical and Ethical Approaches to Trust	13
1.2 Processes of Trust Building, maintenance and repair	15
1.2.1 Processes of trust-building	15
1.2.2 Trust Violations and Trust Repair	18
1.2.3 Processes of trust-reduction and distrust building	23
1.3 About different kinds of trustors and trustees: Levels and referents of trust	25
1.3.1 Individuals as trustor and trustee: interpersonal trust	25
1.3.2 Individual trustor and collective trustee: Trust in organizations and systems as collective entities	26
1.3.3 Trust at collective level: organizations and collectivities as trustors	28
1.3.4 Concluding remarks	30
1.4 Concluding remarks for Section 1	31
1.5 Bibliography	32
Section 2: Regulation and Regulatory Regimes: Conceptual Issues	41
2.1 Introducing and Defining Regulation	41
2.2 The Regulatory Regime	44
2.3 The Regulatory Agency	46
2.4 The Regulatory State	48
2.5 Regulatory Capitalism	50
2.6 The Regulatory Game: Actor-Centred Analysis	52
2.7 Concluding remarks for Section 2	54
2.8 Bibliography	55
Section 3: Trust and Distrust in Government	61
3.1 Introduction	61
3.2 Trust and distrust in political institutions and actors	64



3.2.1	Citizen trust and distrust in political institutions, political actors and political parties	64
3.2.2	Citizen trust and distrust in a multilevel context	66
3.2.3	Recent review of drivers and effects of political trust	67
3.2.4	Summary	68
3.3	Citizen trust and distrust in public administration and public service delivery	71
3.3.1	Disentangling trust in PA	71
3.3.2	Drivers of trust in public administration	71
3.3.3	Effects and consequences	73
3.3.4	Circular and interlinkage effects and trade-offs	74
3.3.5	Summary	74
3.4	Citizen trust and distrust in judicial actors and courts	77
3.4.1	Trust in courts: an understudied topic in Europe	77
3.4.2	Interaction of trust in courts at different levels (multi-level dynamics)	78
3.4.3	Trust in courts within one legal system	80
3.4.4	Summary	83
3.5	Trust and distrust of government actors towards citizens	86
3.5.1	Drivers of government's trust towards citizens	86
3.5.2	Consequences of government's trust towards citizens	88
3.5.3	Summary	88
3.6	Trust and distrust between public organizations (administrational trust)	93
3.6.1	Drivers of trust/distrust between organizations in the public sector	93
3.6.2	Dynamics of trust/distrust in interorganizational settings	94
3.6.3	Effects of interorganizational trust	95
3.6.4	Summary	96
3.7	Concluding remarks for Section 3	99
3.7.1	Trustor-related drivers	99
3.7.2	Trustee-related drivers	99
3.7.3	Issue-related drivers	100
3.7.4	Context-related drivers	100
3.7.5	Dynamics of trust and distrust	100
3.7.6	Effects of trust and distrust	101
3.8	Bibliography	102

Section 4: Trust with/out Regulation **114**

4.1	The Relations between Trust and Regulation	116
4.1.1	Trust and Regulation are Separate and Independent	117
4.1.2	Trust and Regulation Compete with Each Other	118
4.1.3	Trust and Regulation May Replace Each Other	118
4.1.4	Trust and Regulation are Mutually Supportive	119
4.1.5	The Many Faces of the Relations: A Polymorphic Approach	120
4.2	Relations of Actors in Regulatory Regimes	121
4.2.1	Rule-Makers as Trustees and Trustors	122
4.2.2	The Rule-Intermediaries as Trustees and as Trustors	123



4.2.3	The Rule-Takers as Trustees and Trustors	124
4.2.4	Symmetric and Asymmetric Interactions between Trust and Regulation	125
4.3	Drivers of the Relations between Trust and Regulation	126
4.3.1	Social Welfare Explanations: The Demand and Supply of Trust	126
4.3.2	Norm-based Explanations	128
4.3.3	Interest-Based Explanations	129
4.3.4	Institutional Explanations	130
4.4	Expected Outcomes of the Relations between Trust and Regulation	132
4.4.1	More Trust, More Social Welfare?	132
4.4.2	Better Regulation, More Social Welfare?	133
4.4.3	Four Approaches to the Outcomes of Trust and Regulation	133
4.5	Bibliography	135

Section 5: The Operationalization and Measurement of Trust **140**

5.1	Review questions	141
5.2	Review method	141
5.3	Results	144
5.3.1	RQ1) What are the most common contexts studied (e.g. regions, sectors)?	144
5.3.2	RQ2) How have scholars measured trust in and by different kinds of regime actors?	145
5.3.3	RQ3) What high-level methods have scholars used (e.g. experiment, interview, survey)?	145
5.3.4	RQ 4) What precise measures/operationalizations have scholars used?	146
5.3.5	RQ5) Are there prominent limitations in the measurement of trust in regulatory contexts in recent scholarship?	156
5.4	Discussion and concluding remarks for Section 5	158
5.5	Bibliography	160
5.6	Appendix A	161
5.7	Appendix B	165



Abbreviations, Participant short names

Abbreviations

CJEU	Court of Justice of the European Union
DoA	Description of Action
ECtHR	European Court of Human Rights
ENCJ	European Network for Councils of the Judiciary
EU	European Union
GA	Grant Agreement
NGO	Non-Governmental Organisation
NPM	New Public Management
OECD	Organisation for Economic Co-operation and Development
PA	Public Administration
RQ	Research Question

Participant short names

UNIL	Université de Lausanne
UAntwerpen	Universiteit Antwerpen
IBEI	Institut Barcelona d'Estudis Internacionals, Fundacio Privada
HUJI	The Hebrew University of Jerusalem
Uni-Speyer	German University of Administrative Sciences
AU	Aarhus Universitet
UiO	Universitetet i Oslo
UU	Universiteit Utrecht
Kozminski	Akademia Leona Kozminskiego
SCIPROM	SCIPROM Sàrl



List of Figures

Figure 1: The reciprocal and self-reinforcing process of trust building	16
Figure 2: Annual creation of regulatory agencies in the sample (left); cumulative annual creation of the agencies in the sample (right) (1950-2017)	46
Figure 3: Competing Relations	118
Figure 4: Substitutive Relations	118
Figure 5: Mutually Supportive Relations	120
Figure 6: Major Interactions of Trust and Regulation in Regulatory Regimes	121
Figure 7: Relations of Dis/Re/Trust with/out De/Re/Regulation	123
Figure 8: Symmetric and Asymmetric Conceptions of Actors Interactions	125
Figure 9: Flowchart for database searches and retaining studies	141

List of Tables

Table 1: The functional and dysfunctional roles of interorganizational trust and distrust in the Flemish public sector	12
Table 2: Framework of mechanisms for restoring organizational and institutional trust	22
Table 3: Approaches to Regulation: Narrow and Broad Dimensions	42
Table 4: Summary table for drivers, dynamics and effects of trust in government	62
Table 5: Drivers, dynamics and effects of trust in political institutions and actors	69
Table 6: Drivers, dynamics and effects of trust in public administration	75
Table 7: Drivers, dynamics and effects of trust in and among courts	84
Table 8: Drivers, dynamics and effects of trust by government in citizens	90
Table 9: Drivers, dynamics and effects of trust between public organizations	97
Table 10: The Relations between Trust and Regulation: Independent, Competing, Substitutive or Mutually Supportive	116
Table 11: Summary of the Explanatory Framework	127
Table 12: Making Sense of Social Welfare Explanations	128
Table 13: Making Sense of Norm-based Explanations	129
Table 14: Making Sense of Interest-based Explanations	130
Table 15: Making Sense of Institutional Explanations	131
Table 16: Four Approaches for Optimal Outcomes Combining Trust and Regulation	134
Table 17: Inclusion/exclusion criteria	142
Table 18: Articles by region studied	144
Table 19: Articles by regulatory sector studied	144
Table 20: Five most commonly studied trust 'subjects' and trust 'agents'	145
Table 21: Five most commonly studied types of trust relationships	145
Table 22: Article method by type	146
Table 23: Uni- versus multi- dimensional conceptualizations and metrics for trust	147
Table 24: Articles by region studied	147
Table 25: Articles by regulatory sector studied	148
Table 26: Articles by method	148
Table 27: Articles by sub-type of trust relationship	148
Table 28: Articles by region studied	152
Table 29: Articles by regulatory sector studied	152
Table 30: Articles by method	152
Table 31: Articles by region studied	154
Table 32: Articles by regulatory sector studied	154
Table 33: Articles by method	154
Table 34: Trust metric codes	163



Summary

This deliverable offers a systematic and comprehensive review of the literature on trust and regulation and their relations in three parts. **Section 1** provides a brief overview of trust and distrust; their relationship; and antecedents (drivers) and positive and negative consequences. This second part provides an overview of phases and processes of trust building, maintenance and repair as well as a review of how processes of distrust building or trust-reduction work. The third part suggests that the unfolding of trust relationships varies according to the type of involved actor, i.e. an individual, organisation, or system (such as regulatory regimes) and level of analysis. **Section 2** moves to regulation. It reviews the main concepts of regulation and clarifies some of the most important questions around it. This should allow us, in later sections of this deliverable, to point on some of the possible directions that trust and regulation research may take. It starts with definitions and a distinction between narrow and broad approaches to regulation. It then clarifies the concept of regulatory regime; the regulatory agency, the regulatory state and regulatory capitalism. It concludes with an actor centered analysis of the regulation.

Section 3 deals with trust and distrust in government. It starts with a summary of the drivers of the dis/trust relations. The main sub-section deals with reviews of the literature on trust and distrust in (a) political institutions and actors; (b) public administration; (c) among courts; (d) citizens by government and (e.) between public organizations. **Section 4** brings out the critical aspects of the review. It focuses on the relations between trust and regulation and offer a new conceptualization of their relations. One that will serve as the basis for section 1.3. The first part of the section moves the discussion of the relations forward in an attempt to looking at the relations beyond the current literature by distinguishing between four types of relations: independent, competitive, substitutive and supportive. The second part of the section focuses on the relations of trust between the main actors of the regime. The third discusses the relations between trust and regulation, when they touching on explanations for the processes. The fourth revolves around on assessment of outcomes of the relations. **Section 5** deals with the operationalization and measurement of trust. It deals with the ways in which trust between actors in regulatory contexts has been measured in recent scholarship. It informed by, and seeks to expand upon, the current knowledge by more specifically examining measures used in the study of regulatory contexts. It starts with a description of the systematic methodology used. It then summarizes the purely descriptive findings of the review and an overview of the number of studies on trust in regulatory regimes published in recent years. It then presents separate discussions on how trust in different kinds of actors in regulatory regimes has been measured. Section 5 closes with a reflective and critical discussion of the literature. We analyse prominent limitations and gaps in existing empirical work.

Section 1: Trust and distrust: conceptual issues

Authors: Dominika Latusek, Frederique Six, and Koen Verhoest

Academics as far back as John Locke have argued that trust is the bond of society or a lubricant for social relations. It would, therefore, seem logical to assume that trust also plays a role within governance and regulatory regimes. However, within political science and public administration in general, trust is a concept whose role is contested. Authors such as Rosanvallon (2008) argue that democracy involves mechanisms grown from distrust for those in power, while others show the beneficial effects of trust in government. The role of trust between the regulator and the regulated actor is also contested, with some authors showing empirically how trust improves public safety (e.g. Gunningham and Sinclair, 2009) while others focus on the detrimental societal effects of regulatory capture.

In this section we provide a review of conceptual issues related to trust and distrust. Whereas Sections 3 and 4 discuss trust and distrust in relation to government and in relation to regulatory regimes, this section takes a more general approach and integrates insights from psychology, management- and organization sciences, as well as philosophical and ethical literature. This section only refers to political science and public policy literature where relevant to clarify a conceptual issue; this literature is covered more widely in Sections 3 and 4.

The first part of this section provides a brief overview of trust and distrust; their relationship; and antecedents (drivers) as negative consequences. Trust has been studied in many different academic disciplines and this has resulted in many different conceptualizations. This section **first** brings some clarity in this multitude of definitions and conceptualization and outlines the main elements of the concept. **Second**, the section devotes substantial attention to the conceptualization of distrust, which relationship with trust has sparked quite some academic debate. Cook et al. (2005) noted that “we probably learn as much about trust from the analysis of distrust as we do in analysing the role of trust” (p. 60). Yet, distrust, unlike trust, remains so far underexplored (Cook et al., 2005, Hardin, 2004; Sitkin and Bijlsma-Frankema, 2018). “Nearly all trust research until quite recently simply did not call out distrust as meriting special consideration” (Sitkin and Bijlsma-Frankema 2018: 51).

The second part of this section provides an overview of phases and processes of trust building, maintenance and repair as well as a review of how processes of distrust building or trust-reduction work. It is argued that trust (as well as distrust) is in itself to be understood as a process, which in dyadic relations is of a dynamic, cyclically nature of (dis)trust building.

While the parts 1.1 and 1.2 elaborate on the concept of trust, distrust and the underlying processes without being very explicit on the nature of the trust relation, being interpersonal trust, inter-organizational trust or system trust, **the third part of this section (part 1.3)** makes clear that the unfolding of trust relationships varies according to the type of involved actors as trustor or trustee, i.e. an individual, organisation, or system (such as regulatory regimes). There are interdependencies between different levels: trust in an individual and trust in his or her organization might mutually affect each other. Similarly, overall trust by citizens or regulatees in a specific regulatory regime might affect, or be affected by their trust in a focal organization in that regulatory regime (like the regulatory agency), or even trust in a specific official working in that organization (like an official involved in enforcement). The section discusses these issues. As the TiGRE project focuses on trust in regulatory regimes, we take into account these different trust relations and the mutual influences between them. We focus on actors that are often organizations operating within regulatory regimes, hence we are interested in trust in organizations and in systems and how they interrelate. However, individuals representing specific organizations and institutions express their trust in other organizations and in the broader system, but also in individuals representing the latter organizations and the broader system. The interpersonal interaction between an inspector (as representative of a regulatory actor) and a company manager (as representative of a regulated company) will be strongly influenced by their



respective organizations' trust in each other and in the broader regime. But likewise, the interactions between the inspector and the company manager might over time influence the trust the regulatory organization and company have towards each other or the trust in the broader regime. Hence, studying trust in organizations and a system like a regulatory regime also involves attention to what happens at the individual level in terms of trust assessment and trust processes. This is elaborated in the last part of this section.

Please note that in our understanding an organization is more than an aggregation of the individuals in that organization, but build its own culture and identity shaped through experiences of its members and other factors over time. This organizational culture and identity partly shape how its current members relate to other actors. Through processes of institutionalization and socialization trust assessments and processes at individual level and at organizational level influence each other, but may also be partly disconnected: it might well be the case that although an individual due to bad experiences does no longer trust another organization, while the individual's organization still keep trustful relations with the latter organization.



1.1 Trust and Distrust as Concepts

Trust has been problematized and conceptualized in many disciplines in a wide variety of ways. Traditionally rational choice economists have rejected any role of trust outside of family and close friends, because they conceptualize individuals as maximizing their self-interests with guile. Trust in this perspective is relational and context-specific and we can talk about it only in relation to people we know well. At the other end of the spectrum, philosophers like Simpson (2012) or Stern (2016), argue that trust is fundamental to life itself and central in all our relationships (including work and political relationships) as well as in social life at large. Over the last decades, studies on trust (and distrust) take a more nuanced view and often insights from different disciplines are integrated to reflect the rich content of both notions. Especially, ethical and moral dimensions of trust (and distrust) have become more integrated. In our review of the concepts of trust and distrust, the emphasis is on these more nuanced and integrative approaches to trust, merging insights from various disciplines within the social sciences. So philosophical approaches and insights are integrated into our review. There are some aspects, more high-level overviews and comparisons, that are reviewed in section 1.1.5. These will be particularly useful when reflecting on our in-depth qualitative studies and in the concluding part of this project.

1.1.1 Conceptualizing trust

Trust has been studied in many different academic disciplines and this has resulted in many different definitions. Dietz (2011) provides a useful overview of the trust process distinguishing between (1) the assessment of trustworthiness, (2) the actual decision to trust and (3) trust-informed actions (see also Dietz and Den Hartog, 2006). “[T]here is always an assessment (however thorough) of the other party’s trustworthiness which informs a preparedness to be vulnerable that, in genuine cases of trust, leads to a risk-taking act” (Dietz, 2011, p. 215). Authors place different emphasis on different phases of the universal trust process depending on whether they define trust as an attitude or belief, or as an action. A definition that is widely accepted only focuses on the first two steps of the trust process: “trust is a psychological state comprising the intention to accept vulnerability based upon the positive expectations of the intentions or behaviour of another” (Rousseau, Sitkin, Burt, and Camerer, 1998, p. 395). Alternatively, Möllering’s definition focuses more on the decision to trust, the subsequent risk-taking behaviour and the reciprocal process that follows: trust is “an ongoing process of building on reason, routine and reflexivity, suspending irreducible social vulnerability and uncertainty as if they were favourably resolved, and maintaining thereby a state of favourable expectation towards the actions and intentions of more or less specific others” (Möllering, 2006, p.111). Despite the diversity of trust definitions (see for an extensive review of different definitions, Oomsels 2016), there are some elements which are common in most definitions (Oomsels 2016, p.15).

Assessments of Trustees’ Trustworthiness

First, a crucial step is to assess whether expectations about the counterpart are favourable. This assessment of trustworthiness of the counterpart focuses on particular dimensions, of which several have been proposed. Mayer et al’s (1995) ABI-model is possibly the most often cited, referring to Ability (expectations that the other party has the competence to successfully complete its tasks), Benevolence (the expectation that the other party cares about the trustor’s interests and needs) and Integrity (the expectation that the other party will act in a just and fair way). However, in another prominent classification, benevolence and integrity are taken together, referring to intentions, as empirically there is often not a clear distinction between these two dimensions, especially in organizational or system trust (Dekker, 2004; Sako, 1998; Searle et al., 2011). Besides benevolence and integrity, competence as a manifestation of ability takes a central place in most conceptualizations of trustworthiness (see Dietz and Den Hartog, 2006 who additionally mention predictability as element of trustworthiness).

The influence of philosophy is clear in these dominant dimensions of trustworthiness. Benevolence is seen as an acknowledged or even explicitly accepted duty to protect the rights and interests of others; to show



good will (cf Baier, 1986). It is a promise not to harm the interests of the other party (Hosmer, 1995), or at least take those interests into account. Integrity is about the adherence to and acceptability of the principles that the trusted person claims to hold dear (cf McFall, 1987). Integrity is an inherently moral concept, usually encompassing a moral duty “owed by the good man or woman to others for the prevention of unwarranted harm” (Hosmer, 1995, p. 394).

According to Hosmer (1995, p. 395), most basic ethical principles provide “a means of limiting or constraining the self-interests of the decision-maker.” They aim to ensure that decision-makers, the trusted parties, “take the legitimate interests of others into account” (p. 395). In doing so, moral philosophers assumed, these principles encourage greater trust among people in society. This in turn results “in ‘good’ (in the widest possible sense of that term) for the society rather than the individual” (Hosmer, 1995, p. 395). Hosmer (1995) identified ten basic ethical principles in moral philosophy that are relevant to trust: self-interest (Protagoras), personal virtues (Plato and Aristoteles), government requirements (Hobbes and Locke), universal rules (Kant), individual rights (Rousseau and Jefferson), economic efficiency (Smith), utilitarianism (Bentham and Mills), contributing liberty (Nozick), religious injunction (st. Augustine) and distributive justice (Rawls)¹.

Trustors use multiple sources of evidence, interactional or institutional (Zucker, 1986; Bachmann, 2011; Dietz 2011). On the one hand, trustors use interactional sources, which might be both cognitive and more calculative in nature as well as socio-emotional in kind. However, trustworthiness assessments are also taking into account the institutions that structure or affect the relation or the behaviour of the trustee through a logic of consequence or appropriateness (Oomsels and Bouckaert 2014). Such institutions can be formal rules or roles, or informal routines, habits and social norms which provide a common ground for how to behave and what to expect from each other (Uslaner, 2002).

Trustor’s General Propensity to Trust

Second, the decision to trust is also determined by individual characteristics of the trustors’ personality, like his/her predisposition or propensity to trust others (Mayer et al. 1995). Both nature (biological factors) and nurture (socialization, education, and previous trust-related experiences) appear to affect this general propensity to trust, or generalized trust (e.g., Uslaner, 2012; Mondak et al., 2017).

People have varying tendencies to adopt a more or less trusting attitude in various everyday situations, they differ in when and how much they are willing to trust. This individual tendency to trust (also labelled as ‘trust propensity’) is advanced mainly in the area of psychological research and can be called a trusting attitude, instinct or feeling. It may constitute a reflection of reciprocity expectations (Tyler and Kramer, 1996), previous trust experience (Berg, Dickhaut and McCabe, 1995), as well as a reflection of social expectations (Sztompka, 1999), it may be shaped by upbringing, a cultural environment, as well as previous positive or negative experiences related to trust. The individual propensity to trust is associated with such features as: optimistic settings entering the world, active attitude and general orientation of activities for the future. Personal inclination towards trust affects the decision to trust - two people with different tendencies to trust can make two different decisions in the same situation. A personal tendency to trust facilitates decisions about trust at the relational level (Mayer et al, 1995; Colquitt et al., 2012). People with a high propensity to trust are more likely to initiate and agree to new relationships, so they have more chances to test the assumption of trust.

Willingness to be Vulnerable

The third element common to trust definitions is that trust is about the willingness to suspend vulnerability under the conditions of risk and uncertainty and engage in trust-informed actions. Trust implies that there is uncertainty about the trustee’s future behaviour. Möllering’s key point regarding trust is that none of the

¹ Hosmer’s (1995) concept of trust has been adopted/taken on by Messick and Kramer (2001) for whom trusting is “making the decision as if the other person or persons will abide by ordinary ethical rules that are involved in this situation” (p. 91). In this perspective trust is a decision (a choice), not an attitude, belief or judgement.



three bases that he identifies – reasons, routines/roles or reflexivity – can ever provide certainty about the trusted party’s future actions and therefore, trust inevitably involves a leap of faith in which the “irreducible social vulnerability and uncertainty [are suspended] as if they were favourably resolved” (Möllering, 2006, p. 111).

Trust as a Relational Concept

Fourth, trust is a relational concept: an actor trusts another actor with respect to a certain future behaviour (Hardin, 2002; Nooteboom, 2002). The relatively simple trust relationship is that between two persons: John trust Beth. Usually, there is a reverse relationship as well: Beth may also trust John. But usually what the trust is about differs in a relationship. The uncertainty that an inspector faces when inspecting a regulated actor is different from the uncertainty the director of the regulated actor faces because of that inspection. So inspector John may trust director Beth if she provides all the information he needs for his inspection, while director Beth trusts inspector John if he is fair and procedurally just in his judgement (cf Murphy et al., 2009). Important is the trusted actor can be different in kind, being either an individual, an organisation, or a system, which affects the emergence and dynamics of trust.

Trust and confidence

Luhmann (1988) distinguishes trust from confidence. Confidence is the normal everyday situation: “you are confident that your expectations will not be disappointed” (Luhmann 1988, p. 97). You not only disregard the possibility of disappointment because you think it is unlikely but also “because you do not know what else to do”, i.e. you experience a situation where you cannot see an alternative. Trust, on the other hand, “presupposes a situation of risk” (p. 97) and you can avoid taking this risk. Luhmann adds an interesting requirement for trust: “trust is only required if a bad outcome would make you regret your action” (1988, p.98) because you had a choice between alternatives and would with hindsight choose another alternative. This would imply that much of what we now call trust in institutions or systems should be defined according to Luhmann’s conceptualization as ‘confidence in institutions or systems’. Confidence is often the term used in citizen surveys when asking about their confidence in government, politics, the police or justice system (More on this in D1.2 where we review these citizen surveys). In line with most of the recent literature, we do not make this firm distinction.

1.1.2 Conceptualizing Distrust

Until the 90s the dominant image of distrust was that of a mirror of trust, referring to a lack of trust or low trust; the terms such as mistrust, low trust, distrust were often used interchangeably. Distrust has been perceived as a simple opposite of trust as even the term itself would imply - dis-trust (Sitkin and Bijlsma-Frankema, 2018). It was predominantly based on assumptions about functional similarities of both (Cook et al. 2005) as they both help people deal with complexity and uncertainty (Lewis and Weigert, 1985; Luhmann, 1979) by supplying them with simplified decision-making frameworks and helping them deal with intricacies of everyday life.

In political science and public administration research empirical studies thus far have largely continued to rely on the parsimonious, linear view of trust-distrust (Van de Walle and Six, 2014). This is attributed to the pervasiveness of one-dimensional trust measures, which is explained by the relative scarcity of primary data and the fields’ reliance on secondary datasets which were developed for policy rather than research purposes (Van de Walle, Van Roosbroeck and Bouckaert 2005). The result of this empirical tradition has been that low trust is studied and treated as high distrust, and high trust is studied and treated as the absence of distrust in public administration research. This is reflected in the ‘standard question’ of trust in many influential secondary data sets, such as for example European Social Survey, the World Values Survey, and the Eurobarometer (‘generally speaking, do you believe that most people can be trusted or can’t you be too careful in dealing with people’) (Uslaner, 2012; Van de Walle and Six, 2014).



However, gradually researchers started to notice that trust and distrust may be qualitatively different phenomena. For example, “not to trust” does not necessarily imply “distrust”, as it may be a mere “lack of trust” (Ullman-Margalit, 2004). Distrust is not the mere absence of trust (Lewicki et al, 1998; Van de Walle and Six, 2014); distrust is the intentional and behavioural rejection to suspend vulnerability on the basis of negative expectations of the intentions and future behaviour about a counterpart under conditions of risk, dependency and uncertainty (Oomsels et al. 2019). Lewicki et al. (1998, p. 439) make this element of rejection even more explicit in their definition of distrust as “confident negative expectations regarding another’s conduct, [signalling] a fear of, a propensity to attribute sinister intentions to, and a desire to buffer oneself from the effects of another’s conduct”. Trust and distrust have different characteristics and relate to different relational aspects (Lewicki et al., 1998) and result from different antecedents (Liu and Wang, 2010; Sitkin and Roth, 1993; Reimann, Schilke, Cook, 2017).

Recent evidence recognizing differences between trust and distrust and advocating trust and distrust being related but distinct concepts abound (Lewicki et al, 1998; Sitkin and Bijlsma-Frankema, 2018). First, distrust is oftentimes conceptualized in normative terms, as being negative, problematic, and bad, which puts it in contrast to trust (Cook et al., 2005; Lewicki et al., 1998). It is sometimes implicitly assumed that distrust should be seen as a dysfunction that needs to be reduced while trust is to be developed and fostered a priori (Graebner, 2009). However, research shows that both trust and distrust can be functional or dysfunctional and that “there are immoral as well as moral trust relationships” (Baier, 1986, p. 232).

Second, distrust is characterized by different emotions and thought patterns than trust: while trust is characterized by calm, assurance, and security, distrust is generally associated by strong emotions, such as fear, anger, paranoia, worry, fear of loss, suspicion, wariness, and doubt (Deutsch, 1958; Dimoka, 2010; McKnight and Chervany, 2002; McKnight, Kacmar, and Choudhury, 2004). The experience of distrust, in contrast to trust, is usually more pronounced and more readily experienced (Ross and LaCroix, 1996; McKnight, Chervany, 2001). Misplaced trust tends to bring about more harmful results than undue distrust; when in doubt, the distrustful attitude may then be seen as a wisely taken precaution (Cook et al., 2005), as exemplified by the popular saying “If there is any doubt, there is no doubt”.

Third, another powerful difference between trust and distrust lies in different processual patterns. Trust usually builds up through time in a troublesome and long-term process, while distrust may be a matter of single action, a hurtful conversation, misconduct, or unfortunate actions, among others. As Six (2005, p. 5) wrote (quoting the Dutch official J. Thorbecke), “trust comes on foot, but leaves on horseback”. While it is common to think that trust builds-up gradually and in a general time-consuming manner though “small steps”; distrust may appear in a rather “catastrophic” mode (Lane and Bachmann, 1998; Lewicki and Bunker, 1996). This ‘catastrophic’ view of distrust is exacerbated by the finding that while trust is domain-specific (Mayer et al., 1995; Ferrin, Kin, Cooper and Dirks, 2007), distrust more often pervades across domains (Sitkin and Roth, 1993; Bijlsma et al. 2015; Bies et al. 2018).

Fourth, it is generally less difficult to prove somebody untrustworthy than trustworthy. We cannot have full control over the others since such control would preclude any need for trust. Further, certainty concerning the other’s trustworthiness would actually provide total control and would deprive individuals of their freedom to make choices (Nooteboom, 2002). Linked to this is the problem of testing our trusting/distrusting assumptions. Namely, trust may be falsified in action, while it is hardly possible in the case of distrust (Gambetta, 1988; Luhmann, 1979; Nooteboom, 2002). As Nooteboom (2002, p. 207) noted, “Pathological [unconditional] mistrust will keep one from entering into relations, which robs one of the opportunity of favourable experience”. Since we generally restrain from forming relations with someone we distrust, there would be no opportunity for the other to prove their trustworthiness or experience positive actions that would allow for overcoming initial distrust and build up trust. That is probably one of the reasons why distrust, once present is very hard to reverse, producing what Sztompka (1999) terms ‘a vicious cycle of distrust’. In the last decade research on distrust intensified bringing some interesting findings that await further exploration. First, we can learn from trust repair studies that the elements that reduce distrust do not necessarily build up trust and vice versa (Cook et al., 2004; Lumineau, 2017; Guo et al. 2017). Some early



evidence from neuroscience confirms conceptual differences between trust and distrust showing that, when using neuroimaging methods, trust and distrust activate different brain areas (Dimoka 2010).

Not only do trust and distrust have different characteristics, there is also a debate on whether the extent to which other actors can be trusted or distrusted is basically assessed upon other dimensions. Whereas several scholars state that one can be distrusted because of a lack of competence, as well as a lack of integrity and goodwill (Lewicki et al, 1998; Van de Walle and Six, 2014; Oomsels et al. 2019), others claim that trust and distrust rely upon a radically different orientation towards expectations. Sitkin and Roth (1993) developed a theory according to which trust is founded on expectations about one's competence to complete tasks reliably. Distrust, in turn, is said to be based on the expectations that one's beliefs and values in the context of organizations are incompatible with organization's cultural values. In this view, while a lack of competence will lead to low trust, distrust will only originate in conditions of perceived value –incongruence, when the distrusted actors (individual or collective entities) are perceived not to share actor's core values and to be well-intentioned (Sitkin and Roth 1993, Sitkin and Stickel 1996, Lewicki et al, 2006, Chambers and Melnyk 2006).

Analogous to trust, the emergence of distrust does not only originate from the characteristics or behaviours of the distrustee, but also from two other types of antecedents (Guo et al. 2017), being the dispositional factors of the distrustor, and the contextual or situational factors. What exactly are those (dis)trustee behaviours, dispositional (dis)trustor factors and contextual factors is where trust and distrust differ. Nonetheless, scientists conclude that we still know very little about specific sources of distrust and their mechanics both an individual (Reimann, Schilke and Cook, 2017) and at the collective level of analysis (Bijlsma-Frankema, Sitkin and Weibel, 2015). In organization studies, there are now calls for more studies exploring the distinct sources of trust and distrust to further understand which structural or governance mechanisms build trust vs. create suspicion or distrust (Guo et al. 2017). Given the notion of the bidimensionality of trust and distrust (i.e., the idea that they arise and work differently), it follows that earlier findings on the sources of trust cannot be automatically generalized to distrust.

Trust and distrust also have different behavioural consequences. Distrust on individual-level results in risk-averse behaviour, watchfulness and vigilance (Cho 2006; Kramer 1994, 1996; McKnight et al. 2004; Lewicki et al.1998; Sitkin and Roth 1993; Sitkin and Stickel 1996). On an inter-group level, examples of consequences of distrust are: diminished cooperation, avoidance of interaction with the other group (Bijlsma-Frankema 2015 et al.). In general, distrusting behaviour evokes a vicious circle of distrust accumulation, whereby actors withdraw from interacting with the others. Empirical studies confirm that low trust and distrust have different effects (Guo et al. 2017). For example, in an online survey, Chang and Fang (2013) showed that the negative impact of distrust is stronger than the positive impact of trust on the high-risk internet behaviours. Ou and Sia (2010) found that the influence of distrust on lowering buying intention is stronger than the influence of trust on enhancing buying intention. Saunders et al. (2014) show that people perceive trust and distrust as entailing different sets of expectations and as manifesting themselves in different patterns of the observed action.

1.1.3 Relation between trust and distrust and functionalities of trust and distrust as two different concepts

If trust and distrust are best conceptualized as distinct concepts, what is their relationship? Can they co-exist? What are the contingencies for trust, or distrust respectively, to be functional, or not? We first review the different perspectives on the relationship, then review the functionalities and lastly propose the concept of balance of trust and distrust to integrate the different positions.

Relation between Trust and Distrust

There are two takes on the relationship between trust and distrust within the tradition that recognizes a qualitative distinction between trust and distrust: “distrust as a precluding precondition for trust, and distrust as orthogonal to trust” (Sitkin and Bijlsma-Frankema, 2018, p. 51). In the former, given the pervasive



character of distrust, distrust obviates the possibility of trust (Lewicki and Tomlinson 2003). In the latter one, trust and distrust can co-exist and can have high or low intensity simultaneously and independently of each other (Sitkin and Bijlsma-Frankema, 2018). This is possible because, as Lewicki et al. (1998) argue, human relationships have the quality of ‘thickness’ and multiplexity, therefore it is not only possible, but also quite common to experience the ambivalence of trust and distrust simultaneously: “Just as it is possible to experience attraction and distraction, and love and hate, it may be possible to both trust and distrust others” (Lewicki et al., 1998, p. 449). For example, I may trust my friend with the deepest secret of my relationship but I would never lend her any money as I know she squanders every penny she gets in her pocket; I would pursue without reservation every advice I get from my supervisor regarding my future career, but never about my family life. One may trust a specific organization for its ability to perform a certain task, but may distrust the same organization at the same time for not behaving in an ethical way.

Lewicki et al. (1998) argue that the co-existence of high/low trust and high/low distrust can be depicted in four quadrants referring to four kinds of social realities (Lewicki et al. 1998, p. 445). Whereas the quadrants of high trust/low distrust and of low trust/high distrust are quite easily imaginable, and the quadrant of low trust/low distrust mainly refers to interactions between non-interdependent actors with limited mutual interest, the more counter-intuitive quadrant of high trust/high distrust merits some more explanation. In the view of Lewicki et al. (1998) such interactions arise between actors which perceive high levels of interdependencies and are manifested in segmented relationships, in which opportunities are pursued for some joint goals while vulnerabilities on other aspects (related to goals which are not shared among the partners) are continuously monitored. However, Saunders and Thornhill (2004) claim that this high trust/high distrust quadrant needs to be nuanced. They state that when trust in government is high, it is also more likely that there will be low feelings of distrust. More importantly, in their study, very few surveyed respondents report experiencing both high trust and high distrust at the same time. Therefore, they propose a truncated quadrant to accurately represent the relationship between trust and distrust, implying that trust and distrust can only co-exist to a certain extent (Saunders and Thornhill 2004). According to this view, extremely high trust cannot be combined with an extremely high distrust (Saunders and Thornhill 2004; see also Oomsels, 2016).

Nevertheless, empirical studies on the complex relationship between trust and distrust are still limited and results are inconclusive. So, we still do not fully understand the specific mechanisms underlying the trust-distrust ambivalence and its dynamics (Saunders and Thornhill 2004; Oomsels et al. 2019).

Functions and dysfunctions of trust and distrust

Functionally, trust and distrust are equivalent: they help people deal with uncertainty and manage complex relationships (Luhmann, 1979, 1988; Lewis and Weigert 1985). Hardin (2002, p. 95) clarifies this functional equivalence in his argument that “if I either trust or distrust you, I have fairly clear grounds on which to act towards you”. So, when is each concept functional or dysfunctional? Early studies underlined the unconditional need for trust in social life, assuming that trust, when broken, always needs to be repaired (see also section on “Trust repair”). Both in philosophy and the social sciences, this argument has been made.

In philosophy, Simpson (2012) argues that we can see trust from two perspectives: analytical and genealogical. The analytical, traditional and dominant perspective aims to define trust. The biggest difficulty in this perspective is the fact that “we very often trust without talking about it. Most of the time, it just happens. The actuality of trust may be very present, but it does not need to be talked unless there is some problem, and so trust is invisible” (p. 560). Consequently, associated questions remain open, such as, for instance, the moral status of trust, the obligation to trust, or the voluntary/involuntary nature of trust. Simpson (ibid.) argues that these questions cannot be answered, because there is and there will not be a single definition of trust.

The genealogical perspective explains why such a single definition is not possible. It argues that trust is very valuable for humans, yet it constitutes mostly a taken-for-granted assumption. This is because trust is central for people to have shared life together: “in living socially, people must rely on others to act cooperatively. So



it is highly desirable for any community of language users, who necessarily live socially, to possess a simple root concept to refer to this fact. Trust initially answers to this.” (p. 551). Hence, from a genealogical perspective, trust is basic to being human (see also Stern, 2016). Also, trust is ontologically basic, it is a “sovereign expression of life”, similar to love, hope or sympathy (Løgstrup, 1997, p. 113). Stern (2016, p. 29) adds to this: “Trust is not of our own making, but is something given with the nature of human life as such.” He furthermore argues that trust is not only basic from an ontological perspective but, also from a transcendental perspective: without some level of trust people are not able to do anything and to have a social life; and from an axiological perspective which argues that trusting is intrinsically good (Stern, 2016).

Mainstream social sciences research has for a long time claimed that trust enhances performance and often has been portrayed as a “magic formula” and an ever- efficient resource that could cure almost every problem of social life (Möllering, 2006). For example, a typical statement that exemplifies this attitude comes from the work of Silver (1985) and states, “Trust underlies order in civil society – allows mutual dealings (both business-like and personal) among formally free persons” (p. 56). Trust has been seen as “indispensable in social relationships” (Lewis and Weigert, 1985, p. 968) and “vital for the maintenance of cooperation in society” (Zucker, 1986, p. 56). It is often claimed that trust provides for social order and collective well-being (Lewis and Weigert, 1985; Möllering, 2006; Sztompka, 1999; Zucker, 1986). Trust has been considered a key to prosperity in an increasingly global, democratic world (Barber, 1983; Fukuyama, 1995; Luhmann, 1979; Putnam, 1993; Putnam, 2000).

These perspectives may be integrated using the concepts of extrinsic and intrinsic value. The extrinsic value of trust revolves around its functionality: it leads to better performance, more innovations, etcetera. The intrinsic value is the preference people have for working based on trust, without it necessarily being functional and the genealogical perspective that trust is basic to being human.

This is reflected in the more recent, more sophisticated conceptualizations that do not implicitly assume that trust is always good and therefore the higher the trust, the better it is. For instance, the development of a supportive and friendly environment within an organization may increase employees’ satisfaction, but it may also inhibit learning and innovation within the organization. Some degree of uncertainty triggers an entrepreneurial spirit; on the other hand, excessive trust and loyalty within a group of employees may damage or kill creativity, even if the ideas are revolutionary (Nooteboom, 2002). Moreover, they may lead to unethical decisions. So, gradually, researchers acknowledge that trust may sometimes be detrimental as well (e.g., Anderson and Jap, 2005; Dasgupta, 1988; Hoetker, 2005; Langfred, 2004; Mesquita, 2007; Wicks, Berman, and Jones, 1999). Some label this as the dark side of trust (Skinner, Dietz, and Weibel, 2014). Also, there are some indications that perhaps it is less crucial than many of us believe (e.g., Cook, Hardin, and Levi, 2005; Hardin, 2004; Skinner, Dietz, Weibel, 2014; Williamson, 1993). Thus, trust has both extrinsic value and intrinsic value.

When applying the same approach of looking at the extrinsic and intrinsic value of distrust, the picture is substantively different: distrust had extrinsic value but no intrinsic value. Distrust can be functional in some contexts and situations. For example, Oomsels (2016; Oomsels et al. 2019) empirically investigates the functions of both trust and distrust in relations between public organizations and finds both trust and distrust can be functional or dysfunctional “depending on how they are used and under which contexts they exist” (Oomsels et al. 2019, p. 536). Trust can be functional to increase cooperation and flexibility but can become dysfunctional in case of trustee opportunism. Distrust can be both dysfunctional in terms of excessive regulation and control, as well as functional in terms of avoiding fraud, abuse of power and opportunism (Oomsels et al, 2019). In public sector research, it is argued that distrust can be especially functional when it is ‘depersonalized’ in institutional systems and “internal organizing principles and practices” (McEvily, Perrone, and Zaheer, 2003, p. 428). Distrust of government and the state (but not interpersonal distrust) has a prominent place in liberal thinking.

Distrust, however, does not seem to have intrinsic value. From an ontological perspective, distrust is not basic, “as human life could function perfectly well without distrust” (Stern, 2016, 29). From a transcendental



perspective, Stern (2016: 29) argues that without some trust in others we are not even having a possibility to distrust “which is what makes the former more fundamental than the latter”.

Balancing trust and distrust

We combine these insights by referring to Wicks et al. (1999) concept of “optimal trust”, which, inspired by Aristotle’s ethics, reflects an appropriate balance of trust and distrust. Optimal trust is defined as the situation in which agents “have stable and ongoing commitments to trust so that they share an affect-based belief in moral character sufficient to make a leap of faith, but they should also exercise care in determining whom to trust, to what extent, and in what capacity” (Wicks et al. 1999, p. 103). Too much trust turns into naivety when one exposes herself to unnecessary losses. The consequence of too little trust may be the loss of benefits that would result from trusting a reliable partner. Optimal does not mean ‘average’ but ‘appropriate’ (Wicks et al. 1999; Parkhe and Miller, 2000). The concept is based on the belief that excessive trust and excessive distrust are detrimental to cooperation at any level. “Healthy scepticism [is] (...) a kind of distrust that leads to defence mechanisms against dishonest, corrupt, exploiters (...) By paying the price of protection against negative consequences, it is possible to maintain a healthy scepticism while engaging in productive cooperation” (Levi, 2000, p. 154).

Philosopher Baier (1986, p. 232) has made a similar point much earlier when drawing our attention to the fact that not all trust relationships are morally desirable: “trustbusting can be a morally proper goal.” This trustbusting is necessary when, for example, the relationship’s continuation need is dependent on threats held over those who trust; or whether the deceiving trustees rely on successfully covering up their breaches of trust. Because trust can only be considered morally when it is placed in the larger social context, we cannot say that trust relationships are always ethically correct overall (Banerjee et al, 2006).

The balance between trust and distrust is a feature of well-functioning relationships (McKnight and Chervany, 2001). A partner who shows excessive trust (i.e., one that is not balanced by a certain degree of distrust) may become blind (Powell and Smith-Doerr, 1994) to the negative aspects of relationships or the bad qualities of the other. Therefore, remaining alert and attentive in the face of problems makes it more likely that problems will be properly defined and then resolved. On the other hand, excessive distrust (i.e., one that is not balanced by the right amount of trust) can lead to a paranoid approach (Kramer, 1994) and can cause a potentially good relationship not to even have a chance to start. As a result, the opportunities will be lost due to the lack of cooperation (McKnight and Chervany, 2001). Oomsels et al. (2019) in their study on trust and distrust in the public sector phrase their take on the optimal balance of trust and distrust as follows: ‘results indicate that the combination of “trust as a rule” [referring to trust as a general starting position for interactions] and “distrust as a reasonable exception” is functional for inter-organizational relations, whereas “trust as dogma” or “distrust as a rule” give rise to dysfunctionalities in inter-organizational interactions’(Oomsels et al. 2019, p. 516, see also Table 1).

However, even though distrust can be functional when the context warrants, in the long run, functional trust has more benefits in a democracy, or possibly more to the point, the absence of active distrust in government (Hardin, 2004). Hardin (2004) argues that active trust in government involves knowledge about how government operates that goes beyond what can be expected of normal citizens. He introduces the concept of active distrust as he argues that we should not strive for citizen trust but work towards avoiding that citizens actively distrust government (see for a somewhat similar point in Zmerli and van der Meer 2017). For citizens to actively trust the government, they need to have enough information to form such an informed judgement, which is often lacking.



Table 1: The functional and dysfunctional roles of interorganizational trust and distrust in the Flemish public sector

Source: Taken from Oomsels et al (2019, p. 537)

	Trust	Distrust
“ Functional”	<ul style="list-style-type: none"> Empirical examples: sine qua non condition for cooperation, efficient and effective cooperation, open communication, enjoyable work Interpretation: trust as rule – trust is functional as general starting position in contexts with contingent, complex, unpredictable, or transversal policy challenges necessitating cooperation between actors 	<ul style="list-style-type: none"> Empirical examples: maintaining critical perspective, identification of conflicting objectives, enabling, constructive criticism Interpretation: Distrust as reasonable exception – distrust is functional as reflexive attitude in contexts where opportunistic behaviour and bounded rationality can be reasonably expected to lead to risk actualization
“ Dysfunctional”	<ul style="list-style-type: none"> Empirical examples: loss of critical thought due to groupthink and “trust trap” Interpretation: trust as dogma – trust is dysfunctional as blind and uncritical position in contexts where opportunistic behaviour and bounded rationality lead to actualization of risk 	<ul style="list-style-type: none"> Empirical examples: opportunity costs of risk avoidance, long-term relational deterioration, “strategic” obstruction, stressful work Interpretation: distrust as rule – distrust is dysfunctional as starting position in contingent environments without evidence to reasonably expect negative intentions of other actors or risk actualization

1.1.4 Trust and control

The way people and organizations are controlled is relevant to trust and distrust. The precise relationship between trust and control, however, has over the years sparked much debate within the trust field (e.g. Das and Teng, 2001; Long and Weibel, 2018; Weibel et al, 2016). In general, control is a process of regulating other people’s behaviour to make it more predictable (e.g., Das and Teng, 2001).

The current consensus in the trust-control literature is that theoretical arguments and empirical support exist for two positions. The first perspective is that trust and control are substitutes, they have a negative relationship with each other. In the second, they are complements, they have a positive relationship with each other. This appears to hold across types of relationships, be they interpersonal or within organizations (e.g; Bijlsma-Frankema and Costa, 2005; Weibel et al, 2016), between organizations in contracting relationships or networks (e.g., Das and Teng, 2001; Vosselman and van der Meer-Kooistra, 2009), regulatory relationships (e.g., Six, 2013; Six and Verhoest, 2017), or for public governance relationships (e.g., Edelenbos and Eshuis, 2012; Vallentin and Thygesen, 2017; Six, 2018). We briefly present each perspective below.

Trust and control as substitutes: the negative relationship

The first, dominant, perspective is that trust and control are substitutes, that they have a negative relationship. The more you trust, the less you control. The underlying beliefs are that control is based on distrust and trust implies doing nothing, not being allowed to monitor at all. In a systematic literature overview, Six (2018) showed that in the literature on trust in public professionals, this was the dominant perspective on the relationship between trust and control, especially since the introduction of NPM reforms. Controls were experienced as based on “organized distrust” (e.g., Avis, 2003; Argyris, 1969; Ghoshal and Moran, 1996; Strickland, 1958) and audits imply a culture of distrust. Controls are also seen to increase relational and social distance (Sitkin and Roth, 1993), which often leads to an “us-versus-them” mentality between those who control and those who are controlled (e.g. Bolton, 2004). Binding contracts, i.e. tight controls, also reduce trust (Malhotra and Lumineau, 2011).

In public sectors, an “ever-increasing spiral of distrust of professional competence” was experienced (Flynn, 2002, p. 163). Increasing controls, whether they are presented as reforms, regulation or otherwise, are often introduced after incidents that receive media attention, triggering an incident-rule-reflex that generally does not “solve” the problem but only creates an “illusion of control” (Better Regulation Commission, 2006).



Trust and control as complements: the positive relationship

In the second perspective, trust and control as complements, the relationship between the two is positive: they strengthen each other. Control systems can strengthen trust in specific other people or organizations. Organizational control systems can signal care to employees (Bijlsma and van de Bunt, 2003) and reduce the risks involved in working interdependently (Langfred, 2004). Control systems aim to provide objective rules and clear frameworks as the basis for the assessment and evaluation of others (Sitkin, 1995). They thus provide people with more predictability (Zaheer et al., 1998), protect them against the arbitrariness of a system by the universal application of general rules (Child and Möllering, 2003; Sitkin and George, 2005) and signal decision legitimacy due to the transparent standard criteria that underly decisions (Meyer et al, 1995).

Theoretical work, based on Self-Determination Theory (for an overview, see Ryan and Deci, 2017), has developed conditions that need to be met before the positive relationship to be present (Weibel and Six, 2013; Six, 2013). Briefly, the more the controlled actors' basic psychological needs of autonomy, competence and relatedness are supported by the control system, the more the relationship is positive. This is the case when e.g., the standards that form the basis of control systems are set in a dialogue between controlling actor and controlled actor; and when the interpretation of information collected is done with input from controlled actors. Under such conditions, control systems are more likely to generate trust. Also, the more controlled actors experience procedural justice and restorative justice, the more likely it is that controls generate trust (Weibel and Six, 2013; Six, 2013, 2018).

Reconciling both perspectives

The relationship between trust and control is thus contingent in nature (Sitkin, 1995). Controls that do not match task requirements (Adler and Borys, 1996) and/or the values and identity of those controlled (Bijlsma-Frankema et al., 2015) are generally perceived as distrusting, leading to a negative, substitutive relationship. When, on the other hand, controls match those task requirements and values and identity, trust and control are perceived as complementary to each other (Bijlsma-Frankema et al., 2015; Das and Teng, 2001; Sitkin, 1995). Both the process of design and implementation of the control system (the "how" of control systems) is as important as the "what" of control systems. The conditions derived from Self-determination theory for the positive relationship, also reconcile both perspectives: when the control system support those controlled in their basic psychological needs of autonomy, competence and relatedness, trust and control are in a positive relationship, and when the control system thwarts those basic psychological needs, they are in a negative relationship (e.g. Six, 2018). These insights have direct relevance for the conceptualization of the relation between regulation and trust.

1.1.5 Philosophical and Ethical Approaches to Trust

The philosophical literature on the concept of trust is rather limited and there has been a relative neglect of the concept (Banerjee et al. 2006, p. 304; Faulkner and Simpson, 2017). Above we already referred in some paragraphs to philosophical and ethical takes on trust, but in this part, we aim to position different interpretations vis-à-vis each other. In general, in the humanities and social sciences, we may discern two takes on trust: affective and calculative, with an attempt to ground both in some philosophical assumptions. The calculative tradition is grounded in the rational character of trust and has been advanced by, for example, economists (e.g. Williamson), political scientists (e.g. Hardin), or organization scholars (e.g. Dietz, 2011). Trust here involves dependence; an expectation that this dependence will be satisfied is grounded on evidence that the trusted party can be relied upon – that is, broadly speaking, on the assessment of other's trustworthiness (Dietz, 2011).

Philosopher Hollis (1998) analyses the possibility of trust in this rational choice, calculative approach and concludes that trust is possible within reason, where reason is founded on reciprocity and the pursuit of the common good. This is based within the Enlightenment paradigm where "citizens of the world, rationally [encounter], and at the same time [find] their identity in, their multiple commitments to communities both local and universal" (Hollis, 1998, backflip). At a societal level, he concludes that the resolution of the trust



puzzle is to “[settle] for constitutional ground rules which no reasonable person can reject. But it is proving notoriously difficult to maintain the fire-break between procedural and substantive values, between the right and the good” (Hollis, 1998, p. 155-156).

Other philosophers who explicitly studied trust also come to the conclusion that rational reasoning alone cannot explain the phenomenon of trust, setting the ground for a line of reasoning revolving around the affective nature of trust (e.g., Baier, 1986; Hollis, 1998; Pettit, 1995; Ullman-Margalit, 2002). Most conclude that some sort of moral duty, reciprocity or pursuit of the common good is involved in trust (e.g. Hollis, 1998; Hosmer, 1995). The first part of their argument is in line with sociologist Möllering (2006) who showed that reason, routine and reflexivity all could not explain trust and that a “leap of faith” is always involved (see above). In his comparison of how organizational theory and philosophical ethics approach to trust, Hosmer (1995, p. 381) argues that “[trust] definitions [in organization theory] seem to be based, at least in part, upon an underlying assumption of a moral duty with a strong ethical component owed by the trusted person to the trusting individuals”.

Flores and Salomon (1998) and Banerjee et al. (2006) argue that most sociological and economic definitions of trust are inadequate, because trust, at its core, is an ethical concept. Ethical and/or moral norms play a central role in trust. “Economic approaches to trust, while well-intended and pointing to the right direction, are dangerously incomplete and misleading. (...). Like many virtues, trust is most virtuous when it is pursued for its own sake, even if there is benefit or advantage in view. To think of trust as a business tool, as a mere means, as a lubricant to make an operation more efficient, it is to not understand trust at all. Trust is, first of all, a central concept of ethics. And because of that, it turns out to be a valuable tool in business as well” (Flores and Salomon, 1998, p. 208). Banerjee et al. (2006) further claim that trust and trustworthiness are normative, not descriptive concepts. They often have, even in everyday language, moral connotations. Therefore, one cannot escape philosophical considerations while studying trust.

Nowadays, the interest in trust is growing particularly in the area of applied philosophy - social philosophy - asking questions in the area of law, politics, technology or bioethics (Faulkner and Simpson, 2017; O’Neill, 2002, 2018). Many of these debates are a reflection of fundamental political philosophy debates started by Hobbes, Locke and Rawls. The fundamental question of whether trust or distrust should be a founding principle of legislative and executive orders in the societies still remains to be debated (Hardin, 2013; Lenard, 2015; Möllering, 2013).



1.2 Processes of Trust Building, maintenance and repair

Trust is about having positive expectations about the other actor's future behaviour. Trust is built and strengthened over time when those positive expectations are met. It needs to be maintained and when trust is broken or violated it needs to be repaired, where warranted and possible. When researchers talk about trust processes they, however, may mean different things. **Subsection 1.2.1** addresses these different approaches to the processes of trust-building.

Even though trust-building among two actors may proceed smoothly for quite some time, it is inevitable that occasionally this flow of positive expectations being met again and again is disrupted. Recently, more attention is paid to trust violations and the possible processes of repairing that broken trust (Subsection 1.2.2). The dominant assumption in this trust violation and repair literature is that the trustor has concluded that a transgression has occurred and, in their perception, trust has been violated. In this part, we discuss features of trust violations and different strategies for trust repair.

We conclude this part by discussing some elements regarding distrust building.

1.2.1 Processes of trust-building

Many researchers talk about processes of trust-building, yet often mean different things. Our review showed three different approaches to trust processes that have been used most often in research: the idea, from the perspective of the trustor, that there are several steps to the trust process with a feedback loop (among others Dietz, 2011; Mayer et al, 1995); the idea that trust-building is a process that takes place in a dyad of two actors interacting (among others Six, 2005; Korsgaard, 2018; Nooteboom and Six, 2003; Zand, 1972); and (3) the idea of the different stages a trusting relationship can move through as the base changes on which the trust is built (among others Lewicki and Bunker, 1996; Rousseau et al, 1998). We present each in turn and finish with a review of the literature on inter-organizational trust-building.

Möllering (2013) emphasizes the need to talk about "trusting" rather than trust. Trusting focuses our minds on "the process of *how* people develop the preliminary outcome of 'trust'" (Möllering, 2013, p. 300; italics in original). In Möllering's definition of trust, the process takes centre stage: "the process that enables actors to deal with irreducible uncertainty and vulnerability" (Möllering, 2006, p. 110). He argues that none of the approaches mentioned above looks at trusting properly and therefore do not truly take a process perspective. But there is not yet a substantial body of research on the more profound process perspective he sketches (Möllering, 2013).

Process from perspective of trustor

From the trustor's perspective, trust processes consist of three phases: (1) assessment of the other party's trustworthiness; (2) the trust decision; and (3) the trust-informed action (Mayer et al. 1995; McEvily and Tortoriello 2011; Dietz 2011; Fulmer and Gelfand 2012). Trust-informed action entails risk-taking behaviour, after all, there is no certainty when trusting. When such risk-taking behaviour is not exploited opportunistically by the counterpart, then trustors will be reinforced in their positive judgment of the counterparts' trustworthiness, establishing a positive feedback loop and will further strengthen trust and the risk-taking behaviour (Dietz, 2011; Schoorman et al, 2007; Dietz and Den Hartog, 2006; Mayer et al. 1995).

Process of two actors interacting

Other approaches to trust processes focus on the interaction within the dyad, the two actors who interact and cooperate as they build trust. Zand (1972) provided the first model, which was later adopted by among others Six and Skinner (2010), Oomsels and Bouckaert (2014) and Korsgaard (2018). In these models, we see actor A acting based on his perceptions of the other actor's trustworthiness and the conclusion to trust or not based on those perceptions. These actions are observed by the other actor and influence her perceptions of trustworthiness and drive her conclusion to trust or not and she will act accordingly.



Korsgaard (2018) builds on Zand's model as she develops the concept of reciprocal trust. In her conceptualization, reciprocal trust is "a dynamic process that describes the evolution of trust between two parties ... This process is represented by repeated cycles of trust and cooperative exchanges wherein trust emerges and builds from the balanced, voluntary exchange of resources" (Korsgaard, 2018, p. 15). Trust and cooperation interact to create virtuous cycles of ever-increasing trust and cooperation. Oomsels and Bouckaert (2014, p. 89) integrated the two approaches discussed so far in their model, while also integrating Möllering's concept of a leap of faith into the model as the trust decision (Figure 1).

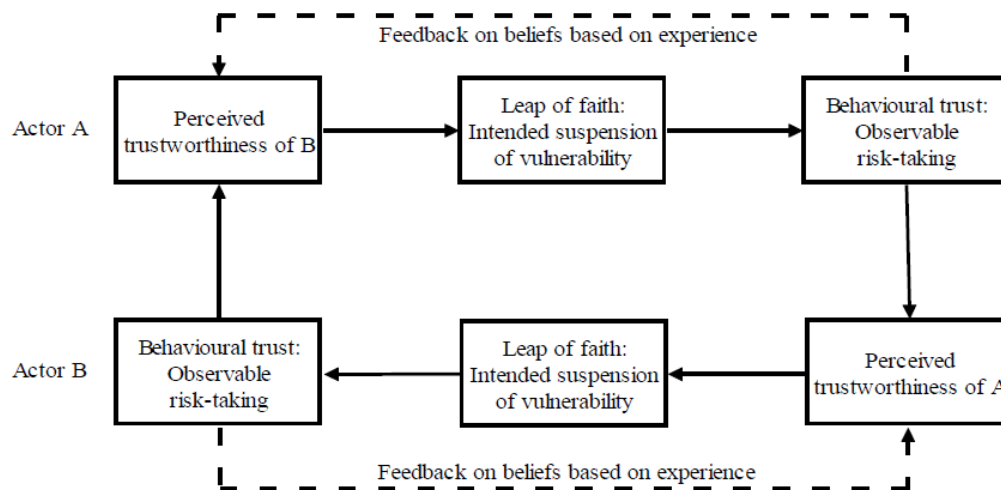


Figure 1: The reciprocal and self-reinforcing process of trust building Source: Oomsels and Bouckaert, 2014

Process as stages with different trust bases

Several authors have proposed stage models as trust changes the basis it is founded upon as it develops over time. Most prominent are Lewicki and Bunker's (1996) calculus-based trust, knowledge-based trust and identification-based trust (see also McAllister, Lewicki, and Chaturvedi 2006; Lewicki, Tomlinson, and Gillespie, 2006); and Rousseau et al.'s (1998) deterrence-based trust, calculus-based trust, relational trust and institution-based trust. However, strictly speaking, the latter is not a stage model with evolutionary progression, whereas the former is presented as such.

Calculus-based and deterrence-based trust

In Lewicki and Bunker's stage model (1996) the basis on which trust is built is said to change in each stage. Trust starts very tentatively and in a transactional and rational manner, reducing vulnerabilities where possible. Calculus-based trust is based upon a calculation in economic exchange. The focus is on the weighing up of the costs and benefits of trusting within the exchange (Lewicki, Tomlinson, and Gillespie, 2006).

In similar models, deterrence-based trust is used as a concept. Deterrence-based trust is based on the belief that the other party will be trustworthy, because of the costly sanctions in place for breach of trust. It was introduced by Shapiro et al (1992) and has later been criticised for not being trust at all, but low distrust (Rousseau et al., 1998) and we join that position. Lindenberg (2000) pointed to the need to first take away what he called legitimate distrust situations before trust can be built. Deterrence-based trust refers to the stage where distrust is taken away by the threat of credible sanctions.

Knowledge-based and relational trust

As the interactions based on calculus-based trust are experienced as positive, the actors build up positive experiences and accumulate more knowledge about the other actor. Thus, gradually the next stage, in which knowledge-based trust arises, is entered. This is grounded "in the other [actor's] predictability – knowing the other sufficiently well so that the other [actor's] behaviour is anticipatable" (Lewicki and Bunker, 1996, p. 121). Rousseau et al. call this relational trust, as it is based on "information available to the trustor from



within the relationship itself" (Rousseau et al, 1998, p. 399; italics in original). It relates to what Zucker (1986) calls process-based trust, a form of trust production that is based on a particular exchange in the past or expected to take place in future. Lewicki and Bunker see a frame change from a perceptual sensitivity to differences in calculus-based trust to a perceptual sensitivity to assimilation in knowledge-based trust.

Identification-based trust

This third stage of trust is based on identification with the other's desires and intentions. [...] trust exists because the parties effectively understand and appreciate the other's wants; this mutual understanding is developed to the point that each can effectively act for the other (Lewicki and Bunker, 1996, p. 122).

Or phrased another way, "identification-based trust develops as one both knows and predicts the other's needs, choices, and preferences and also shares some of those needs, choices, and preferences as one's own" (Lewicki and Bunker, 1996, p. 123; McAllister, Lewicki, and Chaturvedi 2006). Identification-based trust enables a party to think, feel and respond like the counterparty. The others can rely on his interests to be fully defended and protected, without supervision or control (Lewicki and Bunker, 1996; McAllister et al., 2006). In work contexts, this type of trust is rare, and is most likely to only occur within organizations and not so much between organizations. Often this stage of trust might have elements of characteristic-based trust, where trust is tied to the characteristics of a person, like the person's political identity or religion (Zucker, 1986), although the scope of identification-based trust goes beyond the characteristics of a person and also entails the person's interests, preferences and needs. As actors move from knowledge-based trust to identification-based trust the frame changes from extending one's knowledge about the other to an identification with the other.

Institution-based trust

This type of trust does not follow on from identification trust, but stands next to it. It is about institutions that support the building of the different stages of trust described above (see also the section on the sources of trust above). Different institutional factors have been identified, such as legal forms (laws and regulations), social networks (and reputation), or social norms regarding conflict management and cooperation (Rousseau et al, 1998). Regulation, the focus of this research, is an example of an institution that supports processes of building calculus-based or knowledge-based/relational trust, as well as an institution that provides an alternative to trust grounds for cooperation

What Rousseau et al (1998) call institution-based trust is very close to Zucker's (1986) institutional-based trust. She distinguished two forms. First, she refers to a person- or firm-specific form that rests on the membership of a particular group or subculture, within which "carefully delineated specific expectations are expected to hold.... based on detailed prior socialization" (Zucker, 1986, p. 63)¹. A subset of this trust is Kramer's (1999) role-based trust: it "constitutes a form of depersonalized trust because it is predicated on the knowledge that a person occupies a particular role in the organization rather than specific knowledge about the person's capabilities, dispositions, motives, and intentions: (Kramer, 1999, p. 578). Zucker's second form of institutional-based trust is intermediary mechanisms, which "rest on the legitimate concern that the transaction may not be completed, or may fail to produce the expected return, through no fault of either party involved in the exchange" (Zucker, 1986, p. 64). She uses forms of insurance as the main examples.

Stage models of trust process point to the starting point of cooperative endeavours and are in line with a widely held assumption that trust starts from a low level and then builds up slowly after several positive interactions. Empirical evidence suggests, however, that this is not always the case. Trust can start at a relatively high level when (a) the trustor has a high disposition to trust; (b) the trustor believes that regulations, laws and other institutions will guide the trustee's behaviour; and (c) the trustor observes cognitive cues that signal group membership, reputation and the like (Kim, 2018, p. 270).

¹ "Extensive socialization, emergence of licensing standards across the country, and the creation of professional associations all increased the certainty of performance characteristics" (Zucker, 1986, p. 94).



1.2.2 Trust Violations and Trust Repair

There is a rapidly growing literature on trust violations and trust repair. Dominant in this literature is that the definitions of trust violations see trustors perceiving trust to have been broken. Trustees have “transgressed” and “violated” the trustors’ trust, even if only in the perception of the trustor (Dirks et al 2011, p. 88)¹. So, the trustor concludes that the trustee’s trustworthiness is lower than previously perceived and this “lowers [the trustor’s] trusting beliefs in and trusting intentions towards the trustee” (Kim, 2018, p. 271). Six (2005) showed in her model of trust-building and maintenance, that there are several steps between experiencing that trust has been built through a flow of positive expectations having been met, and concluding that trust has been violated. She argues that it is inevitable that at some point in time an actor in a relationship within which trust is being built, will experience a disruption of the flow of those positive expectations. For example, a trustor may experience a disruption of their trust because of an unfortunate circumstance beyond the control of the trustee, without the need for trustees to apologize or repent and any change to the perceived trustworthiness. Or a misunderstanding has occurred, which is especially likely when working across disciplines or logics (e.g., Six and van Ees, 2017; Kim, 2018).

Different mechanisms can be used to restore trust in organisations, institutions and systems (Bachmann et al, 2015). Trust repair is the process in which a trustee is “attempting to increase trust following a situation in which a transgression (i.e. untrustworthy behaviour) is perceived to have occurred” (Dirks et al., 2011, p. 88). Kramer and Lewicki (2010, p. 249) in their review article, state that trust repair “[focuses] on those activities in which party 2 has taken advantage of party 1’s vulnerability, and seeks to restore the willingness of that party to be vulnerable in the future”.

In this section, we first review the literature on trust violations and subsequently on trust repair for interpersonal relationships and organizational trust repair respectively.

Trust violations

Different characteristics are distinguished for trust violations: the violation type, violation intentionality and framing of the violation.

Violation type

Most of the literature, predominantly based on experimental studies, distinguishes integrity-based versus competence-based violations, referring to two of the three dimensions of trustworthiness that Mayer et al (1995) distinguish (for example, Ferrin et al, 2007; Brühl et al, 2018; Kim et al, 2004). Grover et al (2014, p. 690), in their qualitative study of leader trust violations within organizations, also observed benevolence-based violations. Such lack of caring was observed through lack of support when leaders do not defend the follower or show no interest for the follower as a person; or through disrespect for the follower’s work, when the leader speaks negatively about the follower’s work or behaviour or is never satisfied with the follower’s work (Grover et al, 2014). Benevolence-based trust violations occur when trustees fail to look after the trustors, while the trustors expect such behaviours, for example in leader-follower relationships. But we could also argue that citizens may have such expectations of government and public organizations.

Violation intentionality

In the first studies on trust, the assumption was that a trustee intentionally violated the trustor’s trust. Many experiments manipulated the context to that degree (e.g. Dirks et al, 2011). In other studies, the intentionality was left more open. In the explorative study of Grover et al. (2014), unintentional violations were quite commonly observed. These are part of what they call recoverable trust violations. Irrecoverable trust violations were considered intentional and deliberate and categorized as deception, like lying, abuse of power or s (Grover et al, 2014).

¹ Perception is crucial in acknowledging a trust violation and make the difference between a (perceived) trust violation and betrayal. Elangovan and Shapiro (1998, p. 548) define betrayal as “a voluntary violation of mutually known pivotal expectations of the trustor by the trusted party (trustee), which has the potential to threaten the well-being of the trustor”.



Framing of the violation

How the violation is framed, is likely to have a substantial influence on the repair process, since an unintentional competence-based violation is much more likely to be repaired than a similar situation that is framed as an intentional integrity-based violation. Trustors who experience the same disruptions to their positive expectations may well frame the situation differently. Some may immediately conclude that their trust has been broken intentionally, while others may be able to suspend their judgement and inquire into the motivation for the trustee's behaviour and eventually conclude that it was an unintentional misunderstanding that has now been resolved, possibly even leading to deeper trust; because they now know each other better and understand better what the other needs (Six, 2005). Also, trustors and trustees are likely to frame the same situation differently, because of different attributions (Kim, 2018).

Individual trust repair

Attribution theory has been used to explain the mechanisms behind different trust repair strategies and their effect on different trust violation types (Tomlinson and Mryer, 2009). Causal attributions given to the negative experience caused by the trust violation, help explain whether and how trust may be repaired. These causal attributions are (1) locus of causality – distinguishing between causes generated internally by the trustee, or externally by another actor or by the situation; (2) controllability – the degree of volitional control the trustee “has over the outcome, or how much to hold another accountable for the negative outcome”; and (3) stability – “the degree to which the cause is perceived to either fluctuate or remain constant” (Tomlinson and Mayer, 2009, p. 88).

And again, most research to date on different repair strategies has been experimental (Kim et al, 2004, 2006, 2013; Dirks et al, 2011; Ferrin et al, 2007; Schweitzer et al, 2006). Whereas at first different responses by the transgressor, the trustee, were studied, later on, trustor responses and bilateral considerations were also studied. Overall, such studies show that integrity-based violations are much harder to repair than competence-based violations, because “the latter can be mistakes, whereas people attribute integrity violations to moral failings (Grover et al., 2014). The locus of causality, controllability and stability of integrity-based violations lead to more severe attributions that make trust repair more difficult.

Trustee responses

Trustee responses to alleged violations can be categorized as verbal or substantive (Kim, 2018). Experimental research that focuses on the possible repair strategies of the trustee, the perceived transgressor, identify possible verbal actions: apology, denial or reticence. They look at both competence and integrity violations (e.g., Ferrin et al (2007). They conclude that for integrity-based violations a strategy of denial is most effective, while both apology and reticence fail to address the guilt that the victims attribute to the transgressors. Because this type of violation is so difficult to repair, denial works best, since it may lead the trustor to give the trustee the benefit of the doubt. For competence-based violations an apology is the most effective repair strategy, “because it acknowledges guilt and, in so doing, may exacerbate the negative consequences of the accusation” (Ferrin et al, 2007, p. 894). In the field research, this distinction between the type of violation was not always observed. For example, Grover et al (2014) found that leaders “apologizing for their trust violations had a positive impact on followers’ emotional and psychological well-being, regardless of whether the violation was one of integrity or competence” (Grover et al, 2014, p. 690). Also, the timing of an apology was relevant: the sooner the apology relative to the violation, the more effective it was. Also, when the apology implied that trustees assumed responsibility for their behaviour, this was more effective than when they tried to place blame elsewhere (Kramer and Lewicki, 2010).

Trustees’ responses based on account giving can also help repair trust. Excuses in which the trustee explains that what happened was at least partly due to external circumstances have been shown to help restore trust because they reduce the perceived responsibility of the trustee (Kim, 2018), but they can also be ineffective when it is likely that the same situation will occur again in the future, thus reducing the reliability and perceived trustworthiness of the trustee (Kramer and Lewicki, 2010). When the trustee gives a justification



for the behaviour that was experienced as a trust violation, this could help repair trust since it could make the trustor see that the behaviour was actually more appropriate than first thought (Kim and Harmon, 2014). Especially when reference is made to shared norms or values.

To move beyond the verbal approaches, since these could be seen as no more than cheap words, substantive responses were also studied, again mainly in experimental studies. Here it was important that actions such as reparation or penance were seen as voluntary, rather than imposed (Bottom et al, 2002; Dirks et al, 2011).

Trustor responses

More recent research focuses on the possible actions that the victim can take to repair trust. Central here is forgiveness (Kramer and Lewicki, 2010; Bies et al, 2018). Forgiveness is “the internal act of relinquishing anger, resentment, and the desire to seek revenge against someone who has caused harm as well as the enhancement of positive emotions and thoughts towards the harm-doer” (Bies et al, 2018, p. 303) and is best conceptualized as a process that unfolds itself over time. When the victim forgives the trustee, they acknowledge “that some type of violation occurred, but also that the actor shows regret and is committed to not repeating the violation” (Kramer and Lewicki, 2010, p.255). The prevalence of forgiveness varies by culture: in some cultures, forgiveness is viewed as a sign of weakness, whereas in other cultures that support values of compassion, mercy and hope, forgiveness is facilitated (Tripp and Bies, 2009; Bies et al, 2018).

In formal settings a transgressor may have been suspended from their position or privileges may have been removed in response to the trust violation. Reinstating the transgressor is also a way to help restore trust as it “is the process by which trust is eventually rebuilt as acceptable explanations are provided for past actions, inappropriate behaviours are corrected, privileges to the violator are restored, situational conditions that may have contributed to the trust violation are restructured, and power is rebalanced between the parties” (Kramer and Lewicki, 2010, p. 255).

Bilateral considerations

Since both the trustee’s and the trustor’s response are relevant, interactive processes are now also studied. Kim et al (2009) see the trust repair process as “a negotiation of identity, in which both trustors and trustees seek to advance their views about the trustee on the other (i.e. with trustors upholding the belief that trust is not warranted and trustees seeking to convince trustors that further trust in the trustee is deserved)” (Kim, 2018, p. 275). Six (2005) qualitatively studied what she called trouble events, recording the action and reaction of both trustor and trustee (where relevant even several rounds) and found that dialogue-based constructive interaction often led to trust maintenance and sometimes even a deepening of the trust. This occurred when trustors were able to suspend their judgments and inquire into the motivation of the trustees’ actions; and the trustees also respond in a constructive manner. This is before the trustor concludes that trust has been violated, even though sometimes, when negative emotions dominated, at first instance this conclusion was drawn, but later suspended.

Organizational trust repair

While trust repair at the organizational level has parallels to the interpersonal level, for example in terms of attribution theory and its mechanisms, there are substantive differences. On both the trustor and trustee side multiple actors are involved. At the trustee side – the organization – there are several actors – persons performing roles within the organization – and components –such as rules, processes, and procedures within the organization –, often operating at multiple levels that will likely “influence and inform the judgments of potential trustors” (Gillespie and Siebert, 2018, p. 285; Gillespie and Dietz, 2009). At the trustor side, many stakeholders form judgments about their trust in the organization, such as employees, clients, suppliers, regulators, politicians and the (social) media. Each may well observe the same information and trustworthiness cues but process them differently, based on their perspectives, interests, vulnerabilities and expectations viz-à-viz the organization. And within each stakeholder group, such differences may also occur (Gillespie and Siebert, 2018).



An organizational trust failure is “a single major incident, or cumulative series of incidents, resulting from the action (or inaction) of organizational agents that threaten the legitimacy of the organization and has the potential to harm the well-being of one or more of the organization’s stakeholders” (Gillespie and Dietz, 2009, p. 128). For a trust failure to be organizational, “it needs to call into question the organization’s or institution’s legitimacy” (Gillespie and Siebert, 2018, p. 286).

Confident positive expectations that formed the basis for trust, have been replaced by confident negative expectations that the organization (or institution) is able and willing to meet reasonable standards in its conduct towards stakeholders. The essence of trust repair at the organizational (or institutional) level is the same as for individual trust repair: restoring the confident positive expectations of the trustworthiness, so that trustors are willing to make themselves vulnerable again, taking the leap of faith that trust entails. Since more actors and institutional components are involved, the conceptual models of organizational trust repair are more elaborate than for individual trust repair. Bachmann et al (2015) and Gillespie and Siebert (2018) identify six complementary mechanisms for organizational trust repair (see Table 2). It should be noted that regulation is explicitly considered to be one of the mechanisms to restore organizational trust “by making explicit what is considered acceptable versus unacceptable conduct, and by deterring or constraining untrustworthy behaviour and/or incentivizing trustworthy behaviour of relevant actors, thus reducing the likelihood of future trust violations” (Bachmann et al., 2015, p. 1131).

Gillespie and Siebert (2018) identify three different “stage” models for organizational trust repair. The first, Lewicki and Bunker’s model (1996) has been described above in terms of trust-building. It recognizes four stages for trust repair: “(1) recognizing and acknowledging that a violation has occurred, (2) determining the nature of the violation (establishing what/who caused the violation), (3) admitting the destructive impact of the event on trust, and finally (4) willingness to accept responsibility for the violation” (Gillespie and Siebert, 2018, p. 292). The second is the Reintegration model (Pfaffer et al, 2008) that also recognizes four stages: (1) Discovery: what happened?; (2) Explanation: how did it happen?; (3) Penance: How will the organization be punished?; and (4) Rehabilitation: What changes have been made? The third model is from Gillespie and Dietz (2009) and also has four stages: (1) Immediate response; (2) Diagnosis of the causes of the failure; (3) Reforming intervention; and (4) Evaluation. All three-stage models have similar elements but stress different aspects.



Table 2: Framework of mechanisms for restoring organizational and institutional trust. Source: adapted from Bachmann et al (2015, p. 1126-1127)

	Trust repair mechanism					
	Sense-making	Relational	Regulation and controls	Ethical culture	Transparency	Transference
Assumption	Shared understanding or accepted account of trust violation is required for effective trust repair	Trust repair requires social rituals and symbolic acts to resolve negative emotions caused by violation and re-establish social order in relationship	Trust repair requires formal rules and controls to constrain untrustworthy behaviour and hence prevent future violations	Trust repair requires informal cultural controls to constrain untrustworthy behaviour and promote trustworthy behaviour, and hence prevent future violations	Transparently sharing relevant information about organizational decision processes and functioning with stakeholders helps restore trust	Trust repair can be facilitated by transferring trust from a credible party to a discredited party
Foci	Cognition and social influence	Emotions and social rituals	Formal organization and institutional environment	Informal organization and broader cultural context	Reporting and monitoring	Third-party involvement
Underlying mechanism	Collective learning	Remorse and redemption	Formal control	Informal control	Information sharing and accountability	Reputations spill-over
Tradition	Organization theory	Psychology and sociology	Sociology, organization science, public governance and regulation	Philosophy, organization science	Public and corporate governance	Social networks and sociology
Practical examples	Investigations, public inquiries, explanations and accounts	Explanations, apologies, punishment, penance, compensation, redistribution of power and resetting expectations	Regulations, laws, organizational rules, policies, controls, contracts, codes of conduct, sanctions and incentives	Cultural reforms, induction and socialization, professional training, leadership and role modelling	Corporate and public reporting, external audits, public inquiries Freedom of Information Acts and whistle-blower protection	Certifications, memberships, affiliations, awards and endorsements



1.2.3 Processes of trust-reduction and distrust building

The recognition of the bidimensionality of trust and distrust implies different processual patterns driving their dynamics (Lewicki and Tomlinson 2003). However, processual perspective in trust research, and even more regarding distrust, is in the nascent state (Möellering, 2013). Basing on existing evidence we already know that the elements that reduce distrust do not necessarily build up trust, and conversely, the lowering of trust does not necessarily imply accumulation of distrust. This was observed, among others, in Cook et al.'s (2004) research on patient-physician relationships. Therefore, processes of trust reduction and processes of distrust building should be analysed separately and conceptualized differently. Distrust constitutes “a pervasive negative lens through which others are perceived” (Guo et al., 2017) and thus it is different from low trust, which still implies positive expectations (although low).

As far as trust reduction is concerned, most authors see the relationship between trustworthiness (as the antecedent of trust) and trust as linear. Ideally, if the level of trustworthiness is lowered trust should also decrease, and, as we know from trust repair research (see the section on “Trust repair”) that if trust is violated and its level lowers, then raising the level of trustworthiness should raise trust (Kim et al. 2009).

Single defection may lead to the lowering of trust, but not to distrust. A defection prompts attributional search, but not immediately distrust (Burt and Knez, 1995). After a trust violation, distrust may be activated only if the trustor has reason to be confident of future violations. Trust repair strategies may allow the offender to convey a lack of malevolent intent in this single defection and stop the distrust building (Lewicki and Tomlinson 2003).

Bijlsma et al. (2015) argue that “*low trust abruptly changes into distrust once a threshold of value incongruence is reached*”. In the stage of decreasing trust “negative experiences in one or more domains may reduce trust and promote isolated, specific observations of value incongruence and related vulnerability. Because domain specificity still applies in this stage, high trust in other domains can serve to dampen negative effects. But if negative experiences increase, trust is negatively affected, and as trust is lowered, its dampening capacity can decrease as well. Once those isolated perceived value incongruences and related perceptions of vulnerability, as a set, surpass a vulnerability threshold, distrust will be triggered, and the perceived value incongruences will merge into an undifferentiated, negative lens through which the previously isolated, acceptable value incongruences are perceived”. Low trust can thus transform into distrust in a punctuated way, starting a self-amplifying cycle of distrust. In this cycle, distrust can pervade domains in the relationship that did not figure in the initial triggering of distrust. It has been not determined, however, what the level of value incongruence necessary to trigger distrust is and it is claimed to vary across contexts.

Once distrust is triggered and manifested through behaviour, the other reciprocates through distrust. Negative perceptions of the other's actions serve, in turn, as justifications of negative actions towards the focal actor. This is how the pattern of ‘negative reciprocity’ (Serva et al. 2005) gains dynamics and distrust escalates in a self-amplifying cycle (Fox 1974, Sitkin and Stickel 1996, Zand 1972, Sztompka 1999). In this process, the central elements are “pervasiveness and intensification of negative perceptions and behaviours” (Bijlsma-Frankema et al. 2015, p. 1018). Amplification of distrust occurs through the following mechanisms: (a) pervasiveness of negative perceptions across domains in the relationship, (b) intensification of negative behaviours through overmatching, (c) intensification of negative perceptions through negative reciprocity, and (d) intensification of negative perceptions through within-group convergence (Bijlsma-Frankema et al. 2015).

Can the vicious cycle of distrust be reverted? And should we always aim to revert it? We question the fundamental assumption that trust, once broken, should always be repaired, and distrust should be reduced or reverted (cf Lumineau 2017; Guo et al. 2016). Studies on trust repair deal with situations of lowered trust, where efforts focused on the increasing of trustworthiness dimensions are expected to reinforce trust (Ferrin et al. 2007) and these can only to a limited extent inform the studies on distrust dynamics. The qualities of



distrust dynamics – pervasiveness, negative reciprocations, amplification – make it a very challenging environment because, distrust, once in place, becomes a filter that turns even well-intended actions into a suspect, reinforcing distrust instead of inspiring trust. As a result, distrust is spilling over across domains. Thus, existing evidence, although scarce, calls into question the idea that trust can be built once distrust has been endangered.

In a study of distrust between teams, Bijlsma-Frankema et al. (2015) contend that “the reduction of value incongruence to a level below (...) threshold will be key in halting or reversing the cycle, thus providing room for building trust” and that future work is needed to “ascertain how distrust remedies may (or may not) differ from those required for trust repair”.

On a macro-level, Latusek and Cook’s (2012) analysis the case of post-communist transition in Poland and Russia argues that institutions play a key role in reversing the spirals of distrust. They do so “by enabling cooperation and providing opportunities to know others (who may or not prove trustworthy)” (Latusek and Cook, 2012, p. 522). Pervasive distrust, coupled with the lack of reliable institutions, may also lead people to take various protective measures and gives rise to macro-level pathologies working as functional substitutes of trust, such as e.g. corruption (Kang, 2002, Rose-Ackerman, 2001a, Rose-Ackerman, 2001b, Sztompka, 1999, Wei, 2001).



1.3 About different kinds of trustors and trustees: Levels and referents of trust

In any trust relationship, there are two fundamental questions: who trusts and who is trusted? Addressing these questions Fulmer and Gelfant (2012) make a distinction between (a) levels of trust and (b) trust referents. The level of trust addresses the question of who trusts (trustor) and the trust referent indicates the recipient of trust (trustee). Different levels and referents may be distinguished and Fulmer and Gelfant (2012), as management and organization scholars, identify individual, team and organization. They identify the same categories for the different referents. Since the focus of the TiGRE project is on citizens, public (and private) organizations (and their employees) and regulatory regimes, we distinguish as levels/trustors:

- Individual as trustor - trust demonstrated by a specific person
- Organization as trustor – the trust demonstrated by an organization as an institutionalized entity, in which its members express the organizational view
- Community as trustor - the trust demonstrated by a community as a more or less institutionalized entity, in which its members express the community view

While there is a wealth of research into trusting at the individual level, there is no consensus on how collective actors trust.

Trust referents describe those who are addressed in the relationship, those who are trusted (trustees). In the TiGRE project we distinguish as referents/trustees:

- Individual as trustee – trust towards a specific person
- Organization as trustee – towards a specific organization
- System as trustee – towards a system, like the justice system, financial system or food system. A regulatory regime, which refers to the interplay of regulatory actors and rules, is such a system.

There is substantial research on trust in individuals, groups and organizations, there is substantially less research into trust in abstract systems.

Below we review the most relevant combinations of levels and referents for the TiGRE project and how current literature conceptualises the multilevel interrelatedness: individual trustor and individual trustee (interpersonal trust); trust at collective levels; and trust towards organizations as collective referents. We conclude by highlighting the current unknowns in this line of research.

1.3.1 Individuals as trustor and trustee: interpersonal trust

The individual as a trust referent or trustee applies to a specific person and, importantly, it is not the same as a general tendency to trust a person (Yamagishi and Yamagishi, 1994; Mayer et al, 1995). It tells us what is an actor's level of trust towards a particular person (also labelled as 'particularized trust', Nannestad 2008; Uslaner, 2012), while a propensity to trust tells about the level of actor's trust in people in general, without indicating a specific trust recipient (also called 'generalized trust', Nannestad 2008; or 'moral trust', Uslaner 2012). It is clear that these two types of trust can be very different. For example, I may be a person with a generally low level of trust in people, which does not necessarily conflict with a high level of trust in a specific colleague with whom I share the office. Interpersonal trust refers to an individual as trustor having trust in a specific another person as trust referent and hence links with particularized trust in contrast to generalized trust.

Trust between individuals can be both cognitive and affective, and builds gradually through interaction and collaboration in relationships, and can accumulate into identification-based trust (Zucker, 1986). Typically, high interpersonal trust is a feature of family or friendship relationships, but degrees of interpersonal trust can also arise in other relationships, like work-related or professional relationships. It is based on well-developed, often emotional connections. It is embedded in the specific context of joint action and shared experience (Rousseau et al., 1998; Kramer, 1999). While it does not have to be confined to private relationships, it always includes a period of collaboration, enabling the parties to get to know each other (Baier, 1986; Hardin, 2002; Cook et al., 2005). Parties in such relational trust know each other and have a



shared history that helps match each other's expectations and knowledge about possible options for the partner's actions.

The trust process between individuals as trustors and trustees stimulates further interaction and collaboration, but might also tend to evolve into closed networks (Coleman, 1988; Lazzarini et al. 2009), creating a system of control of its members to prevent unpredictable behaviour. From the functional perspective, close trust relationships enable some actions, but at the same time, it might constrain others (Anderson and Jap, 2005; Langfred, 2004; Cook et al, 2005). For example, Yamagishi and Yamagishi (1994) argue that trust based on past relationships may be detrimental because they lock people into closed circles and prevent them from accessing valuable outside opportunities. A similar process of interaction takes place among people who are related by kinship or ethnicity (Cook et al, 2005). Because intense trust networks tend toward closure (Coleman, 1988), they discourage interactions with those outside the network; therefore, the actual trustworthiness of outsiders often remains untested. Closed networks based on trust structure the flow of resources in ways that may not be optimal for their members, although it may make the relationships comfortable (Möllering and Sydow 2019). Instead of building more abstract forms of trust, such close networks of relational or interpersonal trust may actually reduce the trust of outsiders or make it difficult to create such trust (Rose-Ackerman, 2001a, Rose-Ackerman, 2001b). Hence, moving from high degrees of interpersonal trust to trust at social trust (towards broader groups) is not that straightforward.

1.3.2 Individual trustor and collective trustee: Trust in organizations and systems as collective entities

Collective entities as referents or trustees are usually analysed in two forms: as specific organizations and as broader, more abstract social systems. Trust towards organizations is about trust directed to an entity with a collective of people having a common goal and characterized by specific, specific internal dynamics, culture and institutionalisation processes. As with the interpersonal relations discussed above, we should distinguish this type of trust from a more abstract category - for example, I can, in principle, trust specific lawyers, but have very low trust in the legal department in my organization and for my projects decide to contract external legal services.

What does it mean to trust organizations or systems? As Möllering (2006) notes in his literature review on trust in institutions, both Simmel and Luhmann suggest that trust in systems is not much more than an assumption that a system is functioning, and a willingness to place trust in that system without placing trust in people.

Both trust in organizations and trust in systems are multilevel constructs (cf Kroeger, 2012; Kroeger and Bachmann, 2013; Möllering, 2006; Sydow, 2006): trust exists at the interpersonal level, where the “facework” (cf Giddens, 1990) takes place and at the organizational or system-level that is independent of specific individuals. How these two levels – interpersonal and organizational/system-level - connect and interact is still an outstanding issue.

Trust in organizations

Organizational trust refers not only to individual representatives of the other organizations, but also to features of these organizations (e.g. their organizational structure, culture, accountability systems, and creditworthiness). Also, organizations can be assessed for their trustworthiness in terms of their ability (i.e., the group of skills, competencies, and characteristics that enable them to influence some specific domain), benevolence (i.e., the extent to which they are believed to benefit the trustor, aside from motives based on pure organizational interests), and integrity (i.e., their adherence to a set of principles that the trustor finds acceptable) (Schoorman et al, 2007).

Trust in organizations is more impersonal than interpersonal trust. Giddens (1990: 34) relates trust in organizations to “reliability and faith in the correctness of abstract principles”, while Maguire and Phillips (2008: 372) define organizational trust as “an individual's expectation that some organized system will act



with predictability and goodwill". As mentioned before, in almost all situations trustors use multiple sources of evidence for their assessment of the other party's trustworthiness, the most common sources being institutional and interactional (Dietz, 2011). In interpersonal trust relations the interactional source is most directly relevant, with the institutional source operating more in the background. When assessing an organization's trustworthiness, however, both may be equally relevant but this remains an under explored area.

Even if trust in organizations is more impersonal than interpersonal trust, they clearly interact with each other. Kroeger (2012, 2013; Kroeger and Bachmann 2013) has begun to formulate a theory about possible institutionalization processes to explain this interaction for trust in organizations. Trusting an organization occurs when "an actor who trusts an organization makes themselves vulnerable to the actions of others who are guided by the organization, based on what the actor knows about the regularities of organizational behaviour and about the behavioural incentives and norms as set by the organization" (Kroeger, 2012, p. 747). So, organizational characteristics, like the perceived regularities of organizational behaviour as well as incentives and norms, will help facilitate the trust in the individual representative of that organization when that individual is not yet known to the trustor. These individuals representing the organization are also labelled as boundary spanners, who interact on behalf of the organization with the outside world (cf. Williams, 2002). Trust in these boundary spanners stems both from institutional sources in the form of rule- and role-based trust, but also from the interaction with these individuals themselves. Effective 'facework' by the boundary spanners leads to trust in that individual. Consequently, as the boundary spanner represents the organization, this interpersonal trust can inspire and evoke organizational trust: "a transference from interpersonal to organizational trust can occur if the representative's conduct is viewed as typical of the organization" (Kroeger, 2012, p.747). This concept of 'facework' is according to Kroeger (2017) a key element that links the interpersonal and institutionalized form of trust. Facework refers to "representative behaviour which translates interpersonal trust into trust in an institutional system, across multiple interfaces (structural, situational, representational), based on different structural dimensions (signification, legitimation, domination), on which the representative draws in a routinised manner which results from institutionalised facework routines but simultaneously chronically incorporates individual agency in their instantiation" (Kroeger, 2017, p. 507). The concept of facework hence balances the agentic and institutionalized dimensions in the explanation of the emergence of collective forms of trust.

Trust in systems

System trust refers to the concept of trust in expert systems (Kroeger, 2015; Giddens 1990) originally proposed by Luhmann (1979) and then developed by Sztompka (1999), in which the trustor "basically assumes that a system is functioning and places his trust in that function, not in people (Luhmann, 1979, p. 50). Luhmann (1979) adds that system trust includes the assumption that everybody else also trusts the system. In the words of Kroeger (2015, p. 432), "even though here, too, trust needs to relate to the human behaviour which instantiates and reproduces the respective system, it ultimately refers to the systemic principles which guide that behaviour" (also see Sydow, 1998; Bachmann, 1998). System trust is hence much more distant than interpersonal trust and organizational trust, which affects how trust is built in such systems.

The interest in the system trust concept was intensified in the first decade of the 2000s due to the financial crisis (Gillespie and Hurley, 2013). As it was made evident then, much of the contemporary social and economic systems are working according to the principle of taken-for-grantedness and routine that characterize system trust. The financial crisis forced social actors to recognize both the constructive and destructive potential of trust (Gillespie et al. 2012). Kroeger (2015) argues that the abstract, impersonal form of trust may be a double-edged sword, at the same time stabilizing and undermining the foundations of the system.

But how does system trust arise? Kroeger (2015) refers to different mechanisms. First, scaling up across trust levels is important, in which - again - 'facework' by the system representatives allows for dynamics of



generalization from the interpersonal to the systemic level. In the conceptualization of Luhmann (1979) experts play the role of controlling the system to ensure its proper functioning. Giddens (1990) also gives experts a central role to play in system trust, but in his conceptualization, they are the representatives of the system at the “access points” where the trustor experiences the system. Secondly, there are several mechanisms which strengthen the predictability of the system. There are social norms like norms related to the fairness of economic exchanges (Cook, Levi and Hardin 2009). Moreover, the punishment of malfeasance and discouragement of untrustworthy behaviour is crucial and can be enacted through institutional design as well as legal and compliance mechanisms, such as specialized regulators (Hardin, 2002; Sztompka 1999; Wicks, Moriarty and Harris 2014; see for trust and regulation, Section 4 in this deliverable). Also, the promotion of communication about trust-relevant issues by specific actors or (informal) networks – think of the role of credit-rating agencies – helps to build system trust. While it has often been argued that the increasing introduction of impersonal formalized rules when a system matures means basically the ‘end of trust’, Kroeger (2015) makes a clear argument that no system can function without trust, again referring to the financial sector.

However, Kroeger (2015) adds two extra mechanisms which explain how system trust can spread between actors. There are two such ‘escalating spirals of system trust’ (Kroeger 2015: 434) being vertically, with actors placing too much trust in the system (e.g. trust in the ever more complex financial instruments) and horizontally, with system trust spreading to wider circles of actors not familiar with the principles of the expert system (e.g. more and more actors investing in these complex financial instruments without understanding them). Due to these escalating spirals, system trust might be prone to collapse once their taken-for-grantedness starts to be questioned. This is due to the more distant and less immediate nature, and the fact that as a consequence it lacks a number of safeguards which are pertinent to the interpersonal form” (Kroeger 2015, p. 435). Although these ideas require systematic empirical investigation, they resonate with extant research on trust, especially with the concepts such as optimal trust and the bi-dimensional conception of trust and distrust discussed earlier in this review.

Trust in society

The terms such as public trust (Harris and Wicks, 2010), generalized trust (Sztompka, 1999) or general/social trust (Lewis and Weigert, 1985) are often used interchangeably (Cook and Schilke, 2010) to denote the average social level of trust towards people outside of the closed circles of people we personally know well: e.g., first-time encounters, foreigners, neighbours, casual acquaintances. This type of trust supports social interactions on a broader scale and is considered crucial for collective well-being (Lewis and Weigert, 1985, Möllering, 2006). Low level of such trust may impede interacting with others and may block cooperation opportunities in many important areas of social life. The work on generalized trust investigates the role of trust in the provision of public goods and in public life more generally. Without generalized trust, the collective action problems of our day cannot be solved easily (Ostrom and Walker, 2003).

On a collective level, we can talk about the generalized propensity to trust; that is why we can call some societies generally more trusting than others. This propensity to trust is a reflection of social expectations and a product of collective historical experiences (Sztompka, 1999). The propensity to trust usually collocates with traits such as optimism, active attitude towards the world and orientation towards the future. It constitutes a part of what Lewis and Weigert (1985, 2012) label ‘social reality’. The creation of a culturally embedded climate of trust or distrust that reflects this generalized propensity to trust is of great importance to the functioning of the society (Sztompka, 1999).

1.3.3 Trust at collective level: organizations and collectivities as trustors

Individuals trust, but is it possible for organizations or collectivities to trust as well? Researchers have different views on that. For instance, Janowicz-Panjaitan and Krishnan (2009) argue that only individuals can trust and not organizations. Other, however, support the view that we can talk about trust between organizations (Möllering and Sydow, 2019). In the studies of inter-organizational relationships trust can be



viewed as both an individual and a collective construct. Studies taking the individual perspective emphasize the degree to which individual representatives of an organization trust their counterparts in another organization or different domains of that organization, such as its systems, culture, and management (Gillespie and Dietz, 2009). The collective perspective emphasizes “the extent of trust [that is] placed in the partner organization by the members of a focal organization” (Zaheer, McEvily and Perrone, 1998, p. 142), implying that trust pertains at the inter-organizational level.

Early conceptualizations are criticized because they see collective trust simply as a combined individual trust of group members divided by their number. So, the question of how collective trust merges into one collective construct of collective trust is important and still not properly addressed (Fulmer and Ostroff, 2016). It is, however, increasingly recognized that trust at the collective level is a separate concept requiring some consensus regarding trust between individual group members (Fulmer, 2018).

How can trust of an organization as a collective entity in another entity come about? The literature on trust within organizations brings relevant insights. Trust within organizations has been conceptualized as a collective phenomenon that can constitute a characteristic of organizational culture. Kramer (2010, p. 83) sees trust within an organization as a collective phenomenon predicated upon and co-extensive with shared membership of an organization that “arises when a variety of institutional, social and psychological elements are in place. Loosely construed, collective trust constitutes a kind of psychological tipping point phenomenon: when sufficient reassuring factors are perceived to be in place, collective trust tends to be present. When they are insufficient or absent, it does not.”⁴ In collective settings, such as organizations, trust assumes a different character than in dyadic relationships, as in collective cases intimate knowledge of the other party is in most cases unattainable and judgemental underpinnings of trust become more complicated. This trust has a less personal, less direct and less individuated form (Kramer, 2010). It assumes a taken-for-granted quality becoming inculcated into the organizational culture. For organizations, trust within the organization is an important component of organizational action (McEvily et al., 2003) that can improve intra- and inter-organizational performance (Dirks and Skarlicki, 2009, Zaheer et al., 1998).

How does organizational trust develop? Institutionalization is a lens allowing us to look at the creation of collective trust in a dynamic and processual perspective (Möllering, 2013). Kroeger (2012) used institutionalization theory to propose that individuals’ trusting behaviours may be institutionalized within their organization as they get replicated and habitualised “due to the economy of effort this affords the actors” (p. 751), which would, in turn, make it more likely that other individuals that are guided by the organization, i.e. work there, will trust as well. In the context of inter-organizational relations, Schilke and Cook (2013) argue that the starting point of the institutionalization process is the trust emerging on the basis of sources related to the social embeddedness of the organization and the trustworthiness of a potential collective partner based on: (1) earlier interactions, (2) reputation, (3) ordering categories. Next, the mechanism of institutionalization works through two processes: objectivization and habituation (Tolbert and Zucker, 1996). Objectification refers to the development of general, social meanings by a set of social actors. This common understanding is developed by communication and workplace interaction: “During various conversations, organizational members convey their expectations, values, beliefs, and assumptions to other member, resulting in a diffusion of interpretations throughout the organization.” (Schilke and Cook 2013, p. 290). Habitualisation refers to development of patterns in problem-solving in response to particular stimuli (Tolbert and Zucker, 1996). It happens when distinct organizational routines emerge within the organization. These patterns of behaviour sometimes become a general, unreflective and naturally accepted mode of action (Powell and Colyvas, 2008). With time, they again become taken-for-granted strategies for action, are

⁴ Social scientists have afforded considerable attention to identifying the foundations of trust within organizations (Arrow, 1974, Cook et al., 2005a, Cook and Hardin, 2001, Creed and Miles, 1996, Granovetter, 1985, McEvily et al., 2003, Zucker, 1986). Trust within organizations can be based on (1) rule systems, (2) professional/social roles, (3) leadership and management practices enacted within organizations (Kramer 2010). Powell (1996) conceives trust as similar to human or moral capital operating distinctly different than physical forms of capital. The supply of trust, he argues, increases with use rather than decreasing in value. Trust is not depleted in the same way that physical capital is over time when it is used.



passed through the social fabric of the group to both current and new members. They become independent of individuals and are relatively difficult to change.

1.3.4 Concluding remarks

The conceptualization of trust relationships intersecting the levels and the referents of trust (or different kinds of trustors and trustees) is a useful way of thinking about the complexities of trust relationships in modern social life, but it has some limitations. First, it assumes a bilateral character of trust, which is at odds with some of our everyday experiences of social life. Namely, we participate not only in bilateral relationships but rather in networks of relationships between many entities (Powell and Smith-Doerr, 1994). That is why multi-level and inter-level approaches to trust need further investigation. Second, the issue of symmetry in a relationship of trust is an important emerging question (Zaheer and Zaheer, 2006; Schoorman et al, 2007). Even in bilateral relationships, trust of one party does not necessarily mean trust (or trust in the same properties) of the other party in the relationship. Similarly, there are no studies that accurately examine the link between the trustor's trust and the trustworthiness of the trustee or recipient. Complete alignment seems unattainable because the trustor can never be in possession of complete information about the recipient (Graebner, 2009). Non-alignment can result in 'too high' or 'too low' trust exhibited by one of both parties, opening an interesting debate on optimal levels of trust (see above).

In the TiGRE project, we will have a chance to address some of the challenges within the field of trust studies. Trust across levels and referents is still an extremely rich area of interest. While trust of individuals towards individuals has been quite well explored in social sciences, especially in psychology, trust of collective entities and towards collective entities still remains relatively understudied. We know from existing studies that trust in different referents may have different sources and bring different results. Moreover, trust at one level/towards one referent may provide an important element of context (Johns, 2006) shaping trust at other levels and towards other referents. We will explore the interplay between various trust levels and referents on the specific grounds of regulation in the international comparative context.

Thanks to a unique setup including countries from Eastern and Western parts of the European Union and outside of the EU we also are in a unique position to explore the topics related to trust and transformations. The problem of low trust towards a general collective referent has been thoroughly studied in the context of transition economies (Lakis, 2009, Bukowski et al., 2014, Mieriņa, 2014). Extant research shows that transition countries are rich in interpersonal or relational trust (Cook and Gerbasi, 2009), such as family ties and long-term friendships, composed of a combination of cognitive and affective elements. Whereas interpersonal or relational trust can be highly beneficial in many areas, it cannot – on its own - carry the burden of making the social life to function properly (Cook, 2008, Latusek and Cook, 2012). Absence of general trust makes relationships (even trivial ones) outside of close personal network difficult. The question of how to move from interpersonal to a general type of trust is a matter of continuous debates and it has been addressed, for example, from a network perspective (open and closed networks, see Burt, 2005), or from a social capital perspective (bridging and bonding social capital, Putnam, 2000). However, the precise mechanisms of how to move from interpersonal trust to more collective forms of trust have not yet been fully analytically unpacked. Kramer (2010: 84) notes that - as we are conceptually moving in trust analysis from relational cases to more complex collective contexts - "it isn't entirely clear that this sort of deep, historical, or 'thick' interpersonal trust will necessarily generalize readily or fully to a larger aggregate or collection of interdependent social actors. In such collective contexts, individuals may be just as deeply interdependent with, and dependent on, other people, but they are unlikely to have the requisite detailed, personal knowledge of each other that provides the usual foundation for interpersonal trust".

Finally, an important question emerging in the literature that we aim to address is trust management: how trust recipients can shape the context and factors within a relationship to induce trust/distrust (Möllering and Sydow 2019). This has potentially profound practical consequences as it may enable us to formulate advice and guidelines that would enable building more trust across our societies.



1.4 Concluding remarks for Section 1

This critical review of the concepts of trust and distrust covered a wide range of academic disciplines and studies. The TiGRE project is also interdisciplinary in nature and a wide range of empirical studies will be executed in the next Work Packages. Much is yet debated in the trust literature, yet for these empirical studies, we need to take positions to be able to research the role of trust and distrust in governance and regulation in Europe. In this section, we highlight the main positions we take forward in this project. This will be integrated into the conceptual model/framework in report D.1.3. In each of the empirical studies, hypotheses will be derived based on the conceptual work we did in this report.

1. Trust is best conceptualized as a process with distinguishable stages of trustworthiness assessment, trust decision and risk-taking behaviour, with feedback loops back to the trustworthiness assessment.
2. Trust is a relational concept: A trusts B to do X under conditions Y. While at the same time B trusts A with respect to K under conditions L. And thus, the vulnerabilities that A and B face are different within the same relationship (X versus K) and therefore the relevant conditions for the leap of faith may vary as well (Y versus L).
3. The dominant dimensions of trustworthiness assessment are ability/competence, benevolence and integrity, with the latter two often taken together as intentions.
4. Trust and distrust are distinct concepts, which have to be measured separately. Trust has both extrinsic and intrinsic value, while distrust only has extrinsic value. Both trust and distrust can thus be functional and dysfunctional, depending on the conditions.
5. Trust and distrust can co-exist in the same relationship. The concept of the balance of trust and distrust capture this idea.
6. Trust and control can have a positive relationship, so that controls are not necessarily a sign of distrust that crowds out trust. However, both the 'what' and 'how' of control is important to understand how trust and control relate.
7. Processes of trust building, violations and repairs are crucial for a dynamic process-based perspective.
8. Trust can be towards individuals, organizations, institutions and systems, and these levels of trust are interrelated and interact, but in very specific ways. This is certainly relevant in regulatory regimes.

The other sections of this report (Sections 3 and 4) deal with specificities in terms of causes (drivers), patterns and dynamics, as well as effects of trust and distrust as they show in the literature on trust in governments (Section 3) and trust in regulatory regimes (Section 4). Section 5 deals with how trust has been measured in methodological terms in empirical studies about trust in regulatory regimes. Section 2 first defines what we mean by regulation and regulatory regimes.



1.5 Bibliography

- Adler, P. S., and Borys, B. (1996). Two types of bureaucracy: Enabling and coercive. *Administrative science quarterly*, 61-89.
- Anderson, E., and Jap, S. D. (2005). The dark side of close relationships. *MIT Sloan Management Review*, 46, 75–82.
- Argyris, C. (1969). Selections from the Impact of Budgets on People. *Organizations: structure and behavior*, 1, 282.
- Arrow, K. (1974). *The limits of organization*. New York: Norton.
- Avis, J. (2003). Re-thinking trust in a performative culture: the case of education. *Journal of Education Policy*, 18(3), 315-332.
- Bachmann, R. (1998). Conclusion: Trust–conceptual aspects of a complex phenomenon. *Trust within and between organizations*, 298-322.
- Bachmann, R. (2011). At the crossroads: Future directions in trust research. *Journal of Trust Research*, 1(2), 203-213.
- Bachmann, R., Gillespie, N., and Priem, R. (2015). Repairing trust in organizations and institutions: Toward a conceptual framework. *Organization Studies*, 36(9), 1123-1142.
- Baier, A. (1986). Trust and antitrust. *Ethics*, 96, 231–260.
- Banerjee, S., Bowie, N. E., and Pavone, C. (2006). An ethical analysis of the trust relationship. In R. Bachmann and A. Zaheer (Eds.), *Handbook of trust research* (pp. 303–317). Cheltenham, UK: Edward Elgar Publishing.
- Barber, B. (1983). *The logic and limits of trust*. Rutgers University Press: New Brunswick, NJ.
- Berg, J., Dickhaut, J., and McCabe, K. (1995). Trust, reciprocity, and social history. *Games and economic behavior*, 10(1), 122-142.
- Better Regulation Commission. (2006). Risk, Responsibility and Regulation – Whose risk is it anyway? Available at: https://regulation.org.uk/library/2006_risk_responsibility_regulation.pdf
- Bies, R. J., Barclay, L. J., Francisca Saldanha, M., Kay, A. A., and Tripp, T. M. (2018). Trust and distrust: Their interplay with forgiveness in organizations. In Searle, R.H., A-M.I. Nienaber and S.B. Sitkin (eds), *The Routledge Companion to Trust*, London: Routledge, pp. 203–326.
- Bijlsma-Frankema, K. M. and Costa, A. C. (2005) 'Understanding the trust-control nexus', *International Sociology*, 20, pp. 259–280.
- Bijlsma, K. M., and Van De Bunt, G. G. (2003). Antecedents of trust in managers: A “bottom up” approach. *Personnel Review*.
- Bijlsma-Frankema, K., Sitkin, S. B., and Weibel, A. (2015). Distrust in the balance: The emergence and development of intergroup distrust in a court of law. *Organization Science*, 26(4), 1018-1039.
- Bolton, S. C. (2004). *Emotion management in the workplace*. Macmillan International Higher Education.
- Brühl, R., Basel, J. S., and Kury, M. F. (2018). Communication after an integrity-based trust violation: How organizational account giving affects trust. *European Management Journal*, 36(2), 161-170.
- Bukowski, A., Gadowska, K., and Polak, P. (2014). Formal and informal rules of doing business in Poland in the context of accession to the European Union: An analysis of the institutional changes. *Polish Sociological Review*, 4 (188)
- Burt, R. S., and Knez, M. (1995). Kinds of Third-Party Effects on Trust. *Rationality and Society*, 7(3), 255–292.
- Burt, R. S. (2005). *Closure, Trust, and Reputation*. Brokerage and Closure, 93-166.
- Chambers, J. R., and Melnyk, D. (2006). Why do I hate thee? Conflict misperceptions and intergroup mistrust. *Personality and Social Psychology Bulletin*, 32(10), 1295-1311.
- Chang, Y. S., and Fang, S. R. (2013). Antecedents and distinctions between online trust and distrust: Predicting high- and low-risk internet behaviors. *Journal of Electronic Commerce Research*, 14, 146–166.
- Child, J. and Möllering, G. (2003). 'Contextual confidence and active trust development in strategic alliances', *Organization Science*, 14, pp. 69–80.
- Cho, J. (2006). The mechanism of trust and distrust formation and their relational outcomes. *Journal of Retailing*, 82(1), 25-35.
- Coleman, J. S. (1988) 'Social Capital in the Creation of Human Capital', *American Journal of Sociology*, 94, pp. 95–120.
- Cook, K. S., Yamagishi, T., Cheshire, C., Cooper, R., Matsuda, M., and Mashima, R. (2005). Trust building via risk taking: A cross-societal experiment. *Social psychology quarterly*, 68(2), 121-142.



- Cook, K., Rice, E. R. W., and Gerbasi, A. (2004). The Emergence of Trust Networks under Uncertainty: The Case of Transitional Economies-Insights from Social Psychological Research. In J. Kornai, B. Rothstein, and S. Rose-Ackerman (Eds.), *Creating Social Trust in Post-Socialist Transition* (pp. 193–212). Palgrave Macmillan.
- Cook, K. S., Kramer, R. M., Thom, D. H., Stepanikova, I., Bailey Mollborn, S., and Cooper, R. M. (2004). Trust and distrust in patient-physician relationships: perceived determinants of high- and low-trust relationships in managed-care settings. In R. M. Kramer and K. S. Cook (Eds.), *Trust and distrust in organizations: dilemmas and approaches* (pp. 65–98). New York: Russell Sage Foundation.
- Cook, K. S., and Gerbasi, A. (2009). *Trust: explanations of social action and implications for social structure*. The Oxford Handbook of Analytical Sociology, Oxford University Press, Oxford.
- Cook, K. S., and Schilke, O. (2010). The role of public, relational and organizational trust in economic affairs. *Corporate Reputation Review*, 13, 98–109.
- Cook, K., Hardin, R., and Levi, M. (2005). *Cooperation without trust?* New York: Russell Sage Foundation.
- Cook, K. S. (2008). The limits of trust: How institutions take up where trust leaves off. *The Focus*, 7(1), 49–51.
- Cook, K. S., Levi, M., and Hardin, R. (Eds.). (2009). *Whom can we trust?: How groups, networks, and institutions make trust possible*. Russell Sage Foundation.
- Colquitt, J. A., LePine, J. A., Piccolo, R. F., Zapata, C. P., and Rich, B. L. (2012). Explaining the justice–performance relationship: Trust as exchange deepener or trust as uncertainty reducer?. *Journal of applied psychology*, 97(1), 1.
- Creed, D. W. E., and Milles, R. E. (1996). Trust in organizations: a conceptual framework linking organizational forms, philosophies, and the opportunity cost controls. In R. M. Kramer and T. Tyler (Eds.), *Trust in Organizations: Frontiers of Theory and Research* (pp. 16–38). Thousand Oaks: Sage.
- Das, T. K. and Teng, B. S. (2001) 'Trust, control, and risk in strategic alliances: an integrated framework', *Organization Studies*, 22, pp. 251–283.
- Dasgupta, P. (1988). Trust as a commodity. In D. Gambetta (Ed.), *Trust: Making and Breaking Cooperative Relations* (pp. 49–72). New York: Blackwell.
- Dekker, P., and Broek, A. (2004). Civil society in longitudinal and comparative perspective: voluntary associations, political involvement, social trust and happiness in a dozen countries. In Proceedings of the 6th International Conference of the International Society for Third-sector Research: Ryerson University, Toronto.
- Deutsch, M. (1958). Trust and suspicion. *Journal of Conflict Resolution*, 2(4), 265–279.
- Dimoka, A. (2010). What does the brain tell us about trust and distrust? evidence from a functional neuroimaging study. *MIS Quarterly: Management Information Systems*, 373–396.
- Dietz, G. (2011). Going back to the source: Why do people trust each other? *Journal of Trust Research*, 1, 215–222.
- Dietz, G. and Den Hartog, D. N. (2006) 'Measuring trust inside organisations', *Personnel Review*, 35, pp. 557–588.
- Dirks, K. T., and Skarlicki, D. P. (2009). The relationship between being perceived as trustworthy by co-workers and individual performance. *Journal of Management*, 35, 136–157.
- Dirks, K. T., Kim, P. H., Ferrin, D. L., and Cooper, C. D. (2011). Understanding the effects of substantive responses on trust following a transgression. *Organizational Behavior and Human Decision Processes*, 114(2), 87–103.
- Edelenbos, J., and Eshuis, J. (2012). The interplay between trust and control in governance processes: A conceptual and empirical investigation. *Administration and Society*, 44(6), 647–674.
- Faulkner, P., and Simpson, T. (2017). *The philosophy of trust*. Oxrod, UK: Oxford University Press.
- Ferrin, D. L., Kim, P. H., Cooper, C. D., and Dirks, K. T. (2007). Silence speaks volumes: the effectiveness of reticence in comparison to apology and denial for repairing integrity- and competence-based trust violations. *Journal of Applied Psychology*, 92, 893–908.
- Flores, F., and Solomon, R. C. (1998). Creating trust. *Business Ethics Quarterly*, 8(2), 205–232.
- Flynn, R. (2002) Clinical governance and governmentality, *Health Risk and Society*, 4, 2, 155– 73.
- Fox, A. (1974). *Beyond contract: Work, power and trust relations*. Faber and Faber.
- Fukuyama, F. (1995). *Trust: the social virtues and the creation of prosperity*. New York: Free Press .
- Fulmer, A. C. (2018). Multilevel trust: Antecedents and outcomes of trust at different levels. In *The Routledge Companion to Trust* (pp. 143–160).
- Fulmer, C. A., and Gelfand, M. J. (2012). At what level (and in whom) we trust: Trust across multiple organizational



- levels. *Journal of management*, 38(4), 1167-1230
- Fulmer, A. C. and Ostroff, C. (2016) 'Convergence and emergence in organizations: An integrative framework and review', *Journal of Organizational Behavior*.
- Gambetta, D. (1988). *Trust: making and breaking cooperative relations*. New York, NY, USA: Blackwell.
- Ghoshal, S., and Moran, P. (1996). Bad for practice: A critique of the transaction cost theory. *Academy of management Review*, 21(1), 13-47.
- Giddens, A. (1990). *The consequences of modernity*. Cambridge, UK: Polity.
- Gillespie, N., and Dietz, G. (2009). Trust repair after an organization-level failure. *Academy of Management Review*, 34, 127–145.
- Gillespie, N., Hurley, R., Dietz, G., and Bachmann, R. (2012). Restoring institutional trust after the global financial crisis: A systemic approach
- Gillespie, N. and Siebert, S. (2018) 'Organizational Trust Repair', in *The Routledge Companion to Trust*. London: Routledge, pp. 284–301.
- Gillespie, N., and Hurley, R. (2013). Trust and the global financial crisis. In *Handbook of advances in trust research*. Edward Elgar Publishing.
- Graebner, M. E. (2009). Caveat venditor: Trust asymmetries in acquisitions of entrepreneurial firms. *Academy of Management Journal*, 52(3), 435-472.
- Granovetter, M. (1985). Economic Action and Social Structure: The Problem of Embeddedness. *American Journal of Sociology*, 91, 481
- Gunningham, N. and D. Sinclair (2009), 'Regulation and the role of trust: Reflections from the mining industry', *Journal of Law and Society*, 36(2), 167–194.
- Grover, S. L., Hasel, M. C., Manville, C., and Serrano-Archimi, C. (2014). Follower reactions to leader trust violations: A grounded theory of violation types, likelihood of recovery, and recovery process. *European Management Journal*, 32(5), 689-702.
- Guo, S. L., Lumineau, F., and Lewicki, R. J. (2017). Revisiting the Foundations of Organizational Distrust. *Foundations and Trends in Management*, 52(3), 435-472.
- Hardin, R. (2002). *Trust and trustworthiness*. New York: Russell Sage Foundation.
- Hardin, R. (2004). *Distrust*. New York, Russell Sage Foundation
- Hardin, R. (2013). Government without trust. *Journal of Trust Research*. 3(1), 32-52.
- Harris, J. D., and Wicks, A. C. (2010). 'Public Trust' and Trust in Particular Firm–Stakeholder Interactions. *Corporate Reputation Review*, 13, 142–154.
- Hoetker, G. (2005). How much you know versus how well I know you: selecting a supplier for a technically innovative component. *Strategic Management Journal*, 26, 75–96.
- Hollis, M. (1998). *Trust within reason*. Cambridge: Cambridge University Press.
- Hosmer, L. T. (1995). Trust: the connecting link between organizational theory and philosophical ethics. *Academy of Management Review*, 20(2), 379-403.
- Janowicz-Panjaitan, M., and Krishnan, R. (2009). Measures for dealing with competence and integrity violations of interorganizational trust at the corporate and operating levels of organizational hierarchy. *Journal of Management Studies*, 46(2), 245-268.
- Johns, M. (2006). *Deception and trust in complex semi-competitive environments*. Doctoral dissertation, University of Pennsylvania.
- Kang, D. C. (2002) 'Transaction Costs and Crony Capitalism in East Asia'. Kang, D. C. (2003). Transaction costs and crony capitalism in East Asia. *Comparative Politics*, 439-458
- Kim, P. H., Dirks, K. T., and Cooper, C. D. (2009). The repair of trust: a dynamic bi-lateral perspective and multi-lateral conceptualization. *Academy of Management Review*, 34 (3), 401-422.
- Kim, P. H. (2018) 'An interactive perspective on trust repair', in Searle, R. H., Nienaber, A.-M. I., and Sitkin, S. B. (eds) *The Routledge Companion to Trust*. Routledge, pp. 269–283.
- Kim, P. H., and Harmon, D. J. (2014). Justifying one's transgressions: How rationalizations based on equity, equality, and need affect trust after its violation. *Journal of Experimental Psychology: Applied*, 20(4), 365.



- Kim, P. H., Ferrin, D. L., Cooper, C. D., and Dirks, K. T. (2004). Removing the shadow of suspicion: the effects of apology versus denial for repairing competence-versus integrity-based trust violations. *Journal of applied psychology*, 89(1), 104.
- Kim, P. H., Dirks, K. T., Cooper, C. D., and Ferrin, D. L. (2006). When more blame is better than less: The implications of internal vs. external attributions for the repair of trust after a competence-vs. integrity-based trust violation. *Organizational behavior and human decision processes*, 99(1), 49-65.
- Kim, P. H., Cooper, C. D., Dirks, K. T., and Ferrin, D. L. (2013). Repairing trust with individuals vs. groups. *Organizational Behavior and Human Decision Processes*, 120(1), 1-14.
- Korsgaard, M. A. (2018) 'Reciprocal trust: A self-reinforcing dynamic process', in Searle, R. H., Nienaber, A.M., and Sitkin, S. B. (eds) *The Routledge Companion to Trust*. London: Routledge, pp. 14–18.
- Kramer, R. M., and Lewicki, R. J. (2010). Repairing and enhancing trust: Approaches to reducing organizational trust deficits. *Academy of Management Annals*, 4(1), 245-277.
- Kramer, R. M. (2010). Collective trust within organizations: Conceptual foundations and empirical insights. *Corporate Reputation Review*, 13, 82–97.
- Kramer, R. M. (1994). The sinister attribution error: paranoid cognition and collective distrust in organizations. *Motivation and Emotion*, 18, 199–230.
- Kramer, R. M. (1996). Divergent realities and convergent disappointments in the hierarchic relation: trust and the intuitive auditor at work. In Roderick Moreland Kramer and T. R. Tyler (Eds.), *Trust in organizations: frontiers of theory and research* (pp. 216–245). Thousand Oaks: Sage.
- Kramer, R. M. (1999) 'Trust and Distrust in Organizations: Emerging Perspectives, Enduring Questions', *Annual Reviews in Psychology*, 50, pp. 569–598.
- Kramer, R. M. and Lewicki, R. J. (2010) 'Repairing and enhancing trust: Approaches to reducing organizational trust deficits', *Academy of Management Annals*.
- Kroeger, F. (2012), Trusting organizations: the institutionalization of trust in interorganizational relationships, *Organization*, 19(6), 743–763.
- Kroeger, F. and Bachmann, R. (2013). Trusting Across Boundaries, pp. 253–84 in Langan-Fox, J. and Cooper, C.L. (Eds.), *Boundary-Spanning in Organizations: Network, Influence, and Conflict*, New York, Routledge.
- Kroeger, F. (2013). How is trust institutionalized? Understanding collective and long-term trust orientations. In *Handbook of advances in trust research*. Edward Elgar Publishing.
- Kroeger, F. (2015). The development, escalation and collapse of system trust: From the financial crisis to society at large. *European Management Journal*, 33(6), 431-437.
- Kroeger, F. (2017). Facework: Creating trust in systems, institutions and organisations. *Cambridge Journal of Economics*, 41, 487–514.
- Lakis, J. (2009). Social conflicts and the culture of cooperation in transitional society. *Baltic Journal of Management*.
- Langfred, C. W. (2004). Too much of a good thing? Negative effects of high trust and individual autonomy in self-managing teams. *Academy of Management Journal*, 47, 385–399.
- Lane, C., and Bachmann, R. (1998). *Trust within and between organizations: conceptual issues and empirical applications*. New York: Oxford University Press.
- Latussek, D., and Cook, K. S. (2012). Trust in Transitions. *Kyklos*, 65, 512–525.
- Lazzarini, S. G., G. J. Miller and T. R. Zenger. (2008). Dealing with the paradox of embeddedness: the role of contracts and trust in facilitating movement out of committed relationships. *Organization Science* 19:709-728.
- Lenard, P. T. (2015). The political philosophy of trust and distrust in democracies and beyond. *The Monist*, 98(4), 353–359.
- Levi, M. (2000). When Good Defenses Make Good Neighbors: A Transaction Cost Approach to Trust, the Absence of Trust and Distrust. In: C. Menard (Ed.) *Institutions, Contracts, and Organizations: Perspectives from New Institutional Economics* (pp. 137-157). Northampton, MA: Edward Elgar Publishing.
- Lewicki, R., and Bunker, B. (1996). Developing and maintaining trust in work relationships. In R M Kramer and T. R. Tyler (Eds.), *Trust in organizations: frontiers of theory and research* (pp. 114–139). Thousand Oaks, CA: Sage.



- Lewicki, R., McAllister, D. J. and Bies, R. J. (1998). Trust and distrust: New relationships and realities. *Academy of Management Review*, 23(3), 438-458.
- Lewicki, R. J. and Tomlinson, E. C. (2003). Trust and trust building. In Burgess G. and Burgess H. (Eds), Beyond Intractability Knowledge Base Project. Boulder, US: Conflict Research Consortium, University of Colorado. pp. 305–315
- Lewicki, R. J., Tomlinson, E. C., and Gillespie, N. (2006). Models of interpersonal trust development: Theoretical approaches, empirical evidence, and future directions. *Journal of management*, 32(6), 991-1022.
- Lewis, D. J. and Weigert, A. (1985). 'Trust as a social reality'. *Social Forces*, 63(4), 967–985.
- Lewis, D. J. and Weigert, A. J. (2012) 'The social dynamics of trust: Theoretical and empirical research, 1985-2012', *Social Forces*.
- Lindenberg, S. (2000). It takes both trust and lack of mistrust: The workings of cooperation and relational signaling in contractual relationships. *Journal of Management and Governance*, 4(1–2), 11–33.
- Liu, M., and Wang, C. (2010). Explaining the influence of anger and compassion on negotiators' interaction goals: An assessment of trust and distrust as two distinct mediators. *Communication Research*, 37(4), 443-472.
- Løgstrup, K. E. (1997). *The ethical demand*. Notre Dame: University of Notre Dame Press.
- Luhmann, N. (1979). *Trust and power*. Chicester, John Wiley and Sons.
- Luhmann, N. (1988) 'Familiarity, confidence, trust: problems and alternatives', in
- Lumineau, F. (2017). How Contracts Influence Trust and Distrust. *Journal of Management*, 43(5), 1553-1577.
- Maguire, S., and Phillips, N. (2008). 'Citibankers' at Citigroup: A study of the loss of institutional trust after a merger. *Journal of management studies*, 45(2), 372-401.
- Mayer, R. C., Davis, J. H., and Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review*, 20, 709–734.
- McAllister, D. J., Lewicki, R. J., and Chaturvedi, S. (2006). Trust in developing relationships: from theory to measurement. In Academy of Management Proceedings (Vol. 2006, No. 1, pp. G1-G6). Briarcliff Manor, NY 10510: Academy of Management.
- McEvily, B., Perrone, V., and Zaheer, A. (2003). Trust as an organizing principle. *Organization Science*, 14, 91–103.
- McEvily, B. and Tortoriello, M. (2011) 'Measuring trust in organizational research: review and recommendations', *Journal of Trust Research*.
- McFall, L. (1987). Integrity. *Ethics*, 98, 5-20.
- McGeer, V. (2008). Trust, hope and empowerment, *Australasian Journal of Philosophy*, 86(2), 237-254.
- McKnight, D. H., and Chervany, N. L. (2001). While trust is cool and collected, distrust is fiery and frenzied: a model of distrust concepts. *Proceedings of the Americas Conference on Information Systems*, 883–888.
- McKnight, D. H. and Chervany, N. L. (2002). What Trust Means in E-Commerce Customer Relationships: An Interdisciplinary Conceptual Typology." *International Journal of Electronic Commerce* 6(2), 35–59.
- McKnight, D. H., Kacmar, C. J., and Choudhury, V. (2004). Dispositional Trust and Distrust Distinctions in Predicting High- and Low-Risk Internet Expert Advice Site Perceptions. *E-Service Journal*, 3, 85–109.
- Mesquita, L. F. (2007). Starting over when the bickering never ends: rebuilding aggregate trust among clustered firms through trust facilitators. *The Academy of Management Review*, 32, 72–91.
- Messick, D. M., and Kramer, R. M. (2001). Trust as a form of shallow morality. In K. S. Cook (Ed.), *Trust in society* (pp. 89–117).
- Mieriņa, I. (2014). The Vicious Circle: Does disappointment with political authorities contribute to political passivity in Latvia?. *European Societies*, 16(4), 615-637.
- Möllering, G. (2006). *Trust: reason, routine, reflexivity*. Amsterdam: Elsevier.
- Möllering, G. (2013). Trust without knowledge? Comment on Hardin, 'Government without trust.' *Journal of Trust Research*. 3(1), 53-58.
- Möllering, G. (2013). Process views of trusting and crises. In R. Bachmann and A. Zaheer (Eds.), *Handbook of Advances in Trust Research* (pp. 285–305). Cheltenham, UK: Edward Elgar
- Möllering, G., and Sydow, J. (2019). Trust Trap? Self-Reinforcing Processes in the Constitution of Inter-Organizational Trust. In M. Sasaki (Ed.), *Trust in Contemporary Society* (pp. 141–160). Leiden: Brill



- Malhotra, D. and Lumineau, F. (2011) 'Trust and collaboration in the aftermath of conflict: The effects of contract structure', *Academy of Management Journal*, 54(5), pp. 981–998.
- Meyer, M. C. (1998). The persistence of unit trust performance for the period July 1985-June 1995. *South African Journal of Business Management*, 29(3), 100-108.
- Mondak, J. J., Hayes, M., and Canache, D. (2017). Biological and psychological influences on political trust. In *Handbook on political trust*. Edward Elgar Publishing.
- Murphy, K., Hinds, L., and Fleming, J. (2008). Encouraging public cooperation and support for police. *Policing and Society*, 18(2), 136-155.
- Nannestad, P. (2008). What Have We Learned about Generalized Trust, If Anything? *Annual Review of Political Science*, 11, 413– 36.
- Nooteboom, B. (2002). *Trust: forms, foundations, functions, failures and figures*. Cheltenham, UK ; Northampton, MA: Edward Elgar.
- Nooteboom, B., and Six, F. (Eds.). (2003). *The trust process in organizations: Empirical studies of the determinants and the process of trust development*. Edward Elgar Publishing.
- Nyhan, R. C. (2000). Changing the paradigm: Trust and its role in public sector organizations. *The American Review of Public Administration*, 30(1), 87-109.
- Oomsels, P., and Bouckaert, G. (2014). Studying Interorganizational Trust in Public Administration: A Conceptual and Analytical Framework for "Administrational Trust". *Public Performance and Management Review*, 37(4), 577-604.
- Oomsels, P. (2016). *Administrational Trust: An empirical examination of interorganisational trust and distrust in the Flemish administration*. Doctoral dissertation. KU Leuven University.
- Oomsels, P., Callens, M., Vanschoenwinkel, J., and Bouckaert, G. (2019). Functions and Dysfunctions of Interorganizational Trust and Distrust in the Public Sector. *Administration and Society*, 51(4), 516–544.
- Ostrom, E., and Walker, J. (2003). *Trust and reciprocity: Interdisciplinary lessons for experimental research*. Russell Sage Foundation.
- Ou, C. X., and Sia, C. L. (2010). Consumer trust and distrust: An issue of website design. *International Journal of Human Computer Studies*, 68(913–934).
- O'Neill, O. (2002). *A question of trust: The BBC Reith Lectures 2002*. Cambridge University Press.
- O'Neill, O. (2018). Linking Trust to Trustworthiness. *International Journal of Philosophical Studies*, 26(2), 293–300.
- Painter, M. and B.G. Peters (2010). *Tradition and public administration*. Houndmills, Palgrave Macmillan.
- Parkhe, A., and Miller, S. R. (2000). The structure of optimal trust: a comment and some extensions. *Academy of Management Review*, 25, 10–11.
- Pettit, P. (1995). The cunning of trust. *Philosophy and Public Affairs*, 24(3), 202-225.
- Pfarrer, M., Decelles, K. and Smith, K. (2008) After the fall: Reintegrating the corrupt organization, *Academy of Management Review*, 33, 730–749
- Maguire, S., and Phillips, N. (2008). 'Citibankers' at Citigroup: A study of the loss of institutional trust after a merger. *Journal of management studies*, 45(2), 372-401.
- Powell, W. W., and Smith-Doerr, L. (1994). Networks and economic life. *The Handbook of Economic Sociology*, 368–402.
- Powell, W W. (1996). Trust-based forms of governance. In R M Kramer and T. Tyler (Eds.), *Trust in organizations: Frontiers of theory and research* (pp. 51–67). Thousand Oaks: Sage.
- Powell, W W, and Colyvas, J. A. (2008). Microfoundations of organizational theory. In R. Greenwood, C. Oliver, K. Sahlin-Andersson, and R. Suddaby (Eds.), *The SAGE Handbook of Organizational Institutionalism* (pp. 276–298). Thousand Oaks, CA: Sage.
- Putnam, R. D. (1993). *Making democracy work: civic traditions in modern Italy*. Princeton: Princeton University Press.
- Putnam, R. (2000). *Bowling Alone: The Collapse and Revival of American Community*. New York: Touchstone.
- Reimann, M., Schilke, O., and Cook, K. S. (2017). Trust is heritable, whereas distrust is not. *Proceedings of the National Academy of Sciences of the United States of America*, 114(27), 7007-7012
- Rosanvallón, P., and Goldhammer, A. (2008). *Counter-democracy: Politics in an age of distrust* (Vol. 7). Cambridge University Press.
- Rose-Ackerman, S. (2001a). Trust, honesty and corruption: reflection on the state-building process. *European Journal of*



- Sociology*, 42, 526–570.
- Rose-Ackerman, S. (2001b). Trust and Honesty in Post-Socialist Societies. *Kyklos*, 54, 415–443.
- Ross, W., and LaCroix, J. (1996). Multiple meanings of trust in negotiation theory and research: a literature review and integrative model. *International Journal of Conflict Management*, 7, 4, 314-360.
- Rousseau, D., Sitkin, S. B., Burt, R. S. and Camerer, C. (1998). Not so different after all: A cross-discipline view of trust. *Academy of Management Review*, 23(3), 393-404.
- Ryan, R. M., and Deci, E. L. (2017). *Self-determination theory: Basic psychological needs in motivation, development, and wellness*. Guilford Publications.
- Sako, M. (1998). Does trust improve business performance? Trust within and between organizations. C. Lane and R. Bachmann.
- Lane, C. and Bachmann, R. (Eds.), *Trust within and between organizations: conceptual issues and empirical applications* (pp. 88-117). Oxford: Oxford University Press.
- Long, C. P. and Weibel, A. (2018) 'Two sides of an important coin: Outlining the general parameters of control-trust research', in Searle, R., Nienaber, A.-M., and Sitkin, S. B. (eds) *The Routledge Companion to Trust*. New York, NY, USA: Routledge, pp. 506–521.
- Saunders, M., and Thornhill, A. (2004). Trust and mistrust in organizations: An exploration using an organizational justice framework. *European Journal of Work and Organizational Psychology*, 13(4), 493-515.
- Saunders, M. N., Dietz, G., and Thornhill, A. (2014). Trust and distrust: Polar opposites, or independent but co-existing?. *Human Relations*, 67(6), 639-665.
- Shapiro, D. L., Sheppard, B. H., and Cheraskin, L. (1992). Business on a handshake. *Negotiation journal*, 8(4), 365-377.
- Schilke, O., and Cook, K. S. (2013). A cross-level process theory of trust development in interorganizational relationships. *Strategic Organization*, 11, 281–303.
- Schweitzer, M. E., Hershey, J. C., and Bradlow, E. T. (2006). Promises and lies: Restoring violated trust. *Organizational behavior and human decision processes*, 101(1), 1-19.
- Mayer, R. C., Davis, J. H., and Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review*, 20, 709–734.
- Schoorman, F. D., Mayer, R. C. and Davis, J. H. (2007) 'An integrative model of organizational trust: Past, present, and future', *Academy of Management Review*, 344–354
- Searle, R., Den Hartog, D.N., Weibel, A., Gillespie, N., Six, F.E., Hatzakis and T. Skinner, D. (2011) Trust in the employer: the role of high-involvement work practices and procedural justice in European organizations. *International Journal of Human Resource Management*, 22(8), 1823-1823.
- Serva, M. A., Fuller, M. A., and Mayer, R. C. (2005). The reciprocal nature of trust: a longitudinal study of interacting teams. *Journal of Organizational Behavior*, 26, 625–648.
- Silver, A. (1985) 'Trust' in social and political theory. In G. D. Suttles, M. N. Zald (Eds.), *The challenge of social control* (pp.52-67). Norwood: Ablex Publishers.
- Simpson, T. W. (2012). What is trust? *Pacific Philosophical Quarterly*, 93(4), 550–569.
- Sitkin, S. B. (1995). On the positive effect of legalization on trust. *Research on Negotiation in Organizations*, 5: 185-217.
- Sitkin, S. B. and George, E. (2005) 'Managerial Trust-Building Through the Use of Legitimizing Formal and Informal Control Mechanisms', *International Sociology*, 20, 307–338.
- Sitkin, S.B. and K.M. Bijlsma-Frankema (2018). Distrust. In Searle, R.H., A-M.I. Nienaber and S.B. Sitkin (eds), *The Routledge Companion to Trust*, London: Routledge, pp. 50-61.
- Sitkin, S. B., and Roth, N. L. (1993). Explaining the limited effectiveness of legalistic “remedies” for trust/distrust. *Organization Science*, 4, 367–392.
- Sitkin, S.B., and Stickel, D. (1996). The road to hell: The dynamics of distrust in an era of quality. In R M Kramer and T. R. Tyler (Eds.), *Trust in organizations: frontiers of theory and research* (pp. 196-215). Thousand Oaks, CA: Sage.
- Six, F. (2005). *The trouble with trust - the dynamics of interpersonal trust building*. Cheltenham: Edward Elgar.
- Six, F., and Skinner, D. (2010). Managing trust and trouble in interpersonal work relationships: Evidence from two Dutch organizations. *The International Journal of Human Resource Management*, 21(1), 109-124.



- Six, (2013). Trust in regulatory relations: how new insights from trust research improve regulation theory. *Public Management Review*, 15/2: 163-
- Six, F., and Verhoest, K. (eds) (2017). *Trust in regulatory regimes*. Cheltenham: Edward Elgar.
- Six, F. (2018). *Trust in public professionals and their professions*. Routledge Companions in Business, Management and Accounting.
- Six, F., and Van Ees, H. (2017). When the going gets tough: exploring processes of trust building and repair in regulatory relations. In *Trust in regulatory regimes*. Edward Elgar Publishing.
- Skinner, D., Dietz, G., and Weibel, A. (2014). The dark side of trust: When trust becomes a “poisoned chalice”. *Organization*, 21(2), 206–224.
- Stern, R. (2016). Løgstrup on the Priority of Trust. In P. Faulkner and T. W. Simpson (Eds.), *The philosophy of trust* (pp. 272–294). Oxford, UK: Oxford University Press.
- Strickland, L. H. (1958). Surveillance and trust. *Journal of personality*.
- Sydow, J. (1998). Understanding the constitution of interorganizational trust. Trust within and between organizations: Conceptual issues and empirical applications, 31-63.
- Sydow, J. (2006). How can systems trust systems? A structuration perspective on trust building in inter-organizational relations. In R. Bachmann and A. Zaheer (Eds.), *Handbook of research on trust* (pp. 377–392). Cheltenham: Edward Elgar.
- Sztompka, P. (1999). *Trust: a sociological theory*. Cambridge, UK: Cambridge University Press.
- Tolbert, P. S., and Zucker, L. G. (1996). The institutionalization of institutional theory. In S. Clegg, C. Hardy, and W. R. Nord (Eds.), *Handbook of Organization Studies* (pp. 175–190). London: Sage.
- Tomlinson, E. C., and Mryer, R. C. (2009). The role of causal attribution dimensions in trust repair. *Academy of Management Review*, 34(1), 85-104.
- Lewicki, R. J., Tomlinson, E. C., and Gillespie, N. (2006). Models of interpersonal trust development: Theoretical approaches, empirical evidence, and future directions. *Journal of management*, 32(6), 991-1022.
- Tripp, T. M., and Bies, R. J. (2009). *Getting even: The truth about workplace revenge and how to stop it*. John Wiley and Sons.
- Tyler, T. and Kramer, R. M. (1996) ‘Whither Trust’, in *Trust in organizations: Frontiers of theory and research*. Thousand Oaks, CA: Sage
- Ullman-Margalit, E. (2002) Trust out of distrust, *Journal of Philosophy*, 99/10: 532-548.
- Ullman-Margalit, E. (2004). Trust, distrust and the in-between. In R. Hardin (Ed.), *Distrust* (pp. 60–83). New York: Russell Sage Foundation.
- Uslaner, E. M. (2002). *The moral foundations of trust*. New York, Cambridge University Press.
- Uslaner, E. M. (2012). Trust, diversity, and segregation in the United States and the United Kingdom. In *Trust* (pp. 69-97). Brill.
- Vallentin, S., and Thygesen, N. (2017). Trust and control in public sector reform: Complementarity and beyond. *Journal of Trust Research*, 7(2), 150-169.
- Van De Walle, S. and Six, F.E. (2014): Trust and Distrust as Distinct Concepts: Why Studying Distrust in Institutions is Important. *Journal of Comparative Policy Analysis*, 16(2), 158–174.
- Van de Walle, S., Van Roosbroek, S., and Bouckaert, G. (2005). Data on trust in the public sector. In *OECD ministerial meeting Strengthening trust in government: what role for government in the 21st century?*, Date: 2005/11/28-2005/11/28, Location: Rotterdam
- Vosselman, E.G.J. and J. van der Meer- Kooistra (2009), Accounting for control and trust building in interfirm relationships, *Accounting, Organizations and Society*, 34, 267-283.
- Wei, S. J. (2001). Domestic Crony Capitalism and International Fickle Capital: Is There a Connection? *International Finance*, 4, 15–45.
- Weibel, A., Den Hartog, D. N., Gillespie, N., Searle, R., Six, F., and Skinner, D. (2016). How do controls impact employee trust in the employer?. *Human Resource Management*, 55(3), 437-462.
- Weibel, A., and Six, F. (2013). *Trust and control: The role of intrinsic motivation*. In *Handbook of advances in trust research*. Edward Elgar Publishing.



- Wicks, A. C., Berman, A. L., and Jones, T. M. (1999). The structure of optimal trust: moral and strategic implications. *Academy of Management Review*, 24, 99–116.
- Wicks, A. C., Moriarty, B. T., and Harris, J. D. (2014). Public trust in business: What's the problem and why does it matter. *Public Trust in Business*, 1-16.
- Williams, P. (2002). The competent boundary spanner. *Public Administration*, 80(1), 103–124.
- Williamson, O. E. (1993). Calculativeness, trust, and economic organization. *Journal of Law and Economics*, 36, 453–486.
- Yamagishi, T. and Yamagishi, M. (1994) 'Trust and commitment in the United States and Japan', *Motivation and Emotion*, 18, pp. 129–166.
- Zand, D. E. (1972). Trust and managerial problem solving. *Administrative Science Quarterly*, 17, 229–239.
- Zucker, L. G. (1986). Production of trust: institutional sources of economic structure, 1840 - 1920'. *Research in Organizational Behavior*, 8, 53-111.
- Zaheer, A., McEvily, B. and Perrone, V. (1998) 'Does trust matter? Exploring the effects of interorganizational and interpersonal trust on performance', *Organization Science*, 9, pp. 141–159.
- Zaheer, S., and Zaheer, A. (2006). Trust across borders. *Journal of international business studies*, 37(1), 21-29.



Section 2: Regulation and Regulatory Regimes: Conceptual Issues

Author: David Levi-Faur

Contributors: Yael Kariv-Teitelbaum, Rotem Medzini

Acknowledgement: We are grateful for comments from Yael Kariv-Teitelbaum, Libby Maman, Inbar Mizrahi-Borcovitz and Yair Osherov.

This section reviews the main concepts of regulation and clarifies some of the most important questions around it. This should allow us, in later sections of this deliverable, to point on some of the possible directions that trust and regulation research may take.

What do we think, when we think of regulation? Perhaps, we associate regulation with the costs of business? with parking fines? with facemasks during Covid-19 pandemic? Or maybe with the need to regulate emissions? To deregulate industries? With control by organizations? Perhaps with the constitution and promotion of labour, human and animal rights? With the moral of regulating prostitution? The quality and safety of food? But do we associate regulation also with guidelines and ethical codes when we conduct research experiments? Or perhaps with the degree of risk in finance? Limits on invasions of privacy? Parental leaves regulations? Or maybe we associate with transparency and accountability in government in general and in the electoral process in particular?; Perhaps you think about regulation as an instrument for corruption but perhaps and hopefully more likely you associate with the fight against corruption?. In the literature of regulation and governance these associations of regulation reflect core questions around regulation. We might think about regulation as secondary or statutory instrument, or perhaps on law more generally. Alternatively, we may think about the enforcement of regulation or the beneficiaries of regulation. It is difficult and impractical to raise all possible examples, but it is clear – regulation is everywhere. It is one among the many tools of government and governance has but the tendency to create more and more regulation had become a key characteristic of our societies and economies.

2.1 Introducing and Defining Regulation

Regulation is a field of research and an academic perspective on governance and on political, economic and social analysis more generally. At the same time, regulation is also a policy instrument and a mechanism of governance. As a policy instrument it is one of many policy instruments/methods (as it is more general than an instrument) such as fiscal, informational and administrative tools. Regulation is an umbrella concept that covers many sub-instruments and mechanisms of governance such as licensing, certification, reporting, labelling, standards, etc. (Freiberg, 2017). Regulation was traditionally understood as an instrument of government. Today it is more broadly understood as a tool that is being used by business (e.g., business to business standards) and civil organizations (e.g., fair trade certifications) and organizations more generally (e.g., organizational rules and codes of conducts that govern employees).

The boundaries of regulation – in particular what is being understood as one – are a matter of theoretical discussion rather than a legal, factual or a semantical? matter. Regulation appears in different forms, and with varying degrees of costs and benefits, to society in general and particular groups of regulatees and in particular. As a process it includes stages of rule-making, rule-monitoring and rule-enforcement. Regulation plays restrictive, empowering and constitutive roles thus shapes the distribution of power in society in many policy arenas including of course in regulatory regimes. Despite efforts to deregulate or curtail it, regulation is constantly expanding and is here to stay. We live in the golden age of regulation. Research on trust and regulation has therefore never been more timely.

The term regulation is employed for a myriad of discursive, theoretical, and analytical purposes (Black, 2002; Levi-Faur, 2011; Koop and Lodge, 2017; Levi-Faur and Kariv-Teitelbaum, 2020; Almond, and van Erp, 2020). Its meaning and application also shift with time and region. It is most often defined as a sustained and



focused control mechanism over valuable activities by means of direct and indirect (delegated) rules. From the core definition one can move forward, towards narrow or broad definitions where narrowness and broadness are defined on different dimensions (see Table 3). Note that the distinctions between narrow and broad are not mutually exclusive. One can take a broad approach on one dimension but a narrower approach on a different dimension, sometimes it can make perfect sense.

Narrow definitions may suggest, for example, that regulatory rule-makers are only public agencies with clear legislative mandate which use formal mechanisms of monitoring and enforcement⁵. Definitions can be narrow also in other senses, for example, one may argue that for certain purposes, regulation includes only secondary law (e.g., statutory instruments) and not primary laws. In addition, one can define rule-takers (or regulatees) only as business and social actors outside government, and thus excluding rule-takers within government (e.g. one agency or governmental actors regulating another). Sometimes, narrow definitions are derived from a hierarchical approach to governance. Placing government and the state in the centre suggest a world view where the government is solely responsible for achieving policy goals by imposing them on the private sector. Another way to adopt a narrow approach to regulation is to distinguish it as a unique policy instrument that differs from other forms of government intervention as taxation, subsidies, redistribution, and public ownership. State-centred definitions will identify regulators only as administrative public agencies that use “Command and Control” technics to direct the activity of private companies. It will focus on administrative formal ordinance as the main source of regulation and on formal and intentional mechanisms of monitoring and enforcement. Regulation is therefore viewed from the scope of state authority, formal regulatory organizations and the “art of government”.

Table 3: Approaches to Regulation: Narrow and Broad Dimensions

	Narrow Approaches to Regulation	Broad Approaches to Regulation
Centrality	Regulation is an instrument of implementation of the primary law	Regulation is expressed in all types of rules and laws
Formality	Only formal and hard rules	Formal and informal as well as hard as soft rules
Actors	Governmental and intergovernmental rules	Governmental, organizational and private actors
Manifestations	Secondary legislation at the national level. They have direct and clear connection to primary legislation in systems governed by ‘the rule-of-law’.	Regulation includes all types of mechanisms designed to control social behaviour – from international standards and codes to traditional forms of legislation.
The study of regulation	Is carried rule by rule (interpretive law approach)	Regulation is studied as part of a broader regulatory regime rather than single rule.
Distribution effects	Regulation does not involve distribution or redistribution and distinct from the constitutive elements of policy making	Regulation has important distributive and even redistributive effects; at the same time, it constitutes the “game” and not only define its term.
As a form of a state making	The regulatory state is distinct and substitutive of other forms of state such as the welfare state and the developmental state	The regulatory state is one of many morphs of the administrative-democratic state. It is complementary to other morphs

⁵ Selznick’s well-known definition, for instance, defines regulation as “sustained and focused control exercised by a public agency over activities that are valued by community” (Selznick 1985). Baldwin et. al. have also defined regulation as “specific form of governance: a set of authoritative rules, often accompanied by some administrative agency, for monitoring and enforcing compliance” (Baldwin, Scott and Hood 1998).



On the other hand, broader definitions of regulation have served well the emergence of the field of regulatory governance. The concept of regulatory governance, and the broad definition of regulation more generally, identify regulation with myriad institutions, mechanisms and means of social control and/or private (civil or business) actors⁶. Regulation is extended to include private standards as well as primary laws as sources of regulation. The difference between narrow and broader approaches can be attributed to opposing approaches of governance, but at the same time also to different scholarly purposes as well as disciplinary traditions. One therefore needs to understand the contextual factors that shape the use of the concept in different discourses applications.

Broader definitions of regulation are often grounded in a governance perspective on state, society, and the economy. It is connected widely with the research agenda on governance, known as the “new governance” (Lobel 2004) and the “new regulatory state” (Braithwaite 2000). Elements of steering and plural forms of regulation are emphasized in the effort to capture the plurality of interests and sources of control around issues, problems, and institutions. This approach perceives the government, the industry and the society as entities who share responsibility for achieving policy goals. It views the governmental process as a more sharing, decentralized, diverse, dynamic, and flexible practice (Black 2001; 2008). The concept of regulatory governance emphasizes complexity, fragmentation, interdependencies, and regulation via proxies, soft-strategies, orchestration rather than delegation. It emphasizes the limits of the distinctions between the public and the private and between the global and the national. These definitions will identify non-state entities as regulatory rule-makers as well, as long as they exercise sustained and focus control. Thus, private firms and NGOs, local and global organization can all be defined as regulators. The sources of regulation will diversely include international standards and agreements, legislation, ordinance, guidelines, procedures and even voluntary agreements and social or professional norms. These norms can develop unintentionality, and any control mechanism which produces effects on behaviour may be considered regulatory. In addition, a wide range of activities which may involve legal or quasi-legal norms, but without mechanisms for monitoring and enforcement, might also come within the definition. Scholars of global governance, for instance, tend to focus on standards and soft norms (Mattli and Büthe 2003; Jacobsson 2004; Dejlilic and Sahlin-Andersson 2006; Abbott et al., 2020). Wide definitions might also include the government as a rule-taker (Scott, 2002). This means that it is subject of private regulation and/or its own rules of conduct (e.g. regulation within government).

⁶ Scott’s definition capture regulation broadly, defining regulation as “any process or set of processes by which norms are established, the behavior of those subjects to the norms monitored or fed back into the regime, and for which there are mechanisms for holding the behavior of regulated actors within the acceptable limits of the regime” (Scott, 2001). According to Baldwin et. al., regulation extends “to mechanisms which are not the products of state activity, nor part of any institutional arrangement, such as the development of social norms and the effects of markets in modifying behavior” (Baldwin, Scott and Hood 1998, p. 4).



2.2 The Regulatory Regime

For many analytical reasons – and for the benefit of understanding the relation between trust and regulation specifically – it might be useful to unpack the ensemble of regulation rather than a specific regulation (May, 2007; Biggins, and Scott, 2012; De Wildt, 2017). The idea is (a) that in many cases it might be useful to examine the collection of regulation that create a “regime”; (b) that the study of regulation can be better understood with reference to the regulatory agency (in state-centred regimes) and regulatory institutions (in private regimes, e.g., accreditation bodies) and not only for the rule or group of rules; and (c) that rules and administration work in an environment or context that include other actors and institutions. These ‘other’ actors and institutions which are not specifically regulatory may have direct links to the working of the regime. Hence, they should be taken into account in the analysis. For all the above, we expect the concept of regulatory governance regimes, or in short regulatory regime, to capture some of the more important elements of the environment in which the regulatory agency is operating in and thus to provide insights as to the operation, capacities and characteristics of the regulatory process and the regulatory interactions more generally.

Regimes, tells us Krasner, are “[p]rinciples, norms, rules, and decision-making procedures around which actors’ expectations converge in a given issue-area” (Krasner, 1982, 185). Regimes can be international, national or sectoral, thus we can analytically study the international regime for food-safety, the national regulatory regime in Argentina and the regime for securities regulation in Spain. A distinction between ‘regulatory regimes’ and ‘policy regimes’ according to the extent in which policy function are entrusted to the regime and the extent to which regulatory functions and policy functions are separated can be also be useful. Over time, the notion was increasingly adopted by policy analysts for comparative and case-oriented studies. Thus, for example, Eisner’s (2000) study of regulatory developments in the United States distinguishes four regimes, which change over time, and establishes six criteria (primary goal, political-economic context, institutional innovation, policy imitative, role of expertise, and integration of interests into the policy process). Different authors emphasize different elements of regimes. Thus, Steven Vogel applied the notion of regime in order to connect constellations of ideas and institutions. The two major components of regimes that he identifies are *regime orientation* and *regime organization* (Vogel, 1996). Regime orientation indicates “state actors’ beliefs about the proper scope, goals, and method of government intervention in the economy and about how this intervention affects economic performance” (Vogel, 1996, 20). The actors’ beliefs are “about the proper scope, goals, and method of government intervention in the economy, and about how this intervention affects economic performance” (Vogel, 20). You repeat yourself They represent some of the important constraints on policy choice “by defining what is acceptable or conceivable, thus shaping state actors’ reactions to external forces and their receptiveness to new ideas” (Vogel, 1996, 21). *Regime organization* refers to the particular “organization of those state actors concerned with industry and the relationship of these actors to the private actors” (Vogel, 1996, 21). Regime orientation “constrains choices by structuring the incorporation of interest groups, defining state capabilities, and shaping state and social interests” (Vogel, 1996, 22).

The notion of regime orientation includes three analytical subcategories: belief about the proper degree of intervention, goals of intervention and regulatory philosophy. The subcategory of regime organization examines the organization of the industry, government's ties with industry and the bureaucratic autonomy of the regime. The designers of the regime may give the agency, if they created it at all, a central role but it may also not. The act of delegation itself can be accompanied by redesign of the regime but it does not have to be the case. Indeed, more often than not, the establishment of the regulatory agency reflects the introduction of an implant into an older network of actors and established norms. In such a case, the agency might well have to adapt itself to the way things are rather than require the established operators to adapt to its expectations or new rules of the game. Vogel does not address the content of the regime? The actual regulation it includes? Or do you only talk about the definition of ‘regime’?

Hood, Rothstein, and Baldwin's (2001) study of risk regulation provides another option for the conceptualization of regulatory regime. Since risks are part of TiGRE case selection (e.g., food safety and



finance) it might be useful to present it on all its elaborations. **Risk-regulation regimes** “brings out some of the ways in which risk regulation varies from one domain to another and how it can change over time” (Hood et al., 2001, 8). Regulatory regime “connotes the overall way risk is regulated in a particular policy domain...” (Ibid.). A basic distinction that they make is between three elements of the regime: **regime's control components, contextual components, and content components**. First, regime's control components include information-gathering, standard-setting, and behaviour modification. Respectively they represent the ways of (a) gathering information, to allow monitoring and produce knowledge about current or changing states of the regime; (b) setting standards, goals, or targets, to allow a distinction to be made between more or less preferred states of the regime; and (c) changing behaviour, to meet the standards, goals or targets (Hood et al., 21, 23). These three ‘control’ aspects are broad enough to cover a wide swath of the ‘regulatory landscape’ (most analyses of regulatory regimes in political science focus on standard-setting elements; criminologists and socio-legal scholars tend to focus on behaviour-modification elements, while economists tend to emphasize information-gathering elements). What the authors expect and later demonstrate is that regimes will vary considerably along these three elements. Most interestingly, as already mentioned, they show that the three elements are often patched together inconsistently, frustrating any functional analysis of the way governance systems work.

Second, regime's context means the backdrop or setting in which regulation takes place. Three elements in particular are noted: first, the different types and levels of risk being tackled. Here they ask what the type and degree of risk absent the relevant regime are. The second is the nature of public preferences and attitudes to risk, so they seek awareness of the saliency of the risk among the public and in the media, and the degree of uniformity of public opinion as to the risk. The third element is the way the various actors who produce or are affected by the risk are organized. Is there a dominant organized group, and how mobilized are the stakeholders? Note that the regulated elements lie outside the internal structure of the regime and are contextual to it. They correspond to three theories of regime formation and regime change. Functional, market-failure theories perceive regimes largely as the product of the first contextual element, that is, the type of risk. Democratic-republican theories interpret regime formation and change with reference to the second contextual element, namely the nature of public preferences and attitudes. Organized-interests driven theories would emphasize the third contextual element, namely the structure of interest-intermediation, as ‘the mover and shaker’ of regimes.

Third, the regime's internal structure refers to three elements. The first is policy size, which reflects the extent of policy aggression (how active regulation is and how much change is aimed at) as well as the overall regulatory investment (the scale of the resources going into regulation). Next is the structure of the regulators, that is, the configuration of state and other organizations directly engaged in regulation of the risk. This element of context is disaggregated into two major elements: the distribution of regulatory costs between state and other regulators, and the degree of organizational fragmentation and complexity. The third element is policy style as expressed by the regulators' attitudes, beliefs, and operating conventions towards issues such as cooperation. Two criteria are examined conventionally here: the overall formalization of rules, and the extent to which regulators are ‘zealots’ of policy positions. Note that in Hood, Rothstein, and Baldwin's formulation the regulators are part of the regime's content while the regulatees belong to its context. This, as well as the other distinctions that they make between elements of context and content, open the door to a study of the extent that context shapes content, and in the language of organizational sociology, the extent that organizations are the product of their environment rather impermeable creatures.



2.3 The Regulatory Agency

One of the most important indicators of the growth in the scope and depth of regulatory activities in modern society is the proliferation of regulatory agencies, as the administrative core of national and global institutions of regulatory governance. Regulatory agencies are not a new feature of modern systems of governance, but they have become a highly popular form of regulatory governance since the 1990s. A regulatory agency is a non-departmental public organization mainly involved with rule making, which may also be responsible for fact-finding, monitoring, adjudication, and enforcement. It is autonomous in the sense that it can shape its own preferences. Of course, the extent of the autonomy varies with its administrative capacities, its ability to shape preferences independently, and its ability to enforce its rules (Guardiancich, and Guidi, 2016; Maggetti and Papadopoulos, 2018). The autonomy of the agency is also constituted by the act of its establishment as a separate organization in terms of self-managed budget and manpower and appointments and dismissal procedures head of the agency (Gilardi and Maggetti, 2011; Jordana et al., 2018). The policy space in which the agency is expected to operate and the existing conventions of independence, can also have a significant influence on its autonomy (Vermeule, 2013; Maggetti, 2007).

As state organizations, regulatory agencies originated in various boards, ad hoc committees, and other pre-modern organizational entities. During the 20th century these agencies have become the pillars of the modern administrative state. In the United States, regulatory agencies became a distinctive feature of the American administrative state in the early 20th century. What other countries often nationalized, – the US regulated. Indeed, the history of the American administrative state is also the history of the establishment of regulatory agencies. Yet, while the number of regulatory agencies in the US has not grown since the mid-1970s, such agencies have become more and more popular elsewhere in the world. A research of the creation of regulatory agencies across 17 different sectors in 86 countries from 1950 to 2017 find an autonomous regulatory agency in 67% of the possible sector–country units. More specifically, 887 new agencies were created in this period covering 968 sectors (some agencies cover more than one sector). The rate of the creation peaked in the period of 1990s to 2004 (as shown in Figure 2, an updated data from, Jordana et al., 2011).

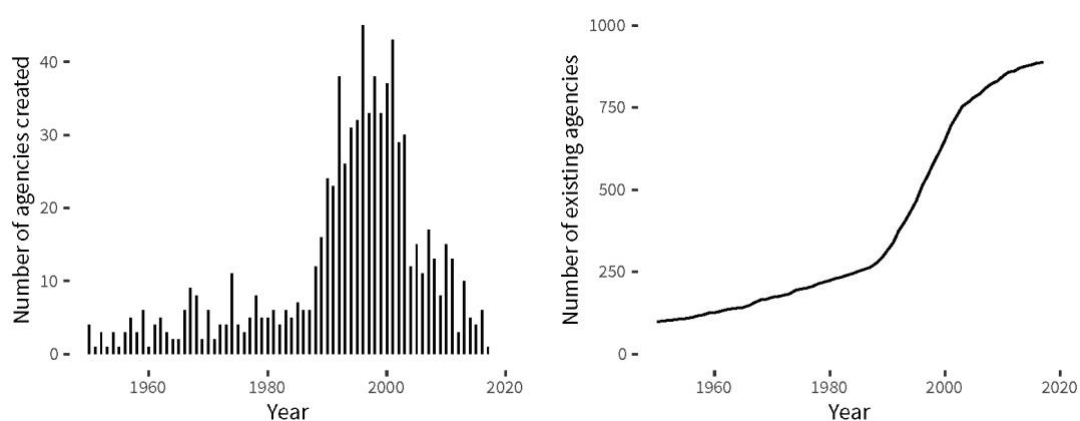


Figure 2: Annual creation of regulatory agencies in the sample (left); cumulative annual creation of the agencies in the sample (right) (1950-2017)

The literature usually distinguishes between economic agencies and social agencies. However, a more useful classification distinguishes between five types of regulatory agencies: economic, social, risk, integrity and moral agencies (Levi-Faur and Kariv-Teitelbaum, 2020). The boundaries between these different types of agencies is not entirely clear-cut, but it is useful both because the aims of the agencies are often wider than what the title suggests, and because the impact is often well beyond the mission statement of the agency. Agencification in general, and the distinction between regulatory role and other roles (such as service-provision) of the agencies, differ between these five types of agencies.



Economic regulatory agencies deal with the functioning of markets and employ a variety of tools to constitute, manage, and supervise them. They aim to advance social welfare by correcting market failures such as: cartels and the misuse of monopoly power; negative externalities; information asymmetry; public goods (products that are non-excludability and non-rivalrous) and common pool resources; cream skimming in essential services; and problems of coordination and cooperation. Thus, issues of competition and costs of service under conditions of concentrated market power on the one hand and restricted options for voice by consumers on the other, are major challenges for the economic regulatory agencies. Economic agencies appear in sectors such as finance (including central banks, banking, securities, pensions, insurance); the utilities (e.g. water, telecoms, electricity/energy, water, postal services) and competition/anti-trust. Alongside the role of correcting market-failures, it is important to note that many of these agencies also play a constitutive role of the state as the promoter of capitalism (for instance, the federal bank and the securities authority have a central role in constituting the public trust which is the foundation for the entire financial system).

Social agencies deal with welfare and equality issues and include agencies such as the health administration, gender equality, disability issues, labour rights, antidiscrimination, disadvantaged populations and perhaps also consumer rights. They promote wide social values that often cannot be measured in economic terms. These agencies frequently face harsh criticism regarding their ability to define what is the relevant social goal in a way that is not exposed to controversies, manipulation and misinterpretation of interest groups.

Risk agencies include agencies that deal with the environment, food agencies, medicine (pharmaceutical and devices) and work safety. While the stated aim of many economic regulators is to nurture or increase competition, the stated aim of risk regulators is to make our lives safer by eliminating or reducing risks or exposure to risks. Social, economic, political, ecological, techno-scientific and even mental health hazards might justify risk governance by the state. The central goal of risk agencies is to determine the appropriate legitimate risk, the shift of risk responsibility and liability between actors, and the degree of investment in prevention and loss mitigation.

Integrity agencies include all the agencies that promote and govern privacy, corruption, accountability, transparency and electoral rules. One can even say that their major function is to promote trust. They aim to maintain and reinforce the integrity of the democratic process or of the administrative mechanism.

Moral agencies deal with morality issues – with strong ethical dimensions – such as drug use, smoking, drinking, abortion, gambling and gun control subjects that are relevant also to risk. Their goals derive from moral expectations where the state is expected by large and varied segments of the society to preferred advance and protect ethical values on wide variety of issue.



2.4 The Regulatory State

One of the most important aspects of the rise of regulation as mode of governance is manifested in concept of the “regulatory state”. States had administration since ancient times and they also used regulation very early on. In this sense ‘the regulatory state’ is nothing new. Nonetheless, the expansion of administration and regulation as a deliberated and central governance tool accrued during the 20th century. The sheer expansion, diversity and innovative ways in which regulation is employed by the state demand and oblige us to point to an important and significant facet of the state; a facet of the state which is being called the “regulatory state”. This term attracted more traction with privatization and the creation of centralized governance structures since the 1980s (Mjaone, 1997; Hood et al. 1999; Braithwaite, 2000).

For a long time, the term regulatory state was a mere label – an empty signifier of the growth of independent administrative structures within the United States Federal Government. The label was originated most visibly in the title of a book written by James Anderson: *The Emergence of the Modern Regulatory State* [1962]. Anderson's book analysed government and bureaucratic expansion via specialized independent agencies such as those which originated in the US progressive period. James Anderson did not however conceptualize the term or employ it in a comparative or theoretical manner. The term caught on only slowly in the United States, and its uses were confined to scholars who studied American administrative law and American public administration. Its slow acceptance was probably because American political science – and American social sciences more generally – did not have an elaborated theory of the state (Levi-Faur, 2013; 2014). The enormous power of the American administrative state was and still is largely hidden not only because it reflects an inconvenient truth, but also because it is widely distributed among an exceedingly complex web of institutions, jurisdictions, branches, offices, programs, rules, customs, laws and regulation (Novak 2008, 765).

A more recent attention to the concept of the regulatory state came with privatization and the so-called de-regulation era. The term re-appeared in the subtitle of the fourth edition of the late public administration scholar, Harold Seidman's *Politics, Position and Power: From the Positive to the Regulatory State* (1986). Like his predecessors, Seidman does not define the term but there is something new in his understanding of the concept. He sees it as a state of outsourcing and privatization. For Anderson, the regulatory state was a Command and Control or hierarchical and progressive state which was born - at least at the Federal Level - at the end of the nineteenth century as a result of political struggles by popular movements against big business. For Seidman, however, the notion of the regulatory state is used to make sense of Ronald Reagan's “revolution” and the so-called return to “limited government”; regulating and providing services without necessarily producing them (Seidman and Gilmour 1986, 119).

The turning point in a more theory driven analysis is in the work of Giandomenico Majone (1994, 1997). His work popularized the regulatory state, well beyond anyone before him. He found the concept useful, focusing on the privatization and liberalization in Europe on the one hand and on the expansion of EU regulatory capacities on the other hand. Majone suggested a transition from the positive state to the regulatory state arguing that rulemaking is replacing taxing and spending as main policy instrument. “The Regulatory State” relies on regulatory means as a substitute for public ownership, services provision, and centralized bureaucracy. It is characterized by an increase in the extent of administrative legislation, the establishment of new independent regulatory agencies, and in the rising influence of judges, experts, regulators, and single-issue movements on public policy-making processes) (Benish et al., 2017; Scott, 2017; Križić, 2019).

It should also be clear by now that we need to look for a definition of the regulatory state that will help us to distinguish core features from characteristics, essence from image, historical context from core features, national from the transnational and global, and the normative from the factual. The strategy adopted here defines the term regulatory state broadly enough to allow it to be useful beyond specific historical contexts or institutional dimensions, but narrow enough to allow us to distinguish it from competing conceptualizations such as the Welfare State (Levi-Faur 2014), the Developmental State (Levi-Faur 2013b) or the Risk State (Levi-Faur 2013a). Unlike definitions of the welfare, developmental and risk states, this



definition does not attach to the regulatory state any positive or negative goals or aims *per se*. Instead, it is defined on the basis of its instruments of control, that is, the regulatory state is a state that applies and extends rule-making, monitoring and enforcement via bureaucratic organs of the state. The regulatory state claims a legitimate monopoly over the deployment and distribution of power through rule-making, rule-monitoring and rule-enforcement. It is this *claim* for monopoly, which it may delegate or share at will, rather than a legitimate monopoly of the means of violence. Of course, the claim for a monopoly does not suggest an *actual* monopoly either nowadays or in the past. A claim is a claim, not more and not less, and gaps in regards to the *actual* monopoly over the distribution regulatory authority are similar to the gaps in regards to the actual monopoly on the means of violence.



2.5 Regulatory Capitalism

The way capitalism is organized and governed is changing and this change is closely related to regulation. Regulation and capitalism are increasingly merged and intertwined therefore trust in regulation is increasingly also trust in the capitalist system. The concept of regulatory capitalism suggests that capitalism is nurtured and constituted by regulation and not only mediated by it. Regulation is applied **more frequently, more widely**, and often more intrusively than ever before. This means that you'll find regulation embedded in the economic activities in general and market more specifically, more frequently, more widely and often more intrusively than ever before. It serves both **to protect** and **to discipline** actors and consumers. It serves **to constitute** the capitalist order, **to moderate** its negative externalities, and **to leverage** its virtues (Levi-Faur, 2005; 2011; Braithwaite, 2008; Braithwaite and Drahos, 2000). The concept of regulatory capitalism thus serves to capture elements that are often go unnoticed. At the same time the concept allows us to do three more things. **First**, to shift the locus of the analysis from the regulatory state, on its national borders, to encompass the capitalist society (or market society) and the capitalist economy (or simply the economy). The objects of regulation are not merely state actors anymore, and the regulatory space is extended beyond national borders and traditional administrative law. In short, we can talk about multi-level regulatory space, order, regime or game.

Second, to recognize the pluralization of the regulatory order or the marriage of “regulation” and “governance”. The golden age of regulation is also the golden age of governance, a fact that the literature was not slow to recognize. Hancher and Moran (1989) pointed to a new pluralistic regulatory space. Braithwaite (2000) advanced the idea of a “new” responsive regulatory state (see also Lobel’s new governance, 2004). Polycentric governance connotes many centres of authority. They are sometimes formally independent, but are in fact informally or even formally interdependent on each other. Their interactions can be competitive, collaborative, contractual, or all of those together, depending on the issue and era. In time, they are expected to form consistent and predictable patterns of interactions, and thus to form a polycentric regulatory regime (Ostrom et al., 1961, Black, 2001; Scott, 2004). The multiplicity of centres of authority suggests that governance is “indirect” (Kettl, 2002; Abbott et. al. 2020), nodal (Shearing and Wood, 2003), or “networked” (Lazer, 2005), and applies strategies of soft law (Abbot and Snidal, 2000), management-based regulation (Coglianese and Lazer, 2003) and orchestration (Abbott et al., 2016). From another angle, advances made thus far in the field deal with private regulation and private governance. This literature has advanced our understanding of the regulatory actors outside government (Bartley, 2007; Vogel, 2010; Büthe and Mattli, 2013; Cafaggi, 2011) and especially on gatekeepers (Kraakman, 1986) and third-party regulation (McAllister, 2012; Gunningham et al., 1998; Pattberg, 2007; Green, 2013).

Third, regulatory capitalism goes “beyond the state”, in two ways. First by the introduction of business to business regulation, a form of regulation that relies on the ability and interest of some businesses (most often big business) to set standards for other businesses (most often smaller) in the chain of interactions of production, processing, shipping and marketing products. For instance, the ability of big supermarket chains to set standards of food manufacturing, processing, and marketing. Second by “civil regulation”, a term that captures regulatory regimes that are initiated and operated by NGOs or professions from the civil society. The concept of civil regulation aims to capture the institutionalization of voluntary global and national forms of regulation through the creation of private (non-state) forms of regulation intended to govern markets and firms (Vogel 2010). Civil regulations attempt to embed international markets and firms in a normative order that prescribes responsible business conduct, in order to promote social goals such as human rights, labour practices or environment protection. They often use voluntary codes of conducts (Vrieling, van Montfort and Bokhorst 2011; Sethi 2016). Their legitimacy is not rooted in state authority and they are typically operating beside or around the state using “soft law”, imposing social or market penalties rather than legal sanctions. Civil regulation regimes were warmly adopted as regimes that encourage public participation and operate in corporation with the industry, but they were also criticized due to lack of accountability (Gugerty and Prakash 2010), fragmentation and problematic impact over developing countries (Reed et al. 2013).



Both civil regulation and business-to-business regulation are often described as either “voluntary regulations” or “private regulation”. It is important however to make some clarifications. While civil regulation and *voluntary regulation* retain a close affinity, civil regulation, unlike voluntary regulation, may, at least in principle, possess coercive aspects. Civil regulation includes old and traditional forms of self-regulation but goes beyond it and includes regulatory techniques such as third-party accreditation and certification (Gunningham, Grabosky and Sinclair 1998; Bartley 2011; Hatanaka et al. 2005; Marx 2011; McAllister 2012), gatekeeping strategies (Kraakman 1986) meta-regulation (Parker 2002; Morgan 2003; Coglianese and Mendelson 2010), enforced self-regulation (Ayres and Braithwaite 1992), self-regulation (Ogus 1995; Gunningham and Rees 1997; Haufler 2013) and leagues tables (Sauder and Espeland 2006). Voluntary regulation can be initiated by either the state, the civil society or the industry and be adopted by the firms in order to overcome collective action problem, lower costs and gain reputation (Töller 2011). The concept of *private regulation* refers to regimes that are created or managed primarily by the government (Meidinger 2009) or that are privately owned (Scott 2002). One may distinguish between private regulation of each of all the three main roles of the regulatory process – rule-making, rule-monitoring and rule-enforcement – and part of them. Because each of these roles may be fully or partially delegated and since the rule target can be either private or public, the reality of the regulatory regimes might often include hybridity of roles and functions. Private regulation can originate from privatization processes, for example, the transfer of authority that was at time at the hand of the state to business or civil actors. This can be motivated by efficiency considerations, normative orientation or simply power-oriented calculations by public and private interests. Private regulation can however originate also from scratch. For example, standards of fair and safe working conditions, or standards for environmentally friendly or organic products. These standards can be set by private actors, monitored and even certificated by private actors and obliged other actors.

Both civil regulation and business-to-business regulation can be considered as a form of self-regulation. The literature thus far has advanced four forms (Ogus, 1995): first, conditional control, that is, self-regulation in the shadow of the state/hierarchy (Héritier and Eckert, 2008); second, enforced self-regulation, that is, the duty to self-regulate (Ayres and Braithwaite, 1992); third, meta-regulation, that is, the regulation of self-regulation (Gilad, 2010; Grabosky, 2017); and fourth, associational self-regulation, wherein members’ autonomy is delegated upward not to the state but to an industry or professional association (Gunningham and Rees, 1997).



2.6 The Regulatory Game: Actor-Centred Analysis

Actor-centred analysis in the study of regulation focuses usually on actors' motivations and strategies and assuming rational or behaviour and a strong fit between motivations and strategies. According to rational analysis, actors act to maximize interests, budget, control and reputation. The classic analysis will consider two actor interaction, between regulator (rule-maker) and regulatee (rule-takers)) The model is accordingly focused on principal-agent relations and the equivalent in the study of trust in the truster-trustee relations. The legal scholarship, just to note, would refer to these relations as fiduciary relations. However, such a dichotomy misses the complexity of regulatory regimes which require us to take into consideration/address/investigate four central actors and their logic of action: rule-makers, rule-takers, regulatory intermediaries, rule-beneficiaries (including citizens) (Abbott et. al, 2017; Levi-Faur and Kariv-Teitelbaum, 2020).

Rule-Makers (or regulators) are the actors who hold the power to set regulatory rules, to monitor and to enforce them. They can do all or part of these three tasks and they can do it successfully or not. They can have formal legal power or act informally constituting their own regulatory authority. What makes them however rule-makers is the claim or the practice of setting standards. Different approaches to regulation would identify different regulators or rule-makers. For criminologists, policemen are the regulators; for public administration scholars, regulators are public officials at regulatory agencies; for socio-legal scholars we are all regulators. If we adopt this broad approach to regulation, it follows that, while only a few of us are acting as professional regulators, most, if not all, of us act as regulators in some capacity. We frequently monitor our government, corporations, and NGOs. We often act, consciously or not, like gatekeepers of the social order and raise "fire alarms" in cases of corruption, violence, or other forms of deviant behaviour. This of course saves on "police patrols" and helps us to understand that regulatory networks are embedded in the social system and do not represent a distinct, stand-alone part of it.

Nonetheless, while we are all regulators in some capacity, it is possible to identify a distinct class of regulators. The agencification of regulatory functions and the globalization of the agency model led to the emergence of new form of public bureaucracy, the regulocracy (Levi-Faur, 2005; Jordana et al., 2011). If we think on rule-making outside Parliament, the regulocracy is one important source. In addition, as mentioned before, civil organizations are playing rule-making role in their own civil spaces. This is the case with the fair-trade movement which created standards and incentive for compliance around more virtuous and sustainable production and consumption. This is also the case around the strong institutionalization of Kosher organizations that are setting rules for religious consumption, mainly around food processing (Lytton, 2013). Categories of rule-makers includes: industry semi-representative organizations, such as professional associations (e.g. Bar Associations) or producers' organizations (e.g. the Federal Milk Marketing Orders in The United States; the Inter-branch Organization of the Fresh Fruit and Vegetable industry in France), that regulate their members. And of course, there are also the business organizations that act directly or indirectly (via association) as rule makers for their suppliers. They have the market power to set rules in the forms of standards. This is for instance the case with Facebook's moderation of its users' content; this is also the case of Apple vis-à-vis developers and sellers of applications on its platforms and this is the case of the world big supermarket chains that are involved in sustained and costly regulation of the quality and ethical origins of the products they sale. Welcome to the world of the new regulators. To live in an age where regulation is expanding means that we expect our colleagues, and even ourselves, to invest more of our resources in regulation. In other words, we are all immersed in the regulatory game but states and business most often lead the way.

Rule-Takers (or regulatees): rule-takers are the object of the rules – the actors which the rules intend to modify their behaviour. When we think about rule-takers we often think about motivations for compliance (Van Rooji and Sokol, 2020; Feldman, 2011). But who are they? Most often they are businesses, small and big, in high tech industries but also in mining or chemicals. In other times they are governmental organization that are taking rules from the core-ministries and centres of power. They can be citizens in general, road users and consumers. In each of these functions the rule-takers swiftly move between one set of rules to



another. Humans are easy target to rules and while rules are often gamed or ignored, all together they are also and perhaps more often adopted enthusiastically, just try to cycle on the sidewalk. Rule-takers can be individuals but they are also for-profit and non-for-profit organizations.

A third type of actor in the regulatory game are the **rule-intermediaries**. Regulatory intermediaries refer to formal and informal actors that mediate the relations between rule-makers and rule-takers (Abbott, Levi-Faur and Snidal, 2017). They certify, report, screen, monitor, rate, label, whistle blow, and audit regulatory interactions. Acting as rule brokers between the regulators (rule-makers) and regulatees (rule-takers), they may have a significant positive and negative impacts. At best, intermediaries reinforce the effectiveness and legitimacy of regulatory processes. At worst, they undermine or subvert the rules, as happened with credit rating agencies in the run to the 2007-2008 financial crisis. They can focus on one aspect of the regulatory process such as monitoring compliance, or on many. They can be created or advanced by either rule-makers or by rule-takers. A wide range of actors can be identified as intermediaries, from technical-neutral practitioners (e.g. lawyers and accountants) to non-governmental bodies with a clear agenda (e.g. environmental or human rights NGOs). It is possible to distinguish between intermediaries according to: (a) the degree to which the intermediary's role is formal (e.g., whistleblowing can be recognized legally or not); (b) voluntarism of the role – the degree to which it is a legal duty, legal option, or self-initiative; (c) level of action – national, regional, or transnational; (d) sphere of action – social, sustainability, human rights, economic, risk, integrity; (e) motivations – in some cases, intermediaries are for-profit or salaried actors (e.g., credit rating agencies and compliance officers), while in many others they are primarily ethical actors (e.g., fair trade, kosher food, sustainable consumption); (f) mode of operation – state-led; business-led; NGO-led, or professional association-led; (g) centrality – to what extent intermediation is the main function of the intermediary. For example, whistleblowing is not the main function of employees, and may not even be a duty. Still, the whistle-blower role for instance may be as important as an alternative to other mechanisms such as certification; and (h) degree of separation – in some cases, intermediaries act as external actors, that is, outside the organizational setting of the rule-makers and rule-takers, but in others they are part of the organization and their role is formalized via a separate intra-organizational identity (e.g., compliance officers, internal auditors, cyber security officers, privacy officers, or sexual harassments officers).

Rules-Beneficiaries: are the objects of the rules, the actors who benefit from them. They can be identified with the formal goal of the rule – whoever the rule declares it is aiming to protect (Koenig-Archibugi, and Macdonald, 2017). Beneficiaries can be the general public (e.g. regulation intended to reduce emission of greenhouse gas) of a more specific public group (e.g. securities holders or people with disabilities). They are often viewed as passive actors who do not need to be active since rule-makers serve as their trustee. However, much of the critical literature had rejected this perception, arguing that the real beneficiaries of regulation are not whom the law declares, but rather powerful well-organized interest group who manipulate regulation to benefits from it (e.g., Stigler, 1971). For instance, one may argue that the real beneficiaries of product safety regulation are not consumers but rather the powerful manufacturers of these products that benefits from regulation that imposes costs thus block potential competitors (creating "regulatory rents"). Stigler (1971) had suggested, against the common wisdom, that the benefits of regulation will eventually go to industry rather than the general public. Wilson (1980) on the other hand, demonstrated that the way the costs and benefits are shared determines the type of politics that will emerge.



2.7 Concluding remarks for Section 2

Our literature review on regulation suggests that regulatory interactions, regulatory processes and regulatory institutions are more complex, unstable and informal than ever. The shift from regulatory government to regulatory governance suggests that the new regulatory space is a multi-level, multi-arena space. In other words, more polycentric. This implies more actors and a more dynamics and flexible institutional environment. Studying how to foster trust in such a complicated multiple stake-holders' regulatory system, is therefore a challenging novel mission. Trust issues, such as credibility, assurances, accountability, standing (e.g., participation) and transparency, must be investigated based on a comprehensive understanding of the complexity of current regulatory regimes. If we are to summarize all of this in one sentence, then we can say that trust and regulation research is about trust in complex regulatory institutions and interactions.



2.8 Bibliography

- Abbott, K. W., Levi-Faur D. and Snidal D. (2017). Theorizing regulatory intermediaries: the RIT model, *The Annals of the American Academy of Political and Social Science*, 670(1), 14-35.
- Abbott, K. W., and Snidal, D. (2000). Hard and soft law in international governance, *International Organization*, 421-456.
- Abbott, K. W., Genschel, P., Snidal, D., and Zangl, B. (2016). Two logics of indirect governance: Delegation and orchestration. *British Journal of Political Science*, 46(4), 719-729.
- Abbott, K. W., Zangl, B., Snidal, D., and Genschel, P. (Eds.). (2020). *The Governor's Dilemma: Indirect Governance Beyond Principals and Agents*. Oxford: Oxford University Press.
- Almond, P., and van Erp, J. (2020). Regulation and governance versus criminology: Disciplinary divides, intersections, and opportunities. *Regulation and Governance*, 14(2), 167-183.
- Anderson, J.E. (1962). *The Emergence of the Regulatory State*, Public Affairs Press, Washington.
- Ayres I., Braithwaite J. (1992) *Responsive Regulation: Transcending the Deregulation Debate*. Oxford University Press, Oxford.
- Baldwin R. (2008) Regulation Lite: The Rise of Emissions Trading. *Regulation and Governance* 2(2), 193–215.
- Baldwin R., Scott C, Hood C (1998) *A Reader on Regulation*. Oxford University Press, Oxford.
- Bartley, T. (2007). Institutional emergence in an era of globalization: The rise of transnational private regulation of labor and environmental conditions. *American Journal of Sociology*, 113(2), 297-351.
- Bartley, T. (2011). Certification as a mode of social regulation. *Handbook on the Politics of Regulation*, 441.
- Bawn, K. (1995). Political control versus expertise: Congressional choices about administrative procedures. *American Political Science Review*, 89(1), 62-73.
- Becker, G. S. (1983). A theory of competition among pressure groups for political influence. *The quarterly journal of economics*, 98(3), 371-400.
- Benish, A., Haber, H., and Eliahou, R. (2017). The regulatory welfare state in pension markets: mitigating high charges for low-income savers in the United Kingdom and Israel. *Journal of social policy*, 46(2), 313-330.
- Bernstein, M. (1955) *Regulating Industry by Independent Commission*, Princeton University Press: Princeton
- Biggins, J., and Scott, C. (2012). Public-private relations in a transnational private regulatory regime: ISDA, the state and OTC derivatives market reform. *European Business Organization Law Review*, 13(3), 309-346.
- Black J. (2001) Decentring Regulation: Understanding the Role of Regulation and Self Regulation in a “Post-Regulatory” World. *Current Legal Problems* 54, 103–47.
- Black J. (2002) Critical Reflections on Regulation. *Australian Journal of Legal Philosophy* 27, 1–35.
- Black, J. (2008). Constructing and contesting legitimacy and accountability in polycentric regulatory regimes, *Regulation and Governance*, 2(2), 137-164.
- Braithwaite J. (2000) The New Regulatory State and the Transformation of Criminology. *British Journal of Criminology* 40, 222–38.
- Braithwaite J. (2005) *Markets in Vice, Markets in Virtue*. Oxford University Press, Oxford.
- Braithwaite, J. (2008) *Regulatory Capitalism: How it Works, Ideas for Making it Work Better*. Edward Elgar, Cheltenham.
- Braithwaite J., Drahos P (2000) *Global Business Regulation*. Cambridge University Press, Cambridge.
- Buchanan, J. M., and Tullock, G. (1962). *The calculus of consent*. Vol. 3. Ann Arbor: University of Michigan Press
- Büthe, T., and Mattli, W. (2013). *The new global rulers: The privatization of regulation in the world economy*. Princeton University Press.
- Cafaggi, F. (2011). New foundations of transnational private regulation. *Journal of Law and Society*, 38(1), 20-49.
- Campbell, D. (2018). The ‘market’ in the theory of regulation. *Social and Legal Studies*, 27(5), 545-571.
- Carpenter, D. (2014). Detecting and measuring capture. *Preventing regulatory capture: Special interest influence and how to limit it*, 57-68.
- Coglianese, C., and Mendelson, E. (2010). ‘Meta-regulation and self-regulation’, in Baldwin, Cave and Lodge, (eds.) *The Oxford Handbook of Regulation*, pp. 37-63. Oxford: Oxford UNI. Press.
- Coglianese C., Lazer D. (2003) *Management-Based Regulation: Prescribing Private Management to Achieve Public Goals*. *Law and Society Review* 37, 691–730.



- Croley S. (2008) *Regulation and Public Interests: The Possibility of Good Regulatory Government*. Princeton University Press, Princeton, N.J.
- Dal Bó, E. (2006). Regulatory capture: A review. *Oxford Review of Economic Policy*, 22(2), 203-225.
- Dejlic M-L, Sahlin-Andersson K. (eds) (2006) *Transnational Governance*. Cambridge University Press, Cambridge.
- De Widt, D. (2017). The sustainability of local government finances in England, Germany, and the Netherlands: The impact of intergovernmental regulatory regimes. In *Financial Sustainability in Public Administration* Palgrave Macmillan, Cham, pp. 193-225.
- Dotan Y. (1996) *Administrative Guidelines*. Harry Sacher Institute for Legislative Research and Comparative Law. Hebrew University of Jerusalem, Jerusalem.
- Downs, A. (1957). An economic theory of political action in a democracy. *Journal of political economy*, 65(2), 135-150.
- Drahos, P. (2017). *Regulatory theory: Foundations and applications*. ANU Press.
- Dunleavy, P. and O'Leary B. (1987). *Theories of the State: The Politics of Liberal Democracy*, Basingstoke Macmillan.
- Eckert, R. (1981). 'The Life Cycle of Regulatory Commissioners', *The Journal of Law and Economics* 24:113-20.
- Eberlein, B., and Grande, E. (2005). Beyond delegation: transnational regulatory regimes and the EU regulatory state. *Journal of European Public Policy*, 12(1), 89-112.
- Eisner, M. A. (2000). *Regulatory politics in transition*. JHU Press.
- Feintuck, M., (2010) 'Regulatory Rationales Beyond the Economic: In Search of the Public Interest' in Baldwin, Cave and Lodge, (eds.) *The Oxford Handbook of Regulation*, Oxford: Oxford UNI. Press. PP 37-63.
- Feldman, Y. (2011). Five models of regulatory compliance motivation: empirical findings and normative implications. *Handbook on the Politics of Regulation*, 335-347.
- Freiberg, A. (2017). *Regulation in Australia*. Alexandria, Australia: Federation Press.
- Grabosky, P. (2013). Beyond Responsive Regulation: The expanding role of non-state actors in the regulatory process. *Regulation and Governance*, 7(1), 114-123
- Green, J. F. (2013). *Rethinking private authority: Agents and entrepreneurs in global environmental governance*. Princeton University Press.
- Gilad, S. (2010). It runs in the family: Meta-regulation and its siblings. *Regulation and Governance*, 4(4), 485-506.
- Gilardi, F., and Maggetti, M. (2011). The independence of regulatory authorities. *Handbook on the Politics of Regulation*.
- Gilens, M., and Page, B. I. (2014). Testing theories of American politics: Elites, interest groups, and average citizens. *Perspectives on politics*, 12(3), 564-581.
- Gugerty, M. K., and Prakash, A. (Eds.). (2010). *Voluntary regulation of NGOs and nonprofits: An accountability club framework*. Cambridge University Press.
- Guardiancich, I., and Guidi, M. (2016). Formal independence of regulatory agencies and Varieties of Capitalism: A case of institutional complementarity? *Regulation and Governance*, 10(3), 211-229.
- Guidi, M., Guardiancich, I., and Levi-Faur, D. (2020). Modes of regulatory governance: A political economy perspective. *Governance*, 33(1), 5-19.
- Gunningham N., Grabosky P.N. (1998) *Smart Regulation: Designing Environmental Policy*. Clarendon, Oxford.
- Gunningham N., Grabosky P., Sinclair D. (1998) *Smart Regulation: Designing Environmental Policy*. Oxford University Press, Oxford.
- Gunningham, N, Rees J. (1997) *Industry Self-Regulation: An Institutional Perspective*. *Law and Policy* 19, 363–414.
- Hall, P. A., and Taylor, R. C. (1996). Political science and the three new institutionalisms. *Political studies*, 44(5), 936-957.
- Hall R.B., and Biersteker T.J. (eds) (2002) *The Emergence of Private Authority in the International System*. Cambridge University Press, Cambridge.
- Hancher, L., and Moran, M. (1989). Organizing regulatory space. In: Hancher and Moran (eds), *Capitalism, Culture and Economic Regulation*. Oxford: Clarendon Press, pp. 271-299.
- Hatanaka, M., Bain, C., and Busch, L. (2005). Third-party certification in the global agrifood system. *Food policy*, 30(3), 354-369.
- Haufler V. (2013) *A Public Role for the Private Sector: Industry Self-Regulation in a Global Economy*. Carnegie Endowment for International Peace, Washington, D.C.



- Héritier, A., and Eckert, S. (2008). New modes of governance in the shadow of hierarchy: Self-regulation by industry in Europe. *Journal of Public Policy*, 113-138.
- Hood C., Scott C., Oliver, Jones G., Travers T. (1999) *Regulation inside Government*. Oxford University Press, Oxford.
- Hood C., Rothstein H., Baldwin R. (2001) *The Government of Risk: Understanding Risk Regulation Regime*. Oxford University Press, Oxford.
- Hood, C. 2011. The Blame Game: Spin, Bureaucracy, and Self-Preservation in Government. Princeton, NJ: Princeton University Press.
- Horn, M. J. (1995). *The political economy of public administration: Institutional choice in the public sector*. Cambridge University Press.
- Hsueh, R. (2011). *China's regulatory state: A new strategy for globalization*. Cornell University Press.
- Huntington, S. P. (1952). The marasmus of the ICC: The commission, the railroads, and the public interest. *Yale L.J.*, 61, 467.
- Immergut, E. M. (1998). The theoretical core of the new institutionalism. *Politics and Society*, 26(1), 5-34.
- Jacobsson K. (2004) Soft Regulation and the Subtle Transformation of States: The Case of EU Employment Policy. *Journal of European Social Policy* 14, 355–70.
- Jarrell, G. A. (1978). The demand for state regulation of the electric utility industry. *The Journal of Law and Economics*, 21(2), 269-295.
- Jayasuriya, K. (2001) "Globalization and the Changing Architecture of the State: The Politics of the Regulatory State and the Politics of Negative Co-ordination", *Journal of European Public Policy*, Vol. 8(1), pp. 101-123.
- Jordana, J. (2011). The institutional development of the Latin American regulatory state. In: Levi-Faur, D. *Handbook on the Politics of Regulation*, pp. 156-170
- Jordana, J., Levi-Faur, D., and i Marín, X. F. (2011). The global diffusion of regulatory agencies: channels of transfer and stages of diffusion. *Comparative political studies*, 44(10), 1343-1369.
- Joskow, P. L., and Noll, R. G. (1981). Regulation in theory and practice: An overview. In *Studies in public regulation* (pp. 1-78). The MIT Press.
- Kerwin C. (1994) *Rulemaking*. Congressional Quarterly Press, Washington DC.
- Jordana, J., Fernández-i-Marín, X., and Bianculli, A. C. (2018). Agency proliferation and the globalization of the regulatory state: Introducing a data set on the institutional features of regulatory agencies. *Regulation and Governance*, 12(4), 524-540.
- Kettl, D. F. (2002). Managing indirect government, *The tools of government: A guide to the new governance*, 490-510.
- Knight, J., and Jack, K. (1992). *Institutions and social conflict*. Cambridge University Press.
- Koelble, T. A. (1995). The new institutionalism in political science and sociology.
- Koenig-Archibugi, M., and Macdonald, K. (2017). The role of beneficiaries in transnational regulatory processes. *The ANNALS of the American Academy of Political and Social Science*, 670(1), 36-57.
- Koop, C., and Lodge, M. (2017). What is regulation? An interdisciplinary concept analysis. *Regulation and Governance*, 11(1), 95-108.
- Kosti, Nir and Levi-Faur, D. The Co-Production of Primary and Secondary Legislations: Israel as a Case Study of Substitutive Relationships, Law and Policy, Vol 41(4), pp. 432-457
- Kosti, Nir D. Levi-Faur and Guy Mor, Legislation and regulation: three analytical distinctions, The Theory and Practice of Legislation, Vol 7(3), 2019, pp. 169-178
- Kraakman R. (1986) Gatekeepers: The Anatomy of a Third-Party Enforcement Strategy. *Journal of Law, Economics and Organization* 2, 53–104.
- Krasner, S. D. (1982). Structural causes and regime consequences: regimes as intervening variables. *International organization*, 185-205.
- Križić, I. (2019). Regulating public procurement in Brazil, India, and China: Toward the regulatory-developmental state. *Regulation and Governance*.
- Kwak, J. (2014). Cultural capture and the financial crisis. *Preventing regulatory capture: Special interest influence and how to limit it*, 71-98.



- Laffont, J. J., and Tirole, J. (1991). The politics of government decision-making: A theory of regulatory capture. *The quarterly journal of economics*, 106(4), 1089-1127.
- Lazer, D. (2005). Regulatory capitalism as a networked order: The international system as an information network, *The Annals of the American Academy of Political and Social Science*, 598(1), pp. 52-66.
- Levi-Faur D. (2005) The Global Diffusion of Regulatory Capitalism. *The Annals of the American Academy of Political and Social Sciences* 598, 12–32.
- Levi-Faur, D. (2011) Regulation and Regulatory Governance, In: Levi-Faur, D., *Handbook on the Politics of Regulation*, Cheltenham: Elgar, pp. 3-21.
- Levi-Faur, D. (2012), *The Oxford Handbook of Governance*. Oxford: Oxford University Press.
- Levi-Faur, D. (2012a). From “big government” to “big governance”. In Levi-Faur D. (Ed.), *The Oxford Handbook of Governance*, pp. 3-18.
- Levi-Faur, D. (2013a). The odyssey of the regulatory state: From a “thin” monomorphic concept to a “thick” and polymorphic concept. *Law and Policy*, 35(1-2), 29-50.
- Levi-Faur, D. (2013b) The Regulatory State and the Developmental State: Towards Polymorphic Comparative Capitalism, in Dubash N. and Morgan B. (Eds), *The Rise of the Regulatory State of the South: Infrastructure and Development in Emerging Economies*, Oxford University Press, 2013, 235-246.
- Levi-Faur, D. (2014). The welfare state: A regulatory perspective. *Public Administration*, 92(3), 599-614.
- Levi-Faur, D. and Kariv-Teitelbaum, Y. (2020) Regulation, in *The SAGE Handbook of Political Science*, SAGE Publications, Vol 3. pp. 1152-1172.
- Lodge, M. and Wengrich, K. (2012). *Managing Regulation Regulatory Analysis Politics and Policy*, Basingstoke: Palgrave Macmillan
- Lobel O. (2004) The Renew Deal: The Fall of Regulation and the Rise of Governance in Contemporary Legal Thought. *Minnesota Law Review* 89, 342-470
- Lytton, T. D. (2013). *Kosher*. Harvard University Press.
- Moe, Terry M. (1987) An Assessment of the Positive Theory of 'Congressional Dominance', in: *Legislative Studies Quarterly*, 12(4), 475-520
- Maggetti M. (2007) De facto Independence After Delegation: A Fuzzy-set Analysis. *Regulation and Governance* 1, 271–94.
- Maggetti, M., and Papadopoulos, Y. (2018). The principal–agent framework and independent regulatory agencies. *Political studies review*, 16(3), 172-183.
- Majone G. (1994) The Rise of the Regulatory State in Europe. *West European Politics* 17, 77–101.
- Majone G. (1997) From the Positive to the Regulatory State. *Journal of Public Policy* 17, 139–67.
- Marx, A. (2011). Global governance and the certification revolution: types, trends and challenges. *Handbook on the Politics of Regulation*, 604-614.
- Majone, G. (1999). The regulatory state and its legitimacy problems. *West European Politics*, 22(1), 1-24.
- Makkai, T., and Braithwaite, J. (1992). In and out of the revolving door: Making sense of regulatory capture. *Journal of Public Policy*, 12(1), 61-78.
- Mattli W., Büthe T (2003) Setting International Standards: Technological Rationality or Primacy of Power? *World Politics* 56, 1–42.
- May, P. J. (2003). Performance-based regulation and regulatory regimes: the saga of leaky buildings. *Law and Policy*, 25(4), 381-401.
- May, P. J. (2007). Regulatory regimes and accountability. *Regulation and Governance*, 1(1), 8-26.
- McAllister, L. K. (2012). Regulation by third-party verification. *BCL Rev.*, 53, 1.
- McCarty, N. (2014). Complexity, capacity, and capture. *Preventing regulatory capture: Special interest influence and how to limit it*, 99-123.
- McGowan, F., and Wallace, H. (1996). Towards a European regulatory state. *Journal of European Public Policy*, 3(4), 560-576.
- Meidinger, E. (2009). *Private import safety regulation and transnational new governance*. Import Safety: Regulatory Governance in the Global Economy, 233-256



- Moran M. (2003) *The British Regulatory State: High Modernism and Hyper Innovation*. Oxford University Press, Oxford.
- Morgan B. (2003) *Social Citizenship in the Shadow of Competition: The Bureaucratic Politics of Regulatory Justification*. Ashgate, Aldershot.
- Nee, V., and Ingram, P. (1998). Embeddedness and beyond: institutions, exchange, and social structure. *The new institutionalism in sociology*, 19, 45.
- Novak W.J. (2008). The Myth of the "Weak" American State, *The American Historical Review*, Vol. 113 (3), pp. 752-772.
- Ogus A. (1995) Rethinking Self-regulation. *Oxford Journal of Legal Studies* 15, 97–108.
- Olson, M. (1965) The Logic of Collective Action.
- Ostrom, E. (2010). Beyond markets and states: Polycentric governance of complex economic systems, *American Economic Review* 100.3, 641-72.
- Ostrom, V., Tiebout, C. M., and Warren, R. (1961). The organization of government in metropolitan areas: a theoretical inquiry, *The American Political Science Review*, 55(4), 831-842.
- Parker C. (2002) *The Open Corporation: Effective Self-Regulation and Democracy*. Cambridge University Press, New York.
- Pattberg, P. (2005). The institutionalization of private governance: How business and nonprofit organizations agree on transnational rules, *Governance*, 18(4), 589-610.
- Pattberg, P. H. (2007). *Private institutions and global governance. The new politics of environmental sustainability*. Cheltenham: Elgar.
- Pierson, P. (2004) *Politics in time: History, institutions, and social analysis*. Princeton, NJ: Princeton University Press
- Priest M. (1998) The Privatization of Regulation: Five Models of Self-Regulation 29 *Ottawa L. Rev.* 233
- Priest G. (1993) The Origins of Utility Regulation and the "Theories of Regulation" Debate. *Journal of Law and Economics* 36, 289–324.
- Radaelli CM., De Francesco F. (2007) *Regulatory Quality in Europe: Concepts, Measures, and Policy Processes*. Manchester University Press, Manchester.
- Raz J. (1979) The Rule of Law and its Virtue. In *The Authority of Law: Essays on Law and Morality*, pp. 210–29. Clarendon, Oxford.
- Reed, A. M., Reed, D., and Utting, P. (Eds.). (2013). *Business regulation and non-state actors: Whose standards? Whose development?* (Vol. 93). Routledge.
- Rodrik, D. (2014). When ideas trump interests: Preferences, worldviews, and policy innovations. *Journal of Economic Perspectives*, 28(1), 189-208.
- Sauder M., Espeland W. (2006) Strength in Numbers? A Comparison of Law and Business School Rankings. *Indiana Law Journal* 81, 205–27.
- Scott, C. (2001). Analysing regulatory space: fragmented resources and institutional design. *Public law*, 283-305.
- Scott, C. (2002). Private regulation of the public sector: a neglected facet of contemporary governance. *Journal of Law and Society*, 29(1), 56-76
- Scott C. (2004) Regulation in the Age of Governance: The Rise of the Post-Regulatory State. In Jordana J, Levi-Faur D (eds). *The Politics of Regulation in the Age of Governance*, Edward Elgar, Cheltenham, pp. 145–74.
- Scott, C. (2017). The regulatory state and beyond. In: Drahos, P. (2017). *Regulatory theory: Foundations and applications*. ANU Press., 265-288.
- Seidman H., Gilmour R.S. (1986). *Politics, Position, and Power: From the Positive to the Regulatory State*, Oxford: Oxford University Press.
- Selznick P. (1985) Focusing Organizational Research on Regulation. In Noll R (ed.) *Regulatory Policy and the Social Sciences*, pp. 363–67. University of California Press, Berkeley and Los Angeles.
- Sethi, S. (2016). *Globalization and self-regulation: The crucial role that corporate codes of conduct play in global business*. Springer.
- Shearing, C., and Wood, J. (2003). Nodal governance, democracy, and the new 'denizens'. *Journal of Law and Society*, 30(3), 400-419.
- Sparrow M. K. (2000) *The Regulatory Craft: Controlling Risks, Solving Problems and Managing Compliance*. Brookings Institution Press, Washington DC.
- Steinmo, S. (2008). Historical institutionalism. *Approaches and methodologies in the social sciences*, 118.



- Stigler G. J. (1971) The Theory of Economic Regulation. *Bell Journal of Economics and Management Science* 2, 3–21.
- Sunstein C. R. (2002) *The Cost–Benefit State: The Future of Regulatory Protection*. American Bar Association, Chicago.
- Taggart M. (2005) From “Parliamentary Powers” to Privatization: The Chequered History of Delegated Legislation in the Twentieth Century. *University of Toronto Law Journal* 55, 575–627.
- Thaler, R. H., and Sunstein, C. R. (2008). Nudge: improving decisions about health. *Wealth, and Happiness*, 6.
- Thelen, K. (1999). Historical institutionalism in comparative politics. *Annual review of political science*, 2(1), 369-404.
- Töller, A. E. (2011). Voluntary Approaches to Regulation—Patterns, Causes and Effects. *Handbook on the Politics of Regulation*, 499-512.
- Yang, D. L. (2017). China’s Illiberal Regulatory State in Comparative Perspective. *Chinese Political Science Review*, 2(1), 114-133.
- Van Rooij, B., Stern, R. E., and Fürst, K. (2016). The authoritarian logic of regulatory pluralism: Understanding China's new environmental actors. *Regulation and Governance*, 10(1), 3-13.
- Van Rooij Benjamin and D. Daniel Sokol, (2020) *Cambridge Handbook of Compliance*, Cambridge University Press, Cambridge
- Vermeule, Adrian (2013). *Conventions of Agency Independence* 113 COLUM. L. REV. 1163
- Vrielink, M. O., van Montfort, C., and Bokhorst, M. (2011). Codes as hybrid regulation. *Handbook on the Politics of Regulation*, 486-498.
- Vogel, D. (2010) The private regulation of global corporate conduct: Achievements and limitations. *Business and Society*, 49(1), 68-87.
- Vogel D. (2005) *The Market for Virtue: The Potential and Limits of Corporate Social Responsibility*. Brookings Institution, Washington, D.C.
- Vogel, S. K. (1996). *Freer markets, more rules: Regulatory reform in advanced industrial countries*. Cornell University Press.
- Wilson J. Q. (1980) *The Politics of Regulation*. Basic Books, New York.



Section 3: Trust and Distrust in Government

3.1 Introduction

Authors: Koen Verhoest and Frederique Six

In Section 1 we reviewed the conceptual literature on trust and distrust in general. In this section, the focus of the literature review is on trust and distrust in and within government more broadly, while in Section 4 the focus is on trust and distrust in regulatory regimes. This section mainly reviews literature from political science, public administration and public management, as well as public law.

Trust is, as Ruscio (1996: 462) points out, “central to legitimate democratic government, to the formation of public policy, and to its implementation”. An important characteristic of the relationships in this section is that the trustor usually has little to no choice in who to select as the trustee. Citizens and governments are given each other, unless citizens emigrate to another country. Relationships between governments and between public authorities are equally given: a fire brigade cannot choose to collaborate with the police department on the other side of the country it prefers to work with; these relations are geographically determined. In the private sector, the market premise of competition implies that both buyers and suppliers have a wide choice of actors to do business with. Given how trust works, this may have serious implications for trust and may make it more difficult to build and maintain trust in the relations under study in the TiGRE project. After all, in trust we are looking to value-congruence with the other party and signals that their competence, integrity and benevolence are such that our expectations can be met.

The literature review in Section 1 showed that when there is no value-congruence, distrust is more likely than trust (Sitkin and Roth 1993). In the private sector, parties can usually exit the relationship and find a partner whose values are congruent with theirs. In the public sector, this is usually not the case, one has to try and make it work. When a party experiences malevolence from the other party, this may lead to distrust, but again usually exit is not an option. Similarly, this could be the case when a party sees a lack of competence or integrity with the other party.

Another characteristic of the relationships in this section is that in many instances there are very rare direct face-to-face encounters. When we study citizen trust in systems and institutions like government, democracy, courts or political parties, these are rather abstract concepts, and citizens often have no direct experience with the people that make these institutions work, which reduces their knowledge base for trust. In the basic relationship where A trusts B to do X (Hardin 2002; Uslaner 2002) this means that there is very little specific knowledge about B, the trustee, and their trustworthiness, so the trust will be more dependent on the characteristics of A, the trustor. Nooteboom and Six (2003) expanded this relationship to include the conditions or context:

A trusts B to do X under contextual conditions Y.

For example, a citizen (trustor A) may trust the government (trustee B) to handle the COVID-19 crisis effectively (issue X) in a country in which a collectivistic culture and pluralistic media systems are present (context Y). The factors driving this trust may be multiple and linked to features and experiences of the trustor A; features, intention and behaviour of the trustee B; characteristics of issue X; and elements of context Y.

This basic formulation will be used to order this section as it reviews the literature for several different relationships. Each subsection reviews a particular type of relationship and concludes with a summary table highlighting what previous research has found in terms of drivers of trust and distrust, patterns and dynamics of trust and distrust, and effects of trust and distrust. As to the drivers the distinction is made between trustor-related drivers (A), trustee-related drivers (B), context-related drivers (Y) and where relevant, issue-related drivers (X).



The structure of this summary table is shown in Table 4. Examples of trustor-related drivers are the propensity to trust, socio-economic situation, education level or profession of the trustor. Examples of trustee-related drivers are procedural fairness, accountability, transparency, inclusiveness as visible in the behaviour of the trustee (as perceived by the trustors); and examples of context-related drivers are the level of social trust in a country, as well as the country-specific political system, economic prosperity, democratic input, level of corruption and level of inequality. Examples of issue-related drivers of trust may be that trust in relation to specific issues (e.g. specific regulations) may be dependent upon the level of media-salience of that issue or the visibility or complexity of that issue.

Table 4: Summary table for drivers, dynamics and effects of trust in government

Category	Variable	Source
<u>Drivers of trust/distrust</u>		
Trustor-related drivers (A)		
Trustee-related drivers (B)		
Issue-related drivers (X)		
Context-related drivers (Y)		
<u>Patterns and dynamics of trust/distrust</u>		
Processes of trust-building (virtuous cycles)		
Process of trust-depletion (vicious cycles)		
Multi-level dynamics		
<u>Effects of trust/distrust</u>		
Cooperation		
Legitimacy		
Compliance		
Other....		

In the rows of the table referring to ‘patterns and dynamics’ of trust, insights of trust-building and trust-depletion processes (like vicious and virtuous cycles), insofar as researched, are reported, but most of the literature does not study dynamic trust processes. Multi-level dynamics refer to research on how trust in one level of governance may affect trust in other levels of governance, or how trust or distrust is created and maintained between actors at different levels of governance (e.g. between national administrations/courts and EU administrations/courts). Alternatively, it also captures insights on how trust at interpersonal, inter-organizational and system-level interact and mutually influence each other.

In the literature review, we also look for the effects of trust in and within government, and the table lists the studied effects of trust. The effects *a priori* identified in the table are cooperation, legitimacy, consent and compliance, although most of the research that provides insights into compliance will be reported in Section 4, on trust in regulatory regimes. The literature review has occasionally generated some other relevant effects.

Bouckaert (2012) points at the existence of many different trust relationships within public governance and its constitutive parts, which he characterizes as: citizens, executive politicians, legislative politicians, judicial system and administration. To help study the different trust relationships between these actors, he proposes to distinguish three main types of trust relations that most likely have different drivers because of the different characteristics of the trustors and trustees and the type of interaction between them:

- **Trust T1:** Citizen trust in organizations in government and the public sector (Bouckaert 2012). This is the most studied relationship and is also the focus of D1.2. In political science the focus is on citizen trust in



executive or legislative politicians (see subsection 3.2), while in public administration the focus is on citizen trust in administrative organizations and public service delivery (see subsection 3.3); and in law, there is increasing attention to trust in judicial institutions such as courts (see subsection 3.4).

- **Trust T2:** Trust of government and the public sector in citizens and private organizations (Bouckaert 2012). This trust relationship is as yet the least studied and focuses on trust of policy-makers and civil servants implementing public policy towards citizens as individual citizens or clients of public services or as regulatees (individuals and organizations). The former relationship is addressed in section 3.5, while the latter relationship in terms of government trust in citizens and private organizations as regulatees is addressed in Section 4.
- **Trust T3:** Trust within government and public sector actors (Bouckaert 2012). This is about trust within the public sector, between public organizations or civil servants (see subsection 3.6). Multi-level effects as in trust between different levels of governance may also be categorized as T3; these are discussed where found in the different subsections.



3.2 Trust and distrust in political institutions and actors

Author: Martino Maggetti

Citizen trust in government is the most studied trust relationship in this section, with the study of citizen distrust as closely related, but not always properly conceptualized. For example, the increasingly Edelman Trust Barometer (2020) interprets low trust scores as distrust (see Section 1 for why that is incorrect). We first briefly review citizen trust and distrust in political institutions, political actors and political parties (T1), before looking at multilevel effects (partly part of T1 where citizens trust in one level of government is influenced by their trust in another government level; and partly part of T3, where it concerns trust between different levels of government). We conclude with the summary table. We then summarize the main findings in terms of drivers and consequences of political trust from the review chapters in the recent Handbook on Political Trust (Zmerli and van der Meer, 2017) and conclude with the summary table.

3.2.1 Citizen trust and distrust in political institutions, political actors and political parties

Political trust, intended as citizen trust in political institutions (Warren 1999; Levi and Stoker 2000; Listhaug and Jakobsen 2017), is widely regarded as a desirable feature of well-functioning democratic systems (Dahl 1973; Putnam 1993; Putnam 1995; Keele 2007). Basic concepts and standard survey questions on trust in political institutions focus on trust in national government and in politicians (e.g. the early American National Elections Studies) (Stokes 1962). More fine-grained surveys (Eurobarometer, European Value Studies, European Social Survey, World Values Survey) include questions targeting specific institutions, such as parliament, government, political parties, and political institutions at different government levels etc. However – besides well-known cross-country comparability issues (Levi and Stoker 2000) – several studies have demonstrated that these dimensions are highly intertwined, and respondents do not clearly differentiate among them; what is more, citizens typically appreciate the trustworthiness of institutions without fully detangling them from the political authorities that are currently in office (Marien 2011; Schneider 2017). As Marc Hooghe put it, “citizens apparently do not distinguish between the functioning of various political institutions” (Hooghe 2011, p. 269). As a consequence, data on citizen trust in different institutions mainly reflect a more general level of diffuse support for political institutions as a whole. The concept of trust in (various) political institutions is thus usually referred to in an integrated way as “political trust”. In this review, when using ‘political trust’ we do not refer to trust in the administrative or judicial part of government, but only to trust in political institutions and actors, whereas often political trust might be used to denote trust in all parts of government.

Variations in the levels of political trust are traditionally examined with two different perspectives, which invoke cultural or institutional factors as competing explanations. And longitudinal explanations add another perspective.

Culturist explanations

The first perspective – a so-called culturalist one – emphasizes the role of long-term processes leading to the emergence of shared norms that differ across societies. These shared norms are incorporated by individuals since early childhood and define their deeply seeded beliefs about the nature of social relations, which are later also projected onto political institutions (Almond and Verba 1963; Inglehart 1999). Accordingly, levels of political trust are an enduring and relatively stable characteristic of given cultures (for a counterargument, see Kaase 1999). Following Fukuyama (1995), different cultures inherently generate different levels of generalized trust that vary across societies according to structural variables such as family models and religion; consequently, trust pre-exists, precedes, and determines institutional performance. A consequence of this line of reasoning is that governments cannot directly restore trust. They can however restrain from contributing to a depletion of trust, e.g. by avoiding to undermine local communities and social bonds.



Scholars adopting a culturalist perspective on trust have examined several more specific explanatory factors that have a long-term impact on political trust, such as: civic values (Almond and Verba, 1963); social capital (Fukuyama 1999); post-materialism (Inglehart 1990); interpersonal trust (Putnam 1993; Inglehart and Welzel 2005); group identification (Offe 2000; Dalton 2004); national identity (Berg and Hjerm 2010), etc. Uslaner's (2002) concept of moralistic trust also fits in this perspective as trust is seen as a moral value which does not depend on knowing the persons you trust or the groups that they are part of. It is stable over time, learned from a young age (particularly from parents) and is based on an optimistic world view. Uslaner (2002, 2017) argues that the decreasing levels of trust in the US (and elsewhere) can be explained by the increasing levels of economic inequality and the perceived lack of common bond that creates in society. Uslaner's concept of moralistic trust is closely related to generalized trust.

The common ground of these studies remains an exogenous approach to trust in political institutions rooted in the historical sedimentation of stocks of trust across societies.

Institutionalist explanations

The second set of explanations – an institutionalist one – puts forward an endogenous conception of trust in political institutions. Accordingly, political trust is not a durable trait of societies but a variable that derives from the (perceived) performance of political institutions. More specifically, political trust can be seen as a normative orientation of citizens toward the government that derives from the subjective evaluation of government's operations (Stokes 1962; Miller 1974). It is thereby a consequence of the perceived quality of government, namely with respect to the honesty, ability, efficiency, and adequacy of government officials (Hetherington 1998). Such a conception implies that trust in political institutions is related to the expected utility of those political institutions in the eyes of the citizens (Riker 1980).

The contributions of Mishler and Rose (2001; see also 2005) point to the superiority of what they call "microlevel institutional explanations" for political trust, while providing scarce support for macrolevel and cultural explanations. Following their work, individual evaluations of the performance of political institutions – mediated by personal conditions such as employment status and by personal values such as political ideology – crucially determine the levels of citizen's political trust within and across countries. Other scholars have also found support for macro-level institutional factors. For instance, the power-sharing quality of institutions positively affects social and political trust (Freitag and Bühlmann 2009). The key characteristics of power-sharing institutions such as the existence of devices for iterative bargaining among political actors, the inclusion of minorities in policy making, and the protection of political rights, are found to increase the levels of trust in society, making consensus democracies more trust-oriented than majoritarian democracies (Lijphart 1999).

In addition to these factors – the individual perceptions of socio-economic institutional performance, and power-sharing – institutionalist scholars have pointed to other endogenous explanations for political trust, such as: the quality of democracy (Anderson and Guillory 1997; Rothstein 2009); check and balances (Daunton 1998); credible commitments (Majone 1995); transparency (Grimmelikhuijsen, Porumbescu, Hong, and Im 2013); being free from corruption (Dinesen 2013), and so forth. This time, the common ground is the endogenous approach to trust, which is emergent from institutional dynamics (Weingast 1998; Weingast 1997).

Longitudinal explanations

To conclude, it is worth mentioning that research on trust in political institutions not only focuses on (cross-sectional) levels and stocks of political trust, but also on longstanding trends and patterns. A key theme of scholars adopting a longitudinal perspective for the study of political trust is the progressive decline of trust in political institutions that looms on advanced democracies (Listhaug 1995; Listhaug and Wiberg 1995; Nye, Zelikow, and King 1997; Pharr, Putnam, and Dalton 2000; Hetherington 2005; Corbett 2020). This trend displays considerable cross-country differences and its overall interpretation is still pending. On the one hand, some authors point to the danger of deconsolidation of democracy, whereby the rise of cynical and



highly critical attitudes towards political institutions may threaten the stability of democracy (Foa and Mounk 2016). On the other, it has been suggested that this phenomenon does not affect all countries in the same ways, but it specifically concerns some particular cases whose political system has proven to be dysfunctional in the recent years, namely the United States (Inglehart 2016). Explanatory factors for this decline can be found in both culturalist and institutionalist literature, e.g. rising socio-economic income inequalities that crucially mediate the variation in citizen's support for democracy across countries (Welzel and Inglehart 2003); the evolution of the role of mass media (Hetherington 1998); the growing feeling of political under- or misrepresentation (Smith and Wales 2000; Barber 2004); and the apparent declining power and sovereignty of nation-states in favour of less democratic international organisations and transnational corporations (Dahl 1999; Moravcsik 2004; Follesdal and Hix 2006).

3.2.2 Citizen trust and distrust in a multilevel context

Multilevel polities (Hooghe and Marks 2001) are characterized by complex interdependencies among political actors situated at different levels of governance (Scharpf 1994; Enderlein, Walti, and Zürn 2010; Behnke, Broschek, and Sonnicksen 2019), whereby decisions made at one level may trigger policy dynamics and unintended policy consequences at another level of governance (Maggetti and Trein 2019). Such interdependencies are also expected to shape political trust at the different levels of governance and trust relationships across levels (Listhaug and Jakobsen 2017; Van der Meer 2018; Persson, Parker, and Widmalm 2019).

The literature on trust within this type of institutional architecture – first and foremost the European Union – have first examined the determinants of trust as a static property of political institutions situated on a given level of governance (Muñoz 2017). A common finding is about the impact of closeness: citizens exhibit a clear tendency in trusting more political institutions that are closer to them; in particular, the empirical evidence is quite consistent in showing that trust in local politicians is usually higher than trust in their national counterparts (Jennings 1998; Denters 2002; Citrin and Stoker 2018). Proximity goes indeed with a number of factors that are favourable to the development of trust relationships, such as more frequent interactions with public officials and more direct experience with public service provision by the related authorities.

However, trust is conditional on the perceived performance of institutions (Fitzgerald and Wolak 2016). Local institutions are trusted more than those more at a distance only as long as they are perceived as well-functioning; therefore, the question is pending whether local institutions are trusted because they are considered as performing better than national ones, or is it trust that ultimately determines their superior performance (Van de Walle and Bouckaert 2003). As regards the supranational level, the evidence is rather mixed. Whether citizens trust more national or EU institutions seems to depend on the national context and on the period under investigation; in some countries and at some points in time, citizens trust EU institutions more than national ones, while in others the reverse is true (Torcal, Muñoz, Bonet, Sanders, Pedro, and Toka 2012; Hartevelde, Meer, and Vries 2013; see also van der Meer and Ouattara 2019).

This leads us to the discussion of the intertwinement of trust relationships between levels. The usual starting point is the possible spillover effect – specifically from the national level towards EU institutions – due to the cognitive shortcuts for which citizens conflate different levels of governance in their perceptions about political trust (Anderson 1998; see also Parker, Persson, and Widmalm 2019). A similar process of so-called congruence between levels applies to distrust patterns as well (Torcal and Christmann 2019; Brosius, van Elsas, and de Vreese 2020). This implies that attitudes towards the EU are largely based on citizens' attitudes towards domestic politics. More recent research points to a more complicated relationship. Evidence on trust in the European parliament indicates that at an individual level, citizens' trust is positively related to trust in both national and European institutions; however, at country level, higher average levels of trust in domestic political institutions undermine the support for European arenas (Muñoz, Torcal, and Bonet 2011). The trust relations across levels of governance appear thus to follow a double logic of congruence and of compensation, a finding that still requires some clarifications.



3.2.3 Recent review of drivers and effects of political trust

Author: Frederique Six

The recent *Handbook on Political Trust* (Zmerli and van der Meer, 2017) provides a recent review of the literature on the drivers and effects of political trust, so we rely mainly on this source to scope the literature and briefly summarize the most relevant drivers and effects mentioned in the different chapters.

Over the years many **trustor-related drivers** of political trust have been investigated. Social or generalized trust, for example, has a positive effect on political trust, potentially with a mediating or moderating role of performance. Interestingly, this relationship appears to vary by branch of government (legislative, executive or administrative) and when trust in political officials is measured versus trust in more abstract political institutions (for an overview see Liu and Stolle, 2017).

The influence of socialization on political trust is more complex, in particular the influence of education. In most countries, lower-educated citizens show lower trust in political institutions than higher-educated citizens, but this relationship depends on the performance of the democratic institutions within the country. Corruption undermines political trust, and more strongly for higher-educated than lower educated citizens. This effect can be explained by the two functions of education. First, the accuracy-inducing function that helps citizens to make sense of the accuracy of the information on the performance of political institutions. Higher educated citizens are better able to obtain information about the corrupt practices that undermine democratic institutions. Second, the norm-inducing function means that higher-educated citizens will be more normatively troubled by such practices (Mayne and Hakhverdian, 2017).

Concerning the impact of emotions on political trust, uncivil exchanges in political discussions lead to both lower political trust and higher entertainment value. Feelings of pride and hope appear to lead to higher political trust (for an overview see, Theiss-Morse and Barton 2017). More recently, biological influences have been studied, using medical techniques. Both hormonal (such as oxytocin) and hereditary influences appear to affect political (and generalized) trust (Mondak et al, 2017), although the policy implications of these findings are not clear.

Several **context-related drivers** have also been identified. First, democratic input, the proportionality of electoral institutions, has a “somewhat curvilinear” impact on political trust (van der Meer, 2017, p. 28), indicating that more democratic input does not always imply more political trust. Second, macroeconomic performance also has a more complex impact, which has implications for how this is researched. In cross-national studies, no consistent effect on political trust has been found. But in longitudinal, within-country studies macroeconomic performance is an important driver. Third, perceptions of corruption and inequality reduce levels of political trust (as well as generalized trust). The “inequality trap” of corruption implies that “corruption rests upon a foundation of unequal resources, and it leads to greater inequality in turn” (Uslaner, 2017, p.302). Fourth, the more diverse a nation is in terms of immigrant-related minorities, the lower overall levels of political trust will be because this diversity contributes to “a sense of weakened connection between natives and state elites and institutions and due to a reduced level of political trust amongst immigrant-origin groups” (McLaren, 2017. p. 332). Fifth, norms of citizenship impact on political trust, and not the other way around (van Deth, 2017). Finally, there is no convincing evidence that the trust in media influences political trust; if anything “most individuals with strong values and beliefs are not easily persuaded to change them, even in the face of overwhelming counter-evidence and argument” (Newton, 2017, p. 368).

Several **consequences of political trust** have been identified. Political trust has been found to (1) increase citizen compliance with government regulation (Rudolph, 2017; Thomassen et al, 2017; van Deth, 2017); (2) encourage citizens to choose the more prosocial option in social dilemmas (e.g. when there are water shortages) (Rudolph, 2017); (3) affect voting behaviour, especially reducing populist voting (Bélanger, 2017; Rudolph, 2017); and (4) activate citizens to support civil liberties (Rudolph, 2017). Thomassen et al (2017, p. 521), argue that legitimacy “appears to be a far more important and stable source of political support than long-term (economic) utility or policy performance”, by which they also imply political trust.



3.2.4 Summary

In Table 5 below we present the main variables found in our review of citizen trust and distrust in political institutions and actors. In D1.2 a systematic review of insights from citizen trust and distrust research from large databases is presented that will expand this.



Table 5: Drivers, dynamics and effects of trust in political institutions and actors

Category	Variable	Source
<u>Drivers for trust/distrust</u>		
Trustor -related (A)	Emotion, cognition	Theiss-Morse and Barton (2017)
	Biological features (like hormones and hereditary influences)	Mondak et al (2017)
	Personal features/status: e.g. employment status (mediator for perceived institutional performance)	Mishler and Rose 2001; 2005
	Education and other forms of socialization	Mayne and Hakhverdian (2017)
	Generalized trust or social trust	Liu and Stolle (2017)
	Personal values such as political ideology (mediator for perceived institutional performance)	Mishler and Rose 2001; 2005
Trustee-related drivers (B)	1. Perceived quality of government	Stokes 1962; Miller 1974; Hetherington 1998; Rothstein 2009
	2. (Perceived) institutional performance mediated by personal conditions	Mishler and Rose 2001
	3. Power-sharing institutions	Freitag and Bühlmann 2009
	4. Check and balances	Daunton 1998
	5. Credible commitments	Majone 1995
	6. Transparency	Grimmelikhuisen, Porumbescu, Hong, and Im 2013
	7. Being free from corruption	Dinesen 2013
	8. Procedural fairness	Grimes (2017)
Context-related drivers (Y)	Culture	Fukuyama (1995)
	1. Cultural differences as to family models and religion	Almond and Verba (1963), but see Liu and Stolle (2017)
	2. Civic values/civic culture	Fukuyama (1999, but see Liu and Stolle 2017)
	3. Social capital	Inglehart (1990)
	4. Post-materialist culture	Putnam (1993); Inglehart and Welzel (2005)
	5. Level of interpersonal trust in society	Offe (2000); Dalton (2004)
	6. Group identification	Berg and Hjerm 2010
	7. National identity	Van Deth (2017)
	8. Norms of citizenship	
	Democratic input	Van der Meer (2017)
	Macroeconomic output	Van der Meer (2017)



	Corruption	Uslaner (2017)
	Inequality	Uslaner (2017)
	Immigration and ethnic diversity	McLaren (2017)
<u>Patterns and dynamics of trust/distrust</u>		
Processes of trust-building (virtuous cycles)		
Process of trusts-depletion (vicious cycles)	1. Long-term decline explained by <ul style="list-style-type: none"> a. socio-economic income inequalities b. evolution of the role of mass media c. feeling of political under or misrepresentation d. declining power and sovereignty of nation-states in favour of less democratic international organisations and transnational corporations. 	Welzel and Inglehart 2003; Uslaner 2002 Hetherington 1998 Smith and Wales 2000; Barber 2004 Dahl 1999; Follesdal and Hix 2006; Moravcsik 2004
Multi-level dynamics	1. Proximity/closeness 2. Spill over effects	Jennings 1998; Denters 2002; Citrin and Stoker 2018 Anderson 1998; Parker, Persson, and Widmalm 2019; Torcal and Christmann 2019; Brosius, van Elsas, and de Vreese 2020; Muñoz, Torcal, and Bonet 2011; Muñoz 2017)
<u>Effects</u>		
Legitimacy		Thomassen et al (2017)
Voting behaviour		Bélanger 2017; Rudolph 2017
Participation		Gabriel (2017)
Compliance		Thomassen et al 2017; Rudolph, 2017; Van Deth 2017



3.3 Citizen trust and distrust in public administration and public service delivery

Authors: Rahel Schomaker and Moritz Kappler

Trust is important in public administration (PA) as it helps to “foster an effective and performance-driven public sector, delivering better public services more efficiently” (OECD 2011: 7). Thus, citizen trust – or distrust – in PA as an institution as well as trust in service provision matters (Oomsels and Bouckaert, 2014). Regarding trust in PA as an institution, the main argument for its pivotal relevance is its ability to ensure compliance without coercion, in particular in cases where enforcement mechanisms are restricted (Chanley, Rudolph and Rahn, 2000; Scholz and Pinney, 1995). As for trust in public service delivery, the relevance of trust is based on its transaction-cost decreasing function as well as its positive impact on cooperation and compliance (Schomaker and Bauer 2020). So, this section focuses on the T1 trust relation covering trust of citizens and other societal actors in public administration and public service delivery (Bouckaert 2012).

3.3.1 Disentangling trust in PA

While we attempt to disentangle different drivers of trust with a two-fold differentiation of the trustee, i.e. the PA in general and specific units of public service delivery, such detailed analysis is somewhat fuzzy, as previous research “has found that trust in government as a whole, and public administrators in particular, may simply be a function of citizen’s broader assessments of “the governmental system” (Marlow 2004: 94). Moreover, “trust in public administrators is largely inseparable from citizens’ broader assessments of government as a whole” (Marlow 2004: 94). This phenomenon constitutes a process of generalization with the assessment by the citizens being not very nuanced (Bouckaert, Van de Walle, Maddens, and Kampen. 2002). There is evidence that also the drivers of trust in the government are very similar regarding trust in PA and other public institution (Camões and Mendes 2019). This lack of differentiation can also be observed regarding trust in different levels of PA, as there is evidence that in the citizens’ view, there is no differentiation between the different levels, government is government (Glaser and Denhardt 1997). Accordingly, in a fair share of the literature scrutinized in this analysis, a nuanced decomposition of the two sub-types of trustees does not take place.

Furthermore, it is noteworthy that, scrutinizing empirical data from world-sample studies on trust, while trust in specific institutions such as the constitution is generally high, on average, “the civil service, which is supposed to be an impartial institution, is deemed trustworthy only by a minority of people” (Zmerli and Newton 2017, 113).

Another aspect in the context of the literature review at hand is the fact that most studies do not particularly disentangle the concepts of “distrust” and “lack of trust” and use the two concepts mostly synonymously (for a discussion see Oomsels and Bouckaert, 2014; Bouckaert et al. 2002). Hence, while drivers of trust can be identified concretely, it often remains blurry in the respective literature if such indicator – in the case of a decrease – can be interpreted either as a “driver of distrust” or as just lowering the level of trust.

3.3.2 Drivers of trust in public administration

A rather small fraction of the literature on drivers of trust focuses (at least implicitly) on the trustor, with trust being driven by attitudes or characteristics of the trustor (see e.g. Marlow 2004; also, Glaser and Hildreth, 1999). The vast majority of literature, though, focuses on the peculiarities of the trustee to explain both the degree of and potential shifts in trust levels. As was noted in section 1.1, trust or trustworthiness can largely be understood as a concept based on ability, benevolence, and integrity (see Section 1; Mayer, Davis and Schoorman 1995). Within the context of the PA, in particular, the



following factors are discussed as being trust-creating: reliability, predictability, ability, consistency, competence, routine, and integrity (Bouckaert 2011). In an attempt to cluster these factors, one can orientate oneself towards Rousseau et al. (1998) in distinguishing calculative and relational sources of trust and follow the categories of trust indicated by Lewicki and Bunker (1996) who differentiate citizen trust in a calculus-, a knowledge-, and an identification-based one, as was explained in section 1.2 (see also Van de Walle 2017 using this distinction).

Calculus-based citizen trust is based on citizens' weighing of cost and benefits and is, thus, determined by expected returns. Such trust is achieved if acting in a trustworthy manner comes with a positive expected return. Applied to citizen trust in PA, PA needs the capability to either reward desired or punish undesired behaviour. Either way, an effective control, reward and deterrence system is the condition *sine qua non*, as this allows for the trustor (the citizen) to form expectations about potential gains and losses resulting from specific behaviour (Van de Walle 2017; Williamson 1993). Concluding, if a citizen expects a positive return from interacting with PA, trust will emerge. However, the other side of the same coin indicates that if the risk is higher than the potential gains, trust will decrease or vanish. Accordingly, trust levels depend on calculations that can change rapidly. Such fragility makes calculus-based trust a rather cost-intensive and ephemeral endeavour in which monitoring, sanctioning and rewarding are inherent parts of trust. Therefore, as argued in Section 1, a substantial number of trust researchers question whether this is really trust or rather distrust.

Knowledge-based citizen trust builds upon the accumulation of credible information that increases predictability of the counterpart's future behaviour (Van de Walle 2017). Information can be gained either relationally by direct experiences or indirectly via third-party information. The former includes the personal perception of the public sector acting according to procedural fairness (Grimes 2017), with respect, and according to the ideal of equity. The latter, for example, includes awareness campaigns (Kaplan and Haenlein 2009), open data in general and especially publicly available performance information (van der Meer 2017; Kumlin and Haugsgjerd 2017; Radin 2006; Van de Walle 2017; Van Ryzin 2011). Personal experience and performance information, though, are not necessarily independent from one another, as "patterns of individual interactions with public bureaucracies may impact citizen perceptions of performance" (Marlow 2004: 98). Consequently, initial expectations and, thus also specific perceptions of performance, impact on trust-levels even if being "influenced by factors exogenous to the actual level of quality of service delivery" (Kampen, Van de Walle, and Bouckaert 2006, 390).

Taking a closer look at some peculiarities of 'impersonal' information and personal experience, with no claim of exhaustiveness, certain phenomena deserve further consideration. Regarding performance information, amongst others, Kumlin and Haugsgjerd (2017, 287) invoke to "bring performance back in" and decry that performance evaluation as a source of trust is left almost exclusively to macroeconomic reasoning. Supportive, Kumlin (2007) finds that dissatisfaction with PA has stronger effects on citizen trust levels than the perceived functioning of the economy. Along the same line, studies on a wide variety of public sectors – inter alia elder care, health care, social and job security, education – suggests that performance evaluation of PA strongly positively correlates with political trust in a first step (Kumlin 2007, Huseby 2000) and, in a second step, with the functioning of both PA and democracy in general. Furthermore, the initial expectation of citizens towards PA interacts significantly with the specific information about performance gained (Good 2000; Bozic and Kuppelwieser 2019; Grimes 2017). Affirmatively, Schomaker, Bauer, and Kappler (2020) demonstrate that the initial trust level matters by finding evidence for strong confirmation bias, in particular when positive expectations and positive information interact.

Digging deeper into personal experiences, most general, there is empirical evidence for high correlation levels between experiences with and performance of the public sector on the one hand, and prior experience and trust of citizens in PA on the other hand. Amongst others, Kampen et al. (2006) find empirical evidence that, indeed, validates the mentioned link, but further indicates the



nature of PA performance as a Herzbergian hygiene factor⁷ inasmuch its very presence is ‘taken for granted’ but a potential lack of something that is expected to be has a substantial effect. Accordingly, negative experience with a public body or negative information about performance is much more pronounced than the positive counterpart (Kampen et al. 2006). To increase the level of trust in general, accordingly, Kampen et al. (2006) propose public administrations to just fulfil expectations for the mass rather than overfulfill expectations for the few. Van Ryzin (2006) concludes similarly insofar as to provide evidence that it is above all the badly rated public service that contributes to overall judgments of the PA. Following, observing proper public sector routine, and experiencing that PA in general, or a specific public service provider, has the ability and competence to fulfil the respective task, creates trust. This also applies to observed integrity of PA that increases trust.

Identification-based trust is more emotional rather than cognitive as the ones previously discussed. Van de Walle (2017) highlights the complex and lengthy process of establishment and the subsequent limited number of relationships in which trust is based on common identification, including the reciprocal understanding and appreciation of one another’s needs and interests (Lewicki and Bunker 1996). Therefore, amongst the discussed types of trust, identification-based trust may be the most difficult to attain for PA since it maintains countless relationships simultaneously.

However, referring to the counterpart’s future behaviour as discussed above, beyond performance characteristics, estimating if such behaviour may be in line with someone’s own ideas of “...normatively desirable behaviours or end states” (Edwards and Cable 2009, 654) is a decisive trust aspect. The fit of values, i.e. value-congruence, between the citizen and PA is pivotal as both a trust dimension in itself and as a key component of trust relationships as either a moderator (Kristof 1996; Zussman 1997) or as a necessary condition (Kehoe and Ponting 2003).

Interestingly, various scholars suggest that identification-based trust as the type of citizen trust in PA that is most dense and stable can hardly be attained by indirect information and calculative decisions (Lyon, Möllering, and Saunders 2011). Rousseau et al. (1998) argue that only repeated personal interaction including procedurally evinced integrity and reciprocal care and concern – ‘at best’ in a risky and uncertain environment (Oomsels and Bouckaert 2014) – may lead to the establishment of emotional attachments. Affirmatively, amongst others, Shaw (2003) scrutinizes the formation of trust in a slightly different context than the one of interest here. However, in a context of cooperation between a non-profit organization and public sectors in which it may not be primarily about the achievement of quantitatively described objectives, she provides evidence suggesting that other factors such as “...genuine affection for each other are more important than economic benefits” (Shaw 2003, 107).

3.3.3 Effects and consequences

As discussed in Section 1, the relationship between trust and control either can be negatives (substitutes) or positive (complements). In either case, trust facilitates compliance and cooperation (Edelenbos and Klijn 2007). Hence, trust can be understood as a condition sine qua non for the proper functioning of PA in all cases where cooperation or compliance is necessary, as otherwise prohibitively high costs would emerge. The smooth conduct of public service delivery as well as compliance with rules executed by PA depends to a considerable degree on citizen trust, as citizen trust tremendously increases the probability of citizens “to comply, obey rules and regulations, or pay taxes” (Van de Walle 2017, 118).

This positive effect of trust results from the fact that the actors do not need to take possible negative outcomes into consideration and thus will be more likely to commit themselves, e.g. via investing their

⁷ Originally, Herzberg’s work on hygiene factors can be found within the context of job satisfaction. As compared to the second type of factor that is “motivators”, hygiene factors can only contribute negatively to satisfaction if not existing as expected (Herzberg 1966; Alshmemri, Shahwan-Akl, and Maude 2017)



resources without additional safeguards, which results in a reduction of transaction costs (Klijn, Edelenbos, and Steijn 2010). On the other hand, a lack of citizen trust increases transaction costs through the increased need for monitoring and sanctioning. Furthermore, it affects regulation, execution and public service provision in quite different ways, from pure non-compliance or non-utilization by the public to active deployment of various exit and voice behaviours (Van de Walle 2017; Levi 1998). Consequently, PA within a context of eroding levels of trust and distrust may most likely result in either a prolonged or impeded implementation process or even in complete failure (Snow 1997; Andrews and Van de Walle 2013).

The pivotal relevance of trust, in particular its high levels of commitment and guarantor effect of low transaction costs, also becomes obvious in networks and multi-actor cooperation. While these types of networks play an increasing role for the public administration – may it be in the sense of co-production by citizens or cooperation with private enterprises – there is evidence that high trust levels lead to higher levels of (perceived) performance or “better” (perceived) outcomes (Edelenbos and Klijn 2007; Klijn, Edelenbos and Steijn 2010; Schomaker and Bauer 2020).

3.3.4 Circular and interlinkage effects and trade-offs

Scrutinizing the differentiation between “trust in government” and “trust in public service delivery”, reciprocal links or circular relationships between the different dimensions of trust are possible. As the two concepts of trust in “government” and “service delivery” are not independent of another, there is an ongoing debate in how far they are influencing each other in the sense of a circular relationship, or more concretely, “whether a better public service delivery will actually contribute to restoring trust in government” (Kampen, Van de Walle, and Bouckaert 2006, 288; see also Berg and Johansson 2020). In reference to the observed interlinkages between citizens’ expectations and the perception of information gained (Good 2000; Bozic and Kuppelwieser 2019; Grimes 2017), also the opposite direction, a positive amplification of the perception of service delivery due to high trust in government may be possible.

Trade-offs between trust and distrust are also possible, notably when scrutinizing different governmental actors as trustees. As one of the very few studies reflecting the trust-distrust nexus, Van de Walle (2010) argues that such trade-off exists – citizens trust in PA increased in the course of New Public Management (NPM) reforms by introducing institutionalized inter-organizational distrust in the public sector via control-mechanisms inherent to NPM.

3.3.5 Summary

Following the introduced scheme in the introductory section, Table 6 summarizes major drivers, dynamics and effects of citizen trust in PA.



Table 6: Drivers, dynamics and effects of trust in public administration

Category	Variable	Source
<u>Drivers for trust/distrust</u>		
Trustor-related drivers(A)	<ol style="list-style-type: none"> 1. Attitude toward government size and power. 2. Trust levels in government and the executive branch, but not related to personal/demographic characteristics. 3. Trustor's education, socialization, and psychological disposition. 4. Initial expectations (e.g. of service delivery by PA). 5. Experience, information and the stock of knowledge 	Marlow, 2004; Glaser and Hildreth, 1999; Glaser and Denhardt, 1997; Grimes, 2017; Kampen, Van de Walle, and Bouckaert 2006; Van de Walle, 2017; Lewicki and Bunker, 1996; Good, 2000; Bozic and Kuppelwieser, 2019
Trustee-related drivers (B)	<ol style="list-style-type: none"> 1. (Perceived) performance. 2. (Perceived) reliability. 3. (Perceived) predictability. 4. (Perceived) value-congruence. 5. (Perceived) procedural fairness. 	Glaser and Hildreth 1999; Bouckaert, 2011; Van de Walle, 2017; Van Ryzin, 2011; Radin, 2006; Kumlin and Haugsgjerd, 2017; Edwards and Cable, 2009; Kehoe and Ponting 2003; Grimes, 2017
Issue-related (X)	<ol style="list-style-type: none"> 1. Public service unit vs. general PA and service delivery unit vs. regulatory agency. 2. Possibility of face-to-face communication. 3. Existence of a reward and deterrence system. 4. Availability of (performance) information. 5. Certainty/uncertainty levels. 	Kampen, Van de Walle, and Bouckaert 2006; Van de Walle, 2017; Lewicki and Bunker, 1996; Good, 2000; Bozic and Kuppelwieser, 2019; Kumlin and Haugsgjerd, 2017; Oomsels and Bouckaert, 2014; Shaw, 2003
Context-related drivers (Y)	<ol style="list-style-type: none"> 1. Homogeneity of values. 	Williamson, 1993
<u>Patterns and dynamics of trust/distrust</u>		
Processes of trust-building (virtuous cycles)	<ol style="list-style-type: none"> 1. High levels of value-congruence and levels identity-based trust are the best breeding ground for a positive development of trust levels. 2. Most general, positive experience and good experience increase trust in PA. 3. Regarding information there is a strong confirmation bias. If positive expectations are existent and interact with positive information, trust levels are strongly positively affected. 	Lewicki and Bunker, 1996; Van de Walle, 2017; Kumlin, 2007; Huseby, 2000; Schomaker, Bauer, and Kappler, 2020



Processes of trust depletion (vicious cycles)	<ol style="list-style-type: none"> 1. Trust levels in PA are generally rather low. 2. PA's nature as a hygiene factor makes negative experience and information weigh much more than positive one. 	Kampen, Van de Walle, and Bouckaert 2006; Edwards and Cable, 2009; Zussman, 1997; Kumlin, 2007
Multi-level dynamics	<ol style="list-style-type: none"> 1. Relatively strong notion of extrapolation between citizens' trust in government and citizens' trust in PA. 	Camões and Mendes, 2019; Marlow, 2004; Glaser and Denhardt, 1997; Bouckaert, Van de Walle, Maddens, and Kampen 2002
<u>Effects of trust/distrust</u>		
Cooperation	<ol style="list-style-type: none"> 1. High(er) performance of cooperation and networks if trust is given (compared to distrust or a lack of trust – the two concepts are not separated analytically) 2. Low(er) transaction costs of cooperation if trust is given. 	Edelenbos and Klijn 2007 Klijn., Edelenbos and Steijn 2010; Van de Walle 2017; Levi 1998
Compliance	<ol style="list-style-type: none"> 1. Better compliance. 	Chanley, Rudolph and Rahn, 2000; Scholz and Pinney, 1995
Other effects or consequences of trust and distrust	<ol style="list-style-type: none"> 1. Prolonged or impeded implementation process or even complete failure in cases of a lack of trust or distrust (not specified) 	Andrews and Van de Walle 2013



3.4 Citizen trust and distrust in judicial actors and courts

Authors: Patricia Popelier, Monika Glavina and Esther van Zimmeren

This section focuses on trust and distrust from citizens and other societal actors in courts and other judicial actors. Hence the main focus is on relation T1, but also trust relations between courts and judicial actors are covered (relation T3; Bouckaert 2012).

3.4.1 Trust in courts: an understudied topic in Europe

Trust in courts is frequently examined under different concepts, or mixed with different notions, such as ‘legitimacy’, or defined as diffuse support (Caldeira and Gibson 1995; Gibson and Caldeira 1995; Gibson and Caldeira 1998; Voeten 2013). The European Court on Human Rights in its case-law even explicitly seems to recognize the role of ‘public confidence’ as the source of the judiciary’s legitimacy (Bassok 2018).

Several reasons explain the focus on ‘legitimacy’ and ‘support’. One is the counter-majoritarian difficulty: while (most) courts are not elected, they can invalidate decisions from directly or indirectly representative authorities. This is relevant from a trust perspective, as some authors claim that trust in political institutions is advanced through the institutionalization of distrust, by building in checks and balances (Grosskopf 2008). This way, courts act as “generators of meta-trust” (Van De Walle 2009). Another reason is that courts are dependent upon other authorities to implement their decisions, and therefore they rely on ‘public support’ (Vanberg 2005). Legitimacy and support cannot be equated with trust: it is institutional commitment, i.e. the willingness to defend the institution against structural and functional alterations that would fundamentally alter the institution’s role in society (Gibson and Caldeira 1995), or the belief that it has the right to exercise authority in a certain domain (Voeten 2013). However, these concepts are closely linked: in the absence of electoral accountability or public ability to assess legal reasonings, public support depends on trust (Voeten 2013; Arnold et al. 2012). So, if diffuse support is strongly correlated with the willingness to accept an unpopular judicial decision (Gibson and Caldeira 1995), and support for (international) courts drops abruptly with public controversy over unpopular decisions (Voeten 2013 – but see Kelemen 2012), then this is also important for trust relations, which are known for being hard to build but easy to break. Research on the US Supreme Court confirms that disagreement with specific rulings reduces ‘confidence’ in the Court – whereas, conversely, agreement with decisions only marginally advances ‘confidence’ (Grosskopf and Mondak 1998).

Nevertheless, while public trust in the judicial system has been more intensely explored in the US, this has been less common in Europe. Yet, the European multilevel governance context provides a more complex and wider range of judicial attitudes (Caldeira and Gibson 1995), institutional frameworks, and legal and political cultures. Moreover, with the Court of Justice of the European Union (CJEU) and the European Court of Human Rights (ECtHR), the European legal space provides two supranational courts to examine trust in courts in a multilevel context. This section will therefore mostly point out lacunas in the empirical research of trust in courts in Europe. It distinguishes between the interaction of trust at different governance levels (Section 2) and trust within one legal system (Section 3), on the one hand, and, within these two categories, between trust between judicial actors (Sub-sections 2.1 and 3.1) and citizen’s trust in courts (Sub-sections 2.2 and 3.2), on the other hand.

By ‘judicial actors’ we primarily refer to judges, but other actors may also be closely involved in the functioning of the judicial system. Legal experts can play an important role in civil and criminal litigation, and police officers and prosecutors play an important role in the enforcement of criminal law. For example, the public prosecutor takes the lead of the police investigation, where evidence is gathered and takes the decision to bring a criminal case to court. In addition, in some legal domains,



so-called ‘quasi-judicial actors’ are increasingly involved in the review of decisions of administrative actors and conflicts between private parties. In cross-border cases, this expands to the interaction between judicial actors which, even in similar capacities, operate in different organizational contexts.

In this analysis, we focus on trust in courts. For example, while research on trust within the criminal justice system tends to measure trust in police officers as well as courts, this section will only include findings related to courts. Other judicial actors, however, do play a role when discussing inter-organizational trust, for example as a factor that improves justice chain management (Callens, Bouockaert and Parmentier 2016). Moreover, we analyse trust in national and supranational courts and the relation between trust in national and supranational courts. Usually, trust in national courts is regarded as a driver for trust in the European courts (Gibson and Caldeira 1998). The sub-section on multi-level dynamics is limited to that relationship. Other drivers for trust in the European courts are discussed in the sub-section on trust within one legal system – in this case, the European legal space. Likewise, trust relations between judicial actors in different countries within the context of the European Union, are discussed under the heading of trust within one legal system.

We would like to point to an important gap in the literature on trust in courts. Surveys tend to test trust in courts without further analysis, similar to trust research in other institutions. Interesting in this respect is a study where magistrates and other judicial actors were interviewed to assess doctrinal definitions of trust and distrust, leading to adapted definitions that, for example, replace the notion of ‘vulnerability’ by ‘assuming an open position’ (Van Schoenwinkel and Hondeghe 2016). By contrast, some studies analyse trust using indicators that refer to the performance of courts and the attributes of judges by asking respondents whether they think that courts protect citizen rights, that judges are honest, that court decisions are fair, and that the courts guarantee everyone a fair trial (e.g. Tyler 2001; Grimmelikhuijsen and Klijn 2015). This seems problematic because it blurs the concept of trust and the drivers for trust. This way, procedural fairness and performance are already part of the concept of trust, instead of independent variables.

3.4.2 Interaction of trust in courts at different levels (multi-level dynamics)

Trust between judicial actors

Interdependencies among courts have been captured under the term ‘judicial dialogue’ or ‘judicial conversations’ (Claes 2006; Claes et al. 2012; Meuwese and Snel 2019; Rosas 2007; van Gestel and de Poorter, 2019), with preliminary references as its most prominent tool, and the preliminary ruling procedure between national courts and the CJEU as the most discussed relationship. The main observation is that there is a lack of empirical literature that links the concept of judicial dialogue with a thorough conceptualization of trust (see for instance van Gestel and De Poorter, 2019, who use the concept of trust, but use a rather limited set of trust literature; but see Mayoral 2017).

Many authors have extensively examined the determinants for national courts to request a preliminary ruling (e.g. Broberg and Fenger 2013; Glavina 2020; Lampach and Dyevre 2020; Stone Sweet and Brunel 1998; Tridimas and Tridimas 2004; van Gestel and de Poorter, 2019). Yet, this has only rarely been studied from the perspective of trust. A unique empirical study suggests that national judges are more willing to co-operate with the CJEU when they trust that the Courts’ decisions offer clear guidance for the correct application of EU law and will not create any conflict with their national legal order (Mayoral 2017). Mayoral (2017) reveals a series of drivers that are related to each of the four types of drivers distinguished in this study. Trustor-related drivers for trust are a deeper knowledge of EU law and trust in domestic judicial institutions, which is regarded as a ‘corporist’ factor. Support for the EU is also identified as a trustor-related driver for lower courts, but interestingly not for higher domestic courts. A trustee-related driver is the perceived ability of the CJEU to give clear guidance on matters of EU law. An issue-related driver is the legal field in which the domestic courts operate, with a lower probability to trust the CJEU in criminal law. Finally, the study reveals two context-related



drivers. One is the domestic legal system's approach to the relation between national and EU law, in the form of a dualist tradition, or with apex courts that take a critical stance towards the CJEU. The other context-related driver is value-congruence of legal principles. Van Gestel and de Poorter (2019) build on Mayoral's study although their theoretical trust framework is less developed. They emphasize the relevance of competence, reliability and honesty in a reciprocal sense, as national courts and the CJEU both act respectively as trustor and trustee within the context of judicial dialogue through the preliminary ruling procedure.

Some studies suggest a different understanding of the role of preliminary references in the relationship between national courts and the CJEU: those references are sometimes used precisely to lay bare a conflict between the domestic and the European regime (Popelier and Van De Heyning 2019), as a strategy to depoliticize the domestic judicial decision (De Jaegere 2019), or as a powerful weapon for lower national courts to expand their power against higher courts (van Gestel and de Poorter 2019; Alter 1998). This calls for a better understanding of performance as a driver for trust in courts. A public choice approach suggests that national courts will refer to the CJEU when the expected benefits in terms of ability to implement their own preferred policy outcomes exceed the benefits from not referring, for example to bypass interpretations by higher domestic courts (Alter 1998; Tridimas and Tridimas 2004; van Gestel and de Poorter 2019). However, research on the role of trust to resolve judicial conflicts remains scarce (Mayoral 2017; van Gestel and de Poorter 2019). Finally, many other potential determinants for trust are unexplored, such as the impact of legal culture (Mayoral 2017; compare on the importance of legal culture for the use of the preliminary ruling procedure, e.g.: Wind 2010; Wind et al. 2009).

Citizen trust

Research shows that trust in supranational courts is correlated with trust in national courts, as well as the supranational organization with which these courts are associated (e.g. CJEU – EU).

First, individuals who trust national courts are also more likely to trust European courts (Arnold et al. 2012; Voeten 2013). Interestingly, some scholars seem to take a different position: see for instance Vanberg who states that the CJEU does not enjoy the same degree of 'public support' as national high courts (Vanberg 2001). Nonetheless, the first claim is in line with general findings on citizen's trust in political institutions. However, accounting for country-level characteristics reveals that the correlation between trust in national and EU institutions is a function of the level of national corruption and that this works differently for political and non-political institutions. While a high level of perceived national corruption leads to greater trust in supranational political institutions (the European Parliament, the European Commission and the Council of Ministers), lower level of perceived national corruption goes hand in hand with more trust in the CJEU, as well as the European Central Bank (Arnold et al. 2012). This means that a trustor-related driver for trust in the CJEU (trust in domestic courts) actually hides a context-related driver (perceived national corruption). Yet, Kelemen (2012) assesses "net trust" (% tend to trust – % tend not to trust) in the CJEU relative to net trust in other governmental institutions and concludes that the CJEU is consistently and by far the most trusted governmental institution in Europe. It is also the only one that consistently has positive net trust scores that are relatively stable and evidence does not seem to suggest that these scores decrease in response to controversial CJEU rulings.

Second, research also reveals positive correlations between trust in the supranational court and trust in the relevant supranational organization that houses the Court. For instance, support for the European Union goes hand in hand with the support of and trust in the CJEU (Arnold et al. 2012; Caldeira and Gibson 1995). However, this also applies to support for the ECtHR, which is often confused with the CJEU (Voeten 2013).



Research in this area is scarce and mostly focused on the CJEU. For instance, it could also be particularly interesting to examine the multi-level dimensions of trust with regard to the ECtHR in order to assess the correlation with the decreasing support by national governments for the Strasbourg Court.

3.4.3 Trust in courts within one legal system

Trust between judicial actors

Judicial networks have specific characteristics that have an impact on trust relations. Cooperation networks are usually not voluntary; they are closely interlinked, based on formal and long-term inter-organisational relationships; and paired with checks and balances to ensure autonomy and impartial decision-making (Callens 2017). Again, empirical literature in this domain is scarce and confined to specific fields of the law. Most prominent here is the research on the judicial youth system. Several studies examine the role of trust as a factor to enhance co-operation between different judicial actors in this sector, such as the juvenile police, social services, the public prosecutor's office, and the juvenile courts. Here, trustworthiness is defined as the trustor's positive expectations about the trustee's ability, benevolence and integrity (Callens 2017). Their role as trustee-related drivers is confirmed (Callens 2017; Callens, Bouckaert and Parmentier 2016; Callens and Bouckaert 2019), but issue-related factors also seem to play a role: the intensity of their impact varies dependent on the type of co-operation - e.g. sharing mandatory vs optional information, or receiving vs sending out information. The role of boundary spanners was also examined in youth care with a focus on information exchange, and including the juvenile police, supporting social services, the juvenile public prosecutor's office, and the juvenile court (Callens 2017; Callens and Bouckaert 2019). Among the several factors that can affect perceived trustworthiness, the negative impact of workload on perceived ability (Callens 2017, Fix-Fierro 2004, Kómarek 2007) is important for broader insights in trust in courts, considering the backlog many courts are struggling with. The research also points to the risk of too much trust, when it increases the willingness to share confidential information that may jeopardize the privacy of clients or the right to a fair trial (Callens 2017).

Interestingly, a rare study of distrust within courts provides a case study of a court where conflicts arose between judges and administrators following judicial reform (so-called 'inter-group distrust') (Bijlsma-Frankema et al. 2015). This study reveals 'value incongruence' as a determinant of distrust, besides 'pervasive negative perceptions' and 'a self-amplifying circle'. The paper confirms that 'distrust' should conceptually be distinguished from 'low trust' and suggests that if value incongruence perceptions surpass a certain threshold, the cycle of distrust will further develop through amplifying mechanisms.

Turning to judicial cooperation between judicial actors in different Member States, it is important to note that the EU has developed a principle of so-called 'mutual trust' between EU Member States; a legal presumption of mutual trust between Member States. For instance, in criminal law, this facilitates the surrender of sentenced or suspected persons among EU Member States (e.g. Efrat 2019). In the field of EU private international law, specific EU instruments play a crucial role in determining, on the basis of neutral criteria, the horizontal distribution of civil adjudicative power between Member States. This horizontal distribution of powers is based on the trust which Member States accord to each other's legal systems and judicial institutions. Mutual trust has enabled a compulsory system of jurisdiction to be established preventing Member States from exercising their territorial judicial jurisdiction. Mutual trust hence results to some extent in an area of transnational civil justice where competences are exercised by Member States (Rizcalla 2019). The legal grounds, implementation and consequences of the principle of mutual trust have been widely discussed in legal scholarship (Herlin-Karnell 2013; Janssens 2013; Lenaerts 2017; Mitsilegas 2006; Prechal, 2017), but have only rarely referred to the interdisciplinary trust literature (for an attempt: Brouwer 2016). Empirical studies on mutual trust are lacking. A rare example shows that despite the legal assumption of trust, judicial



authorities are more willing to surrender to legal systems that have a better-quality criminal regime and a stronger human rights record (Efrat 2019).

Citizen trust

In Europe, research on trust in justice is often focused on crime control, trust in police officers and criminal courts (Hough et al. 2010, 2011, 2013; Hough 2012; Jackson et al. 2011; Machura et al. 2011; Machura et al. 2014; Parmentier and Vervaeke 2011; Tyler 2003). The EURO-JUSTIS Project, aimed at developing indicators for measuring trust, and the European Social Survey, collecting survey data from Bulgaria, the Czech Republic, England and Wales, France, Italy and Lithuania, are also limited to criminal justice (ESS5 2010; Hough and Sato 2011; Jackson et al. 2011). The purpose of the cross-country collection of data was to enable comparative research. However, it is noticed that differences in data quality render comparison rather difficult (Callens and Loosveldt 2018). The researchers behind the ESS program admit that the surveys “are likely to have a high ratio of noise”, but that they can be treated as reasonable evidence where they present a coherent signal (Hough 2012). The European Network for Councils of the Judiciary (ENCJ) focuses more generally on the judiciary, but analyses in particular ‘public confidence’ from the perspective of communication and transparency (ENCJ 2018).

Several trustor-related factors are identified as drivers for trust, related to identifying features (age, gender, region or place of residence), status (income, education, marital status, gainful employment), beliefs (political preferences, ideology), information sources (media, fiction) (Machura et al. 2011; Parmentier and Vervaeke 2011) and education (e.g. studying law, see Machura et al. 2011; Machura et al. 2014; Cheruvu 2020). Aydin Cakir and Sekercioglu (2016) study the interaction between individual and country level factors in a comparative setting. They find that while in advanced democracies people with low levels of political awareness have low levels of confidence in the judiciary, in countries with certain democracy problems less informed people would fail to see the deficiencies of the political system and remain unduly confident in the judiciary. On the other hand, in countries with poor democratic performance, the more informed, interested and educated people seem to be in a better position to see the system failure and this is well reflected in their low levels of confidence in the judiciary.

The most significant driver, however, is past experiences with the (civil or criminal) justice systems, with experience as a party leading to decreasing trust (Parmentier and Vervaeke 2011; Machura et al. 2014), and experience as a witness leading to higher trust (Machura et al. 2014). Experiences of friends or family had similar effects (Machura et al. 2011). This is where the notion of procedural justice comes in. Procedural justice refers to both personal experience – how has one been treated by judicial actors – and to perceived fairness – whether people think that judicial actors make their decisions fairly (Tyler 2001). It is therefore both a trustor-related and a trustee-related driver. People are more willing to consent and cooperate with judicial actors, if they are treated fairly (Hough et al. 2013; Hough, 2012; Tyler 2003; Tyler 2010). In turn, trust in the fairness of judicial actors is closely linked to the legitimacy of these actors (Hough et al. 2013).

Montinola (2009) in a study of local courts shows that individuals use information on institutions with which they are familiar to make inferences regarding institutions about which they know very little. For example, few if any citizens have information on the performance of each distinct institution within government. Experience with one institution of some sort (e.g. local court) shapes individual’s evaluations of other institutions (e.g. courts in general). It shows that in forming opinions about collective entities, direct experience is more important than stereotypes if only individuals have an opportunity to gain this experience. Another remarkable finding related to past experiences is that distrust spills over; for example, one negative encounter with police or another actor may result in distrusting other public institutions (Kääriäinen and Sirén, 2012).



Bassok (2019) explains the attention of the ECtHR for trust/public confidence in the judiciary as an important source of judicial legitimacy in the light of the so-called 'European Consensus doctrine'. This doctrine serves to ensure that development of judicial legitimacy in European human rights require a European consensus. In this manner, the ECtHR ensures that its rulings will not be counter-majoritarian in the sense of going against public opinion in the different Member States. Thus, the likelihood of a strong public backlash against the ECtHR would be reduced substantially. These claims related to trust/public confidence and the European Consensus doctrine are not thoroughly embedded in the broader trust literature; this is similar to the 'mutual trust' doctrine which developed in the context of the EU.

With regard to the CJEU, perceptions of procedural justice did not seem to play an important role for diffuse support, but this could be explained by the fact that citizens at the time of this study had little experience with the CJEU (Gibson and Caldeira 1995). The data, however, suggested that procedural perceptions are better treated as measures of diffuse support, rather than causal antecedents (Gibson and Caldeira 1995). Research on other variables that could be related to citizen's trust in the CJEU is scarce. Apart from the linkage with trust in national courts and the level of corruption, discussed above, several personal attributes of trustors seem to be relevant to a certain extent. For example, women are less inclined to trust the CJEU than men (Arnold et al. 2012), which is in line with earlier research that found that some important CJEU decisions in favour of women's interest had had no impact on women's support for this court (Caldeira and Gibson 1995). The importance of other variables seems to evolve over time: ideology did not seem to influence support for the CJEU in the 1990s (Gibson and Caldeira 1995), but did have an impact on trust in the EU institutions, including the CJEU, almost two decades later (Arnold et al. 2012). Early research did find correlations with fundamental values, rather than ideology: those who attach much value to the rule of law or individual rights are also more positively oriented towards the CJEU (Caldeira and Gibson 1995) and more likely to accept unpopular decisions (Gibson and Caldeira 1995).

There is a lack of empirical research of trust in European constitutional courts (exception: German Federal Constitutional Court: see Hönnige et al. 2015; Cheruvu 2020; Vanberg, 2000). This is striking for two reasons. First, where courts generally convey less trust than political institutions, both at EU and national levels (Arnold et al. 2012 – differently Kelemen 2012; Parmentier and Vervaeke 2011), this is different for constitutional courts (Grosskopf 2008). Second, having the power to strike down Acts of Parliament, constitutional courts are political actors that are not democratically controlled. For this reason, the high trust put in constitutional courts is called a "democratic trust conundrum" (Grosskopf 2008). The findings that result from this empirical study on trust in the German Constitutional Courts, are an excellent basis for more research in this area. Drivers for higher or lower trust are trustor-related (policy satisfaction with the government; gauging attitudes of politicians), but also context-related (economic performance). Here, it is puzzling that lower evaluations of economic performance do not only decrease trust of the German public in all institutions of government, but most significantly in the Constitutional Court, which is not responsible for economic performance (Grosskopf 2008). Focus group interviews suggest that trust in constitutional courts is based on their favourable process evaluation. Courts are deemed trustworthy because they are perceived as reactive institutions, that end political conflict but do not create policy, are not acting to gain power, and effectively produce output in the form of expert judgments (Grosskopf 2008). This points to integrity and ability as trustee-related drivers.

The link between trust in the Constitutional Court and the expectation of effective output in the form of expert judgments, points to the importance of functional process evaluations that are not usually captured by surveys utilized for measuring public trust (Grosskopf 2008). This supports the idea that trust in courts is different from trust in political institutions because of the specific characteristics attributed to courts (trustee-related drivers), such as impartiality, independence and expertise (Grimmelikhuijsen and Klijn 2015). In a recent study Garoupa and Magalhaes (2020) show that public



trust in the judicial systems is positively related with fundamental institutional properties such as judicial independence and judicial accountability. Furthermore, those properties matter most for particular profiles of respondents: those who are more educated are also more sensitive in their evaluations of the legal system to the extent the judiciary in their countries is independent. Conversely, whether the legal system favours the accountability of judges for misconduct tends to matter only for those with the most exposure to information through the news media. In addition, the justice budget is likely to have a positive and significant impact on individual's trust in justice, as the budget may operate as a 'signal' when individuals face uncertainty regarding the judiciary (Roussey and Deffains 2012).

More research on trust in civil courts would also be desirable, with particular attention for (expected) performance and procedural justice, in particular the impact of backlogs on public trust. So far, the most relevant research in this domain focused on transparency defined as "the availability of information about an organization or actor allowing external factors to monitor the internal workings or performance" (Grimmelikhuijsen and Klijn 2015, see also ENCJ 2018). It shows that judicial transparency has a positive effect on trust, in particular on individuals with medium prior knowledge about the judiciary, but only a marginal effect in case of a higher predisposition to trust (Grimmelikhuijsen and Klijn 2015).

3.4.4 Summary

Table 7 lists the most important drivers, dynamics and effects found in this review of literature on trust in courts and other judicial actors.



Table 7: Drivers, dynamics and effects of trust in and among courts

Category	Variable	Source
<u>Drivers for trust/distrust</u>		
Trustor-related drivers (A)	1. Personal traits (age, gender, region, place of residence)	Arnold et al. 2012; Aydin Cakir and Sekercioglu 2016; Caldeira and Gibson 1995; Parmentier and Vervaeke 2011
	2. Status (marital status, education, gainful employment)	Parmentier and Vervaeke 2011; Machura et al. 2011; Machura et al. 2014
	3. Beliefs and values (religion, ideology, political preferences, adherence to fundamental rights and values)	Arnold et al. 2012; Caldeira and Gibson 1995; Gibson and Cladeira 1995; Parmentier and Vervaeke 2011; Van Gestel and de Poorter 2019
	4. Information sources (TV programs, newspapers, TV channels)	Parmentier and Vervaeke 2011
	5. Personal experiences; direct experience of citizen	Hough et al. 2013; Hough, 2012; Machura et al. 2011; Machura et al. 2014; Parmentier and Vervaeke 2011; Tyler 2001, 2003, 2010; Montinola 2009.
	6. Disposition towards other persons and institutions:	
	■ General predisposition to trust	Grimmelikhuijsen and Klijn 2015
	■ Gauging attitude towards politicians	Grosskopf 2008
	■ Trust in national courts (as drivers for trust in supranational courts)	Arnold et al. 2012; Mayoral 2017; Voeten 2013; Van Gestel and de Poorter 2019
	■ Support for the organization in which the court operates (like support in the EU fostering trust in the CJEU)	Arnold et al. 2012; Caldeira and Gibson 1995; Mayoral 2017; Voeten 2013
Trustee-related drivers (B)	■ Satisfaction with the government in general	Grosskopf 2008
	1. Ability	Callens, Bouckaert and Parmentier 2016; Callens and Bouckaert 2019; Grimmelikhuijsen and Klijn 2015; Grosskopf 2008; Mayoral 2017; Van Gestel and de Poorter 2019
	2. Benevolence	Callens, Bouckaert and Parmentier 2016; Callens and Bouckaert 2019
	3. Integrity (including impartiality, independence and accountability)	Callens and Bouckaert 2019; Callens, Bouckaert and Parmentier 2016; Garoupa and Magalhaes 2020; Grimmelikhuijsen and Klijn 2015; Grosskopf 2008



	4. Procedural justice: ■ fair decision-making ■ transparency	ENCJ 2018; Gibson and Caldeira 1995; Grimmelikhuijsen and Klijn 2015 Hough et al. 2013; Hough 2012; Machura et al. 2011; Tyler 2001, 2003, 2010; Van Gestel and de Poorter 2019
	5. Budget	Roussey and Delfains 2012
	6. Value(in)congruence between trustor and trustee	Bijlsma-Frankema et al. 2015;
Issue-related (X)	1. Legal field (criminal vs non-criminal)	Mayoral 2017
	2. Task	Callens 2017; Callens and Bouckaert 2019
Context-related (Y)	1. Value (in)congruence of legal principles	Mayoral 2017
	2. Legal system	Mayoral 2017
	3. Economic performance	Grosskopf 2008
<u>Patterns and dynamics of trust/distrust</u>		
Processes of trust-building (virtuous cycles)		
Processes of trust-depletion (vicious cycles)	Value incongruence between trustor and trustee and distrust spill-over	Bijlsma-Frankema et al. 2015
Multi-level dynamics		Arnold et al. 2012; Efrat 2019; Kelemen 2012; Mayoral 2017; Van Gestel and de Poorter 2019; Voeten 2013
<u>Effects of trust/distrust</u>		
Cooperation	With judicial actors	Callens 2017; Callens, Bouckaert and Parmentier 2016; Callens and Bouckaert 2019; Hough et al. 2012, 2013; van Gestel and de Poorter 2019; Mayoral 2017; Tyler 2003; Tyler 2010
Legitimacy	Specifically judicial legitimacy	Bassok 2019; Hough et al. 2013
Consent	With judicial actors	Hough 2012, Hough et al. 2013; Tyler 2003; Tyler 2010
Compliance	With judicial decisions	Hough 2012



3.5 Trust and distrust of government actors towards citizens

Author: Dominika Latusek

Trust is created in social interaction (see discussion of trust in Section 1). A great deal of research has been dedicated to citizens' trust (and distrust) in government, politicians and public administration. Studies have focused on several aspects of such trust, its meaning, conceptual structure, antecedents, and implications (see earlier sections). However, while citizens' trust in government has been widely discussed, the meaning of government's trust in citizens has not received much attention (Peel, 1998; Yang, 2005, 2006). Yet, the analysis of citizens' trust in government is incomplete without exploration and explanation of government's trust in citizens. As evident in current trust literature (reviewed in part 1), trust is a reciprocal, interactional and processual phenomenon. In the trust process, trustors are not making the decision to trust in isolation, but trustees can help them make the 'leap of faith'. This applies to public administration functioning as well. For example, John Braithwaite (1998) concurs that the most important mechanism for enculturating trust is to trust others. Or, as Levi notes, "perception that a government is untrustworthy is a function not only of its failure to fulfil promises but also of evidence that government agents distrust those from whom they are demanding cooperation and compliance" (Levi, 1998, p. 93). Cook furthermore notes, "treating clients with respect appears to beget reciprocity. Distrust tends to evoke resistance, evasion, and dishonesty" (Cook et al., 2005, p. 161). And finally, Bouckaert (2012) observes that "it seems to be a normal assumption, even in liberal democracies, that the public sector does not trust and cannot be allowed to fully trust its citizens and customers" (Bouckaert, 2012, p. 98). Recognition of the reciprocity in trust processes is also evident in recent studies on public communication where it is acknowledged that "public sector communication is not just a formal act by a public organization, but also a continuous process enacted at the interface between civil servants and citizens" (Raaphorst and Van de Walle, 2020, p. 59).

Thus, this section focuses on the trust by public actors in citizens and other societal actors, being relation T2 (Bouckaert 2012).

3.5.1 Drivers of government's trust towards citizens

The literature on government's trust towards citizens is scarce and the field is still in its nascent state. Most studies thus far have focused on citizens, leaving bureaucrats' views seriously underexplored (Raaphorst and Van de Walle, 2020). Existing studies, however, acknowledge that, as in any social encounters, it is beneficial for interaction and collaboration that the parties have mutual trust: "Citizens will not trust public administrators if they know or feel that public officials do not trust them. Public administrators are not likely to proactively implement trust-enhancing reform policies if they do not trust citizens." (Yang, 2005, p. 273). This argument also applies to e-government initiatives. In an original study Dashti, Benbesat and Burton-Jones (2009) examined how citizens – web users - feel being trusted by the government when using governmental websites. They found evidence that if citizens think that e-government trusts them, then they are likely to reciprocate by trusting in e-government. Reciprocity dynamics are similarly applicable to distrust in the context of the public sector. For example, in a study of underprivileged communities, Peel (1998, p. 338) shows that the distrust of disadvantaged citizens is a rational response to their experiences of distrustful government: "The problem is not the apathy of disadvantaged people (...) the problem is the failure to allow people the wisdom of their own explanations, to trust their ideas about problems and solutions". This finding has been corroborated in a recent study of police trust in citizens (Kääriäinen and Sirén, 2012). Police is one of the professions where distrust and cynicism have been presented as a necessary element of professional culture (Kääriäinen and Sirén, 2012; Sztompka, 1999). In particular this concerns police's distrust towards disadvantaged communities. Underprivileged groups feel being distrusted and through reciprocating they build a culture of distrust that is directed not only at the police but also at



other public institutions. Similar dynamics may, however, take on a reverse path – towards inspiring trust.

In the public administration sphere, we deal with several types of actors. Trust of government towards citizens would be analysed, on the one hand, on a macro-level, talking about generalized, rather abstract communal category that would be the reverse of citizens' political trust or trust in governments in large-scale surveys such as Eurobarometer or World Values Survey. On the other hand, it can be conceptualized on a micro-level where specific public servants and citizens interact. Government's trust in citizens and citizens' trust in government are linked and interact (Vigoda-Gadot, Zalmanovitch, and Belonogov, 2012; Yang, 2005; see also our discussion of levels and referents of trust in Section 1). For smooth and satisfactory work of government "public servants' trust in citizens is a necessary ingredient" (Vigoda-Gadot et al., 2012). Yang (2005, p. 276) conceptualizes public servants' trust in citizens as "administrators' beliefs that the citizens who are affected by their work (or whom they are serving), when they are involved in the administrative (or governing) process, will act in a fashion that is helpful (or beneficial) to administrators' performance (or goal fulfilment). It is based on administrators' beliefs in citizens' competency (knowledge, skills, and judgment), honesty (integrity), and benevolence." Furthermore, this type of trust is more than just interpersonal trust between two actors, as it is created through various sources such as encounters with citizens, professional education, media reports, friends, family, media and art (Yang, 2006). It is also shaped by the context and ethos of public service (Lipsky, 2010; Yang, 2006).

Other drivers of trust/distrust by administrators towards citizens are social and individual influences. On a social level, civil servants emanate more abstract government's attitudes towards citizens (Keulemans and Van de Walle, 2020a, 2020b). Maynard-Moody and Musheno (2000) and Yang (2006) show that public administrators' trust exhibited in street-level encounters with individual citizens is embedded in social norms about proper behaviours of public servants and citizens in society. Moreover, public servants in their dealings with clients are bound by bureaucratic regulations (Lipsky, 2010) learned in the process of professional socialization (Wilson, 1989). From a trust perspective, bureaucratic rules are a double-edged sword. On the one hand, they guarantee transparency and impartiality. On the other hand, research shows that rigid rule-following is interpreted as a manifestation of distrust, and rule-bending as a sign of trust (Yang, 2005; Tummers et al. 2015). For citizens, public administration representatives are symbols of government (Raaphorst and Van de Walle, 2020). From the bureaucrats' perspective, however, this phenomenon seems more nuanced as under the umbrella-term "public sectors" we have diverse professional cultures. Tummers et al. (2015) show, for example, that representatives of various professions within the public sector differ significantly in their attitudes towards clients. Consequently, trust/distrust orientations within the sectors of government services may also differ, for instance between professions focused on rules enforcement such as police, and professions focused on serving such as health care workers or teachers.

These different trust/distrust orientations towards citizens are likely to impact collaboration in networks to deal with often complex citizen problems. For example, in multiproblem families networks, the police with their more distrusting, enforcement oriented approach often clash with the more trusting orientation of youth care and health care workers (see also section 3.6).

Furthermore, trust shown by individual public servants towards citizens is affected by their individual predisposition to trust people in general (Vigoda-Gadot, Zalmanovitch and Belonogov, 2012). To be able to tap this phenomenon empirically, scholars recently have worked on measurement instruments that would enable quantification of bureaucrats' general assessment of clients (Grimmelikhuisen et al., 2016; Keulemans and van de Walle 2020b). Citizens or citizenry is a collective term encompassing a complex set of individuals with different backgrounds (Yang, 2005). In practice, it may denote residents at large, the public, or constituents. General perceptions of citizens are one of the factors driving public servants' trust. Yang (2005) finds that in particular government bashing by citizens has a



negative impact on trust by public servants. Much of what public servants hear about their performance is a critique rather than compliments from citizens about the public service (Melkers and Thomas, 1998). This criticism evokes the feelings of alienation, cynicism and ineffectiveness (King and Stievers, 1998) driving distrustful attitudes towards citizens in general. Additionally, trust originates from individual experiences from encounters with specific citizens. Impressions and knowledge from single experiences with people is to some extent later generalized on collectives that these people represent (Tyler and Huo, 2002). Vigoda-Gadot et al. (2012) add to this catalogue of factors shaping individual bureaucrats' trust in citizens the factor of organizational politics. Perceptions of politics in the workplace, especially in the public sector, negatively impact the feeling that employees work in a just and fair environment (Vigoda-Gadot, 2007; Ferris and Kacmar, 1992). They further argue that "trust in citizens is strongly dependent on the sense among public employees that they are working in an environment of justice and fairness. When these employees feel that their workplace is dominated by organizational politics, they have demonstrated less trust in the citizens and may need to face similar attitudes in return." (Vigoda-Gadot, Zalmanovitch, and Belonogov, 2012, p. 395).

To sum up, research now recognizes that bureaucrats' attitude towards citizens introduces bias into the bureaucratic encounter (Keulemans and Van de Walle, 2020b). Nevertheless, in public management literature, we see a dearth of literature on personal antecedents influencing trust/distrust orientation among administrators. Some initial research, for example on coping strategies (Tummers et al. 2015), as well as insights from psychological research (Bal et al. 2013) show that personal characteristics such as gender or age may also be relevant here.

3.5.2 Consequences of government's trust towards citizens

Why should public administrators trust citizens and what are the consequences of trust in these relations? There are at least three different but intercorrelated potential lines of addressing these questions (Vigoda-Gadot et al., 2012).

First, from the theoretical vantage point, exhibiting low trust and distrust is likely to inspire citizens to reciprocate with the same attitude, sometimes even stronger, triggering a self-amplifying cycle. But, when public servants show trust towards people, these are likely to respond with trust as well. This is how virtuous self-amplifying cycles of trust may unfold (for elaboration see Section 1 in our review).

Second, Vigoda et al. (2012) put forward a social responsibility argument suggesting that trusting citizens implies lower need to control their activities and statements. This is because, generally, a party that feels trusted assumes the responsibility of truly being trustworthy. This argument constitutes an important building block in transforming societies towards more empowerment and participation. Some recent research delves further into this issue studying relationships between trust and control in the public sector offering a more nuanced view of both. For example, Vallentin and Thygesen (2017) argue that trust and control are mutually constitutive, influence each other, co-evolve and change over time. In the process of interacting, controllers (civil servants) can become more trusting and citizens more tolerant toward control.

Third, trust is practical because of functional reasons. Nowadays monitoring of citizens is an important part of work done by numerous governmental agencies. Trust may reduce red tape, freeing time of public servants' and making their operations more flexible and less costly. At the same time, there is empirical evidence that trust in the public sectors promotes more collaborative forms of decision-making and production of services that involves citizens, hence it promotes broadly citizen participation (Yang, 2005; Vallentin and Thygesen, 2017).

3.5.3 Summary

Table 8 summarizes factors discussed above. While the entire field of government's trust towards citizens remains underexplored, some areas in which knowledge gaps are most pressing are already



visible. In the category of drivers for trust and distrust, there is a serious lack of research that would look at collective levels of analysis and give us more tools to understand whether and why governments approach the citizens for whom they are establishing laws and regulations with trustful or rather distrustful attitudes. Next, individual public servants' perspective needs further exploration. In particular, findings from psychology could be informative here that indicate possible effects of individual characteristics such as gender and age; as well as findings from the sociology of professions that allow for delving into the issues of professional affiliations within the public sector.



Table 8: Drivers, dynamics and effects of trust by government in citizens

Category	Variable	Source
<u>Drivers for trust/distrust</u>		
Trustor-related drivers (A)	Collective level (government)	
	Trust exhibited towards citizens, for example through:	Braithwaite, 1998
	■ Design and implementation of rules that show trust towards citizens	Levi, 1998
	■ Artefacts that show trust towards citizens	Vallentin and Thygesen, 2017
		Dashti, Benbesat and Burton-Jones, 2009
	Individual level (bureaucrats)	
	1. Individual predispositions of public administrators impact how they deal with citizens (behavioural public administration view)	Grimmelikhuijsen et al., 2016
	2. Propensity to trust. Individual propensity to trust impacts how they deal with citizens	Vigoda-Gadot et al. 2012
		Keulemans and Van de Walle, 2020a
		Keulemans and Van de Walle, 2020b
		Raaphorst and Van de Walle, 2020
		Yang, 2006
		Sztompka 1999
		Yang, 2005
	3. General government's attitudes towards citizens	
		Keulemans and Van de Walle, 2020a 2020b
	4. Social norms about proper behaviour of public servants	
		Maynard-Moody and Musheno, 2000
		Yang, 2006
	5. Professional culture of various sectors within government	
	6. Professional socialization	Tummers et al., 2015; Kääriäinen and Sirén, 2012;
		Sztompka, 1999
		Wilson, 1989
	7. Prior experiences with citizens	
		Tyler and Huo, 2002
		Yang, 2005
	8. Organizational politics in the workplace	



		Vigoda-Gadot et al., 2012 Vigoda-Gadot, 2007 Ferris, G and Kacmar, K. M., 1992
	9. Public servants' image of citizens, in particular, how public servants' assess factors critical to trustworthiness (citizens' competence, citizens' integrity, citizens' benevolence).	Yang, 2006 Yang, 2005
	10. Procedural bureaucracy. Rule following ensures transparency, but - if it is rigid - signals distrust.	Tummers et al. 2015
Trustee-related drivers (B)	1. Status and wealth of citizen (government representatives were found to distrust citizens coming from disadvantaged communities)	Peel, 1998 Kääriäinen and Sirén, 2012
	2. Government bashing. Complaints about government are received by public servants as signals of distrust	Yang, 2005 King and Stievers, 1998
Issue-related drivers (X)	Governmental sectors. Various professions within government may have radically different trust orientations. There are professions that seem to be founded on the rule of distrust (e.g. police, tax auditors) and others that are rather built on trust (e.g. education, health care)	Tummers et al., 2015 Sztompka, 1999
Context-related drivers (Y)	1. Ethos of public service	Lipsky, 2010
	2. Image of citizens/government in media, art, culture	Yang, 2006
	3. Bureaucratic regulations	Lipsky, 2010
<u>Patterns and dynamics of trust/distrust</u>		
Processes of trust-building (virtuous cycles)	Exhibiting trust may trigger reciprocation and a virtuous cycle.	Braithwaite, 1998 Vigoda-Gadot et al., 2012 Sztompka, 1999



Processes of trust-depletion (vicious cycles)	1. Responding to distrust with distrust. Underprivileged citizens are distrusted by governmental actors and they reciprocate with less trust/distrust confirming the initial assumption.	Peel, 1998
	2. Governmental sectors. In public professions that are focused on sanctioning and disciplining (e.g. police) suspicious attitude towards citizens is more frequent. This inspires retaliation – citizens, in particular from underprivileged communities – respond with distrust.	Tummers et al. 2015 Kääriäinen and Sirén, 2012
Multi-level dynamics	Trust exhibited by governmental agencies and government (meso and macro-level) interacts with trust exhibited by bureaucrats (individual level).	Yang 2005
Effects of trust/distrust		
Cooperation	Collaborative decision-making. Trust makes public servants more willing to involve citizens in dialogue and decision-making	Yang, 2005 Tummers et al. 2015
Legitimacy	Public administrators' trust in citizens is necessary for smooth functioning of governmental agencies	Vigoda-Gadot et al., 2012
Compliance	Control and trust are constitutive towards each other.	Vallentin and Thygesen, 2017
Other effects or consequences of trust and distrust....	1. Less control over citizens is necessary when public administrators trust citizens	Vigoda-Gadot et al., 2012
	2. Trust reduces red tape	Vigoda-Gadot et al., 2012
	3. Trust might avoid the incident-rule reflex (after incidents, government is inclined to issue new extra rules which are often more detailed and restrictive)	Nooteboom and Six 2013, Better Regulation Commission, 2006



3.6 Trust and distrust between public organizations (administrational trust)

Authors: Bjorn Kleizen and Koen Verhoest

This section focuses on trust and distrust within the public sector or between governments (relation T3; Bouckaert 2012). As discussed in Section 1, the study of interorganizational trust has been fragmented across multiple literature lines. In public management, interorganizational trust has mainly been investigated by studies in network and collaborative governance, with both literature lines responding to the post-2000's trend of using networks as a trust-based alternative to both traditional hierarchical public administration and market-based governance (Edelenbos and Klijn, 2007; Ansell and Gash, 2008). Simultaneously, more bilaterally focused literature on interorganizational trust has developed in the general management literature and has gradually expanded towards public management (e.g. Zaheer et al., 1998), although its development in the latter discipline remains nascent (Oomsels and Bouckaert, 2014). Nevertheless, combined, this literature provides substantial insight into the drivers and several potential outcomes of trust in interorganizational and/or network settings, although some aspects (such as potential negative effects or the generation and dynamics of distrust) remain under-investigated.

One notable aspect is that most interorganizational trust contributions incorporated in this review use a paradigm in which distrust is seen as the opposite of trust – i.e. as the low extreme of a single trust dimension (e.g. Edelenbos and Klijn, 2007; van Oortmerssen et al., 2014). Only a small number of contributions have attempted to distinguish between distrust and trust as separate dimensions (e.g. Oomsels and Bouckaert, 2014; Callens et al., 2016), implying that – at least for the interorganizational level – the validity of seeing interorganizational distrust as a separate variable with potentially different antecedents, dynamics and consequences remains an open question. Nevertheless, given the potential dimensional differences between trust and distrust and the latter's gradual emergence as a separate topic of research, we will use high and low trust to denote variation along with classic conceptualizations of interorganizational trust variables. Meanwhile, we will use distrust to denote a potentially separate and co-existing variable which is characterized by the active avoidance of risk in interorganizational relations (Oomsels and Bouckaert, 2014; for a more conceptual discussion, see Section 1).

3.6.1 Drivers of trust/distrust between organizations in the public sector

The interorganizational trust literature conceives of interorganizational relations as a multi-level phenomenon, developing through individual-level boundary spanners that build more stable relations over time (Zaheer et al., 1998; Seppänen et al., 2007; Rousseau, 1998; Delbufalo, 2012; Ring and Van de Ven, 1994; Delbufalo, 2012; Gulati and Nickerson, 2008; Oomsels and Bouckaert, 2014; Getha-Taylor et al., 2019). This multi-level view emphasizes that trust is developed gradually, as organizations and their boundary spanners interact. This implies that, in part, interorganizational trust is generated through the establishment of interpersonal trust (see also Section 1). This is supported in interorganizational settings for instance by Callens and Bouckaert (2019), who note that information-sharing, while in their case often mandatory, was accompanied with fewer controls when the ability of the trustee was appraised positively (see also e.g. Kort and Klijn, 2013). Moreover, when information did not fall under an obligation to share, trustors performed an evaluation in which benevolence of the trustee was strongly considered before the decision to share was made. Finally, sensitive information also required the trustor to perceive the trustee organization as possessing high integrity, as the lack of such integrity may entail the risk of sensitive information being handled poorly (Callens and Bouckaert, 2019).

The interpersonal dimension does not encapsulate the entire story, however, as organizational and institutional factors may also come into play as drivers of interorganizational trust. Regarding the organizational dimension, it is arguably rare for a set of organizations to start a relationship without some form of prior expectation of the other's ability, benevolence and integrity (Ran and Qi, 2019). Edelenbos and Klijn (2007) for instance argue that perceived competence based on reputation is an important antecedent



of interorganizational trust in network settings. Verhoest et al. (2014) similarly observe that an organization with a successful reputation-building strategy for being trustworthy translated its reputation to more trustful relations with its political superior. These contributions indicate that organizational-level factors such as reputation, branding and perceived trustworthiness play important antecedent roles in the formation of interorganizational trust between (public) actors.

Simultaneously, a view considering macro-level institution-based trust also incorporates the various formal and informal institutions that form a common ground for organizations interacting with one another, as well as their boundary spanners (Rousseau et al., 1998; Oomsels and Bouckaert, 2014). These institutions may include norms stemming from the common background of boundary spanners or organizations (e.g. sectoral backgrounds or similarities in tasks and employee education), or formal rules circumscribing the behaviour of organizations and reducing uncertainty (Oomsels and Bouckaert, 2014). Some research in public administration has considered the role of such institutions as an antecedent of high trust relationships. Willem and Lucidarme (2014) find that, in network settings, flexible arrangements foster interorganizational trust while network size and strong governmental control are associated with lower interorganizational trust. In other cases, pre-existing norms may prevent the formation of new trust relationships. Rommel and Christiaens (2009) describe a case in which departments, which were used to being in control of their policy domains, had a tendency to engage in hierarchical control of newly formed agencies that were formally intended to be co-equal partners. The new rules of the game thus clashed with departments view of their *raison-d'être*, causing new relationships between departments and agencies to be characterized by low levels of trust. These examples show that institutional norms existing in public sectors may either stimulate or hinder the build-up of trustful interorganizational relationships.

3.6.2 Dynamics of trust/distrust in interorganizational settings

As with interpersonal trust and distrust, there is evidence that once a given degree of initial trust/distrust is established, an interorganizational trust relationship may develop through repeated interactions (Williams, 2002; Ran and Qi, 2019; Edelenbos and Klijn, 2007; Van Oortmerssen et al., 2014; Getha-Taylor et al., 2019). For these medium- to long-term dynamics of trust the multi-level nature of interorganizational trust is once again important. Interpersonal trust built up by boundary spanners may institutionalize as part of more stable meso-level trust relationships. This may then gradually be diffused to other members of the organization not directly involved in the interorganizational relationship, with both organizations thus developing a collective trust orientation (Gulati and Nickerson, 2000). The gradual experience built up through experiences with the counterpart organization may influence this relationship towards either a growing trend or a vicious cycle (although both positive and negative trends can sometimes be broken as well) (Ran and Qi, 2019).

Negative earlier experiences with another organization seem to increase the difficulty of trust-building exercises between organizations (Ansell and Gash, 2008). Murdock et al. (2005) find that, while on an individual-level, negotiators in a public-private network developed higher trust through face-to-face meetings, negative experiences with the organizations represented by these negotiators prevented the formation of interorganizational trust. Edelenbos and Klijn (2007) found that initial trustful relationships in public-private relationships can quickly shift to low-trust relationships following disputes, while Korthagen and Klijn (2014) find that conflicts in existing relationships reduce trust. Van Thiel and Yesilkagit (2011) similarly observe that strong control from the side of the political principal is associated with reduced interorganizational trust from public agencies in that principal. Moreover, although the dynamics of interorganizational distrust have hardly received attention up until now, Oomsels (2016 246) and Oomsels et al. (2019) do suggest that, over time, sustained distrust may further erode interorganizational relationships. This would imply that relationships based on some degree of distrust could enter a vicious cycle, in which distrust fuels the generation of further distrust and the deterioration of other aspects of an interorganizational relationship (see also Section 1).

While breaches of trust on the part of the trustee have thus been relatively well-investigated as factors contributing to the establishment of negative feedback loops in interorganizational trust relationships, other



potential factors have seen less investigation in public management research. Nevertheless, there are tentative indications that the interaction of organizations with environments outside the trust relationship may be of influence, with Korthagen and Klijn (2014) finding that negative, dramatized and commercialized media coverage can reduce trust within governance networks. They suggest that when politicians engage with commercialized media, this may politicize the network itself, leading to reduced willingness to suspend the avoidance of risk. Thus, other dynamics that could potentially lead to negative vicious cycles are an interesting avenue for further research.

Simultaneously, positive and frequent interactions may stimulate a virtuous cycle (Getha-Taylor et al., 2019), with Van Thiel and Yesilkagit (2011) for instance finding that frequent interaction, proximity and relying on agency policy expertise improves trust between agencies and their political superiors. Edelenbos and Klijn (2007) find that, following the reduction of bilateral trust levels in a public-private network, the introduction of a new and trustworthy third party reversed the network's downward trend. Trust in the new partner eventually transferred to slowly increasing trust in the bilateral relationships of other network partners. Following this, the active process management of a (set of) interorganizational relationship(s) may reinforce and safeguard the upward slope of such a virtuous trust cycle (Edelenbos and Klijn, 2007, see Section 1).

3.6.3 Effects of interorganizational trust

While a decent amount of research has focused on the development and dynamics of interorganizational trust, most mature are perhaps the insights in the literature into the outcomes of interorganizational trust in the public sector. In particular, substantial attention has been devoted to the potential benefits of interorganizational trust for interorganizational and network relationships. Various contributions suggest that trust among public organizations or between public and private organizations can be conducive to collaboration and information-sharing (Callens and Bouckaert, 2019; Edelenbos and Klijn, 2007; Kort and Klijn, 2013), can increase satisfaction with a relationship (Oomsels et al., 2019) and could enhance agency autonomy (Verhoest et al., 2014; Bach, 2012). It should be noted that the general management literature has reached similar conclusions. Delbufalo (2012), in her meta-analysis of interorganizational trust outcomes, observes strong support for increases in collaborative efficiency and productivity, cooperation, mutual loyalty, as well as commitment to and satisfaction with the relationship. Other observed outcomes from this literature *inter alia* point to reductions in governance costs (Gulati and Nickerson, 2008), increases in information-sharing (Chen et al., 2014) and increases in collaborative innovation (Du and Williams, 2017).

While we thus know that interorganizational trust can be conducive to various facets of interorganizational relationships, a question specifically relevant for public management is whether interorganizational trust may also benefit the societal outcomes of collaborative projects undertaken by multiple (public) organizations. Contributions investigating the impact of interorganizational trust on network performance suggest this may be the case, even if most of these performance studies are by necessity based on perceived performance (see e.g. Klijn et al. (2016) for a discussion). Moynihan (2009) finds that crisis response networks with strong pre-existing trust relationships are able to formulate quicker responses to crises, in particular in the timeframe before formal crisis management mechanisms become fully activated, thus saving critical time. More generally, Klijn et al. (2010), Klijn et al. (2016) and Peters et al. (2017, see also Warsen et al. 2018, 2019) find positive effects of interorganizational trust on perceived network performance. These results provide tentative indications that the benefits of interorganizational trust may not be limited to internal factors, but could improve various public governance outcomes.

Simultaneously, recent interorganizational trust contributions such as Oomsels (2016: 246-247), Oomsels et al. (2019) and Callens et al. (2016) point to potentially undesirable outcomes of interorganizational trust in a public sector context, finding that trust may lead to insufficiently critical appraisal of the trustee's actions, groupthink, ignoring incorrect actions to avoid jeopardizing a relationship, sharing confidential information without appropriate justification and/or authorization, and the potential abuse of an overly open trustor's vulnerable position. When the trustor inappropriately trusts a counterpart public organization in such ways, Callens and Bouckaert (2019) and Oomsels et al. (2019) argue that actors may become insufficiently critical



of one another, leading to procedural errors (which may be particularly damaging in sensitive areas such as criminal justice) or the inappropriate sharing of sensitive information (which may lead to violations of the right to privacy). Given the potential individual-level and societal-level consequences of what could be called blind trust, it is somewhat surprising that the negative consequences of interorganizational trust of public organizations remains a nascent area of research. Moreover, Oomsels (2016) and Oomsels et al. (2019) explicitly distinguish distrust as a separate variable in interorganizational trust research, and argue that some interorganizational distrust can be functional to defend organizational interests against the interests of counterpart organizations by identifying conflicting organizational or political agendas and by stimulating healthy criticism. Simultaneously, distrust could also be dysfunctional, as actors basing their actions on distrust displayed an increased reluctance to interact, unnecessary wariness and as interactions required higher transaction costs (Oomsels et al., 2019; see also Section 1).

While the interorganizational trust literature is thus advancing in public management, many of its tenets do remain somewhat underdeveloped. Particularly useful assets are advances on the potential dysfunctions of trust, an area which remains underemphasized in private sector studies (e.g. Seppänen, 2007). Given the public interest functions of public sector organizations and interorganizational collaboration, phenomena such as blind trust or overly defensive positions due to distrust may be particularly harmful in the public sector. For instance, where multiple regulatory bodies have overlapping competences, blind trust may lead to unquestioned referrals of cases at the detriment of regulatees' positions, while overly defensive distrustful positions may lead to a lack of information sharing on cases relevant to address for a regulator's counterpart (Rommel 2012). Such phenomena could be an area where public management research can find theoretically and socially relevant dynamics that have not been addressed by their general management science counterparts.

In terms of areas for further attention, it should first be mentioned that while some public management contributions have begun to acknowledge the multi-level nature of interorganizational trust, its antecedents and its consequences (e.g. Oomsels and Bouckaert, 2014; Verhoest et al., 2014), many other contributions do not explicitly address the levels at which a trust relationship exists. This produces risks of cross-level fallacy when a boundary spanner is for instance used as the only measurement point for trust in another organization, disregarding the potential meso-level aspects of the pre-existing relationship between both organizations and the reputation of the counterpart organization (Delbufalo, 2012). Moreover, interorganizational trust often being measured under boundary spanners, it remains somewhat unclear how stable trust relationships may be generated among non-boundary spanning employees of both organizations (as argued in seminal contributions such as Zaheer et al. 1998).

3.6.4 Summary

It is notable that although some contributions have started to assess the drivers of trust (e.g. Oomsels et al., 2019; Van Thiel and Yesilkagit, 2011), dynamic contributions on the process of trust-building between organizations remain scarce, despite the emphasis of many theoretical contributions on the long-term dynamic nature of trust-building processes (e.g. Zaheer, 1998). The predominantly static approach of extant research, while valuable in its own right, thus risks overlooking the potential role of, for instance, trust violations and trust repair processes in interorganizational settings. Finally, while the recent strand on interorganizational trust research developed by e.g. Oomsels and Bouckaert (2014) and Callens and Bouckaert (2019) has proposed a distinction between interorganizational trust and interorganizational distrust as separate variables, elaborate quantitative inquiries into the dimensionality of these constructs have not been performed. As such, whether trust and distrust on the interorganizational level are better seen as the opposites of a single variable or as two separate variables remains a point of contention that should be addressed in future contributions. Table 9 lists relevant drivers, dynamics and effects of inter-organizational trust.



Table 9: Drivers, dynamics and effects of trust between public organizations

Category	Variable	Source
<u>Drivers for trust/distrust</u>		
Trustor-related drivers(A)	<ol style="list-style-type: none"> 1. Interpersonal trust of boundary spanners (and antecedents listed there) 2. Repeated positive interaction and experiences 3. Personal traits and values of boundary spanners 	Zaheer et al., 1998; Getha-Taylor et al., 2019; Van Thiel and Yesilkagit, 2011;
Trustee-related drivers (B)	<ol style="list-style-type: none"> 1. Organizational reputation 2. Perceived trustworthiness (ability, benevolence and integrity of trustee organization) 	Verhoest et al., 2014; Callens and Bouckaert 2019; Edelenbos and Klein, 2007
Issue-related drivers (X)	<ol style="list-style-type: none"> 1. Issue-related rules on mandatory interorganizational cooperation, voluntary cooperation, prohibited forms of cooperation; 2. Issue-related rules on information sharing 3. Politicization 	Callens and Bouckaert, 2019; Oomsels et al., 2019; Van Thiel and Yesilkagit, 2011
Context-related drivers (Y)	<ol style="list-style-type: none"> 1. Institutional norms, legal rules 	Rommel and Christiaens, 2009; Callens and Bouckaert, 2019
<u>Patterns and dynamics of trust/distrust</u>		
Processes of trust-building (virtuous cycles)	<ol style="list-style-type: none"> 1. Repeated positive interaction 2. Introduction of third-party organization 'rejuvenates' network relations 	Getha-Taylor et al., 2019; Van Thiel and Yesilkagit, 2011; Edelenbos and Klijn, 2007; Williams, 2002; Ran and Qi, 2019; van Oortmerssen et al., 2014
Processes of trust-depletion (vicious cycles)	<ol style="list-style-type: none"> 1. Breaches of trust, conflicts 2. Negative earlier experiences 3. Politicization of relationship 4. Long-term distrustful dispositions 	Murdock et al., 2005; Ansell and Gash, 2008; Edelenbos and Klijn, 2007; Van Thiel and Yesilkagit, 2011; Oomsels 2016; Oomsels et al., 2019; Gulati and Nickerson, 2008; Korthagen and Klijn, 2014; Ran and Qi, 2019



Effects of trust/distrust

Cooperation	<ol style="list-style-type: none"> 1. Collaboration 2. Information-sharing 3. Efficiency 4. Mutual loyalty 5. Commitment to relationship 6. Satisfaction with interorganizational relationship 	Callens and Bouckaert, 2019; Edelenbos and Klijn, 2007; Kort and Klijn, 2013; Gulati and Nickerson, 2008; Delbufalo, 2012
Compliance	Violation of legal and procedural norms	Callens and Bouckaert, 2019
Other effects or consequences of trust and distrust	<ol style="list-style-type: none"> 1. Innovation 2. Productivity 3. Performance 4. Agency autonomy 5. Insufficient critical appraisal (trust trap) 	Oomsels et al., 2019; Du and Williams, 2017; Verhoest et al., 2014; Bach, 2012; Oomsels and Bouckaert, 2014; Oomsels et al., 2019; Callens and Bouckaert, 2019; Delbufalo, 2012; Moynihan, 2009; Klijn et al., 2016; Klijn et al., 2010; Peters et al., 2017



3.7 Concluding remarks for Section 3

Authors: Frederique Six and Koen Verhoest

The review of the literature on trust and distrust in government, as presented in this section, shows the diversity of the current state of knowledge. What is also striking is that the different research fields that focus on different trust relationships hardly ever exchange insights in any systematic way. Without making any claims at being exhaustive, this concluding section looks across the different fields and relationships to start the process of integrating insights, but will not result in one summary table for all these relationships as they are too diverse for that to be meaningful. In D1.3, this process leads to the conceptual and analytical framework used in the TiGRE project.

What is striking in the vast majority of these studies is that hardly any of them measure trust and distrust as distinct variables with (potentially) different drivers. So, we can learn very little in this respect from this review.

This concluding section is structured along the categories of the summary tables and where relevant a distinction is made between Bouckaert's (2012) three types of trust relationships that were introduced in the introduction:

- T1 - Citizen trust in organizations in government and the public sector,
- T2 - Trust of government and the public sector in citizens and private organizations and
- T3 - Trust within government and public sector actors.

This conclusion is not meant to be exhaustive in any way; it merely draws some broad lines across the different trust relations studied in this section. Readers are referred to the summary tables included in each part for a more comprehensive overview of relevant drivers, dynamics and effects of trust in government.

3.7.1 Trustor-related drivers

It is relevant here to distinguish between trustors who are individuals from trustors who are collectives, such as organizations or institutions.

Individual-level. When the trustor is an individual, there are multiple types of trustor-related drivers. First, there are the cognitive, affective, and other psychological or biological factors and other personal traits which influence trust perceptions. Other groups of drivers include more social and status-related factors (such as education), beliefs and values (like political preferences and civic values) as well as general dispositions and attitudes towards other persons, towards government and society (most notably social or generalized trust). The last group is related to the initial expectations and trust levels, the information and experiences the trustor has related to the trustee. These variables apply whether the trusting individual is a citizen (T1) or a public official in whatever role (T2 and T3). For public officials, there are also factors relating to their professional and organizational contexts, such as social norms for public servants, professional culture or professional socialization.

Collective-level. When organizations or institutions are the trustor (T2 and T3), there is clearly a gap in the literature what the relevant trustor-related drivers are. The design and implementation of service delivery systems or regulation are manifestations of the underlying trust or distrust of government towards citizens. Distrust may show itself in high levels of procedural bureaucracy (high administrative burdens or red tape). But these are not the drivers of trust or distrust; they are effects.

3.7.2 Trustee-related drivers

In all types of relationships (T1, T2 or T3) at all levels (individual and collective), the trustor's perception of the trustee's trustworthiness plays a role, with the dominant dimensions of ability, benevolence and integrity. Of course, the extent to which the trustee displays or signals this behaviour or these features is crucial in this, although this perception is also moderated by factors related to the trustor (see above).



When citizens are the trustor (T1), trustees are generally organizations or institutions. Two types of drivers may be distinguished: output-oriented factors and process-oriented factors. In the former category, we see performance, reliability and predictability; while in the latter, we see perceived quality of government and democracy, procedural justice (fairness), freedom from corruption, value-congruence, checks and balances. Finally, transparency is mentioned as a means for citizens to be able to judge how well government and its actors are performing on these factors.

When citizens are the trustee (T2), public servants take the socio-economic (welfare) situation of citizens into account, with citizens from disadvantaged communities receiving more distrust. Also, citizen distrust begets public servants distrust (see also Patterns below). When other (public) organizations are the trustee, organizational reputation is an important signal of the organization's trustworthiness.

3.7.3 Issue-related drivers

Concerning citizen trust or distrust in government (T1), there are few issue-related drivers. Such drivers refer to among others the nature of the activities (e.g. services delivered) by the trustee to the trustor, the extent to which there is (performance) information about these activities available for the trustor, and the possibilities of face-to-face interaction between trustor. When looking at government trust or distrust in citizens (T2), various professions within government may have radically different trust orientations. There are professions that seem to be founded on the rule of distrust (e.g. police, tax auditors) and others that are rather built on trust (e.g. education, health care). In administrative trust (T3), the existence, or not, of rules about mandatory cooperation, voluntary cooperation or prohibited forms of cooperation are most prominent. Especially important are rules about information exchange.

3.7.4 Context-related drivers

When it comes to the trust of citizens in government organizations and institutions (T1), context-related drivers refer to societal and national characteristics, like the culture, social capital, norms of citizenship and homogeneity of values, the quality of the democratic system, the legal system, the level of corruption and the economic development and inequality. These context-related drivers are prominent in research on trust in political actors and institutions (subsection 3.2) but rather underdeveloped in studies in trust in public administration and in public service (delivery) system (subsection 3.3). This does not mean that country-level characteristics are irrelevant in public service systems, it is more likely that they tend not to have been problematized in these studies and that these latter studies have less an international comparative approach.

The same holds for government and public servants trust or distrust in citizens (T2) and other (public) organizations (T3) with a focus on the ethos of public service, the image of both citizens and government in culture, art and the media; and the general attitude underlying government regulations, rules and norms.

3.7.5 Dynamics of trust and distrust

The general self-reinforcing cycles of trust (virtuous cycles) or distrust (vicious cycles) are seen across all types of trust relationships (T1, T2, or T3). What is striking though is that very few studies really investigate the processes in a detailed, interactive, longitudinal manner.

In political trust, longitudinal studies often show a steady decline of trust, that is attributed to social and institutional changes. In more public service-oriented studies, citizen (dis)trust dynamics tend to be more service specific. As the review in subsection 3.5 shows, the more public professionals are delivering a social service to citizens, such as education, social, youth or health care, the more virtuous cycles of trust between professionals and citizens are likely. Whereas in more enforcement oriented public "services" with more controls in place, such as in social benefits systems, justice systems or police (and regulation as we shall see in Section 4), vicious cycles driven by distrust or at least low trust are more likely. With the introduction of NPM reforms, more and more controls are introduced in the social service-oriented public services which have made virtuous cycles based on trust more challenging.



In interorganizational or administrative trust (T3), the introduction of a third party was identified as a possible facilitator of trust in networks. The politicization of relationships, conflicts (that could not be resolved) or trust breaches were factors that could trigger vicious cycles of distrust.

As to multi-level dynamics, meaning how trust at/towards one level of government influences trust in another level of government, citizens trust in one level government was found to show spill-over effects to other levels of trust, usually from the level with the closest proximity to governance levels further away from citizens. In interorganizational trust (T3), the general multilevel effect identified in Section 1 is found: the trust or distrust exhibited by governmental agencies and government (at meso and macro level) interacts with trust or distrust exhibited by public servants (individual level).

3.7.6 Effects of trust and distrust

The reviews show that overall when trust is high, the level of cooperation of the trustor with the trustee (by lowering the transaction costs), the legitimacy of the trustee as well as compliance also tend to be higher; whereas when trust is low or distrust is present, cooperation, legitimacy and compliance are weak or absent. Only a few studies take a more nuanced view, referring to balancing trust and distrust to foster optimal collaboration, e.g. in interorganizational trust-relations in the public sector (Oomsels et al. 2019). Other factors that trust effects are citizen participation, voting behaviour and norms of citizenship. Interorganizational trust in the public sector (T3) furthermore positively affects agency autonomy, innovation, performance and productivity.



3.8 Bibliography

- Almond, Gabriel A., and Verba, Sidney. (1963). *The Civic Culture: Political Attitudes and Democracy in Five Nations*. Princeton: Princeton university press.
- Alshmemri, M., Shahwan-Akl, L., and Maude, P. (2017). "Herzberg's Two-Factor Theory," *Life Science Journal*, 14(5), pp. 12-16.
- Alter, Karen. (1998). "Explaining National Court Acceptance of European Court Jurisprudence: A Critical Evaluation of Theories of Legal Integration," in Anne-Marie Slaughter, Alex Stone Sweet and Joseph Weiler. Eds. *The European Court and National Courts – Doctrine and Jurisprudence: Legal Change in Its Social Context*. Oxford: Hart Publishing, pp. 227-252.
- Anderson, C. J. (1998). "When in Doubt, Use Proxies: Attitudes toward Domestic Politics and Support for European Integration," *Comparative political studies*, 31(5), pp. 569-601.
- Anderson, C. J., and Guillory, C. A. (1997). "Political Institutions and Satisfaction with Democracy: A Cross-National Analysis of Consensus and Majoritarian Systems," *American Political Science Review*, 91(1), pp. 66-81.
- Andrews, R., and Van de Walle, S. (2013). "New Public Management and Citizens' Perceptions of Local Service Efficiency, Responsiveness, Equity and Effectiveness," *Public Management Review*, 15(5), pp. 762-783.
- Ansell, C., and Gash, A. (2008). "Collaborative Governance in Theory and Practice," *Journal of Public Administration Research and Theory*, 18(4), pp. 543-571.
- Arnold, C., E. V. Sapir and G. Zapryanova. (2012). "Trust in the Institutions of the European Union: A Cross-Country Examination," *European Integration Online Papers*, 16(Special Mini-Issue 2), Article 8.
- Aydin Cakir, Aylin, and Sekercioglu, Eser. (2016). "Public Confidence in the Judiciary: the Interaction between Political Awareness and Level of Democracy," *Democratization*, 23(4), pp. 634-656
- Bach, T. (2012). "The Involvement of Agencies in Policy Formulation: Explaining Variation in Policy Autonomy of Federal Agencies in Germany," *Policy and Society*, 31(3), pp. 211-222.
- Bal, P. M., Lange, A. H., Jansen, P. G., and Velde, M. E. (2013). A Longitudinal Study of Age-Related Differences in Reactions to Psychological Contract Breach," *Applied Psychology*, 62(1), pp. 157-181.
- Barber, B. R. (2004). *Strong Democracy. Participatory Politics for a New Age*. Berkeley: University of California Press.
- Bassok, Or. (2018). "The European Consensus Doctrine and the ECtHR Quest for Public Confidence," in Panos Kapotas and Vssilis P. Tzevelekos. Eds. *Building Consensus on European Consensus: Judicial Interpretation of Human Rights in Europe and Beyond*. Cambridge: Cambridge University Press, pp. 236-257.
- Behnke, N., Broschek, J., and Sonnicksen, J. (2019). "Introduction: The Relevance of Studying Multilevel Governance," in N. Behnke, J. Broschek, and J. Sonnicksen. Eds. *Configurations, Dynamics and Mechanisms of Multilevel Governance*. Comparative Territorial Politics series. Switzerland: Palgrave Macmillan, pp. 1-19.
- Bélanger, É. (2017). Political trust and voting behaviour. In *Handbook on Political Trust*. Edward Elgar Publishing.
- Berg, L., and Hjerm, M. (2010). "National Identity and Political Trust," *Perspectives on European Politics and Society*, 11(4), pp. 390-407.
- Berg, Monika, and Johansson, Tobias. (2020). "Building Institutional Trust Through Service Experiences – Private Versus Public Provision Matter," *Journal of Public Administration Research and Theory*, 30(2), pp. 290-306.
- Better Regulation Commission. (2006). Risk, Responsibility and Regulation – Whose risk is it anyway? Available at: https://regulation.org.uk/library/2006_risk_responsibility_regulation.pdf
- Bijlsma-Frankema, K., A. Weibel and S. Sitkin. (2015). "Distrust in the Balance: Evolution and Resolution of Inter-Group Distrust between Judges and Administrators in a Court of Law," *Organization Science*, 26(4), pp. 1018-1039.
- Bouckaert, G. (2011). "Reforming for Performance and Trust: Some Reflections." Core speech at the NISPAcee conference, Varna, Bulgaria, May 19-22.
- Bouckaert, G. (2012). Trust and public administration. *Administration*, 60(1), 91-115.
- Bouckaert, Geert, Van der Walle, Steeven, Maddens, Bart, and Kampen, Jarl K. (2002). *Identity vs. Performance: An Overview of Theories Explaining Trust in Government*. Quality and Trust in Government, Second Report. Leuven: Katholieke Universiteit Leuven.



- Bozic, Branko, and Kuppelwieser, Volker G. (2019). "Customer Trust Recovery: An Alternative Explanation," *Journal of Retailing and Consumer Services*, 49, pp. 208-218.
- Braithwaite, John. (1998). "Institutionalizing Trust: Enculturating Distrust," in Valerie Braithwaite and Margaret Levi. Eds. *Trust and governance*. The Russell Sage Foundation Series on Trust. New York: Russell Sage Foundation, pp. 343-375.
- Broberg, Morten, and Niels Fenger. (2013). "Variations in Member States' Preliminary References to the Court of Justice – Are Structural Factors (Part of) the Explanation?," *European Law Journal*, 19(4), pp. 488-501.
- Brosius, A., Van Elsas, E. J., and De Vreese, C. H. (2020). "Trust in Context: National Heuristics and Survey Context Effects on Political Trust in the European Union", *European Union Politics*, 21(2), pp. 294-311.
- Brouwer, E. (2016). "Mutual Trust and Judicial Control in the Area of Freedom, Security, and Justice: An Anatomy of Trust," in E. Brouwer and D. Gerard. Eds. *Mapping Mutual Trust: Understanding and Framing the Role of Mutual Trust in EU Law*. EUI Working Papers, MWP 2016/13. Italy: European University Institute, pp. 59-68.
- Caldeira, G. A., and J. L. Gibson. (1995). "The Legitimacy of the Court of Justice in the European Union: Models of Institutional Support," *The American Political Science Review*, 89(2), pp. 356-376.
- Callens, Marloes. (2017). "The Interorganisational Trust Process in the Flemish Judicial Youth Care Chain: Perceived Trustworthiness, Its Inputs, and Willingness to Exchange Information". PhD Dissertation. Katholieke Universiteit Leuven.
- Callens, M., and G. Bouckaert. (2019). "Trustworthiness and Information Disclosure Among Judicial Governmental Agencies," *Public Performance and Management Review*, 42(5), pp. 1112-1137.
- Callens, Marloes, Geert Bouckaert and Stephan Parmentier. (2016). "Intra- and Interorganisational Trust in a Judicial Context: An Exploratory Case Study," in Annie Hondeghem, Xavier Rousseaux and Frederic Schoenaers. Eds. *Modernisation of the Criminal Justice Chain and the Judicial System: New Insights on Trust, Cooperation and Human Capital*. Lus Gentium: Comparative Perspectives on Law and Justice series, vol. 50. Switzerland: Springer International Publishing, pp. 115-130.
- Callens, Marloes, and Geert Loosveldt. (2018). "'Don't Know' Responses to Survey Items on Trust in Police and Criminal Courts: A Word of Caution". In *Survey Methods: Insights from the Field* website. <<https://surveyinsights.org/?p=9237>>. March 15th, 2018.
- Camões, P. J., and Mendes, S. M. (2019). Do citizens trust the civil service differently? Comparing the determinants of confidence in political-administrative institutions. *International Journal of Public Administration*, 42(14), 1234-1244.
- Chanley, V. A., Rudolph, T. J., and Rahn, W. M. (2000). The Origins and Consequences of Public Trust in Government. A Time Series Analysis. *Public Opinion Quarterly* 64(3), pp. 239-256.
- Chen, Y. H., Lin, T. P., and Yen, D. C. (2014). How to facilitate inter-organizational knowledge sharing: The impact of trust. *Information and Management*, 51(5), 568-578.
- Cheruvu, Sivaram. (2020). "How Does Education Affect Public Support for Courts?". Working Paper. Published August 27th, 2020. Available here: <<https://sivaramcheruvu.com/research>>. Last seen: September 1st, 2020.
- Citrin, J., and Stoker, L. (2018). "Political Trust in a Cynical Age," *Annual Review of Political Science*, 21, pp. 49-70.
- Claes, M., M. De Visser, P. Popelier and C. Van de Heyning (2012) Introduction: On Constitutional Conversations. In : Claes, M. et. al. (eds) *Constitutional Conversations in Europe: Actors, Topics and Procedures*. Cambridge: Intersentia, pp. 1-10.
- Claes, M (2006) *The National Courts' Mandate in the European Constitution*. Modern studies in European Law series. Oxford: Hart Publishing.
- Cook, K. S., Hardin, R., and Levi, M. (2005). *Cooperation without trust?*. Russell Sage Foundation.
- Corbett, J. (2020). "The Deconsolidation of Democracy: Is It New and What Can Be Done About It?," *Political Studies Review*, 18(2), pp. 178-188.
- Dahl, Robert A. (1971). *Polyarchy: Participation and opposition*. New Haven: Yale University Press.
- Dahl, R. A., and Tufte, E. R. (1973). *Size and democracy* (Vol. 2). Stanford University Press.
- Dahl, Robert A. (1999). "Can International Organisations Be Democratic? A Skeptic's View," in Ian Shapiro and Casiano Hacker-Cordon. Eds. *Democracy's Edges*. Contemporary Political Theory series. Cambridge: Cambridge University Press, pp. 19-36.



- Dalton, R. J. (2004). *Democratic Challenges, Democratic Choices: The Erosion of Political Support in Advanced Industrial Democracies*. Oxford: Oxford University Press.
- Dashti, A., Benbasat, I., and Burton-Jones, A. (2009). Developing trust reciprocity in electronic-government: The role of felt trust. In European and Mediterranean Conference on Information Systems (Vol. 2009). Crowne Plaza Hotel, Izmir. July 13th-14th, 2009.
- Daunton, Martin. (1998). "Trusting Leviathan: British Fiscal Administration from the Napoleonic Wars to the Second World War," in Valerie Brathwaite and Margaret Levi. Eds. *Trust and governance*. The Russell Sage Foundation Series on Trust. New York: Russell Sage Foundation, pp. 102-134.
- Delbufalo, E. (2012). Outcomes of inter-organizational trust in supply chain relationships: a systematic literature review and a meta-analysis of the empirical evidence. *Supply Chain Management: An International Journal*, 17(4), 377-402.
- Denters, B. (2002). "Size and Political Trust: Evidence from Denmark, the Netherlands, Norway, and the United Kingdom," *Environment and Planning C: Government and Policy*, 20(6), pp. 793-812.
- Dinesen, P. T. (2013). "Where You Come from or Where You Live? Examining the Cultural and Institutional Explanation of Generalized Trust Using Migration as a Natural Experiment," *European Sociological Review*, 29(1), pp. 114-128.
- Du, J., and Williams, C. (2017). Innovative projects between MNE subsidiaries and local partners in China: exploring locations and inter-organizational trust. *Journal of International Management*, 23(1), 16-31.
- Edelenbos, J., and Klijn, E. H. (2007). Trust in Complex Decision-Making Networks: A Theoretical and Empirical Exploration. *Administration and Society*, pp. 25-50.
- Edelman. (2020). Edelman Trust Barometer, available at <https://www.edelman.com/trustbarometer>
- Edwards, J. R., and Cable, D. M. (2009). The Value of Value Congruence. *Journal of Applied Psychology*, 94(3), 654-677.
- Efrat, A. (2019) 'Assessing mutual trust among EU members: evidence from the European Arrest Warrant' *Journal of European Public Policy* 26(5), 656-675
- Enderlein, Henrick, Walti, Sonja, and Zurn, Michael. Eds. (2010). *Handbook on Multi-Level Governance*. Cheltenham: Edward Elgar Publishing.
- European Network for Councils of the Judiciary (ENCJ) (2018) Public Confidence and the Image of Justice Report 2017-2018, available at www.encj.eu
- European Social Survey 5 (ESS 5) (2010. Available at: <https://www.europeansocialsurvey.org/data>
- Ferris, G. R., and Kacmar, K. M. (1992). Perceptions of organizational politics. *Journal of Management*, 18, 93-116.
- Fitzgerald, J., and Wolak, J. (2016). "The Roots of Trust in Local Government in Western Europe," *International Political Science Review*, 37(1), pp. 130-146.
- Fix-Fierro, H. (2003) *Courts, Justice and Efficiency: A Socio-legal Study of Economic Rationality in Adjudication*. Oxford: Hart Publishing.
- Foa, R. S., and Mounk, Y. (2016). "The Danger of Deconsolidation: The Democratic Disconnect," *Journal of Democracy*, 27(3), pp. 5-17.
- Follesdal, A., and Hix, S. (2006). "Why There is a Democratic Deficit in the EU: A Response to Majone and Moravcsik," *Journal of Common Market Studies*, 44(3), pp. 533-562.
- Freitag, M., and Bühlmann, M. (2009). "Crafting Trust: The Role of Political Institutions in a Comparative Perspective," *Comparative Political Studies*, 42(12), pp. 1537-1566.
- Fukuyama, Francis. (1995). *Trust: The Social Virtues and the Creation of Prosperity*. New York: Free Press.
- Fukuyama, Francis. (1999). "Social Capital and Civil Society". In *IMF Conference on Second Generation Reforms*. <http://www.imf.org/external/pubs/ft/seminar/1999/reforms/fukuyama.htm>.
- Gabriel, O. W. (2017). Participation and political trust. In *Handbook on political trust*. Edward Elgar Publishing.
- Garoupa, Nuno, and Pedro C. Magalhaes. (2020). "Public Trust in European Legal Systems: Independence, Accountability and Awareness". In West European Politics journal website. <<https://doi.org/10.1080/01402382.2020.1715605>>. February 14th, 2020.
- Getha-Taylor, H., Grayer, M. J., Kempf, R. J., and O'Leary, R. (2019). Collaborating in the absence of trust? What collaborative governance theory and practice can learn from the literatures of conflict resolution, psychology, and law. *The American Review of Public Administration*, 49(1), 51-64.



- Gibson, J. L. and G. A. Caldeira (1998) 'Changes in the Legitimacy of the European Court of Justice: A Post-Maastricht Analysis' *British Journal of Political Science* 28(1), 63-91.
- Gibson, J. L. and G. A. Caldeira (1995) 'The Legitimacy of Transnational Legal Institutions: Compliance, Support, and the European Court of Justice' *American Journal of Political Science* 39(2), 459-489.
- Glaser, M. A., Denhardt, K. G., and Grubbs, J. W. (1997). Local government-sponsored community development: Exploring relationships between perceptions of empowerment and community impact. *The American Review of Public Administration*, 27(1), 76-94.
- Glaser, M. A., and Hildreth, W. B. (1999). Service Delivery Satisfaction and Willingness to Pay Taxes: Citizen Recognition of Local Government Performance. *Public Productivity and Management Review* 23(1), pp. 48-67.
- Glavina, M. (2020) "'To refer or not to refer – That is the (preliminary) question": Exploring factors which influence the participation of national judges in the preliminary ruling procedure. *Croatian Yearbook of European Law and Policy*.
- Good, David. (1988). "Individuals, Interpersonal Relations, and Trust," In Diego Gambetta. Ed. *Trust: Making and Breaking Cooperative Relations*. Oxford: Basil Blackwell Ltd., pp. 31-48.
- Grimes, Marcia. (2017). "Procedural Fairness and Political Trust," in Sonja Zmerli and Tom W. G. van der Meer. Eds. *Handbook on Political Trust*. Cheltenham: Edward Elgar Publishing, pp. 256-269.
- Grimmelikhuijsen S, Jilke S, Olsen AL and Tummers LG (2016) Behavioral public administration: Combining insights from public administration and psychology. *Public Administration Review* 77(1): 45-56.
- Grimmelikhuijsen, S. and A. Klijn (2015) 'The Effects of Judicial Transparency on Public Trust: Evidence from a Field Experiment' *Public Administration* 93(4), 995–1011.
- Grimmelikhuijsen, S., Porumbescu, G., Hong, B., and Im, T. (2013). "The Effect of Transparency on Trust in Government: A Cross-National Comparative Experiment," *Public Administration Review*, 73(4), pp. 575-586.
- Grosskopf, A. (2008), 'Explaining the Democratic Trust Conundrum: the Sources of Institutional Trust in the Reunited Germany' *International Social Science Review* 83(1/2), 3-26.
- Grosskopf, A. and J.J. Mondak (1998) 'Do Attitudes toward Specific Supreme Court Decisions Matter? The Impact of Webster and Texas v. Johnson on Public Confidence in the Supreme Court' *Political Research Quarterly*, 51(3), 633-654
- Gulati, R., and Nickerson, J. A. (2008). Interorganizational trust, governance choice, and exchange performance. *Organization Science*, 19(5), 688-708.
- Hardin, Russell. 2002. *Trust and Trustworthiness*. Russell Sage Foundation.
- Harteveld, Eelco, Van der Meer, Tom, and De Vries, Catherine E. (2013). "In Europe We Trust? Exploring Three Logics of Trust in the European Union," *European Union Politics*, 14(4), pp. 542-565.
- Herlin-Karnell, E. (2013) 'From Mutual Trust to the Full Effectiveness of EU Law: 10 Years of the European Arrest Warrant' *Eur.L.Rev.* 38(4), 373-388.
- Herzberg, F. (1966). *Work and the Nature of Man*. Cleveland: World Publishing.
- Hetherington, Marc J. (1998). "The Political Relevance of Political Trust", *American Political Science Review*, 92(4), pp. 791-808.
- Hetherington, Marc J. (2005). *Why Trust Matters: Declining Political Trust and the Demise of American Liberalism*. Princeton: Princeton University Press.
- Hönnige, Christoph, Thomas Gschwend, Benjamin G. Engst and Caroline E. Wittig. (2015). *Constitutional Courts as Veto Players: Composition, Absorption and Decisions at the German Court*. Paper presented at the ECPR General Conference 2015, Montreal.
- Hooghe, L., and Marks, G. (2001). *Multi-Level Governance and European Integration*. Lanham: Rowman and Littlefield Publishers.
- Hooghe, M. (2011). "Why There is Basically Only One Form of Political Trust," *The British Journal of Politics and International Relations*, 13(2), pp. 269-275.
- Hough, M. (2012) 'Researching trust in the police and trust in justice: a UK perspective' *Policing and Society* 22(3), 332-345.
- Hough, Mike, Jonathan Jackson and Ben Bradford. (2013). "Trust in Justice and the Legitimacy of Legal Authorities: Topline Findings from a European Comparative Study," in Sophie Body-Gendrot, Mike Hough, Klara Kerecsi, Rene



- Levy and Sonja Snacken. Eds. *The Routledge Handbook of European Criminology*. United States: Routledge, pp. 243-265.
- Hough, M., J. Jackson, B. Bradford, A. Myhill and P. Quinton (2010) 'Procedural justice, trust and institutional legitimacy' *Policing: a journal of policy and practice* 4(3,) 203-210.
- Hough, Mike, and Sato, Mai. Eds. (2011). *Trust in Justice: Why It Is Important for Criminal Policy and How It Can Be Measured*. Final report of the Euro-Justis project. Birkbeck: University of London.
- Huseby, B. M. (2000). Government Performance and Political Support. A Study of How Evaluations of Economic. Trondheim: Department of Sociology and Political Science, Norwegian University of Technology.
- Inglehart, Ronald. (1999). "Trust, Well-Being and Democracy," in Mark E. Warren. Ed. *Democracy and Trust*. Cambridge: Cambridge University Press, pp. 88-120.
- Inglehart, Ronald F. (2016). "The Danger of Deconsolidation: How Much Should We Worry?," *Journal of Democracy*, 27(3), pp. 18-23.
- Inglehart, Ronald, and Welzel, Christian. (2005). *Modernization, Cultural Change, and Democracy: The Human Development Sequence*. Cambridge: Cambridge University Press.
- Jackson, J., B. Bradford, M. Hough, J. Kuha, S. Stares, S. Widdop, R. Fitzgerald, M. Yordanova and T. Galev (2011) 'Developing European indicators of trust in justice' *European J. of Criminology* 8(4), 267-285
- Janssens, Christine. (2013). *The Principle of Mutual Recognition in EU Law*. Oxford Studies in European Law series. Oxford: Oxford University Press.
- Jennings, M. Kent. (1998). "Political Trust and the Roots of Devolution," in Valerie Brathwaite and Margaret Levi. Eds. *Trust and governance*. The Russell Sage Foundation Series on Trust. New York: Russell Sage Foundation, pp. 218-244.
- Kääriäinen, J., and Sirén, R. (2012). Do the police trust in citizens? European comparisons. *European Journal of Criminology*, 9(3), 276–289.
- Kaase, M. (1999). "Interpersonal Trust, Political Trust and Non-Institutionalised Political Participation in Western Europe," *West European Politics*, 22(3), pp. 1-21.
- Kampen, J. K., Van de Walle, S., and Bouckaert, G. (2006). Assessing the relation between satisfaction with public service delivery and trust in government: The impact of the predisposition of citizens toward government on evaluations of its performance. *Public Performance and Management Review*, 29 (4), pp. 387-404.
- Kaplan, Andreas M., and Haenlein, Michael. (2009). "The Increasing Importance of Public Marketing: Explanations, Applications and Limits of Marketing within Public Administration," *European Management Journal*, 27(3), pp. 197-212.
- Keele, L. (2007). "Social Capital and the Dynamics of Trust in Government," *American Journal of Political Science*, 51(2), pp. 241-254.
- Kehoe, S. M., and Ponting, J. R. (2003). Value importance and value congruence as determinantsof trust in health policy actors. *Social Science and Medicine* 57, 1065-1075.
- Kelemen, R.D. (2012) 'The political foundations of judicial independence in the European Union' *Journal of European Public Policy* 19(1), 43-58.
- Keulemans, S., and Van de Walle, S. (2020a). Street-Level Bureaucrats' Attitude toward Clients: A Study of Work Group Influence in the Dutch and Belgian Tax Administration. *Public Performance and Management Review*, 43(2), 334–362. <https://doi.org/10.1080/15309576.2019.1697303>
- Keulemans, S., and Van de Walle, S. (2020b). Understanding street-level bureaucrats' attitude towards clients: Towards a measurement instrument. *Public Policy and Administration*, 35(1), 84–113. <https://doi.org/10.1177/0952076718789749>
- King, Cheryl S., and Camilla Stivers. (1998). Citizens and Administrators: Roles and Relationships. In *Government Is Us*, edited by Cheryl S. King and Camilla Stivers, 49-62. Thousand Oaks, CA: Sage Publications.
- Klijn, E. H., Edelenbos, J., and Steijn, B. (2010). Trust in governance networks; its impact and outcomes. *Administration and Society*, pp. 193-221.



- Klijn, E. H., Sierra, V., Ysa, T., Berman, E., Edelenbos, J., and Chen, D. Y. (2016). The influence of trust on network performance in Taiwan, Spain, and the Netherlands: A cross-country comparison. *International public management journal*, 19(1), 111-139.
- Komárek, J. (2007) 'In the Court(s) We Trust?' *European Law Review* 32(4), 467–491.
- Kort, M., and Klijn, E. H. (2013). Public–private partnerships in urban regeneration: Democratic legitimacy and its relation with performance and trust. *Local Government Studies*, 39(1), 89-106.
- Korthagen, I., and Klijn, E. H. (2014). The mediatization of network governance: The impact of commercialized news and mediatized politics on trust and perceived network performance. *Public Administration*, 92(4), 1054-1074.
- Kristof, Amy L. (1996). "Person-Organization Fit: An Integrative Review of Its Conceptualizations, Measurements, and Implications," *Personnel Psychology*, 49(1), pp. 1-49.
- Krouwel, Andre, and Abts, Koen. (2007). "Varieties of Euroscepticism and Populist Mobilization: Transforming Attitudes from Mild Euroscepticism to Harsh Eurocynicism," *Acta Politica*, 42, pp. 252-270.
- Kumlin, Staffan. (2007). "Overloaded or Undermined? European Welfare States in the Face of Performance Dissatisfaction," in Stefan Svallfors. Ed. *The Political Sociology of the Welfare State: Institutions, Social Cleavages, and Orientations*. Studies in Social Inequality series. Stanford: Stanford University Press, pp. 80-116.
- Kumlin, S., and Haugsgjerd, A. (2017). The welfare state and political trust: bringing performance back in. In S. Zmerli, and T. W. van der Meer, *Handbook on Political Trust* (pp. 285-301). Cheltenham: Edward Elgar.
- Lampach, Nicolas, and Arthur Dyevre. (2020). "Choosing for Europe: Judicial Incentives and Legal Integration in the European Union," *European Journal of Law and Economics*, 50, pp. 65-86.
- Lenaerts, K. (2017) 'La vie après l'avis: explaining the principle of mutual (yet not blind) trust' *Common Market Law Review* 54(3), 805-840.
- Levi, M. (1998). A state of trust. In V. Braithwaite, and M. Levi, *Trust and governance* (pp. 77-101). New York: Russell Sage Foundation.
- Levi, M., and Stoker, L. (2000). "Political Trust and Trustworthiness," *Annual Review of Political Science*, 3(1), pp. 475-507.
- Lewicki, R. J., and Bunker, B. B. (1996). Developing and maintaining trust in work relationships. In R. M. Kramer, and T. R. Tyler, *The new face of government: how public managers are forging a new approach to governance* (pp. 114-139). Boca Raton: Auerbach Publications.
- Lijphart, A. (1999). Australian democracy: modifying majoritarianism?. *Australian journal of political science*, 34(3), 313-326.
- Lipsky, M. (2010). *Street-level bureaucracy: Dilemmas of the individual in public service* (30th anniversary edition). New York: Russell Sage Foundation.
- Listhaug, Ola. (1995). "The Dynamics of Trust in Politicians," in Hans-Dieter Klingemann and Dieter Fuchs. Eds. *Citizens and the State*. Belifs in Government series, vol. 1. Oxford: Oxford University Press, pp. 261-297.
- Listhaug, Ola, and Jakobsen, Tor Georg. (2017). "Foundations of Political Trust," in Eric M. Uslaner. Ed. *The Oxford Handbook of Social and Political Trust*. New York: Oxford University Press, pp. 559-578.
- Listhaug, Ola, and Matti Wiberg. (1995). "Confidence in Political and Private Institutions," in Hans-Dieter Klingemann and Dieter Fuchs. Eds. *Citizens and the State*. Belifs in Government series, vol. 1. Oxford: Oxford University Press, pp. 298-322.
- Liu, C., and Stolle, D. (2017). Social capital, civic culture and political trust. In *Handbook on political trust*. Edward Elgar Publishing.
- Lyon, F., Möllering, G., and Saunders, M. N. (2011). Introduction: the variety of methods for the multi-faceted phenomenon of trust. In F. Lyon , G. Möllering, and M. N. Saunder, *Handbook of research methods on trust* (pp. 1-18). Northampton: Edward Elgar.
- Machura, Stefan, Nelson Manuel Correia Ramos, Torie Rooney and Shanna Warmald. (2011). "How Studying Law, Media and Experience Influence Trust in the Courts and the Police: A Comparison of Law and Language Students at Bangor University," in J. Estermann. Ed. *Der Kampf ums Recht: Acteure und Interessen im Blick der Interdisziplinären Rechtsforschung*. Germany: Lit and Orlux, pp. 150-167.



- Machura, S., T. Love and A. Dwight (2014) 'Law students' trust in the courts and the police' *International J. of Law, Crima and Justice* 42, 287-305.
- Maggetti, Martino, and Philipp Trein. (2019). "Multilevel Governance and Problem-Solving: Towards a Dynamic Theory of Multilevel Policy-Making?," *Public Administration*, 97(2), pp. 355-369.
- Majone G. (1995). *Mutual Trust, Credible Commitments and the Evolution of Rules for a Single European Market*. EUI Working Paper RSC, 95(1). Florence: European University Institute.
- Marien, Sofie. (2011). "Measuring Political Trust Across Time and Space," in Sonja Zmerli and Marc Hooghe. Eds. *Political Trust: Why Context Matters*. Studies in European Political Science series. United Kingdom: ECPR Press, pp. 13-46.
- Marlow, J. (2004). 'Part of the solution or cogs in the system?: The origins and consequences of trust in public administrators'. *Public Integrity*, 6(2), pp. 93-113.
- Mayer, R. C., Davis, J. H., and Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review*, 20(3), pp. 709-734.
- Maynard-Moody, S., and Musheno, M. (2000). State agent or citizen agent: Two narratives of discretion. *Journal of Public Administration Research and Theory*, 10, 329-358.
- Mayoral, J. (2017) 'In the CJEU Judges Trust: A New Approach in the Judicial Construction of Europe' *Journal of Common Market Studies* 55(3), 551-568.
- Mayne, Q., and Hakhverdian, A. (2017). Education, socialization, and political trust. In *Handbook on Political Trust*. Edward Elgar Publishing.
- McLaren, L. (2017). Immigration, national identity and political trust in European democracies. *Journal of Ethnic and Migration Studies*, 43(3), 379-399.
- Melkers, Julia, and John Clayton Thomas. (1998). What Do Administrators Think Citizens Think? Administrator Predictions as an Adjunct to Citizen Surveys. *Public Administration Review* 58(4): 327-34.
- Meuwese, A and M. Snel (2019) 'Constitutional Dialogue: an Overview', *Utrecht Law Review*, 9(2) 123–140.
- Miller A.H. (1974) 'Political issues and trust in government: 1964–1970', *American political science review* 68(3), 951-972.
- Mishler, W., and R. Rose. (2001). "What Are the Origins of Political Trust? Testing Institutional and Cultural Theories in Post-Communist Societies," *Comparative Political Studies*, 34(1), pp. 30-62.
- Mishler, W., and R. Rose. (2005). "What Are the Political Consequences of Trust? A Test of Cultural and Institutional Theories in Russia," *Comparative Political Studies*. 38(9), pp. 1050-1078.
- Mitsilegas, V. (2006). 'The constitutional implications of mutual recognition in criminal matters in the EU' 43 *Common Market Law Review* 1277-1311.
- Mondak, J. J., Hayes, M., and Canache, D. (2017). Biological and psychological influences on political trust. In *Handbook on political trust*. Edward Elgar Publishing.
- Montinola, G. R. (2009) 'Proxies and experience as bases of trust in courts', in Cook, K. S., Levi, M., and Hardin, R. (eds) *Whom can we trust?: How groups, networks, and institutions make trust possible*. New York, NY, USA: Russel Sage Foundation, pp. 286–307.
- Moravcsik, A. (2004). "Is There a 'Democratic Deficit' in World Politics? A Framework for Analysis," *Government and Opposition*, 39(2), pp. 336-363.
- Moynihan, D. P. (2009). The network governance of crisis response: Case studies of incident command systems. *Journal of Public Administration Research and Theory*, 19(4), 895-915.
- Muñoz, J. (2017). "Political Trust and Multilevel Government," in Sonja Zmerli and Tom W. G. van der Meer. Eds. *Handbook on Political Trust*. Cheltenham: Edward Elgar Publishing, pp. 69-88.
- Muñoz, J., M. Torcal, and E. Bonet. (2011). "Institutional Trust and Multilevel Government in the European Union: Congruence or Compensation?," *European Union Politics*, 12(4), pp. 551-574.
- Murdock, B. S., Wiessner, C., and Sexton, K. (2005). Stakeholder participation in voluntary environmental agreements: Analysis of 10 Project XL case studies. *Science, technology, and human values*, 30(2), 223-250.
- Newton, K. (2017). Political trust and the mass media. In *Handbook on political trust*. Edward Elgar Publishing.
- Nooteboom, B., and Six, F. (2003). The trust process. The trust process in organizations: Empirical studies of the determinants and the process of trust development, 16-36.



- Norris, P. (1999). Introduction: The Growth of Critical Citizens? In P. Norris, *Critical Citizens: Global Support for Democratic Government* (pp. 1-30). Oxford: Oxford University Press.
- Nye Jr., Joseph S., Philip D. Zelikow and David C. King. Eds. (1997). *Why People Don't Trust Government*. United States: Harvard College.
- OECD. (2011). *The Call for Innovative and Open Government: An Overview of National Initiatives*. Paris: OECD Publishing.
- Offe, C. (2000). *The Democratic Welfare State: A European Regime Under the Strain of European Integration*. Political Science Series, No. 68. Vienna: Institute for Advanced Studies.
- Oomsels, P., and Bouckaert, G. (2014). Studying interorganizational trust in public administration: a conceptual and analytical framework for "administrational trust. *Public Performance and Management Review*, 37(4), pp. 577-604.
- Oomsels, P., Callens, M., Vanschoenwinkel, J., and Bouckaert, G. (2019). Functions and dysfunctions of interorganizational trust and distrust in the public sector. *Administration and Society*, 51(4), 516-544.
- Oomsels, P. (2016). *Administrational Trust: An empirical examination of interorganisational trust and distrust in the Flemish administration*.
- Parker, C. F., Persson, T., and Widmalm, S. (2019). The effectiveness of national and EU-level civil protection systems: evidence from 17 member states. *Journal of European Public Policy*, 26(9), 1312-1334.
- Parmentier, S., and Vervaeke, G. (2011). In criminal justice we trust? A decade of public opinion research in Belgium. *European journal of criminology*, 8(4), 286-302.
- Peel, M. (1998). Trusting disadvantaged citizens. In V. Braithwaite and M. Levi (Eds.), *Trust and governance* (pp. 315–342). New York: Russell Sage Foundation.
- Persson, T., Parker, C. F., and Widmalm, S. (2019). How trust in EU institutions is linked to trust in national institutions: Explaining confidence in EU governance among national-level public officials. *European Union Politics*, 20(4), 629-648.
- Peters, D. T., Klijn, E. H., Stronks, K., and Harting, J. (2017). Policy coordination and integration, trust, management and performance in public health-related policy networks: a survey. *International Review of Administrative Sciences*, 83(1), 200-222.
- Pharr, Susan J., Robert D. Putnam, and Russell J. Dalton. (2000). "Trouble in the Advanced Democracies? A Quarter-Century of Declining Confidence," *Journal of Democracy*, 11(2), pp. 5-25.
- Popelier, Patricia, and Catherine Van De Heyning. (2019). "Constitutional Dialogue as an Expression of Trust and Distrust in Multilevel Governance," in Martin Belov. Ed. *Judicial Dialogue*. The Hague: Eleven International Publishing, pp. 51-70.
- Prechal, Sacha (2017) 'Mutual Trust Before the Court of Justice of the European Union' *European Papers* 2(1), 75-92.
- Putnam, Robert D., Robert Leonardi and Raffaella Y. Nonetti. (1993). *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton: Princeton University Press.
- Putnam, Rrobert D. (1995). "Bowling Alone: America's Declining Social Capital," *Journal of Democracy*, 6(1), pp. 65-78.
- Raaphorst, Nadine, and Van de Walle, Steven. (2020). "Trust, Fairness and Signalling: Studying the Interaction between Officials and Citizens," in Vilma Luoma-aho and Maria-Jose Canel. Eds. *Handbook of Public Sector Communication*. Handbooks in Communication and Media series. United States: Wiley Blackwell, pp. 59–70.
- Radin, B. (2006). *Challenging the performance movement: Accountability, complexity, and democratic values*. Washington, DC: Georgetown Univ. Press.
- Ran, B., and Qi, H. (2019). The entangled twins: Power and trust in collaborative governance. *Administration and Society*, 51(4), 607-636.
- Riker, William H. (1980). "Political Trust as Rational Choice," in Leif Lewin and Evert Vedung. Eds. *Politics as Rational Action: Essays in Public Choice and Policy Analysis*. Theory and Decision Library series, vol. 23. Dordrecht: D. Reidel Publishing Company, pp. 1-24.
- Ring, P. S., and Van de Ven, A. H. (1994). Developmental processes of cooperative interorganizational relationships. *Academy of management review*, 19(1), 90-118.
- Rizcalla, C. (2019) 'The challenges to trust-based governance in the European Union: Assessing the use of mutual trust as a driver of EU integration' *European Law Journal* 25, 37-56.



- Rommel, J., and Christiaens, J. (2009). Steering from ministers and departments: Coping strategies of agencies in Flanders. *Public Management Review*, 11(1), 79-100.
- Rommel, J. (2012). Organisation and Management of Regulation. Autonomy and Coordination in a Multi-Actor Setting. PhD thesis. KU Leuven University.
- Rosas, A (2007) 'The European Court of Justice in Context: Forms and Patterns of Judicial Dialogue' *Eu. J. Legal Studies* 1(2), 121-136.
- Rothstein, Bo. (2004). "Social Trust and Honesty in Government: A Causal Mechanisms Approach," in Janos Kornai, Bo Rothstein and Susan Rose-Ackerman. *Creating Social Trust in Post-Socialist Transition*. Political Evolution and Institutional Change series. New York: Palgrave MacMillan, pp. 13-30.
- Rothstein, B. (2009). "Creating Political Legitimacy: Electoral Democracy Versus Quality of Government," *American Behavioral Scientist*, 53(3), pp. 311-330.
- Rousseau, D. M. (1998). Trust in organizations: frontiers of theory and research. *Administrative science quarterly*, 43(1), 186.
- Rousseau, D. M., Sitkin, S. B., Burt, R. S., and Camerer, C. (1998). Not so different after all: A cross-discipline view of trust. *Academy of Management Review* 23(3), pp. 393-404.
- Roussey, Ludvine, and Bruno Deffain. (2012). "Trust in Judicial Institutions: An Empirical Approach," *Journal of Institutional Economics*, 8(3), pp. 351-369.
- Rudolph, T. J. (2017). Political trust as a heuristic. In *Handbook on political trust*. Edward Elgar Publishing.
- Ruscio, K. P. (1996). "Trust, Democracy, and Public Management: A Theoretical Argument," *Journal of Public Administration Research and Theory*, 6(3), pp. 461-477.
- Scharpf, F. W. (1994). "Community and Autonomy: Multi-Level Policy-Making in the European Union," *Journal of European Public Policy*, 1(2), pp. 219-242.
- Scholz, J. T., and Pinney, N. (1995). Duty, Fear, and Tax Compliance: The Heuristic Basis of Citizenship Behavior. *American Journal of Political Science* 39(2), pp. 490-512.
- Schomaker, R. M., and Bauer, C. (2020, forthcoming). The role of trust in Public Private Partnerships - Theoretical reflections and empirical findings. *Public Money and Management*.
- Schomaker, R. M., Bauer, M. W., and Kappler, M. (2020). Conference Paper: Theoretical Reflections and Experimental Findings on the Role of Information for Trust in Public-Private Partnerships. Speyer.
- Schneider, I. (2017). "Can We Trust Measures of Political Trust? Assessing Measurement Equivalence in Diverse Regime Types," *Social Indicators Research*, 133(3), pp. 963-984.
- Seppänen, R., Blomqvist, K., and Sundqvist, S. (2007). "Measuring Inter-Organizational Trust – A Critical Review of the Empirical Research in 1990–2003," *Industrial Marketing Management*, 36(2), pp. 249-265.
- Shaw, M. M. (2003). Successful Collaboration Between the Nonprofit and Public Sectors. *Nonprofit Management and Leadership*, vol. 14, no. 1, pp. 107-120.
- Sitkin, S. B., and Roth, N. L. (1993). Explaining the limited effectiveness of legalistic "remedies" for trust/distrust. *Organization science*, 4(3), 367-392.
- Smith, G., and C. Wales. (2000). "Citizens' Juries and Deliberative Democracy," *Political Studies*, 48, pp. 51-65.
- Snow, C. (1997). A loss of confidence: AHA report: Public believes hospitals priorities have changed. *Modern Healthcare*.
- Stokes, D. E. (1962). "Popular Evaluations of Government: An Empirical Assessment," in Harlan Cleveland and Harold D. Lasswell. Eds. *Ethics and Bigness: Scientific, Academic, Religious, Political, and Military*. New York: The Conference on Science, Philosophy and Religion in Their Relation to the Democratic Way of Life, pp. 61-72.
- Stone Sweet, Alec, and Thomas L. Brunell. (1998). "The European Court and the National Courts: A Statistical Analysis of Preliminary References, 1961–95," *Journal of European Public Policy*, 5(1), pp. 66-97.
- Sztompka, P. (1999). Trust: a sociological theory. Cambridge, UK: Cambridge University Press.
- Theiss-Morse, E., and Barton, D. G. (2017). Emotion, cognition, and political trust. In *Handbook on Political Trust*. Edward Elgar Publishing.
- Thomassen, J., Andeweg, R., and Van Ham, C. (2017). Political trust and the decline of legitimacy debate: a theoretical and empirical investigation into their interrelationship. In *Handbook on political trust*. Edward Elgar Publishing.



- Torcal, M., and P. Christmann. (2019). "Congruence, National Context and Trust in European Institutions," *Journal of European Public Policy*, 26(12), pp. 1779-1798.
- Torcal, M., J. Muñoz, E. Bonet, D. Sanders, M. Pedro, and G. Toka. (2012). "Trust in the European Parliament: From Affective Heuristics to Rational Cueing," in David Sanders, Pedro Magalhaes, and Gabor Toka. Eds. *Citizens and the European Polity: Mass Attitudes Towards the European and National Politics*. IntUne Integrated and United series. Oxford: Oxford University Press, pp. 140-167.
- Tridimas, G and T. Tridimas (2004) 'National Courts and the European Court of Justice: a public choice analysis of the preliminary reference procedure' *International Rev of Law and Economics* 24(2), 125-145.
- Tummers, Lars L. G., Bekkers, Victor, Vink, Evelien, and Musheno, Michael. (2015). "Coping During Public Service Delivery: A Conceptualization and Systematic Review of the Literature," *Journal of Public Administration, Research and Theory*, 25(4), pp. 1099-1126.
- Tyler, T.R. (2001), 'Public Trust and Confidence in Legal Authorities: What do Majority and Minority Group Members Want from the Law and Legal Institutions?' *Behavioral Sciences and the Law* 19, 215-235.
- Tyler, T. R., and Huo, Y. (2002). *Trust in the law: Encouraging public cooperation with the police and courts*. New York: Russell Sage Foundation.
- Tyler, T. R. (2003). Trust within organisations. *Personnel review*.
- Tyler, T. R. (2010). Legitimacy in corrections: Policy implications. *Criminology and Pub. Policy*, 9, 127.
- Uslaner, E. M. (2002). *The moral foundations of trust*. Cambridge University Press.
- Uslaner, E. M. (2017). Political trust, corruption, and inequality. In *Handbook on political trust*. Edward Elgar Publishing.
- Vallentin, S., and Thygesen, N. (2017). Trust and control in public sector reform: Complementarity and beyond. *Journal of Trust Research*, 7(2), 150-169.
- Vanberg, Georg. (2005). *The Politics of Constitutional Review in Germany*. Political Economy of Institutions and Decisions series. Cambridge: Cambridge University Press.
- Vanberg, G. (2001) 'Legislative-Judicial Relations: A Game-Theoretic Approach to Constitutional Review' *American Journal of Political Science* 45(2), 346-361.
- Vanberg, G. (2000) 'Establishing Judicial Independence in West Germany: The Impact of Opinion Leadership and the Separation of Powers' *Comparative Politics* 32(3), 333-353.
- Van de Ven, Andrew H., and Ring, Peter Smith. (2006). "Relying on Trust in Cooperative Inter-Organizational Relationships," in Reinhard Bachmann and Akbar Zaheer. Eds. *Handbook of Trust Research*. Cheltenham: Edward Elgar, pp. 144-164.
- Van de Walle, S. (2009). Trust in the justice system: A comparative view across Europe. *Prison Service Journal*, (183), 22-26.
- Van de Walle, S. (2010). New Public Management: Restoring the Public Trust Through Creating distrust? In T. Christensen, and P. Lægreid, *The Ashgate Research Companion to New Public Management* (pp. 309-320). Aldershot: Ashgate.
- Van de Walle, S. (2017). Trust in public administration and public services. In European Commission, *Trust at Risk: Implications for EU Policies and Institutions* (pp. 118-128). Luxembourg: Publications Office of the European Union.
- Van de Walle, S., and G. Bouckaert. (2003). "Public Service Performance and Trust in Government: The Problem of Causality," *International Journal of Public Administration*, 26(8-9), pp. 891-913.
- van der Meer, T. W. (2017). Democratic input, macroeconomic output. In S. Zmerli, and T. W. van der Meer, *Handbook on Political Trust* (pp. 270-284). Cheltenham: Edward Elgar.
- Van der Meer, T. W. (2018). "Economic Performance and Political Trust," in Eric M. Uslaner. Ed. *The Oxford Handbook of Social and Political Trust*. New York: Oxford University Press, pp. 599-616.
- Van der Meer, T., and E. Ouattara. (2019). "Putting 'Political' Back in Political Trust: An IRT Test of the Unidimensionality and Cross-National Equivalence of Political Trust Measures," *Quality and Quantity*, 53(6), pp. 2983-3002.
- Van Deth, J. W. (2017). Compliance, trust and norms of citizenship. In *Handbook on political trust*. Edward Elgar Publishing.



- Van Gestel, Rob, and Jurgen de Poorter. (2019). *In the Court We Trust: Cooperation, Coordination and Collaboration between the ECJ and Supreme Administrative Courts*. Cambridge Studies in European Law and Policy series. Cambridge: Cambridge University Press.
- Van Oortmerssen, L. A., van Woerkum, C. M., and Aarts, N. (2014). The visibility of trust: Exploring the connection between trust and interaction in a Dutch collaborative governance boardroom. *Public Management Review*, 16(5), 666-685.
- Van Ryzin, Greg G. (2006). Testing the expectancy disconfirmation model of citizen satisfaction with local government. *Journal of Public Administration Research and Theory*, 16(4), 599-611.
- Van Ryzin, Gregg G. (2011). "Outcomes, Process, and Trust of Civil Servants," *Journal of Public Administration Research and Theory*, 21(4), pp. 745-760.
- Van Schoenwinkel, Jolien, and Annie Hondeghem. (2016) "The Concepts of Trust and Distrust in the Belgian Criminal Justice Chain," in Annie Hondeghem, Xavier Rousseaux and Frederic Schoenaers. Eds. *Modernisation of the Criminal Justice Chain and the Judicial System: New Insights on Trust, Cooperation and Human Capital*. Lus Gentium: Comparative Perspectives on Law and Justice series, vol. 50. Switzerland: Springer International Publishing, pp. 97-113.
- Van Thiel, S., and Yesilkagit, K. (2011). Good neighbours or distant friends? Trust between Dutch ministries and their executive agencies. *Public Management Review*, 13(6), 783-802.
- Verhoest, Koen, Rommel, Jan, and Boon, Jan. (2014). "How Organizational Reputation and Trust May Affect the Autonomy of Independent Regulators: The Case of the Flemish Energy Regulator," in Arild Waeraas and Moshe Maor. Eds. *Organizational Reputation in the Public Sector*. Routledge Critical Studies in Public Management series, vol. 21. New York: Routledge, pp. 132-152.
- Vigoda-Gadot, E. (2007). Citizens' perceptions of politics and ethics in public administration: a five-year national study of their relationship to satisfaction with services, trust in governance, and voice orientations. *Journal of Public Administration Research and Theory*, 17, 285-305.
- Vigoda-Gadot, E., Zalmanovitch, Y., and Belonogov, A. (2012). Public servants' trust in citizens: An extension of theory and an empirical examination with structural equation modeling (SEM). *Public Organization Review*, 12(4), 383-399.
- Voeten, E. (2013) 'Public Opinion and the Legitimacy of International Courts' *Theoretical Inquiries in Law* 14(2), 411-436.
- Warren, Mark E. (1999). "Democratic theory and trust" in Mark E. Warren. Ed. *Democracy and Trust*. Cambridge: Cambridge University Press, pp. 310-345.
- Weinert, Friedel. (2018). "The Role of Trust in Political Systems: A Philosophical Perspective," *Open Political Science*, 1, pp. 7-15.
- Warsen, R., Klijn, E.H. and Koppenjan, J.F.M. (2019). Mix and match: How contractual and relational conditions are combined in successful public-private partnerships. *Journal of Public Administration Research and Theory*, 29 (3), 375-393.
- Warsen, R., Nederhand, M.J., Klijn E.H., Grotenbreg, S. and Koppenjan, J.F.M. (2018). What makes public-private partnerships work? Survey research into the outcomes and the quality of cooperation in PPPs. *Public Management Review* (print), 20 (8), 1165-1185.
- Weingast, Barry R. (1997). "The Political Foundations of Democracy and the Rule of Law," *American Political Science Review*, 91(2), pp. 245-263.
- Weingast, Barry R. (1998). "Constructing Trust: The Political and Economic Roots of Ethnic and Regional Conflict," in Karol Soltan, Eric M. Uslaner, and Virginia Haufler. Eds. *Institutions and Social Order*. Ann Harbor: University of Michigan Press, pp. 163-200.
- Welzel, C., and R. Inglehart. (2003). "The Theory of Human Development: A Cross-Cultural Analysis," *European Journal of Political Research*, 42, pp. 341-379.
- Willem, A., and Lucidarme, S. (2014). Pitfalls and challenges for trust and effectiveness in collaborative networks. *Public Management Review*, 16(5), 733-760.
- Williams, P. (2002). The competent boundary spanner. *Public administration*, 80(1), 103-124.
- Williamson, O. (1993). Calculativeness, Trust and Economic Organization. *Journal of Law and Economics*, 453-486.



- Wilson, J. (1989). *Bureaucracy. What Government Agencies Do and Why They Do It*. New York: Basic Books.
- Wind, M. (2010) 'The Nordics, the EU and the reluctance towards supranational judicial review' *JCMS: Journal of Common Market Studies* 48(4): 1039–63.
- Wind, M., Martinsen, D.S. and Rotger, G.P. (2009) 'The uneven legal push for Europe questioning variation when national courts go to Europe' *European Union Politics* 10(1), 63–88.
- Yang, K. (2005). Public administrators' trust in citizens: A missing link in citizen involvement efforts. *Public Administration Review*, 65(3), 273–285.
- Yang, K. (2006). Trust and citizen involvement decisions: Trust in citizens, trust in institutions, and propensity to trust. *Administration and Society*, 38(5), 573–595.
- Zaheer, A., McEvily, B., and Perrone, V. (1998). Does trust matter? Exploring the effects of interorganizational and interpersonal trust on performance. *Organization science*, 9(2), 141-159.
- Zmerli, S., and Newton, K. (2017). Objects of political and social trust: scales and hierarchies. In S. Zmerlin, and T. W. van der Meer, *Handbook on Political Trust*. Cheltenham: Edward Elgar.
- Zmerli, S., and Van der Meer, T. W. (Eds.). (2017). *Handbook on political trust*. Edward Elgar Publishing.
- Zussman, D. (1997). Do citizens trust their governments? *Canadian Public Administration*, 40(2), 234–254.



Section 4: Trust with/out Regulation

Author: David Levi-Faur

Contributors: Libby Maman; Yael Kariv-Teitelbaum (some parts of Sections 4.2 and 4.3) and Rotem Medzini (some parts of Section 4.3).

Acknowledgement: We are grateful for comments from Ixchel Perez Duran and Jacint Jordana.

The previous three sections of this deliverable reviewed the literature on trust and regulation. It is now the time to think about their relations, as we will do in this section of the deliverable. Trust and regulation appear in the literature and are, in general, used in diverse, sometimes conflicting ways. The opposite of trust is not always distrust; trust is both interpersonal and impersonal (e.g. trust in organizations and in systems), and political trust differs from social trust (Newton and Zmerili, 2011). Similarly, regulation appears in the literature in both narrow and broad meanings. We refer to Weberian bureaucracies (ministries) as well as to regulatory agencies as regulators. We sometimes call the Parliament and the Courts regulators. Some still refer to everything that government does as regulation. What we actually study, compare and assess are two sets of concepts and not a single one. In other words, both trust and regulation are “umbrella concepts,” meaning that they cover many definitions and phenomena. When one uses the term “regulation” or “trust,” one’s intention is not immediately clear. And the issue does not end there. When one reads academic papers on trust or regulation, it is not always clear which aspect of the two concepts is studied, criticized or supported. Instead of asking whether we should trust the food safety regime, we might want to ask: should we trust or regulate the main actors in the food safety regime? Or, if we move our analytical focus from trust in the regime to trust in the rules of the regime, it might make more sense to ask: should we trust or revise the rules? Alternatively: should we trust stringent rules over less stringent rules? On the interpersonal and inter-organizational levels as well, it makes sense to ask whether we should regulate or trust the other actors or organizations. Should we strive for an institutional environment that rests on more or less trust in interpersonal and inter-organizational relations?

At the same time, the creation of specialized administrative bodies in the form of regulatory agencies has created one more point of structural fragmentation in an already highly pluralistic environment with many centres of regulation at different levels, each with its specified mission. Here is the major dilemma of trust. In the face of high levels of specialization and division of labour within government and between the government and civil and business actors, one has to trust more actors and institutions than ever. At the same time, and because governance is so dispersed and polycentric, it is hard to develop trust-enhancement reforms and strategies. It is difficult to shape them as a coherent program for action and it is hard to implement them. In a polycentric world, trust deficits are not easily solved. It is a “wicked problem”. It is also challenging to capture the relations between regulation and trust in analytical and theoretical terms.

These latest observations deserve elaboration. Trust and regulation appear in the regulatory regime as institutionalized practices at the level of the regime (the ensemble of actors, rules, institutions and their relations), specific rules (rules of the game), inter-organizational relations (division of labour and authority between the main organizations in the regime) and interpersonal relations (among the main actors in the regime). As institutionalized practices, that is, stable and relatively long-term styles of decision making and relations between actors, trust and regulation are matters that are beyond the control of most or all actors. They are inherited and reflect contingent choices at the time of establishment. As interpersonal relations, the abstract concepts of trust and regulation manifest concretely in actors’ decisions to adopt more or less trust or regulation. Actors within and outside the regime ask: should we trust or should we regulate? As well as how do we best combine trust and regulation in our interactions with the regime, its rules, its actors and its organizations? This goes for all modes of interactions and all the manifestations of the interaction (regime in general, actors, rules and organizations). Regulatory analysis asks whether we should trust and/or regulate our relations.



Given these challenges, it is best to strive in the first stage of the project for analytical and theoretical clarity without forgetting that the abstraction ignores the complexity of the relations and manifestations involved. We suggest here to start the analytical and theoretical framework with actors. These actors can be within a regulatory regime or outside of it. They can be regulators or citizens; rule-takers or rule-makers. What they have in common is an institutional setting, which is often given, and a choice: should we trust, regulate, use a mixture of both, or neither of the two? These are questions that are being discussed and negotiated by the regime designers and these are also questions that citizens face when they participate in decision making.

This section is organized as follows. The first part of this section moves the discussion forward in an attempt to look at the relations beyond the current literature by distinguishing between four types of relations between trust and regulation: independent, competitive, substitutive and supportive (Section 4.1). The second section focuses on the relations of trust between the main actors of the regime (Section 4.2). The third discusses the relations between trust and regulation and suggests explanations for the processes (Section 4.3). The fourth revolves around an assessment of outcomes (Section 4.4).



4.1 The Relations between Trust and Regulation

Relations between actors in regulatory regimes are governed by some combination of three mechanisms of governance: regulation, trust and contracts¹. In the social science literature on regulation, trust and contracts are often understood as alternative and complementary forms of governance, often portrayed as hierarchy, networks and markets (Coleman, 1990; Williamson, 1983; Powel, 1990). In this section, we focus on two of the three—trust and regulation—representing two modes of governance respectively: hierarchy and networks. Contract as a mode of governance is governed mainly by market relations and, therefore, will not be placed at the centre of this analysis². However, lessons from trust literature in contractual relations will prove useful when we discuss the relations between regulation and trust. Of course, perhaps as expected, there are different types and degrees of hierarchies and different types and degrees of network relations. In reality, we find hybrid forms of hierarchy and network relations (Treib, Bahr and Falkner, 2007). The relations of trust and regulation are expected to vary with the relevant mode of governance.

Table 10: The Relations between Trust and Regulation: Independent, Competing, Substitutive or Mutually Supportive

	Relations	Rationale	Examples
Independent	Trust and Regulation are separate and independent from each other	Trust and regulation are different mechanisms and processes that work independently from each other. The decline of trust in governments is hardly connected to the rise or explosion of regulation; the complexity of regulation does not reflect the various dilemmas of trust.	All the literature that deals with trust in organizational and administrative relations but leaves aside its relation to regulatory strategies, relations, institutions and effects.
	Regulation erodes Trust	Regulation is a form of power that increases asymmetric power relations and thereby erodes basic human tendencies to trust each other.	Aghion et al. (2010) find that distrust creates public demand for regulation, whereas regulation discourages the formation of trust.
Competing	Trust erodes the need for Regulation	Trust encourages relaxed attitudes towards abusive, non-compliant and deviant behaviour by the regulators and the regulatees.	Mills and Reiss (2017) in the context of the US Federal Aviation Administration's voluntary disclosure programs.
	Regulation substitutes for Trust	Regulation occurs when we do not trust the discretion, integrity, benevolence and capabilities of others. Public scandals lead to distrust and to the strengthening of regulation, most notably as far as financial and food safety crises are concerned.	Kahsay and Bulte (2019) find that low-trust groups implement more extensive rules to govern the monitoring and extraction of their forest resources.
Substitutive	Trust substitutes for Regulation	Trust or conditional trust can be a good substitute for regulation. Conferring conditional trust is an effective regulatory instrument: nurture trust before you regulate.	Carlin, Dorobantu, and Viswanathan, (2009) argue that trust and regulation are substitutive in financial markets. Van den Berg and Keymolen (2017) argue that in the case of cybersecurity, trust should replace, and in effect does replace, regulation.

¹ Much of the literature so far had focused on contract. Regulation differs than contract and also from control (see Section 2) and therefore deserves the attention and the focus it gets here.

² One of the interesting manifestations of regulatory expansion via diverse instruments are the instruments of regulatory contracts (Spiller, 1995; Prosser, 2005). They represent one more form of hybridity in modes of governance.



Mutually Supportive	Trust complements and reinforces Regulation	Trust within regulatory regimes allows the actors more flexibility, better cooperation and win-win outcomes.	Näslund and Hallström (2017) with regard to the eco-labelling regime. Ayres's and Braithwaite's (1992) Responsive regulation theory.
	Regulation complements and reinforces Trust	Regulation enhances trust, while trust increases the legitimacy and effectiveness of regulation.	Ayres's and Braithwaite's (1992) Responsive regulation theory. Prakash and Gugerty's (2010) trust-but-verify approach.

Treating regulation as a rule-based strategy of modifying actors' behaviour, it is useful to distinguish between four analytical and theoretical approaches to the relations between trust and regulation: independent, competitive, substitutive and supportive (see also Table 10). Each implies different relations and indeed points to different research strategies, problematization and framing. One advantage of these four distinctions is that they are useful for understanding and analysing both institutionalized practices and interpersonal relations. The observations in Table 10 are not mutually exclusive. In practice, we expect to see interpersonal and impersonal strategies that reflect all of them or a combination of some of them. But for analytical and theoretical purposes, it is useful to identify them more clearly.

Most important is that the conceptualization of the relations between trust and regulation are not conceptualized as relations between actors or institutions that are in a relation of interpersonal/impersonal trust between them, but between actors who can choose to shape their relations as either relations of trust or relations based on regulation. This allows us to look at relations of actors or perceptions of the public and to ask: "To what extent are different regulatory designs and strategies more or less trustful?" Instead of a research agenda that sees regulation as primarily a substitute for trust, this distinction promotes a research agenda that can investigate a wide range of regulatory options.

4.1.1 Trust and Regulation are Separate and Independent

First, one approach is to consider that regulation and trust are considered to work separately and independently from each other. They operate in parallel universes and are not interdependent or necessarily related. They may serve the same goals (good or bad, redundant or essential) or conflicting goals, but in both cases they are independent forces. Trust is not intertwined with regulation, or vice versa. Most of the literature – but not this project—ignore one or the other. Therefore, it is important to note this possibility, although it does not exist in reality, because it reflects much of the research agenda so far (but see Six and Verhoest, 2017).

For example, in the legal field we would say that administrative law and fiduciary law do not evolve together or overlap in any significant way. Of course, this approach is somewhat impractical and inconceivable. The governance literature equally tries to minimize arrangements that combine trust and regulation. It follows that one can distinguish between trust-based governance and regulatory governance as two distinct forms of governance. Powell, for example, suggests that 'trust-based forms of governance' are important mechanisms of cooperation, and in their ideal 'pure' form they do not involve regulations or private contracts (Powell, 1996). The major manifestations of these trust-based forms of governance are formal and informal networks—of business, civil society organizations and governmental actors. Most of the time, these distinctions are not explicit. The literature simply does not place the interaction between trust and regulation at the centre of the analysis. Thus, most of the regulatory governance literature, with the notable exception of Six and Verhoest (2017), tends to ignore issues of trust. This approach reflects to some extent the division of labour in social science analysis—society, economics, psychology and politics are all studied separately. Trust and regulation in such a division of labour derive from different dynamics. While trust belongs to the sphere of individual, societal and psychological conditions, regulation belongs in the realm of politics, administration and economics.



4.1.2 Trust and Regulation Compete with Each Other

A second approach to the relations suggests that regulation and trust function in competing roles, one eroding the effectiveness and legitimacy of the other. In this approach, regulation (and in this regards contracts more generally) erodes trust, turning it into a marginal aspect of the relations between the actors. Another manner whereby regulation erodes trust is by giving rise to new sources of conflict and new and asymmetrical forms of power. Hult (2018), for example, suggests that the main problem of creating trust by means of legislation and regulation is that control tends to crowd out trust rather than creating it. Malhotra and Murnighan (2002) use laboratory experiments to show that contract (a proxy for regulation) erodes trust, especially in binding contracts.

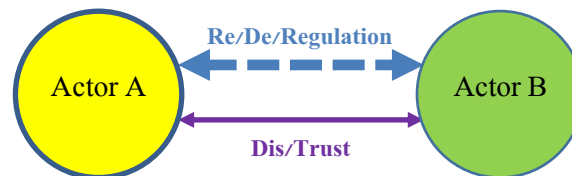


Figure 3: Competing Relations. The More You Re/De/Regulate (—••••) the Thinner Trust Is (——) and vice versa. Elaboration: When actors perceive trust and regulation as competing, they will stay basically in their preferred “courts” and will use strategies that are solely or mainly built around dis/trust or de/re/regulation.

Schilke, Reimann and Cook (2015) demonstrate that power decreases trust in social exchange. Gordon, Garen, and Clark (2017) find that government growth erodes trust; they find strong evidence that two aspects of government size—transfer payments and regulatory activity—conform with the political economy model in which government growth erodes trust. Specifically, they find co-integration indicating the following: negative associations between trust and lobbying activity and between trust and each of these two measures of government, i.e., transfer payments and regulatory activity, and a positive association of trust and productivity (Gordon, Garen, Clark, 2017). The competitive approach is also evident in arguments and literature that suggest that too much trust in regulatory regimes and among all actors leads to a lesser degree of compliance, and might even entrap rule-makers. The preference here is for more formal, contractual and hierarchical relations among actors while limiting or crowding out trust altogether.

4.1.3 Trust and Regulation May Replace Each Other

A third approach to the trust-regulation relations suggests that regulation and trust function in substitutive roles. They do not compete so much as one replaces the other in the absence, weakness or scarcity of the other. This approach implies that regulation and trust are functionally equivalent.

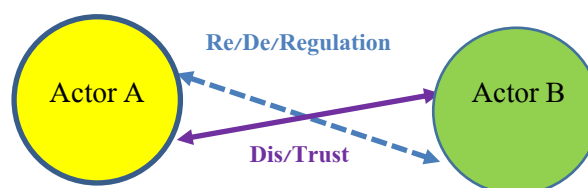


Figure 4: Substitutive Relations. Contingent Choice: Re/De/Regulate (—••••) or Trust (——) According to Your Preferences and Circumstances. Elaboration: When actors perceive trust and regulation as substitutive, they will choose one or the other on the basis of their preferences and on the background of strategic and institutional constraints.

An experimental study by Gasparotto and colleagues (2018) found, for example, that it is possible to recover customer trust through improvements in public organizational processes (i.e., regulation) and discounts (i.e., financial compensation). Remarkably, regulation and financial compensation led to similar trust levels, which means that these trust recovery tactics are equally successful. Lack or scarcity of trust might serve as the catalyst of regulation: where there is no trust, regulation emerges either as an institutional response or as a

strategic response. After a crisis that weakens public trust, regulation sometimes expands in order to replace and ‘compensate’ for the loss of trust.

At the same time, the lack of regulation might lead to the evolution of trust. Perhaps a highly regulated or controlled environment does not enable the development of natural trust. In this case, trust and regulation are not only substitutive but also functionally equivalent. They minimize risks and increase the certainty of behaviour among actors. Aghion et al. (2010) suggest that government regulation is strongly and negatively correlated with trust. Their major source of data is the World Values Survey and the Life in Transition Survey (the latter devoted to life in former communist economies). Both trust and regulation are examined via a wide range of indicators. Aghion et al. (2010) show both (mis)trust and regulation in a cross-section of countries in a sample of individuals from around the world that distrust increases where support for government regulation abounds. Even when people realize that their government is corrupt and ineffective, they prefer state control to unbridled activity by non-civic entrepreneurs. Similarly, Carlin, Dorobantu and Viswanathan (2009) argue that trust and regulation are substitutive in financial markets, and Van den Berg and Keymolen (2017) proceed along similar lines in the case of cybersecurity.

Substitutive relations between trust and regulation are also discussed by Anania and Nisticò (2004). In their analysis, the need to trust arises from the problem of information asymmetry between sellers and consumers in the food market. The problem arises especially in credence goods—goods where consumers cannot possibly know the characteristics of a product even after consumption. The solution for this problem—the author assumes while modelling it—might be regulation. The substitutive relations are taken for granted and the analytical efforts are aimed at modelling the emergence of imperfect regulation as the best option for both low- and high-quality credence goods. On another level, substitutiveness might be a good norm of governance if we expect rule-makers—especially unelected officials of the state—to perform as expected in democratic settings.

One expression of the substitutive approach is the assertion that trust fosters deregulation. This strand of the literature suggests that the more we trust firms, business associations and professions to regulate themselves in line with the public interest, the more we will be inclined to support deregulation (or reregulation). The more we trust politicians and other reformers, the more we will support deregulatory designs that transfer governance responsibilities to non-state actors. Six (2013) claims similarly that regulators’ trust in their regulatees can increase compliance, thereby increasing their trustworthiness, and perhaps leading to less regulation. No less important is the second strand of this literature that focuses on the role of distrust in fostering regulation. This approach is especially useful for low-trust societies. Bohnet et al. (2001) find that in these situations, there is a demand for “more law” in order to enforce contracts and secure property rights. When the state cannot provide high enough enforcement so as to deter breach, the demand for protection is satisfied privately by organizations and networks that operate outside the state (such as the Mafia in Sicily; see Gambetta 1993).

4.1.4 Trust and Regulation are Mutually Supportive

A fourth approach to the relations between trust and regulation suggests that regulation and trust function in mutually supportive roles where one reinforces and complements another. The basic idea here is that trust and regulation have similar goals. Trust as the goal of regulation aims to increase trust among the regulatory actors via institutional designs that nurture and reinforce trust. Regulation, that is, the modification of actors’ behaviour, can also be seen as the goal of trust; in this role, it aims to shape cooperative behaviour via informal or backstage non-regulatory means. Trust and regulation are mutually supportive because they aim to do the same thing—reduce uncertainty, simplify complexity and minimize transaction costs, therefore producing a more stable and predictable environment for purposeful co-action. The “trust fosters regulation” approach suggests that trust in government allows the expansion of its role as a mechanism of welfare maximization. The historical process is often portrayed as developmental. More responsible, more capable and more democratic government is more trustworthy, and therefore a dynamic of regulatory expansion



follows the emergence of more systemic trust. To the extent that regulation is about democratic delegation, then the more we trust the agent (i.e., the government) the more we allow it to regulate.

Six (2013) suggested that regulation and trust could complement one another if regulation controlled and enhanced self-determination. If regulators trust regulatees, this enhances compliance, which in turn leads to higher trust. The relationships are probabilistic. Trust in government—that is, in its capabilities and good intentions—does not necessarily foster regulation. One can trust the government, but prefer, for private or public reasons, other mechanisms of governance—whether communal or market-based. Larsson and Engdahl (2012) showed how Sweden opted to reinforce trust through self-regulation in the context of decentering economic regulation in Sweden.

Perhaps the best way to think about the mutually supportive role of trust and regulation is by evoking the Russian proverb “trust but verify.” This proverb became internationally known when Ronald Reagan, then President of the United States, adopted it publicly as his motto in the context of the nuclear control and disarmament negotiations with the Soviet Union. The international nuclear disarmament regime that emerged from these discussions aimed to strengthen the regulation of nuclear weapons—to increase trust within the regime, and more importantly, beyond it. The norm that emerged has embraced the principle of “trust and verification.” This proverb captures an important aspect of our theoretical approach. Good governance suggests that trust and regulation are highly interconnected in a way that is mutually supportive. We cannot regulate unless we trust, and we cannot trust unless we regulate.

On balance, the question is how to combine trust and regulation in a way that maximizes legitimacy and effectiveness, minimizes transaction costs and will allow the interacting sides to update their strategies and adapt them to changes in the behaviour of the actors, the circumstances, and the tasks at hand.

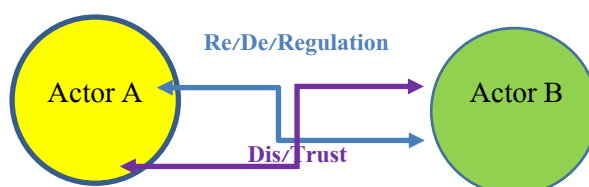


Figure 5: Mutually Supportive Relations. Sometimes More Re/De/Regulation (•••••) is Also More Trust (———). Elaboration: When actors perceive trust and regulation as mutually supportive, they will choose the optimal combination of both, on the basis of their preferences and on the background of strategic and institutional constraints.

4.1.5 The Many Faces of the Relations: A Polymorphic Approach

Our conclusions from the literature review and from the analytical and theoretical distinctions made so far is that one of the approaches is not necessarily superior to the other. On the contrary, we trust that both approaches are useful. Regulation and trust can be both substitutive and mutually reinforcing, competitive and independent, at the same time and in the same regime. This may depend on the type of trust (e.g., inter-personal or institutional/systemic) and the type of regulation (e.g., command and control, self-regulation or collaborative). They can also function in different combinations and even dominate in performance-based and management-based regulatory regimes. Regulators can combine trust and distrust, monitoring and co-regulation—if they “entice the trust that enables compliance, while signalling distrust by way of monitoring” (Näslund and Hallström, 2017:147). In this way, our understanding of the literature suggests polymorphic relations.

Still, while none of these four approaches is superior to the other, it seems that most of the research nowadays moves in the direction suggested by the mutually-supportive relations approach. This is reflected in the status of the responsive regulation approach, which emphasizes the capacity of regulators to update their response and adjust it to the behaviour of the rule takers (Ayres and Braithwaite, 1992). In the literature that deals with regulatory intermediaries (Abbott et al., 2017) as well as on labelling, it is apparent that certification and accreditation abound in regulatory regimes in general and even more so when it comes to private and transnational regimes in particular (Auld et al., 2015; Overdevest and Zeitlin, 2018; Loconto and Fueilleux, 2014).



4.2 Relations of Actors in Regulatory Regimes

Regulatory regimes are formal and informal hubs of varying degrees and types of institutionalized trust and regulation. Taking an actor-centred institutionalist approach (Scharpf, 1997), we examine interactions between the actors and distinguish between four major actors in the regime: Rule-Makers (RM), Rule-Intermediaries (RI), Rule-Takers (RT) and Rule-Beneficiaries (Coleman, 1990; Abbott et al., 2017). These distinctions will serve the future analysis of the degree of development in their relations as well as their adversariality, fragility, reciprocity, reflexivity, repetitiveness, riskiness and uncertainties. For now, the distinctions are made in the abstract, and each of the actors is analysed and reviewed on its own. Future analysis will move the discussion to micro- and macro-processes of interactions. Note also that the division of labour between the actors can be liquid, and sometimes the same actors fulfil the same three roles (e.g., in corporate self-regulation).

We will advance five assertions which serve our analysis of trust in regulatory regimes. Figure 6 captures the four main actors and the dual nature of the interactions between actors in regulation-trust relations. **First**, and perhaps most important, the relations between actors are relations of both trust (or distrust) and regulation (or de/re regulation). Actors' choices are shaped but not determined by their institutional environment, that is, by the regulatory regime and the context in which they operate (independent, competitive, substitutive or complementary interactions). In an abstract or ideal world, they can also ignore one or the other and work only with trust- or regulation-based governance. **Second**, we usually think about these hubs as the relations between two actors only: rule-makers and rule-takers in the case of regulatory governance, and trustor and trustee in the case of trust-based governance. Yet in both cases, it might be useful to move from a two-way relation to a multicentricity of relations and to look at the role of *regulatory intermediaries*, which play an important role in regulatory relations in general and in the trust aspects in particular (see Figure 6). **Third**, all actors in the regimes are subjects and objects of trust at the same time. In other words, they are trusted or distrusted by other actors, and they also trust or distrust others. They all face the trust and/or regulate dilemma, in other words, when, to what extent and how to manage their regulatory and trust relations. **Fourth**, the relations of trust in regulatory regimes reflect the extent to which power in the regime rests on hierarchical or network forms of power.

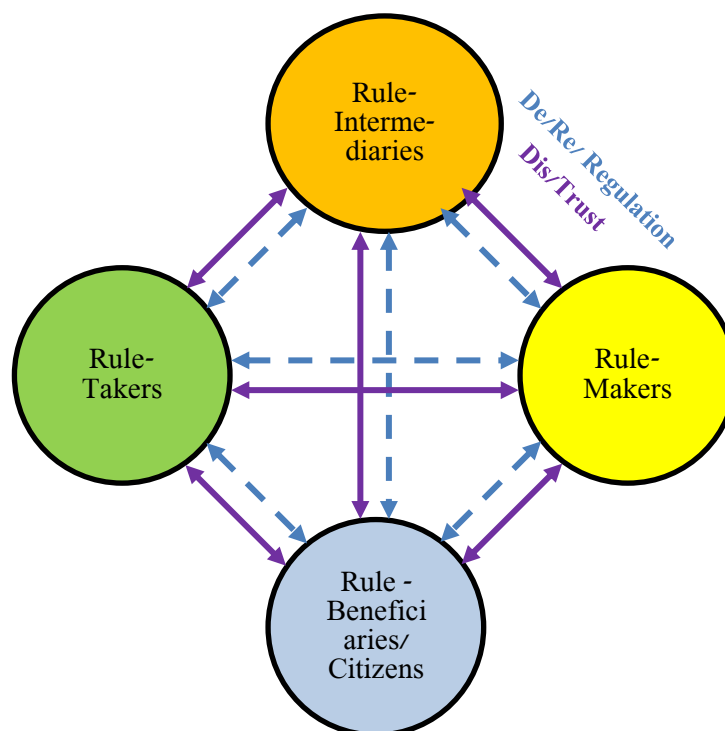


Figure 6: Major Interactions of Trust and Regulation in Regulatory Regimes. Actors can play two or more roles; for example, in self-regulation actors can be RM, RI and RT at the same time).



4.2.1 Rule-Makers as Trustees and Trustors

The rule-makers appear in the regulatory regimes in various forms and different degrees of formal roles. They can be state officials from all branches of government—parliamentary committees, legislators, ministers, bureaucrats, judges, policemen, judges, court officials and appeal bodies. When the regularity regimes are private or self-regulatory, rule-makers appear as actors of private government, and they will most often use tools such as codes, standards, voluntary agreements, statements, certification and accreditations. In other words, trust in the regime is trust in government, but not only. In this way, we decentre government, not because the state is less important nowadays, but mainly because it is not the only actor that rules (Levi-Faur, 2012). With this insight in mind, we look at the various manifestations of rule-makers' trustworthiness. Of course, we recognize that rule-makers sometimes serve in other roles in the regime (e.g., rule-intermediaries), but for analytical purposes, we focus on their rule-making role and its implications for trust analysis.

The major research agenda here—derived from macro-observations and surveys—focuses on the decline in trust in government, an issue that was discussed widely in the first section of the deliverable. Contemporary political trust appears to be “broken,” accompanied by ideological extremism, perceived government dysfunction and regulatory capture, crisis of legitimacy, distrust of science and experts, lower voter turnout and disappointing participation in local and issue-networks and the rise of authoritarian and populist leaders. It is therefore not surprising that the literature deals with issues such as: can we trust the rule-maker? When and under which conditions? Should we regulate the rule-makers or simply trust them? How should we regulate the trustees? What are the determinates of trust in the rule-maker?

Economic research of these questions is increasingly grounded in “public choice” approaches that are critical of public officials and conceptualize them as power-seeking, self-serving, budget-maximizing actors. In the field of regulation, this is mainly manifested in demand-side theories of regulatory capture (Stigler, 1971) and supply-side theories of opportunistic behaviour of government officials (Peltzman, 1976). In the law and economics literature, it is expressed in the research agenda around “who guards the guardians” (Shapiro, 1988). All this is remarkably different from the expectations of the sociologist Downer: “We trust that regulatory judgements are being made honestly by appropriately knowledgeable, motivated and qualified people, who are credibly representing the public for whom they act as proxies” (Downer, 2010, p. 94). The political science and the public policy literature increasingly examine the extent in which conditions such as more transparency (Grimmelikhuijsen et al. 2013), more participation and more accountability (Kaase, 1999) enhance trust in rule-makers. Another strand of this literature focuses on the restoration of trust in rule-makers after crisis (Thomas, 1998) and in techniques of trust enhancement.

Trust in rule-makers refers to three different things, and all of these are probably in decline: trust in their competence, trust in their benevolence and trust in their integrity (Mayer et al., 1995). Some of the literature takes this direction and deals with the various determinants and manifestations of these three dimensions of trust. We should also discuss whether the characteristics of the rule-maker affect trust. Are autonomous rule-makers more or less trusted, and by whom? Is trust depended on the level of professionalism of the rule-makers? Rule-takers' trust in inspectors (as intermediaries of the rule-takers) is equally important and “an opportunity to correct mistakes only occurs when there is trust on both sides—when regulators believe the clinic staff is competent and good-willed and the staff, in turn, are willing to acknowledge errors because they expect to be treated fairly” (Heimer and Gazley, 2012, p. 882). Procedural justice, fair treatment, is a key antecedent to rule-takers' trust in police and inspectors and an important driver of regulatees' intention to comply (Tyler, 2003; Murphy, 2004, 2016; Murphy et al, 2009).

But rule-makers are not only trustees; they are trustors as well. This means that they may choose to trust other actors in the regime with more or less discretion and develop trust-attitudes towards their expected compliance. The major questions that have been raised in this context cover the extent, form and conditionalities of trust-based policies in regulatory design and compliance. Who can be trusted by the rule-



makers in the regulatory regime, when and under which conditions? To what extent do regulation, monitoring and verification take (or should they take) precedent over trust in compliance?

The departure point in this discussion assumes that rule-makers' trust is a critical element of the way a regime functions. Most of the literature deals with the interactions between rule-makers and rule-takers in the context of compliance, and much less attention so far has been given to the interaction between rule-makers as trustors and rule-intermediaries as trustees. The burgeoning responsive regulation approach—in the context of compliance—is perhaps the most important literature that deals with rule-makers functioning as trustors (e.g., Ayres and Braithwaite, 1992; Braithwaite and Makkai, 1994; Gunningham and Sinclair, 2009b; Heimer and Gazley, 2012; Murphy, 2004). These studies focus on the interaction between the individual inspector representing the regulator and the individual representing the regulated organization in the regulatory encounter, distinguishing inspector trust in the rule-taker from rule-taker trust in the inspector, and observing how these two trust relations interact. Overall, these studies suggest that rule-makers' trust in the rule-takers' trust and vice versa have a positive effect on compliance and thus help safeguard public interests.

Heimer and Gazley (2012, p. 853), who studied regulatory encounters between health inspectors and HIV clinics, found that “as regulatory encounters unfold, clinics' carefully prepared performances sometimes change into more cooperative interactions where inspectors and regulatees hash out details about how rules will be applied and even work together on reports for the regulators' supervisors. By “performing together,” regulatory inspectors gain access to the clinic's backstage, where they can assess clinic workers' deeper conformity to ethical and scientific norms. But such joint performances are less likely where cultural divides and material scarcity make it difficult for clinic staff to gain inspectors' trust. Braithwaite and Makkai (1994)'s research shows that inspector trust has a positive effect on compliance. More precisely, they find that the more care home directors perceive that inspectors trust them, the better their compliance at the next inspection. Inspector trust in regulatees has another effect as well, since “as long as [inspectors] believe a clinic is adhering to the spirit of the regulations, regulatory inspectors will join clinic staff in working around ‘inconsequential’ technical mistakes” (Heimer and Gazley, 2012, p. 882). This does not necessarily imply regulatory capture, because “a good monitor knows when and how to join the performance and therefore how to get backstage to see what is really happening” (Heimer and Gazley, 2012, p. 882).

4.2.2 The Rule-Intermediaries as Trustees and as Trustors

Rule-intermediaries are actors who have obtained a partial regulatory power that mediates between rule-makers and rule-takers. They can focus on one aspect of the regulatory process, such as monitoring compliance, or on many. They can be created or advanced by either rule-makers or rule-takers. A wide range of actors can be identified as intermediaries, from technical-neutral practitioners (e.g. lawyers and accountants) to non-governmental bodies with a clear agenda (e.g. environmental or human rights NGOs) (Abbott et. al., 2017).

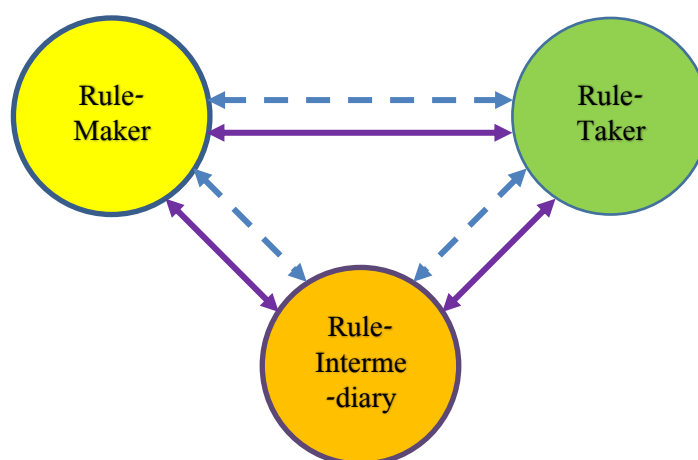


Figure 7: Relations of Dis/Re/Trust (—) with/out De/Re/Regulation (- - -)



Coleman (1990) distinguished between three types of intermediaries—advisors, guarantors and entrepreneurs in trust relations—and characterized the relations of trust according to the degree of reliance on their judgment or performance capabilities. Intermediaries are subject to fiduciary norms and laws, specific regulations, and expectations from other actors and employ specific technologies of intermediation such as accredited and non-accredited certification, voluntary and compulsory codes, risk-based governance and compliance bureaucracies.

Trust enhancement is a major task and expectation of intermediaries. They work via different models of trust enhancement, certification and accreditation, and in all of these models trust is central to their role (Bartley, 2011; Loconto, 2017). Intermediaries in the regulatory process are trustees of the rule-makers, the rule beneficiaries (Koenig-Archibugi, and Macdonald, 2017) and/or the citizens. The literature on intermediaries assesses issues of independence, professionalism, liability and, of course, conflict of interests. It is relevant in private transnational processes where regulation is rather weak and voluntary, certification and accreditation processes are central to the regime. But it is also relevant in national settings where the duty to report abuse (children, family) is growing and expanding to more and more professions. New duties to report are also rising with regards to financial businesses in the context of money laundering and for drug distributors and medical professionals in the context of double use and especially addictive drugs. The duty not to sell alcohol or tobacco to someone who is not old enough to have them is accompanied in many countries by the requirement to check I.D. The retailers and barmen act as intermediaries for the moral regime.

In all these functions, the intermediaries are acting as trustees. Sometimes these trust relations are voluntary and contractual by nature, but sometimes these functions (as in the case of banks in the money laundering regime) are against their will. Some of the literature evaluates not the intermediaries but the processes themselves. For example, Haener and Luckert (1998) examined sustainability in forest certification and found it lacking in effectiveness (see also Rametsteiner and Simula, 2003). McDermott (2012) focused on the Forest Stewardship Council (FSC) certification in British Columbia to examine how trust and distrust in certifiers influence the legitimacy and power dynamics of ethical certification and its ability to promote desired outcomes. She observes how a global, rationalistic system for accrediting certifiers failed to build trust among core local supporters. Instead, normative and affective distrust in certifiers drove the development of prescriptive standards designed to control even the most distrusted certifiers and producers. Other researchers come to more optimistic conclusions (Gulbrandsen, 2004; Overdevest and Zeitlin, 2014; 2018). The remarkable failure of intermediaries in regulatory governance are suggested in the case of the failures of auditors (Coffee, 2019); the credit rating agencies and the Great Financial Crisis (DeHaan, 2017); and the “certified” industrial disaster in Karachi (Levi-Faur and Starobin, 2014).

4.2.3 The Rule-Takers as Trustees and Trustors

Rule-takers are the object of the rules—the actors whose behaviour the rules intend to modify. They are the supervised industry which the regulation aims to restrict. Public interest theories view them as passive players who act to obey the rules which the rule-makers set. On the other hand, private interest theories perceive rule-takers as influential, active actors who act to maximize their own self-interest by strategies of avoidance, resistance and gaming the system. While the costs of regulation that prefers the interest of a specific interest group will be divided between the general public and therefore affects each voter minimally, its benefits for the interest group are considerable (Stigler 1971; Jarrell 1978; Priest 1993).

Rule-takers can therefore organize in the form of a small and united interest group to influence rule-makers by rewarding them for advancing regulations that benefit them, thus creating regulatory rents (e.g., demand for licenses that serves as market entry barriers). The effectiveness of rule-takers who manage to organize as interest groups can be explained as the outcome of the collective action paradox (Olson, 1965; Gilens and Page, 2014). While small and centralized groups can more easily motivate their members and monitor and punish their behaviour, large and decentralized groups lack those abilities and suffer from “free riders.” However, it is important to note that one interest group might come across a different interest group with



contradicting goals that will compete with it in influencing rule-makers. In those cases, the regulatory outcome will ultimately be determined by the relative power of each interest group and the pressure it exerts (Becker 1983). A focus on the diffusion versus the concentration of the cost and benefits of regulation can reveal which interests will be promoted by a given regulation (Wilson 1980). From a different angle, institutional theories view rule-takers as social actors who tend to follow their peers and can be socialized to obey. Once a regulatory agency is established, rule-takers will comply and cooperate with its rules and norms, even if it does not maximize their self-interests in a specific situation, as a strategic behavior (Koelble 1995; Steinmo 2008; Hall and Taylor 1996).

4.2.4 Symmetric and Asymmetric Interactions between Trust and Regulation

It is useful to distinguish between two types of interactions in the relations between actors (cf. Braithwaite and Makkai, 1994). One, which might be called asymmetric and hierarchical, conceptualizes the relations between the actors as unidimensional, where trust and regulations are driven by principals towards agents (see Figure 8). The relations between the actors are formal and legalistic, and trust is often secondary to the regulatory interactions. This view of the relations is generally depicted by the adversarial legalism approach and by the US style of regulatory interactions (Kagan, 2001; Waarden, 1995). In this approach, the interaction between the actors is shaped in this way: The rule-makers expect the rule-takers to do X when the rules require the rule-takers to do so and when the regulatory intermediary attests to the trustworthiness of the rule-takers on criteria X. The ontology behind this conceptualization is hierarchical; this means that the world is understood as hierarchical, and this hierarchy is real and translated to all types of relations. The second approach, which is more symmetrical, communal and network-driven, perceives the relations as reciprocal. We may suggest that it reflects a more horizontal ontology of the world. Relations are driven less by formal and legal demands and more by informal understanding and interdependencies between the actors. The RM expects the RT to do X when the rules require the RT to do so and when the RI attests to the trustworthiness of the RT on X. The relations—unlike in the asymmetric model—are iterative and reciprocal in communal or institutionalized behavior. In practice, we expect the reality to be some combination of the two models.

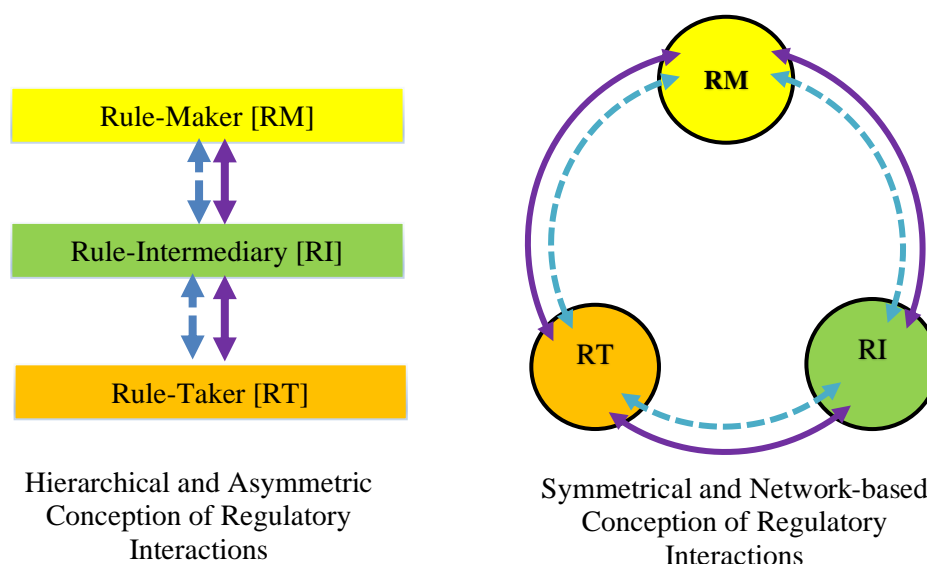


Figure 8: Symmetric and Asymmetric Conceptions of Actors Interactions. Dis/Trust relations (—) De/Re/Regulation (---)



4.3 Drivers of the Relations between Trust and Regulation

The trust and regulation literature have developed separately, with little effort so far to treat the two as interrelated phenomena (but see again Six and Verhoest, 2017). It is not surprising, therefore, that the discussion of the factors (or drivers) that explains their emergence, institutionalization and diffusion takes place separately. The literature explains one or the other, not both. This is not a mere accident. It reflects the tendency to focus on one dependent variable both as a matter of more focused and efficient research design and for methodological reasons. Still, despite these good reasons, it makes sense in a review paper and probably also theoretically to extend the discussion and to try to explain their emergence via the same theoretical lenses.

This section, therefore, distinguishes between four main theories of the relations between trust and regulation. While in practice they are often overlapping it is useful to present them, in this stage, as analytically distinct. In this way, it complements the distinctions made earlier in this deliverable. In what follows, we succinctly present these explanations. It should be appreciated that these explanations are broad—they are a family of explanations emphasizing similar things but with significant variations in emphasis and in the unit of analysis. The focus is on substitutive and supportive versions. Table 11 offers a general overview of the various approaches.

4.3.1 Social Welfare Explanations: The Demand and Supply of Trust

Social welfare explanations are a varied and somewhat heterogeneous collection of explanations, with one major commonality: they all focus on how trust and regulation respond to and reflect functional necessities. These functional necessities include economic, cultural, social, and political aspirations. To some extent, we can treat these necessities as objective needs, demands or challenges. But we also should leave some room for interpretations that frame the objective needs as given or functional. Some of the social welfare explanations focus on how historical dynamics of industrial society, modernity or post-modernity, globalization and regionalization affect the demand and supply of trust and regulation. There is often, but not always, an understanding that they reflect broad needs and contextual situations—such as the demand for governance and the prevalence and depth of interdependency, uncertainties and risks. Generally speaking, they expect the demand for regulation and trust in situations of market failures, social failures and governance failures. **These three failures create the demand.** The extent to which there is a response in the form of trust and or regulation depends also on the supply side. By supply, we mean the availability of motivations and capacity to correct market, social and governance failures, that is, in some response to the demand.

As a family of explanations, the social welfare explanations come in functionalist and neo-functionalist forms. They are closely related to public-interest theories of regulation and theories of modernization more generally. When they deal with failures (regulatory and governance failures or decline in trust) these theories tend to see power, interests, norms and historical and administrative tradition as the source of the failures—a form of abuse of the dictates of the general common interest or even modernization itself. There is an assumption here about clear functional needs for trust and regulation, and on the other hand an implicit assumption about the marginal relevance of distributional and redistributive conflicts and the importance of collective or public goods.

Social-welfare explanations work both at the individual level and at the institutional level. On the individual level, they focus on individual calculations and their limits in producing cooperation. At the institutional level, these explanations focus on optimal institutional designs, raising questions such as how best to combine trust and regulation or when to prefer one over the other in the name of the public interest (see Table 11).



Table 11: Summary of the Explanatory Framework

	Main Assertions	The Family of Theories	Institutional Approach	Actor-Centered Approach
Social Welfare Explanations	The demand for trust and regulation reflect growing interdependencies, vulnerabilities and uncertainties among actors and their risk calculations and perceptions.	Functionalism, neo-functionalism, public interest theories of regulation, modernization	Institutions respond to the demands and failures of cooperation. Institutionalists focus on the designs that promote cooperation via trust and regulation	Rational maximization of gains and minimization of losses determine the demand and supply of trust and regulation
Norms-based Explanations	Trust and regulation reflect normative preferences for rule-based behaviour, fairness, justice, equity and cooperative and consensual solutions for conflicts.	Sociological institutionalism, ideational theories, liberal democratic theory	Institutions reflect normative preferences and visions of the good society.	Individuals are normative and moral actors and their trust and regulation behaviour reflect these choices.
Interest-based Explanations	The prevalence of trust and regulation reflects the balance of interests of the actors. Power and rational choice consideration lead to more dis/trust and re/de/regulation.	Rational choice, public choice, interest groups, pluralism and neo-pluralists	Institutions reflect the balance of power and the interests of the dominant coalitions.	Individuals are maximizers (power, budget, reputation, control), free riders and blame-shifters.
Institutional Explanations	Trust and regulation are social, political and economic institutions even if they are not as formal and as reflective. Trust and regulation are the products of institutional environments that promote specific combinations of trust and regulation.	Old and New Institutionalism, historical Institutionalism, rational choice institutionalism	Institutional analysis provides a powerful explanation for the regulatory and trust dynamics and their relations.	Individuals take their cues, incentives and preferences from the institutions in which they are embedded; choice is given within institutional settings.

More specifically, social welfare explanations of trust and regulation revolve around vulnerabilities in actors' interdependencies in situations involving a degree of uncertainty. Sometimes these explanations suggest that we live in an age of growing interdependencies and vulnerabilities; that is, that the importance of trust and regulation is expected to grow with modernity. Either way, interdependency and its vulnerabilities call for more trust and more regulation. Trust is a substitutive and complementary mechanism for rule-based behaviour or regulation more generally. Trust is more valuable when actors do not have contracts, rules and institutions to govern their interdependencies (Williamson, 1993; Carlin et al., 2009, 322). Accordingly, trust is less useful when contracts, rules and institutions function to reduce risks and uncertainty in regulatory interactions. Uncertainties in social, economic and political interactions are a constant aspect of human interaction. It is often argued that the fragility of modern life in an era of science, technology and globalization increases uncertainty as much as it increases interdependency. In both cases the demand for trust and regulation increase (Sheppard and Sherman, 1998, 422). The increase in the demands for trust grows with the vagueness or the open-endedness of the contract, with the increase of the discretion of the actors and more generally with the rise of the transaction costs.



Table 12: Making Sense of Social Welfare Explanations

Substitutive Relations		Mutually Supportive Relations	
Trust is a good substitute for regulation	Regulation is a good substitute for trust	Trust can support regulation	Regulation can support trust
Social welfare is optimal when one trusts and therefore needs less regulation.	Social welfare is optimal when one regulates and is therefore less dependent on trust.	Social welfare is optimal when one trusts but verifies. Trust the trustworthy, distrust the untrustworthy.	Social welfare is optimal when one regulates in mutually trusting ways. Institutional and individuals should offer credible regulatory commitments.

The demand for trust rises when the potential losses or harms from uncertainties and risks increase. Now, demand for trust might be higher when the relations are unilateral than when they are reciprocal. Interactions between actors vary in the degree to which they involve uncertainties, risk and interdependency. The more uncertain the costs and results of the interaction and the riskier the results for the trustors, the stronger is the demand for trust (Guseva and Rona-Tas, 2001; Molm, Schaefer and Collett, 2009). But here comes another aspect: the more interdependent the sides for the interaction (as against dependency of one on the other), the supply of trust becomes easier. Trust will emerge more frequently and easily under conditions of repeated interaction between equal or under effective monitoring and deterrence strategies in hierarchical relations. Of course, we should distinguish between impersonal and interpersonal trust. The argument in this context is that one of the central features of the modern world is that people typically spend much more time interacting with or are dependent on many individuals and organizations with who they have narrower and more instrumental relationships (Friedrichs, 2004, 8). In other words, it is the impersonal trust rather than the interpersonal that is increasing in demand and usefulness. But the more we depend on impersonal trust in a broad range of relationships, the bigger the opportunities for corruption, misrepresentation, and fraud (Friedrichs, 2004, 8). In other words, the rise of impersonal trust was always represented as a promise and a problem: a promise insofar as impersonal trust reflects the fulfilment of the needs of societies founded on the dual imperatives of the rule of law and cooperation; a problem insofar as the principals and expectations from impersonal trust are a long way from being fully realized. Hence comes regulation and the rule of law.

Table 12 presents the logic of the demands for trust and regulation in two of the major interactions from a social welfare perspective. When trust is considered as a good or preferable substitute for regulation, social welfare is optimized by using trust. When regulation is more effective than trust, the social welfare explanations will expect it to be the prevalent mechanism in governance. Moving to the mutually supportive relations, the social welfare explanations would expect to see trust to support regulation and vice versa. The ‘trust but verify’ paradigm suggests exactly that, along with the idea that regulators should trust the trustworthy and distrust the untrustworthy. The responsive regulation approach reflects perhaps most clearly. Social welfare explanations would therefore expect the growth of mutually supportive relations when they provide the best governance solutions.

4.3.2 Norm-based Explanations

If social welfare explanations focus on “objective” market, social and governance failures, norm-based explanations focus on norms and private and public ideas. These ideas can prioritize a number of norms such as fairness, equity and justice. Many times, these norms serve as the building blocks for the demand for accountability, transparency and participation in the regulatory process, and therefore for also for trust-enhancement strategies. Our task in this subsection is to lay the ground for normative discussion of the relations between trust and regulation. Stronger demand for fairness, equity and justice comes often—but not always—with a growing demand for regulation and trust relations. It is common to see normative expectations for trust relations. The “Good Society” is also a trust society, a society which can rely on trust to ensure order and cooperation. At the same time, and for many, a good society is also a society of order



and procedures for conflict resolution and distributive decisions. This means that the good society is in many senses also a regulatory society, meaning a society in which the rule of law is used to provide certainty and protection via norms of transparency, participation and accountability. This means in practice that the expansion of the rule of law reflects to a significant extent the entrenchment and expansion of these norms.

When social and political trust fails to deliver more normative behaviour and institutions, the demands for regulation increase. For example, trust in regulatory interactions increases with the legitimacy of action, expectations and procedural fairness of the rules, even if the equity and justice criteria are contested. Tom Tyler (2001) suggests normatively and defends empirically the value of a proactive model of social regulation. This model is based upon encouraging and maintaining public trust in the character and motives of legal authorities (courts and police, e.g., judges, clerks, mediators, arbitrators and prosecutors, and police officers). Public trust is driven, according to Taylor, by sustained **process-based** governance and problem-solving. Trust increases when regulatory actors make their decisions through procedures that members of the public view as fair. The form of trust explored by Taylor refers to the character and motives of the authorities.

Norm-based explanations interpret substitutive relations between trust and regulation as normative preferences to either trust or regulation. Liberal norms can justify both; just tell me which type of liberal you are. Positive preferences for trust over regulation—given that you see the relations as substitutive—are often justified as respect to the autonomy, decency and moral standards of the regulatee and other stakeholders in the regulatory process. Negative preferences for trust over regulation are often against hierarchical centralization of power in the hands of state organizations (Rawles, 1971; Dunleavy and O’Leary, 1987; Dryzek and Dunleavy, 2007). These preferences are summarized in Table 13. Norm-based explanations for mutually supportive relations between trust and regulation refer most often to the visibility of justice. Not only must justice be done; it must also be seen to be done. This means in our context that verification can support trust, and both can support norms of fairness, equity and justice. From this point of view, trust and regulation (in the form of verification, for example) are mutually supportive.

Table 13: Making Sense of Norm-based Explanations

Substitutive Relations		Mutually Supportive Relations	
Trust is a good substitute for regulation	Regulation is a good substitute for trust	Trust can support regulation	Regulation can support trust
Normatively, trust is preferable to regulation because it involves more autonomy, less transfer of moral agency and fewer government/hierarchical controls.	Regulates and therefore depends less on trust.	Trust but verify. Trust the trustworthy, distrust the untrustworthy.	Regulate in mutually trusting ways. Offer credible regulatory commitments to encourage trust.

4.3.3 Interest-Based Explanations

Interest-based explanations work at the level of interest maximization, that is, the maximization of gains and minimization of losses as the driver of the demand for regulation and trust. Individual and corporate actors alike are maximizers (e.g., budget, profit, jurisdiction, reputation, income) and would take a regulatory and trust decision on this basis. In the field of regulation, interest-based and rational choice explanations are prevalent. Indeed, they are used as a cornerstone of the study of regulation and of the criticism of the public interest approach (Sigler, 1971; Peltzman, 1976). Their scholarly formulation is largely with the interest-group approach to the study of politics (Dunleavy and O’Leary, 1987), and their weaknesses and strength can be taken from the seminal work of March and Olsen (1984), who contrasted the interest-based approaches with the new institutionalism. In trust studies, they are often applied under the notion of “calculative trust.” In the words of Williamson, this means, “[t]he relentless application of calculative economic reasoning is the principal device that I employ to define and delimit the elusive notion of trust” (Williamson, 1993, 453). In



some interpretations, this calculative approach is a form of risk calculation as to the consequences of a trust decision.

Again, we are asked to think about interest-based and rational choice approaches to substitutive as well as supportive relations between trust and regulation (see also Table 14). Starting with substitutive relations, interest-based approaches to trust and regulation would see substitutiveness as a form of calculative behaviour. The assumption is that there are different interests around the preferences for one or the other. Given the different interests, the decision to choose one or another will reflect the preferences of the sides and the balance of power between them. Trust will be preferred over regulation when there is uncertainty about the future implications of the creation of regulation by the stronger party. Regulation will be preferred over trust when the regulation entrenches the stronger party's interests and power.

Mutually supportive relations between trust and regulation exist—according to interest-based explanations—when the outcome of trust and regulation can be maximized, that is, when they both support rather than weaken each other. This will happen when the interest group or the actor with the stronger resources, capacities or position will prefer to use these in a supportive manner. Trust can support regulation when the interests of the dominant actors and groups are to promote and to legitimize the regime with trust-enhancement strategies. Regulation will support trust relations when it will be in the interest of the dominant actors to create a regime that formalizes and standardizes the expectations of the trust relations.

Table 14: Making Sense of Interest-based Explanations

Substitutive Relations		Mutually Supportive Relations	
Trust is a good substitute for regulation	Regulation is a good substitute for trust	Trust can support regulation	Regulation can support trust
When the stronger parties have short-term interests in the preferred outcomes and are uncertain as to the implications of the creation of a regulatory regime.	When the stronger parties have the capacity and interests to entrench their preferences in the form of a regulatory regime.	Trust is the cement that connects short- and long-term interests. It helps to credibly commit to sets of regulation even when short-term interests conflict.	Regulation (as well as contracts and the judiciary) is the basis upon which trust can be nurtured and transforms short-term interests into long term interest-based relations.

4.3.4 Institutional Explanations

Institutional explanations suggest that trust and regulation are the products of institutional environments that promote specific combinations of trust and regulation. The general assumption and assertion are that institutions are the framework of social, political and economic action. They explain the content, scope, development and legitimacy of regulation on the one hand and the tendency to confer interpersonal trust on the other. The basic premise is that people are social actors who act in accordance with a diverse array of incentives and pressures that are deeply entrenched in formal and informal institutions. Three versions of institutionalism are useful for our purposes: sociological institutionalism, historical institutionalism and rational choice institutionalism (Steinmo 2008; Hall and Taylor 1996). Sociological institutionalism emphasizes norms and culture as institutions. Historical institutionalism suggests that historically shaped institutions create the context and shape people's perceptions about what is possible, legitimate and desirable. Historical institutional arrangements have a self-reinforcing dynamic and positive feedback loops that create path dependence of any present or future development (Pierson 2004; Hall and Taylor 1996; Thelen 1999). Rational choice institutionalism suggests that institutions are the rule of the game and that the rules are subject to design and calculative behaviour. Institutional theories, therefore, focus on how to create, maintain, interpret and change institutions.

Institutional explanations would tend to see substitutive relations between trust and regulation as manifestations of institutional choice. This institutional choice can be sociological (e.g., norms), historical



(reflection of path dependency or reinforcing decisions) or rational (calculative). One chooses trust or regulation depending on the normative environment (for example, the taken-for-granted-ness) of the choice, the institutional conditions that shape the choice and calculative decisions as to the outcomes of the choice, given the institutional environment.

The institutional analysis explains mutually supportive relations between trust and regulation by suggesting that the institutional environment can provide specific advantages for such relations. For example, by providing a specific legal enforcement regime, the state affects the degree of trust and trustworthiness in a society (Bohnet et al., 2001). Another example that connects the discussion to the role of the state in nurturing markets can be provided from the field of finance, particularly credit decisions. Guseva and Rona-Tas (2001) suggest that uncertainty, inherent in any credit transaction, can only be reduced to measurable risk if there are institutions that create stability over time, categorize events properly and allow for verification and accumulation of information. The gradual evolution of institutions underpinning rational calculation permits the transformation of uncertainty into risk. Calculated behaviour, they suggest, is not an innate human ability but a social capacity that exists courtesy of institutional arrangements. Most of the attention in the literature on mutually supportive relations was given to the enforcement side. Here, the regulatory capacity of the state seems like a superior mechanism for correcting breaches of trust. A demand for “more regulation” is understood as a means to enforce contracts and secure property rights. When the state cannot provide levels of enforcement high enough to deter breach, the demand for protection is satisfied privately (Bohnet et al., 2001, 133). This is the common explanation for the rise of Mafia and other forms of criminal organizations, as well as private arbitration and courts. One more example for institutional explanation, this time one that speaks the language of historical institutionalism, is provided by Nunn and Wantchekon (2009), who find that African areas heavily exposed to the slave trade in the past exhibit more distrust even today. It might follow that more regulation, or law, including more monitoring and enforcement, would compensate for the trust deficit in such societies.

Table 15: Making Sense of Institutional Explanations

Substitutive Relations		Mutually Supportive Relations	
Trust is a good substitute for regulation	Regulation is a good substitute for trust	Trust can support regulation	Regulation can support trust
Institutions are either social or formal-legal; societies choose. Societies that are based on trust are more successful than those based on regulation.	Sure, societies differ; but the ones that are based on the rule of law and therefore effective and legitimate regulation are more successful than societies that are based on social trust.	Resilient institutions emerge from the co-fusion of mechanisms of governance. Regulation, that is, formal and informal authority, is the primary mechanism, supported by mutual trust.	Resilient institutions emerge from the co-fusion of mechanism of governance. Social and political trust are the primary sources that enable effective and legitimate regulation.

The discussion so far suggests that if some forms and applications of trust as well as regulation do not compete with one another and are highly interrelated, then the question becomes either when to apply both (to form mutually supportive relations) and when to apply one over the other (substitutive relations). These observations call for more conceptual and empirical research of the relations of trust and regulation, their emergence, institutionalization, diffusion and change over time and context.



4.4 Expected Outcomes of the Relations between Trust and Regulation

Trust and regulation have both shortcomings and strengths. While their shortcomings and strengths are often understood and analysed separately, TiGRE suggests that it should also be important and theoretically beneficial to understand their strengths and shortcomings in tandem, that is, when assessed against the operation of each other. Unfortunately, this is not the situation so far, and we largely need to review them separately in this section. We start with trust, move to regulation, and then suggest how future research can proceed fruitfully despite the challenges.

4.4.1 More Trust, More Social Welfare?

The interest in the study of trust comes directly from the widely accepted view that higher levels of trust are directly connected with better economic performance (such as economic growth, lower level of inflation and more participation in the stock market) and better democratic performance (less corruption, more compliance, more transparency, participation and accountability). Putnam's (1993) remarkable work demonstrated how social trust explains the long-run growth differences across Italian regions during the post-war period. These results were confirmed against a wider number of cases and different types of data and analysis. Thus, for example, Knack and Keefer (1997) found that trust and civic norms were stronger in nations with higher and more equal incomes, with institutions that restrain predatory actions of chief executives, and with better-educated and ethnically homogeneous populations. Still, unlike Putnam, they found that memberships in formal groups—Putnam's measure of social capital—were not associated with trust or with improved economic performance. Bjørnskov (2012) found that trust affects economic growth rates via the mediated impact of rule-of-law and schooling. Ekinci et al. (2009) found that level of confidence and trust are positively associated with more financial integration across the European regions (e.g., benefits of scale). Guiso, Sapienza and Zingales (2008) as well as Georgarakos and Pasini (2011) find that trust increases stock market participation. A recent working paper from the ECB found that higher trust in the ECB lowers inflation expectations on average and significantly reduces uncertainty about future inflation. Trusting the ECB increases (lowers) inflation expectations when the latter are below (above) the ECB's inflation target. These findings hold after controlling for people's knowledge about the objectives of the ECB (Christelis et al., 2020). But higher levels of trust are also associated with better democratic and governance performances. Whiteley (2000) argues that interpersonal trust has three direct channels through which it might stimulate economic growth: firstly, through reducing transaction costs; secondly, because it enables actors to solve collective action problems more easily; thirdly, because principal-agent problems might be much less significant in high-trust societies. Bjørnskov (2012) asserts that trust might (i) lead to higher accountability; (ii) create more consensus when political positions are polarized; and (iii) allow the introduction of policy innovations, possibly because trustworthy politicians are better at credibly signalling their necessity and thus avoiding popular scepticism about apparently obscure institutional changes. The logical outcome is that more social trust leads to a higher supply of quality decisions, bureaucracy and politics, and hence better governance (Ibid). Bergh and Bjørnskov, (2011) found that historical trust levels predict the current size of the welfare states. They find that populations with higher trust levels are more prone to creating and successfully maintaining universal welfare states with high levels of taxation and publicly financed social insurance schemes.

While there is wide consensus on the benefits of trust, not all researchers agree. Roth (2009) found that economic growth was negatively related to an increase in trust and suggested that common wisdom must be seriously questioned. From a policy point of view, Roth argued, an increase in trust is crucial for countries with low levels of trust, but is liable to be neglected by countries with sufficient levels of trust, and may even hamper economic performance in countries with high levels of trust. The relationship was tested in the context of EU countries, OECD countries and developing countries, and a distinction was drawn between interpersonal trust and systemic trust. Horváth (2013), however, disagrees. Examining more than forty regressors for nearly fifty countries, he shows that trust exerts a positive effect on long-term growth. His results also show that trust is key for growth in countries with a weak rule of law. Again, Peiró-Palomino and



Tortosa-Ausina considered data for 80 countries, using trust indicators from five different waves of the World Values Survey (WVS). Their results indicate that trust is not relevant for the poorest economies and that the impact of trust on income decreases as an economy becomes richer. This would suggest, they conclude, not only that trust benefits cannot be generalized for all countries, as some previous studies have proposed, but also that the extent of its implications are heavily dependent on the level of development. To conclude, when we discuss outcomes of trust as they appear in the literature, we should also note not only outliers in the relations between trust and performances but also general scepticism towards trust more generally (Sheppard and Sherman, 1998). First is Braithwaite's (1998) suggestion that some levels and forms of distrust are healthy in all spheres of life. Second, there is a tendency to see trust as irrational or a form of bounded rationality (Warren, 2018). Third, some trust-organizations, such as the Mafia, are actually crime organizations, meaning that they serve negative orders (Gambetta, 1996). Fourth, trust is not a stable feature, but rather is very susceptible to contextual effects. Fifth, it may be a necessary but not sufficient causal process in determining outcomes (Newton and Zmerli, 2011).

4.4.2 Better Regulation, More Social Welfare?

The outcomes of regulations are the subject of heated debate in the public sphere. Right and left vary in their declared preferences vis-à-vis regulation. It is generally understood that the right detests regulation, while the left loves it. Moving from the public sphere to the research literature, we find generally that economists tend to point to regulation's negative effects, while other social scientists have more positive views. Closer attention to the literature suggests that what is being considered as negative in most studies of the effects of regulation is some types of economic regulation, namely entry regulation (restrictions on market entry of firms and occupations) and as anticompetitive regulation (that is, regulation that directly or indirectly restricts competition in product and services markets). More and more attention has been given in this literature to the costs of environmental regulation as well (and increasingly in the last decade climate change measures). By 'negative', they usually mean towards growth and productivity, but also measure such inflation (Joskow and Noll, 1981). Glaeser and Shleifer (2001) have explored empirically the determinants of the quality of governments in a large cross-section of countries. They have assessed government performance using the measures of government intervention, public sector efficiency, public good provision, size of government and political freedom. They found that countries that are poor, close to the equator, ethnolinguistically heterogeneous, use French or socialist laws or have high proportions of Catholics or Muslims exhibit inferior governmental economic performance. At the same time, they found that larger governments tend to be the better-performing ones. Jalilian et al. (2007) explored the role of an effective regulatory regime in promoting economic growth and development; their result suggests a strong causal link between regulatory quality and economic performance.

4.4.3 Four Approaches to the Outcomes of Trust and Regulation

To sum up the discussion so far, we have four major approaches for the preferred outcomes of trust and regulation. The first might best be called **market and social fundamentalism**. Fundamentalism is here defined as an attitude or set of ideas that rejects modernity and idealizes a pre-modern past, in our context one with minimal levels of trust and regulation. Fundamentalists prefer interpersonal relations, institutional settings and governance that includes less trust and less regulation at the same time. The preferred social, economic world, one that maximizes social welfare, is a world in which neither social nor political mechanisms are at work. The ideal community and the ideal economy work via market mechanisms rather than social or political mechanisms. At the centre of this approach stands the idealization of individual liberty and autonomy, with a preference for self-regulating individuals in the communal sphere and self-regulating markets in the economic sphere.

The **progressive liberal** view, on the other hand, sees the maximization of social welfare as the function of more trust and more regulation. This is a modernist, positive and optimistic view of current trends in the political, social and economic arenas. It treats trust at the interpersonal level as the function of institutional



trust that combines trust and regulation in optimal ways. Institutions that allow and nurture optimal levels of trust and regulation would also provide the optimal social, economic and political outcomes. Trust is not substitutive to regulation, nor do they compete or operate separately from each other. Modernity and progress are about mutually supportive relations.

The adversarial legalist approach gives preference to regulation over trust. Optimal social welfare and the fairest results are the outcomes of good regulatory systems that rely on litigation rather than arbitration or trust. Trust has little room in the interpretation of regulation, and the court is the optimal institution for dispute resolution. Adversarialism is best identified with the US regulatory and political system and allows little room for trust on how conflicts are prevented, managed and resolved (Kagan, 2001). It is commonly argued that Americanization of the European economy, society and polity has made adversarialism, and the preference for legal and regulatory solutions, dominant across Europe (see Kelemen and Sibbitt, 2004; for the dispute around this claim, see Levi-Faur, 2005; Kelemen and Sibbitt, 2005).

Finally, political sociologists or **network governance approaches** tend to emphasize the role of trust networks in providing optimal outcomes (Lyon, 2000). Trust networks consist of ramified interpersonal connections, consisting mainly of strong ties within which people set values, consequential, long-term resources and enterprises at risk to the malfeasance, mistakes, or failures of others (Tilly, 2007, 7). The emphasis of this approach is on 'interpersonal trust networks.' People rely especially on those networks when they are carrying on long-term, crucial enterprises such as procreation, child-rearing, religious or political commitments, long-distance trade, and, of course, migration (Ibid.). Trust networks include some religious communities, political conspiracies, webs of ethnic traders and kinship groups. Members of such networks typically acquire long-term rights and obligations binding themselves to each other, which mean that the networks operate simultaneously as sites of social insurance and of social control. They represent solidarity and are considered alternative mechanisms of governance (Tilly, 2007). Focusing on the social aspect of governance allows in-depth analysis of the creation, maintenance and tension in such relations, as well as the limits and advantages of trust. It comes, however, at the expense of the ways in which trust evolves within different regulatory settings and in tandem with regulation.

Table 16: Four Approaches for Optimal Outcomes Combining Trust and Regulation

	Less Trust	More Trust
Less Regulation	Market and social fundamentalism	Network governance
More Regulation	Adversarial legalism	The progressive liberal view



4.5 Bibliography

- Abbott, K. W., Levi-Faur D. and Snidal D. (2017). Theorizing regulatory intermediaries: the RIT model, *The Annals of the American Academy of Political and Social Science*, 670(1), 14-35.
- Aitken, M., Cunningham-Burley, S., and Pagliari, C. (2016). Moving from trust to trustworthiness: Experiences of public engagement in the Scottish Health Informatics Programme. *Science and Public Policy*, 43(5), 713-723.
- Aghion, Philippe, Yann Algan, Pierre Cahuc, and Andrei Shleifer. "Regulation and distrust." *The Quarterly Journal of Economics* 125, no. 3 (2010): 1015-1049.
- Anania, G., and Nisticò, R. (2004). Public regulation as a substitute for trust in quality food markets: what if the trust substitute cannot be fully trusted?. *Journal of Institutional and Theoretical Economics (JITE)/Zeitschrift für die gesamte Staatswissenschaft*, 681-701.
- Auld, G., Renckens, S., and Cashore, B. (2015). Transnational private governance between the logics of empowerment and control. *Regulation and Governance*, 9(2), 108-124.
- Ayres, I., and Braithwaite, J. (1992). *Responsive regulation: Transcending the deregulation debate*. Oxford University Press, USA.
- Bachmann, Reinhard. "Trust, power and control in trans-organizational relations." *Organization studies* 22, no. 2 (2001): 337-365.
- Becker, G. S. (1983). A theory of competition among pressure groups for political influence. *The quarterly journal of economics*, 98(3), 371-400.
- Bartley, T. (2011). 32 Certification as a mode of social regulation. *Handbook on the Politics of Regulation*, 441-4562.
- Bates, S. R., Faulkner, W., Parry, S., and Cunningham-Burley, S. (2010). 'How do we know it's not been done yet?!' Trust, trust building and regulation in stem cell research. *Science and Public Policy*, 37(9), 703-718.
- Berggren, N., and Bjørnskov, C. (2017). The Market-Promoting and Market-Preserving Role of Social Trust in Reforms of Policies and Institutions. *Southern Economic Journal*, 84(1), 3-25.
- Bergh, A., and Bjørnskov, C. (2011). Historical trust levels predict the current size of the welfare state. *Kyklos*, 64(1), 1-19.
- Bjørnskov, C. (2012). How does social trust affect economic growth?. *Southern Economic Journal*, 78(4), 1346-1368.
- Bohnet, I., Frey, B. S., and Huck, S. (2001). More order with less law: On contract enforcement, trust, and crowding. *American Political Science Review*, 95(1), 131-144.
- Braithwaite, J. (1998). Institutionalizing distrust, enculturating trust. *Trust and governance*, 343, 356.
- Braithwaite, J., and Makkai, T. (1994). Trust and compliance. *Policing and Society: An International Journal*, 4(1), 1-12.
- Carlin, B. I., Dorobantu, F., and Viswanathan, S. (2009). Public trust, the law, and financial investment. *Journal of Financial Economics*, 92(3), 321-341.
- Charron, N., Harring, N., and Lapuente, V. (2019). Trust, regulation, and redistribution why some governments overregulate and under-redistribute. *Regulation and Governance*.
- Christelis, Dimitrios, Georgarakos, Dimitris, Jappelli, Tullio and van Rooij, Maarten, Trust in the Central Bank and Inflation Expectation (February, 2020). ECB Working Paper No. 2375, Available at SSRN: <https://ssrn.com/abstract=3540974>
- Coffee, J. C. (2019). Why do auditors fail? What might work? What won't?. *Accounting and Business Research*, 49(5), 540-561.
- Coleman, J. S. (1990). *Foundations of social theory*. Harvard university press.
- Colquitt, J. A., LePine, J. A., Piccolo, R. F., Zapata, C. P., and Rich, B. L. (2012). Explaining the justice–performance relationship: Trust as exchange deepener or trust as uncertainty reducer?. *Journal of applied psychology*, 97(1), 1.
- Daniele, G., and Geys, B. (2015). Interpersonal trust and welfare state support. *European Journal of Political Economy*, 39, 1-12.
- DeHaan, E. (2017). The financial crisis and corporate credit ratings. *The Accounting Review*, 92(4), 161-189.
- Downer, J. (2010). Trust and technology: the social foundations of aviation regulation. *The British Journal of Sociology*, 61(1), 83-106.



- Dryzek, J., and Dunleavy, P. (2009). *Theories of the democratic state*. Macmillan International Higher Education.
- Duncan, G. (2018). *The Problem of Political Trust: A Conceptual Reformulation*. Routledge.
- Dunleavy, P. and O'Leary B. (1987). *Theories of the state: The politics of liberal democracy*. Macmillan International Higher Education.
- Ekinci, M., S. Kalemli-Özcan, and B. Sorensen (2009), "Financial integration within E.U. countries: The role of institutions, confidence, and trust", in: Clarida, R., and F. Giavazzi (eds.), NBER International Seminar on Macroeconomics 2007, Chicago University Press, Chicago, pp. 325-391.
- Friedrichs, D. O. (2004). *Trusted criminals: White collar crime in contemporary society*. Belmont, CA: Wadsworth/Thomson Learning.
- Gambetta, D. (1996). *The Sicilian Mafia: the business of private protection*. Harvard University Press.
- Gasparotto, L. S., Pacheco, N. A., Basso, K., Dalla Corte, V. F., Rabello, G. C., and Gallon, S. (2018). The role of regulation and financial compensation on trust recovery. *Australasian Marketing Journal (AMJ)*, 26(1), 10-16.
- Georgarakos, D., and G. Pasini (2011), "Trust, sociability, and stock market participation," *Review of Finance*, 15(4), 693-725.
- Glaeser, E. L., and Shleifer, A. (2001). A reason for quantity regulation. *American Economic Review*, 91(2), 431-435.
- Gilens, M., and Page, B. I. (2014). Testing theories of American politics: Elites, interest groups, and average citizens. *Perspectives on politics*, 12(3), 564-581.
- Goodwin, J., and Dahlstrom, M. F. (2014). Communication strategies for earning trust in climate change debates. *Wiley Interdisciplinary Reviews: Climate Change*, 5(1), 151-160.
- Gordon, S., Garen, J., and Clark, J. R. (2019). The growth of government, trust in government, and evidence on their coevolution. *Journal of Economics and Finance*, 43(3), 456-480.
- Grimmelikhuijsen, S., Porumbescu, G., Hong, B., and Im, T. (2013). The effect of transparency on trust in government: A cross-national comparative experiment. *Public Administration Review*, 73(4), 575-586.
- Guiso, L., P. Sapienza, and L. Zingales (2008), "Trusting the stock market," *Journal of Finance*, 63(6), 2557-2600.
- Gulbrandsen, L. H. (2004). Overlapping public and private governance: can forest certification fill the gaps in the global forest regime?. *Global Environmental Politics*, 4(2), 75-99.
- Gunningham, N., and Sinclair, D. (2009). Organizational trust and the limits of management-based regulation. *Law and Society Review*, 43(4), 865-900.
- Guseva, A., and Rona-Tas, A. (2001). Uncertainty, risk, and trust: Russian and American credit card markets compared. *American sociological review*, 623-646.
- Haener, M. K., and Luckert, M. K. (1998). Forest certification: Economic issues and welfare implications. *Canadian Public Policy/Analyse de Politiques*, 583-594.
- Hall, P. A., and Taylor, R. C. (1996). Political science and the three new institutionalisms. *Political studies*, 44(5), 936-957.
- Heimer, C. A. (2001). Solving the Problem of Trust. In *Trust in Society*, Russell Sage Foundation, pp. 40-88.
- Heimer, C. A., and Gazley, J. L. (2012). Performing regulation: Transcending regulatory ritualism in HIV clinics. *Law and society review*, 46(4), 853-887.
- Horváth, R. (2013). Does trust promote growth?. *Journal of Comparative economics*, 41(3), 777-788.
- Hult, D. (2018). Creating trust by means of legislation—a conceptual analysis and critical discussion. *The Theory and Practice of Legislation*, 6(1), 1-23.
- Jarrell, G. A. (1978). The demand for state regulation of the electric utility industry. *The Journal of Law and Economics*, 21(2), 269-295.
- Jalilian, H., Kirkpatrick, C., and Parker, D. (2007). The impact of regulation on economic growth in developing countries: A cross-country analysis. *World development*, 35(1), 87-103.
- Järvinen, M., and Branders, M. (2020). Contracts as trust builders. *Journal of Trust Research*, 1-20.
- Kaase, M. (1999). Interpersonal trust, political trust and non-institutionalised political participation in Western Europe. *West European Politics*, 22(3), 1-21.
- Kagan, R. A. (2001). *Adversarial legalism: The American way of law*. Harvard University Press.



- Kahsay, G. A., and Bulte, E. (2019). Trust, regulation and participatory forest management: Micro-level evidence on forest governance from Ethiopia. *World Development*, 120, 118-132.
- Kearl, J. R. (1983). Rules, rule intermediaries and the complexity and stability of regulation. *Journal of Public Economics*, 22(2), 215-226.
- Kelemen, R. D., and Sibbitt, E. C. (2004). The globalization of American law. *International organization*, 103-136.
- Kelemen, R. D., and Sibbitt, E. C. (2005). Lex Americana? A Response to Levi-Faur. *International Organization*, 59(2), 463-472.
- Khodyakov, D. (2007). Trust as a process: A three-dimensional approach. *Sociology*, 41(1), 115-132.
- Knack, S., and Keefer, P. (1997). Does social capital have an economic payoff? A cross-country investigation. *The Quarterly journal of economics*, 112(4), 1251-1288.
- Koenig-Archibugi, M., and Macdonald, K. (2017). The role of beneficiaries in transnational regulatory processes. *The ANNALS of the American Academy of Political and Social Science*, 670(1), 36-57.
- Koelble, T. A. (1995). The new institutionalism in political science and sociology. *Comparative Politics*, Vol. 27, No. 2, pp. 231-243
- Krishnan, R., Geyskens, I., and Steenkamp, J. B. E. (2016). The effectiveness of contractual and trust-based governance in strategic alliances under behavioral and environmental uncertainty. *Strategic Management Journal*, 37(12), 2521-2542.
- Lane, C., and Bachmann, R. (Eds.). (1998). *Trust within and between organizations: Conceptual issues and empirical applications*. Oxford University Press.
- Larsson, B., and Engdahl, O. (2012). Decentring Economic Regulation and Control: Reinforcing Trust Through Self-regulation. In *Transformations of the Swedish Welfare State* (pp. 104-119). Palgrave Macmillan, London.
- Lewis, J. D., and Weigert, A. J. (2012). The social dynamics of trust: Theoretical and empirical research, 1985-2012. *Social forces*, 91(1), 25-31.
- Levi, M., and Stoker, L. (2000). Political trust and trustworthiness. *Annual review of political science*, 3(1), 475-507.
- Levi-Faur, D. (2005). The political economy of legal globalization: juridification, adversarial legalism, and responsive regulation. A comment. *International Organization*, 451-462.
- Levi-Faur, D. (2012). From “big government” to “big governance”. *The Oxford handbook of governance*, 3-18.
- Levi-Faur, D., and Starobin, S. M. (2014). Jerusalem Papers in Regulation and Governance, working paper 62.
- Loconto, A. M. (2017). Models of assurance: Diversity and standardization of modes of intermediation. *The Annals of the American Academy of Political and Social Science*, 670(1), 112-132.
- Loconto, A., and Foulleux, E. (2014). Politics of private regulation: ISEAL and the shaping of transnational sustainability governance. *Regulation and Governance*, 8(2), 166-185.
- Lumineau, F. (2017). How contracts influence trust and distrust. *Journal of management*, 43(5), 1553-1577.
- Lyon, F. (2000). Trust, networks and norms: the creation of social capital in agricultural economies in Ghana. *World Development*, 28(4), 663-681.
- Majone, G. (1995). Mutual trust, credible commitments and the evolution of rules for a single European market.
- Malhotra, D., and Murnighan, J. K. (2002). The effects of contracts on interpersonal trust. *Administrative Science Quarterly*, 47(3), 534-559.
- March, J. G., and Olsen, J. P. (1984). The new institutionalism: Organizational factors in political life. *The American political science review*, 734-749.
- Mayer, R. C., Davis, J. H., and Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of management review*, 20(3), 709-734.
- McDermott, C. L. (2012). Trust, legitimacy and power in forest certification: A case study of the FSC in British Columbia. *Geoforum*, 43(3), 634-644.
- Mills, R. W., and Reiss, D. R. (2017). 2. The role of trust in the regulation of complex and high-risk industries: the case of the US Federal Aviation Administration’s voluntary disclosure programs. *Trust in Regulatory Regimes*, 37.
- Molm, L. D., Schaefer, D. R., and Collett, J. L. (2009). Fragile and resilient trust: Risk and uncertainty in negotiated and reciprocal exchange. *Sociological Theory*, 27(1), 1-32



- Molm, L. D., Takahashi, N., and Peterson, G. (2000). Risk and trust in social exchange: An experimental test of a classical proposition. *American Journal of Sociology*, 105(5), 1396-1427.
- Murphy, K. (2004). The role of trust in nurturing compliance: A study of accused tax avoiders. *Law and human behavior*, 28(2), 187-209.
- Murphy, K. (2016). Turning defiance into compliance with procedural justice: Understanding reactions to regulatory encounters through motivational posturing. *Regulation and Governance*, 10(1), 93-109.
- Murphy, K., Tyler, T. R., and Curtis, A. (2009). Nurturing regulatory compliance: Is procedural justice effective when people question the legitimacy of the law?. *Regulation and governance*, 3(1), 1-26.
- Näslund, L., and Hallström, K. T. (2017). Being everybody's accomplice: trust and control in eco-labelling. In *Trust in Regulatory Regimes*. Edward Elgar Publishing.
- Newton, K., and Zmerli, S. (2011). Three forms of trust and their association. *European Political Science Review: EPSR*, 3(2), 169.
- Nunn, N., and Wantchekon, L. (2011). The slave trade and the origins of mistrust in Africa. *American Economic Review*, 101(7), 3221-52.
- Olson, M. (1965). *The Logic of Collective Action: Public Goods and the Theory of Groups*, Harvard University Press.
- Overdevest, C., and Zeitlin, J. (2018). Experimentalism in transnational forest governance: implementing European Union forest law enforcement, governance and trade (FLEGT) voluntary partnership agreements in Indonesia and Ghana. *Regulation and Governance*, 12(1), 64-87.
- Peiró-Palomino, J., and Tortosa-Ausina, E. (2013). Can trust effects on development be generalized? A response by quantile. *European Journal of Political Economy*, 32, 377-390.
- Peltzman, S. (1976). Toward a more general theory of regulation. *The Journal of Law and Economics*, 19(2), 211-240.
- Pierson, P. (2004) *Politics in time: History, institutions, and social analysis*. Princeton, NJ: Princeton University Press
- Pinotti, P. (2012). Trust, regulation and market failures. *Review of Economics and Statistics*, 94(3), 650-658.
- Powell, W. W. (1990). Neither Market Nor Hierarchy: Network Forms of Organization. *Research in Organizational Behavior*, 12, 295-336.
- Powell, Walter W. 1996 "Trust-Based Forms of Governance In: Tyler, Tom Richard. *Trust in organizations: Frontiers of theory and research*. Sage, pp 51-67.
- Prakash, A., and Gugerty, M. K. (2010). Trust but verify? Voluntary regulation programs in the nonprofit sector. *Regulation and Governance*, 4(1), 22-47.
- Priest, G. L. (1993). The origins of utility regulation and the "theories of regulation" debate. *The Journal of Law and Economics*, 36(1, Part 2), 289-323.
- Prosser, T. (2005). Regulatory contracts and stakeholder regulation. *Annals of Public and Cooperative Economics*, 76(1), 35-57.
- Putnam, R. D. (2000). *Bowling alone: The collapse and revival of American community*. Simon and schuster.
- PytlíkZillig, L. M., and Kimbrough, C. D. (2016). Consensus on conceptualizations and definitions of trust: Are we there yet?. In *Interdisciplinary perspectives on trust* (pp. 17-47). Springer, Cham.
- Rametsteiner, E., and Simula, M. (2003). Forest certification—an instrument to promote sustainable forest management?. *Journal of environmental management*, 67(1), 87-98.
- Rawls, J. (1971). *A theory of justice*. Harvard university press.
- Rendtorff, J. D., and Jagd, S. (2010). Balancing trust and control in organizations: towards a process perspective. *Society and Business Review*.
- Ring, P. S. (1996). Fragile and resilient trust and their roles in economic exchange. *Business and Society*, 35(2), 148-175.
- Roth, F. (2009). Does too much trust hamper economic growth?. *Kyklos*, 62(1), 103-128.
- Rothstein, B. (2011). *The quality of government: Corruption, social trust, and inequality in international perspective*. University of Chicago Press.
- Scharpf, F. W. (1997). *Games real actors play: Actor-centered institutionalism in policy research*. Routledge.
- Schilke, O., Reimann, M., and Cook, K. S. (2015). Power Decreases Trust in Social Exchange. *Proceedings of the National Academy of Sciences (PNAS)*, 112(42), 12950-12955.



- Shapiro, M. M. (1988). *Who guards the guardians?: judicial control of administration* (pp. 48-50). Athens: University of Georgia Press.
- Schilke, O., Reimann, M., and Cook, K. S. (2015). Power Decreases Trust in Social Exchange. *Proceedings of the National Academy of Sciences (PNAS)*, 112(42), 12950-12955.
- Sheppard, B. H., and Sherman, D. M. (1998). The grammars of trust: A model and general implications. *Academy of management Review*, 23(3), 422-437.
- Six, F. (2013). Trust in regulatory relations: How new insights from trust research improve regulation theory. *Public Management Review*, 15(2), 163-185.
- Six, Frédérique, and Koen Verhoest (eds) (2017). *Trust in regulatory regimes*. Edward Elgar Publishing.
- Spiller, P. T. (1995). A positive political theory of regulatory instruments: contracts, administrative law or regulatory specificity. *S. Cal. L. Rev.*, 69, 477.
- Steinmo, S. (2008). Historical institutionalism. *Approaches and methodologies in the social sciences*, 118.
- Stigler, G. J. (1971). The theory of economic regulation. *The Bell journal of economics and management science*, 3-21.
- Thelen, K. (1999). Historical institutionalism in comparative politics. *Annual Review of Political Science*, 2(1), 369-404.
- Thomas, C. W. (1998). Maintaining and restoring public trust in government agencies and their employees. *Administration and society*, 30(2), 166-193.
- Tilly, C. (2007). Trust networks in transnational migration. In *Sociological forum*, 22 (1), pp. 3-24. Oxford, UK: Blackwell Publishing Ltd.
- Treib, O., Bähr, H., and Falkner, G. (2007). Modes of governance: towards a conceptual clarification. *Journal of European public policy*, 14(1), 1-20.
- Troy, Patrick. "Distrust and the development of urban regulations." In *Distrust*. Russell Sage Foundation, 2004, pp. 207-232.
- Tyler, T. R. (2001). Trust and law abidingness: A proactive model of social regulation. *Boston University Law Review.*, 81, pp. 361-406
- Tyler, T. R. (2003). Procedural justice, legitimacy, and the effective rule of law. *Crime and justice*, 30, 283-357.
- van den Berg, B., and Keymolen, E. (2017). Regulating security on the Internet: control versus trust. *International Review of Law, Computers and Technology*, 31(2), 188-205.
- Van Waarden, F. (1995). Persistence of national policy styles: A study of their institutional foundations. *Convergence or diversity*, 333-372.
- Warren, M. (2018). Trust and democracy. *The Oxford handbook of social and political trust*, 75-94.
- Whiteley, P. F. (2000). Economic growth and social capital. *Political studies*, 48(3), 443-466.
- Williamson, O. E. (1993). Calculativeness, trust, and economic organization. *The journal of law and economics*, 36(1, Part 2), 453-486.
- Wilson J. Q. (1980) *The Politics of Regulation*. Basic Books, New York.



Section 5: The Operationalization and Measurement of Trust

Author: Lauren Fahy, Judith van Erp and Stephan Grimmelijsen

Contributors: Koen Verhoest and Libby Maman

Where the previous sections mostly deal with conceptual issues surrounding trust/distrust in general (Section 1), or in specific contexts (Sections 3 and 4), section 5 zooms in on what specific operationalizations and measurement of trust have been used in past research. Here we will present a systematic literature review to assess what methods have been used, how trust was measured and what potential measurement biases can be detected.

This literature review summarizes the ways in which trust between actors in regulatory contexts has been measured in recent scholarship. In doing so, it builds on existing overviews of trust and regulatory trust in the following ways. This systematic literature review most directly updates Six and Verhoest's (2017) systematic review to include more material published between 2014 and 2020. This review also builds upon broader methodological overviews of the study of trust. Lyon, Möllering and Saunders (2012) have recently provided an overview of trust research methods, and Dietz and Van Hartog (2006) have presented an authoritative overview that provides detailed content analysis of 14 scales measuring trust within organizations. This review is informed by, and seeks to expand upon, this work by more specifically examining measures used in the study of regulatory contexts.

Trust is a popular topic across a wide range of academic disciplines. While this review does not claim to comprehensively cover every piece of empirical work on trust in regulatory contexts published in this period, it was conducted systematically across two large databases. We will not provide such detailed scrutiny as Dietz and Den Hartog, but instead “zoom out” and provide an overview of a broad array of how empirical studies on trust in regulatory regimes have conceptualized and measured trust in the past five years.

In the following section, we first present the systematic methodology used. We then summarize the purely descriptive findings of the review. We give an overview of the number of studies on trust in regulatory regimes published in recent years, and the high-level nature of those studies (country, regulatory sector, methodology etc.) We then present separate discussions on how trust in different kinds of actors in regulatory regimes has been measured (in regulatory agencies, regulated actors, citizens etc.) This section closes with a reflective and critical discussion of the literature. We analyse prominent limitations and gaps in existing empirical work. We provide several recommendations for future scholarship, notably: a greater attempt at consistency and replication, an increased focus on qualitative analysis, and more studies which seek to measure trust by regulatory authorities and trust outside what Six and Verhoest refer to as the regulatory ‘triangle’ i.e. regulatory authorities, regulated actors, and citizens (2017, p. 8).

Our review found 114 relevant, empirical articles which seek to measure trust in regulatory contexts. The large majority of these studies measure trust quantitatively, typically through survey instruments. Yet, in almost every case the precise survey questions differ. Indeed, the way in which trust in regulatory contexts has been measured varies within and between different disciplines and methodological approaches. This is despite a great deal of consensus on the definition of ‘trust’ and types of trust. The vast majority of studies measure trust among actors in the regulatory triangle. A minority of studies seek to measure trust relationships in the broader regulatory regime. Further, studies have overwhelmingly focused on citizen trust in regulatory authorities, with very little attention paid to regulatory authority trust in citizens or other actors.



5.1 Review questions

Our central research question was as follows:

How have scholars empirically measured trust in regulatory contexts?

We had the following specific research questions guiding the review process:

1. What are the most common contexts studied (e.g. regions, sectors)?
2. How have scholars measured trust in and by different kinds of regime actors?
3. What high-level methods have scholars used (e.g. experiment, interview, survey)?
4. What precise measures/operationalizations have scholars used (e.g. question wording)?
5. Are there prominent limitations in the measurement of trust in regulatory contexts in recent scholarship?

These questions were chosen so that the review broadly replicated the method of Six and Verhoest (2017) and to allow for an analysis of potential gaps in literature.

Before answering these questions, we will outline how we conducted this review.

5.2 Review method

The entire protocol for the review is provided in Appendix A and summarized in Figure 9. This review was conducted systematically using the Web of Science and Scopus databases. Following Six and Verhoest (2017), the search included articles where the terms ‘regulation’ and ‘trust’ (and synonyms) were present in the title, abstract, or keywords. Results were further limited to articles or book chapters in English, and excluding irrelevant disciplines using the criteria in Table 17. To support the systematic review process, an expert consultation was also conducted. Several experts in the field of trust in regulatory contexts were requested to provided relevant articles.

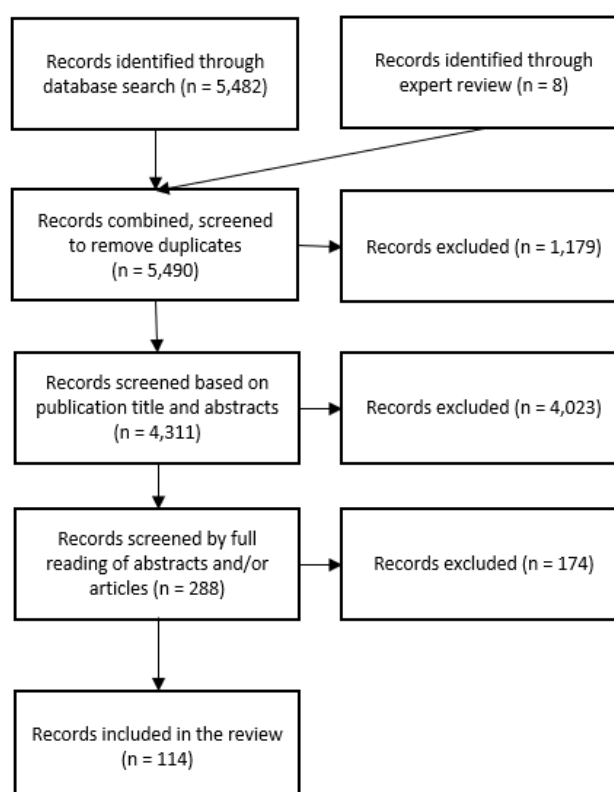


Figure 9: Flowchart for database searches and retaining studies



An important inclusion/exclusion criterion was whether the study measured trust in regulatory contexts. Regulation is a concept which can and has been used in many different ways. For the purposes of this review we use the following definitions of regulation, trust relations, and regulatory context and trust relationships in regulation regimes.

Regulation is “about rule-making, standard-setting, information-gathering, judging whether rules and standards have been met and, where necessary, behaviour-modification through sanctions” (as defined by the TiGRE consortium). But regulation goes beyond this as it is “a mode of governance involves the promulgation of rules, and the creation of dedicated institutions and mechanisms to monitor, assess and enforce these rules” (as defined by the TiGRE consortium).

The focus in this review is on **trust relations between actors** within regulatory regimes. These actors are considered to include, in addition to regulators and regulatees, “the political superiors of the regulators, the organisations that defend the interests of the regulated, parliamentary bodies and courts to which regulators are accountable, and other stakeholder interests such as those of affected civil society and third-parties, which are defended by consumer organisations and public interest groups. Other administrative bodies, experts, and the media also have a say in the process” (as defined by the TiGRE consortium).

Regulatory contexts are understood to be regimes which are designed to administer formal, state regulation. This does not mean that informal aspects of regulatory regimes, nor non-state actors which are part of regimes, are ignored. Rather, the term regulatory contexts simply serve to draw a contrast to: 1) contexts which are not regimes designed to make and/or administer formal state regulation (or where this is a tertiary goal of the regime) e.g. public health, public schools and universities, funding for the arts, the military, large infrastructure projects; and 2) government in general trust relations in the amorphous, abstract notion of government rather than specific regimes or actors therein.

Thus, articles which measure trust by any and all actors involved in regimes designed to administer formal state regulation (government and non-government) were included. Studies which measure trust outside of such a regime, and not in regard to any kind of regulatory issues or context, were excluded. For example, a study about the media’s trust in politicians’ claims about the space program.

Table 17: Inclusion/exclusion criteria

Included	Excluded
Articles which measure trust <i>in or by</i> actors involved in regulatory regimes (regulatory agencies, citizens, regulated actors, politicians/parliament, government in general, the civil servants, government departments, courts, the media, and other stakeholders.)	Articles which are not in peer-reviewed, international, academic journals
	Non-empirical i.e. entirely theoretical articles
	Articles which <i>solely</i> concern perceptions <i>other than</i> trust e.g. legitimacy, general reputation
	Articles which measure trust in private actors/organizations, politicians/elected officials, government in the abstract where these studies are outside regulatory contexts
	Articles which measure trust relations which are otherwise obviously tangential to TiGRE WP1



Following the inclusion/exclusion process all articles were then coded for descriptive information (bibliographical details, country, sector) and for the nature of trust measurement/operationalization used).

The full text of three articles were not accessible. While information on the region, regulatory sector, and high-level method was provided in their abstracts, other information on the details of the trust relationship studied and metrics was not. Thus, figures in regard to region, sector, and method in the review are for all 114 articles while all other figures refer to only the 111 fully accessible articles.



5.3 Results

This section will present the results for each research question. A summary of all selected articles found is provided at Appendix B.

5.3.1 RQ1) What are the most common contexts studied (e.g. regions, sectors)?

First, we provide generic information about the regulatory contexts studied in recent years; both in terms of geographic context, and regulated sector studied (Table 18 and Table 19).

Europe (39%), North America (31%), and Asia (14%) are the regions in which trust is most commonly studied in the publications that were analysed. The USA (26%), Netherlands (8%), and China (7%) are the most commonly studied nations. Nine percent of studies cover more than one nation. Overall, the literature on regulatory trust tends to centre around Western countries (74%), and less scholarly attention is paid to regulatory trust in other parts of the world.

The articles found measure trust in a wide range of regulatory contexts. The most frequent sectors studied are food safety (17%), natural resource management/environment (17%), policing (14%), and finance/accounting (12%). Five percent of articles study multiple sectors. Remaining sectors studied individually are: agriculture, electricity/energy, government, infrastructure, mining, and transport. This means that the literature is diverse in terms of regulatory sector, but that there are three-four dominant sectors.

Table 18: Articles by region studied

Region	Articles	Percentage
Africa	1	1%
South Asia	1	1%
Middle East	2	2%
Central America	5	4%
Australia/NZ	6	5%
Asia	16	14%
North America	35	31%
Europe	44	39%
Multiple ¹	4	4%
Total	114	100%

Table 19: Articles by regulatory sector studied

Sector	Articles	Percentage
Health	7	6%
Utilities, Water	8	7%
Tax	9	8%
Finance/Accounting	12	11%
Policing	16	14%
NRM/Environment	19	17%
Food safety	19	17%
Other	26	23%
Total	114	100%

¹ 'Multiple' was coded where the study included countries from one or more region e.g. comparative studies of USA, England, and Australia.



5.3.2 RQ2) How have scholars measured trust in and by different kinds of regime actors?

After this general exploration of the literature, we delved into the specific trust relationships scholars have examined. As seen in Table 20 and Table 21, most studies have measured citizen trust in state authorities. That is, citizen trust in either specific regulatory authorities (agencies/departments/police forces) or government in general.

The majority of articles in this review (87, 77%) measure trust between actors in the regulatory ‘triangle’ (Six and Verhoest 2017, p. 8). That is, trust among regulators, regulated actors (e.g. facilities, businesses), and citizens/the general public. Other articles (27, 23%) measure trust among and between members of the broader regulatory regime e.g. politician’s trust in private auditors.

Table 20: Five most commonly studied trust ‘subjects’ and trust ‘agents’

	Trust subjects (trustees)	Trust agents (Trustors)
5	Regulated actors (2%)	Private audit firms/Government (2%)
4	Citizens (9%)	Regulated actors (7%)
3	Government (general) (21%)	Specific regulatory authority (10%)
2	Specific regulatory authority (27%)	Multiple (19%)
1	Multiple (37%) ¹	Citizens (55%)

Table 21: Five most commonly studied types of trust relationships

Relationship	Articles	Percentage
Citizen trust in non-government actor in regulatory regime	7	6%
Regulated actor trust in government	7	6%
Mutual trust among actors in regulatory regime	8	7%
Specific regulatory authority trust in citizens	9	8%
Citizen trust in government	14	13%
Citizen trust in specific regulatory authority	18	16%

5.3.3 RQ3) What high-level methods have scholars used (e.g. experiment, interview, survey)?

Turning to the methodological aspects of our review, we consider which methods have been used to measure trust and which methods are more common than others. Table 22 provides an overview. These results show that, among these articles, 74% of the measures of trust are quantitative, 20% are qualitative, and 6% are mixed. The most common methodologies used are surveys (56%), experiments (13%), and case studies (11%). The most commonly drawn upon datasets measuring trust are the European Social Survey (3 articles) and World Values Survey (2). Overall, we see that quantitative methods are dominant and that, within this category of methods, surveys are most used to measure trust in a regulatory context.

¹ ‘Multiple’ was coded where the study measured trust in more than one distinct actor in the regime. The most common way this manifested was studies which ask citizens to rate their trust in various actors in the regime e.g. how much do you trust the local water authority, how much do you trust the state government, how much do you trust the private water company? Another common tendency was to ask about trust in government in general (e.g. do you agree government is good at its job) along with trust in specific actors in the regime (e.g. do you agree the Financial Regulator is good at its job). Finally, some studies measure overlapping, mutual trust relationships various actors in the regime (particularly common in qualitative case studies) (e.g. Brown et al. 2016). This, too, was coded as ‘multiple’ subjects.



Table 22: Article method by type

	Method	Articles	Percent
	Survey	62	56%
	Experiment	14	13%
	Other	6	5%
Quantitative	Subtotal	82	74%
	Case study	9	8%
	Interviews	5	5%
	Multiple	4	4%
	Other	4	4%
Qualitative	Subtotal	22	20%
	Case study	1	1%
	Multiple	6	6%
Mixed	Subtotal	7	6%
	GRAND TOTAL	111	100%

5.3.4 RQ 4) What precise measures/operationalizations have scholars used?

In this section we look into how trust has been operationalized in studies between 2014-2019.

Two useful distinctions can be drawn in the way different studies have approached the measurement of trust in regulatory regimes. First, we can divide studies based on whether they present a uni- or multi- dimensional *conceptualization* of trust. Multidimensional conceptualizations state that there are several dimensions which ‘add up’ to what we understand to be the phenomenon of trust. For example, Grimmelikhuijsen, de Vries, and Zijlstra (2018) argue that ‘trust in public organizations’ is made up of the perceptions that the organization has integrity, is competent, and is benevolent. Thus, trust is a latent concept made up of the dimensions of integrity, competence, and benevolence. By contrast, unidimensional conceptualizations of trust treat the concept as singular, and having no sub-dimensions. In the articles reviewed, trust is often implicitly treated as a unidimensional concept by authors. For instance, Guo et al. (2019) measures trust in water regulatory regimes solely through the question: “In general, to what extent do you trust state government to do what is right?”

Second, we can divide studies as to whether they use uni- or multi- dimensional *metrics* for trust. Metric refers to the operationalization used (e.g. the set of survey questions and how they are analysed to measure trust). Please note that multidimensional concepts can be measured with a unidimensional metric. Trust indexes/scales are a prominent example. Here, respondent answers to questions about the various dimensions of trust can be combined into a single score representing how much they trust a subject (e.g. benevolence score + competence score + integrity score = overall trust score). Treating trust as a multidimensional concept, but measured with a unidimensional index/scale, is the most common way trust is measured in the articles reviewed (41%). Alternatively, a unidimensional metric can also simply mean the researcher used a single measure (e.g. one question, binary coding of trust/no trust). For example, Kowitt et al. (2017) measure trust with the survey item: “In your opinion, does the (CDC or FDA) give trustworthy information to the public?” (Yes, No). This single item approach is taken in 19% of articles.

Other authors, however, treat trust as a multidimensional concept which requires multidimensional metrics. That is, the different dimensions of trust are measured separately and not combined into a single measure. For example, Alon and Habeman (2017) have distinct measures for ‘rule-based’ and ‘dispositional’ forms of citizen trust in government authorities. Lee and Dodge (2019) measure trust and *distrust* as distinct concepts,



rather than opposites on a unidimensional scale (see also Verhoest, Rommel, and Boon 2014). It may be the case that more authors consider trust in this multidimensional way, given that it was sometimes not clear in the review exactly how authors conceptualized trust (27%). The most common reason for the coding of 'unclear/NA' in this field is that authors do not fully articulate their conceptualization of trust, or the distinction is difficult to apply given their theory or methodology e.g. grounded theory, critical discourse analysis.

Table 23: Uni- versus multi- dimensional conceptualizations and metrics for trust

	Uni-dimensional metric	Multidimensional metric
Unidimensional concept	Trust is a singular concept, with no sub-concepts, measured with a single metric e.g. Do you trust the regulator (Y/N)?	NA
Multidimensional concept	Trust is a multidimensional concept, made up of two or more sub-concepts, but measured with a single metric e.g. Trust indices or scales which combine answers on several dimensions of trust into one number	Trust is a multidimensional concept, made up of two or more sub-concepts, measured with multiple, separate metrics that are not combined. e.g. Verhoest, Rommel, and Boon (2014) separate trust in regulator's good intentions from trust that the regulator is competent. Marques, Critchley, and Waslhe 2015 measure trust in a regulatory regime through separate measures for trust in the various actors of that regime; government, scientists etc.

Beyond the uni- versus multi- dimensional distinction, it is difficult to make generalizations about the nature of measurements of trust in recent studies. There is a great deal of variation in the precise measurement of trust between studies e.g. wording of survey items. To make analysis clearer, the next section is divided into four parts focused on different kinds of trust subjects: 1) regulatory agencies/authorities, 2) citizens/regulated actors, and 3) trust in government. In each section, a brief quantitative summary of the nature of studies and methods is presented before the measures are described more qualitatively.

5.3.4.1 Trust in regulatory agencies

Table 24: Articles by region studied

Region	Number
Europe	14
North America	8
Asia	3
Other	5
Total	30



Table 25: Articles by regulatory sector studied

Regulatory sector	Number
Natural resource management	7
Policing	6
Tax	5
Other	12
Total	30

Table 26: Articles by method

Method	Number
Survey	17
Experiment	6
Other	7
Total	30

Table 27: Articles by sub-type of trust relationship

Relationship	Number
One way trust	
Citizens in regulatory agencies	17
Regulated actors in regulatory agencies	4
Trust by others in regulatory agencies	9
Mutual trust	3
Total	30

Here, trust in ‘regulatory agencies’ refers to public agencies or departments dedicated to regulatory tasks and/or studied in a regulatory context. For instance, national departments of wildlife were included in this section where studies concerned their regulation of, say, deer hunting. Tax authorities and the police are also included in this category.

In coding the articles, a distinction was made between trust in specific regulatory authorities and government in general. Specific regulatory authorities refer to particular organizations e.g. the Ottawa Chemicals Regulator, the local government health inspectorate. This is contrasted to studies which measure trust toward the abstract notion of ‘regulatory authorities’ or ‘the government’ e.g. a survey question like ‘can government be trusted?’ or ‘in general, information from regulatory authorities is trustworthy’.

This distinction was made, first, because of common differences in measurements of trust in these two kinds of subjects. As will be seen, in studies of specific regulatory authorities it is common to ask detailed questions about many different aspects of the authority’s performance and behaviour, whereas for abstract regulatory authorities this is typically not observed. Second, conceptually there is a distinction between respondents’ general/pre-conceived levels of trust in government/public organizations and their trust in a specific regulatory authority. Indeed, this distinction is so important that trust in government in the abstract is sometimes treated as a control variable in studies of perceptions of specific public organizations (see, for example, Lee and van Ryzin’s (2018) development of a scale for measuring the reputation of different US



public organizations). Trust in government in general, or ‘regulatory authorities’ in the abstract, are discussed in a section below and the remainder of this section only concerns trust in specific departments and agencies.

Thirty articles included measures of trust in regulatory agencies. Trust in regulatory agencies has most commonly been studied in Europe, North America, and Asia. The most commonly researched sectors are natural resource management/environment, policing, and tax. Twenty-seven articles concern *one-way* trust in regulatory agencies; by citizens, regulated actors, or others. Three concern *mutual* trust between regulatory agencies and other actors (typically regulated actors, see next section).

The most commonly used methods are surveys (17) and experiments (6). Twenty-six of the articles are quantitative, and only two qualitative. Indeed, the most common approach is a survey with questions about different dimensions of trust, measured with Likert-scales, combined into a unidimensional measure of trust (although there are also several studies using a single question to measure trust).

Some studies have sought to measure overall trust in a given regulatory authority. That is, how much people trust the organization itself, in a general sense (e.g. Verhoest, Rommel, and Boon 2014). Other studies have focused on public trust in the information provided by regulatory authorities. For instance, people’s trust in the information in food safety labels as a reflection of their trust in the food safety authority (Cummings et al. 2018). Relatedly, some studies seek to measure trust in an authority’s handling of a particular regulatory process e.g. risk analyses for new pesticides (Calliera et al. 2016). Due to differences in the way trust is measured between these categories, they are discussed separately.

Trust in regulatory agencies as organizations

The most common approach in measures of trust in regulatory agencies is to examine the extent to which people trust the agency on the whole (rather than trust in specific aspects of the agency’s work e.g. its provision of information, its handling of specific decisions).

One approach to measurement has been to ask respondents about trust directly. That is, to ask respondents how much they ‘trust’ the agency (usually on a Likert-scale), leaving the meaning of the term open to interpretation (e.g. Weaver et al. 2017; Velez, Adlerstein, and Wondolleck 2014; Devaney 2014; Bradford-Knox and Neighbour 2017; Rudolph and Riley 2014; He, Han, and Liu 2019; Murphy, Mazerolle and Bennett 2014; Brinkman 2018). Alleyne and Harrison (2017) had an open field in their survey of Barbados taxpayers, which they coded qualitatively to determine if trust in authorities was an important factor in tax evasion. More commonly, however, researchers define trust and create measurements for respondents on the basis of those definitions. We discuss these in the next section.

Trust as beliefs in agency competence and benevolence

In many studies, researchers have treated trust as synonymous with a belief that either a regulator is competent or is benevolent. In the former group, authors define trust as a belief that a regulator is effective at its tasks (Charlebois et al. 2017; Xu, Wu, and Luan 2020; Zannakis, Wallin, and Johansson 2019). In the latter, authors often refer or allude to Rosseau et al.’s (1998) definition of trust: one’s intention to accept vulnerability to the actions of the regulatory agency based on the expectation that the regulatory agency will not betray that trust (Six and van Ees 2017; van der Voort 2017; Mills and Reiss 2017; Riley et al. 2018). Thus, trust is defined as a belief that the regulator will behave benevolently.

Similarly, trust in the context of tax regimes is often conceptualized as the belief that authorities have good intentions/are working toward the common good (Prihandini 2018; Sigle et al. 2018; Kaplanoglou et al. 2016). These studies draw on the ‘slippery slope framework’ (coined by Kircher et al. 2008). The slippery slope is a theoretical notion that seeks to explain tax compliance behaviour as a product of regulatory ‘style’. Style here refers to the idea that authorities can encourage compliance either through power (i.e. shows of force which induce fear of punishment for non-compliance) or ‘trust’. ‘Trust’ is indicated by a taxpayer belief that the authority is working toward the common good i.e. is benevolent. In these studies, however, it is clear that there is conceptual overlap between ‘benevolence’ and beliefs in the authority’s competence, fairness,



and integrity (e.g. in the item “the tax office makes sure to have the necessary information available to take decisions” in Sigler et al. 2018).

In their interview study of a Flemish energy regulator, Verhoest, Rommel, and Boon (2014) state that the two above conceptualizations are quite different. The trust which arises from a belief in a regulator’s competence is distinct from trust in a regulator’s intentions which might arise from repeated, faithful interactions (which they call identity-based trust). Despite this objection, the overwhelming tendency in the literature is to combine multiple, different conceptual dimensions of regulator trust into unidimensional metrics. That is, to combine respondent answers on different dimensions of regulator trust into a single index/scale score (Ryu, Kim, and Kim 2018; Kim, Kim, and Kim 2014). Competence and benevolence are almost always included as dimensions of regulator trust in such scales (Six and van Ees 2017; Bronfman et al. 2015), often along with one or more additional dimensions.

Grimmelikhuijsen, de Vries, and Zijlstra (2018) and Grimmelikhuijsen et al. (2019), for instance, employ an index to measure trust in public organizations, derived from Grimmelikhuijsen and Knies (2017). In their conceptualization, trust is made up of three dimensions: benevolence, competence, and integrity. These are in turn measured with three items each, and combined into a unidimensional measure. Similarly, Schmidt et al. (2017) developed and then applied (2018) an 8-item index to measure trust in the US Food and Drug Administration made up of the dimensions of trust, expertise (i.e. competence), and public interest (i.e. benevolence/goodwill). This index has also been applied by Osman et al. (2018). Eriksson (2018) measures trust in a wildlife authority as combining perceptions of competence and shared values between regulator and hunters. Also in the context of natural resource management, Schroeder et al. (2017) measure ‘institutional trust’ in a regulatory authority, which they define as “the willingness to rely on those with formal responsibility for decision making and management of public resources” (Schroeder and Fulton, 2017, p. 3). Their index includes questions about the authority’s competence, honesty, openness, fairness, and benevolence. Finally, Carter and Morgan (2018) seek to measure ‘regulatory trust’ (derived from Bratspies 2009) in their mixed method study of citizen trust in regulatory authorities. Here, regulatory trust is made up of 11 factors including beliefs about the regulator’s expertise, independence, and ‘stewardship’ (caring and integrity).

There is a great deal of variation in the exact survey items researchers have used, but also a great deal of conceptual consistency. Nearly all of these studies consider trust in regulatory agencies to be made up of perceptions that the agency is competent and benevolent/has good intentions.

Other conceptualizations and measurements

Rather than asking about regulatory authorities in surveys, another approach to measuring trust is to have respondents select/rank the trustworthiness of different organizations. That is, respondents are presented with questions or scenarios and asked which organization they would trust to be involved in regulation/decision making. We see this approach in Kendall et al.’s (2018) focus group study of food safety in China and Dobbie, Brown, and Farrelly’s (2018) survey study of Australian water practitioners.

In a variation of this kind of measurement approach, Martin et al. (2019) treat trust in regulatory authorities as the independent variable in their experimental study. The authors manipulate whether respondents receive a given message from a source they are likely to trust versus a source they are less likely to trust. Based on prior research, governments are much less trusted than scientists. Thus, in this study high trust is operationalized by having respondents receive information from a ‘scientist’ and low trust by having them receive it from a government department.

Two other studies that conceptualize trust as the independent variable in an experiment are Kaplanoglou et al. (2016) and Aven, Morse, and Iorio (2019). In the former, due to the sensitive nature of asking about attitudes to tax and tax authorities, the researchers describe instead fictional countries with trustworthy and less trustworthy governments. These vignettes are used to operationalize higher and lower trust in government, to test the effects of trust on the subject’s hypothetical willingness to pay tax in that fictional



country. In the same study, the authors also use the vignettes to determine the subject's trust in their own government. They do so by asking subjects how similar these governments are to their own government. Aven, Morse, and Iorio take a different approach. In their 2019 study the researchers recruited subjects for a trust-game simulating regulated interaction. They sought to establish the effect of a trust between participants on the outcomes of the games. To do so, they chose pairs of subjects who had known one another for different amounts of time (in four categories from shortest to longest relationship). Longer relationships were assumed to mean the pair had higher trust.

Some researchers have argued that the presence of certain kinds of legal agreements and institutional arrangements indicate trust. Dementiev and Lobyko (2014) model certain kind of public-private partnerships to represent trust between regulators and private parties and van der Voort (2017) makes similar arguments about agreements amongst public and private actors.

All the above studies are focused on measuring trust in regulatory contexts. Several studies, however, measure trust only as one dimension of the larger concept they are interested in, notably organizational reputation, procedural justice, and legitimacy.

Overman, Busuioc, and Wood (2020) and Capelos et al. (2018) both consider a perception that regulators are trustworthy to be a component of its bureaucratic reputation (Carpenter 2001). In Overman, Busuioc, and Wood's index of EU regulatory agency reputation, the authors do not overtly argue that trust itself is a sub-dimension of the concept of reputation. They do, however, measure closely related statements like 'the agency has integrity' and 'the agency works transparently'. Capelos et al. treat perceptions of the trustworthiness of the Cypriot water regulator as a subset of the dimension of its reputation for 'moral reliability'.

Rudolph and Riley (2014) treat trustworthiness as a dimension in the latent concept of procedural justice. Bradford et al. (2015) also consider trust to be a dimension of procedural justice. In their field experiment of police traffic stops they operationalize trust in two ways. First, in the 'scripts' officers use with the public during the stop. In the 'treatment' stops, officers use a script which incorporates messages designed to represent greater procedural justice, including that the police have trustworthy motives. Second, the authors asked the public to complete a post-stop survey which includes questions about 'trust in police effectiveness'.

In a similar vein, Schuck (2020), Karakus (2017), and Reisig, Tankebe and Mesko (2014) treat citizen trust in the police as a dimension of police legitimacy. In Schuck (2020) trust is defined as the belief that the police have trustworthy motives (drawing on Sunshine and Tyler's (2003) conceptualization of legitimacy). In the other two studies, the meaning of trust is typically left up to the interpretation of the respondent (although Reisig, Tankebe and Mesko also operationalize trust in the police as synonymous with being proud to have the police in the community).

Trust in agency information/processes

Finally, several studies measure trust in the information a regulatory agency provides and/or specific decision-making processes it has undertaken (Velez, Adlerstein, and Wondolleck 2014; Calliera et al. 2016; Marques, Critchley, and Walshe 2015; Balog-Way et al. 2019; Cummings, Chuah, and Ho 2018; Ishii et al. 2015; Calliera et al. 2016; Kowitt et al. 2017). Trust in information or processes is commonly measured in studying food safety, pharmaceuticals, chemicals, and tap water. The most common methodological approach is to ask respondents, on a Likert-scale, how much they trust information coming from various members of a regulatory regime, where 'trust' is left to the respondent's interpretation.



5.3.4.2 Trust in citizens and regulated actors

Table 28: Articles by region studied

Region	Number
North America	8
Europe	5
Asia	2
Other	2
Total	17

Table 29: Articles by regulatory sector studied

Regulatory sector	Number
Policing	9
Utilities	2
Transport	2
Natural resource management	2
Other	2
Total	17

Table 30: Articles by method

Method	Number
Survey	11
Case study	4
Other	2
Total	17

Seventeen articles (15%) measure trust in citizens and/or regulated actors. This kind of trust is most commonly studied in North America, Europe, and Asia. Policing is the most common sector, but studies have also been done in the fields of transport, utilities natural resource management/environment and others. The most common methods used are survey and case studies.

This review initially sought to separate the discussion of measures of trust in citizens from trust in regulated actors. As will be seen, this proved difficult because not all studies make such a methodological distinction. Thus, trust in citizens and regulated individuals will be presented first, followed by trust in regulated organizations.

Trust in citizens/regulated individuals

Ten articles measure trust in individual members of the public. Applying the definition of ‘citizen’ from the regulatory triangle framework (Six and Verhoest 2017), only one study truly measures trust in citizens. In a study of US environmental regulation, Dincer and Fredriksson (2018) measure trust of citizens in other citizens they do not personally know (‘generalized trust’). Following Putnam (2000), the authors use answers from the DDB Needham Life Style Survey, combined into an index.

The other nine articles measure police officers’ trust in their local communities. These policing studies do not draw a clean distinction between trust in citizens and trust in regulated actors. For police officers, members



of their local community can be either dangerous actors to be regulated, third-party witnesses, or even allies to the police. Indeed, whether individual officers see citizens primarily as actors to be regulated, or as allies, is treated as an indicator of their trust in the public. Measures used in these studies, therefore, are not well suited to measuring trust in citizens purely in their role as citizens. Yet, they may have value for regulatory contexts where an individual in a relationship with a regulator is – at various times – a regulated actor, a third-party witness, or an ally¹.

The policing studies of trust in individuals all involve a unidimensional metric (survey indices) with a series of Likert-scale questions. Some studies ask police officers about trust directly (e.g. how much do you agree it is naïve to trust citizens, in van Craen and Skogan 2017; Sun et al. 2018 and Sun et al. 2019). Mourtgos et al. (2019) consider trust to be indicated by an officer's willingness to be vulnerable to the public and present a 16-item index to measure such willingness. Zamir and Harpaz (2019) and Trinkner, Tyler, and Goff (2016) consider trust in the public as a component of larger concepts: 'support from the public' and 'cynicism' respectively. Others consider trust a latent variable made up of perceptions that citizens are benevolent, honest, and can be expected to do the right thing (in the context of policing: to be compliant). Kutnjak, Peacock, and Cajner (2019) ask whether citizens can be trusted to do the right thing, have good intentions, and are likely to 'behave'. Carr and Maxwell (2018) measure trust as an unidimensional metric combining two sub-dimensions: trustworthiness of citizens and officer willingness to partner with the public. Many of the dimensions of trust in individuals/citizens seen in policing studies mirror those seen in studies of trust in regulatory agencies. For instance, they include beliefs that the public is generally benevolent and honest and a willingness to make one's self vulnerable to the public.

Trust in regulated organizations

Nine articles measure trust in regulated organizations. Pautz and Rinfret (2016) measure one-way trust by regulators in regulated organizations in their study of a US environmental regulator. They draw on Pautz and Wamsley's descriptive framework (2012) as a foundation to create an index of the regulators' trust in their regulatory counterparts. They use two survey items, essentially asking regulators to rate on a Likert-scale how much they trust their regulated community.

All other studies into trust in regulated actors (7) measure two-way, mutual trust. Five of these studies are qualitative (most employing semi-structured interviews). One study uses grounded theory, and therefore does not 'operationalize' trust (Bradford and Neighbour 2017). Three studies draw on Rousseau et al.'s (1998) definition of trust. Mills and Reiss (2017) do not elaborate beyond Rousseau et al. (1998) on how trust was measured in their study of US aviation regulation. Six and van Ees (2017), by contrast, explain that their measurement of trust is grounded in the concept of 'trustworthiness'. In their interview study of water regimes in the Netherlands, they understand trustworthiness to be the combination of perceived competence and good intentions (as discussed in the above section). Lauesen (2016) presents a detailed qualitative coding scheme explaining how the concepts of trust, trust-building, trust-breakdown, and trust-recovery were measured in a study of water providers in Denmark. Reynaers and Parrado (2017) consider trust in their interview study of land use policy in the USA to be indicated by good working relationships, cooperation, dependency, and the presence or absence of certain legal agreements. In a related vein, Dementiev and Loboyko (2014) measure trust by reference to formal agreements between the state and private actors in their model of transport regulation in Russia. Where certain kinds of legal agreements are present, this is said to indicate trust between the regulatory authority and regulated organization.

Maresch, Aschauer, and Fink (2019) and Ashchauer et al. (2016) both measure trust between private auditors and their clients (private companies) using survey instruments. Both studies seek to measure interpersonal, identification-based trust, conceptualized as perceptions of the subject's benevolence and integrity. Maresch, Aschauer, and Fink (2019) operationalize this understanding of trust further into a combination of

¹ For example, financial regulators at times treat financial businesses as regulated actors, at other times as clients receiving public services, and at other times as partners in solving regulatory problems.



beliefs in the competence and ‘goodwill’ of an actor. In an experimental survey, the researchers manipulate both competence and goodwill trust as independent variables in the way they describe a hypothetical auditor and firm (e.g. very competent and successful, has a strong sense of justice). Ashchauer et al. (2016), by contrast, use a combination of survey questions and narrative interview questions/codes to measure trust. The wording of their survey items is very close to Maresch, Aschauer, and Fink (2019); reflecting the understanding that identification-based trust includes both competence (the client is very successful in his/her job) and goodwill (the client has a strong sense of justice). Once again, as with tax research, we see benevolence and integrity treated as one and the same dimension of trust (whereas in other research they are treated as separate dimensions e.g. Grimmelikhuisen, de Vries, and Zijlstra (2018).

5.3.4.3 Trust in government

Table 31: Articles by region studied

Region	Number
Europe	15
North America	14
Asia	8
Other	6
Total	43

Table 32: Articles by regulatory sector studied

Regulatory sector	Number
Food safety	12
Natural resource management/environment	6
Tax	4
Other	21
Total	43

Table 33: Articles by method

Method	Number
Surveys	27
Experiments	5
Case studies	3
Other	8
Total	43

This section concerns articles which measure trust in 1) government or authorities in general, and 2) politicians. In both cases these are limited (by the scope of the review) to regulatory contexts. That is, trust in government is measured in the context of, for example, faith in the food safety system.

Forty-three of the total review articles (40%) measure trust relations of this kind. Forty-one concern trust in government, and two in politicians/political institutions. Trust in government is most commonly studied in Europe, North America, and Asia. Food safety, natural resource management/environment, and tax are the most commonly studied sectors. The most common methods are surveys, experiments, and case studies.



Thirty-three of the studies are quantitative, and nine qualitative. The vast majority of studies concern citizen trust in government, with the other measuring trust by other kinds of actors.

Several studies measure trust in government by asking citizens about trust directly and leaving the meaning of the concept up to their interpretation (He, Han and Lieu 2019; Heck et al. 2018; Kowitt et al. 2017; Liu et al. 2019; Schdmit et al. 2018). Zannakis, Walin, and Johansson (2015) measure ‘political trust’ through the item ‘to what extent do you trust public institution in general’ (0-10). Bolleyer and Smirnova (2017) ask respondents how much they tend to trust or not trust national parliaments and political parties, respectively, in their study of regulation of parliaments and parties. Guo et al. (2019) ask respondents how much they trust government to ‘do what is right’.

More commonly, however, studies measure trust through more specific questions. Either about trust in specific institutions of government, or – as was the case in studies of specific authorities – conceptualizing trust as a latent concept measured by the beliefs that government is competent and benevolent.

Studies drawing on measures from existing datasets

Ten studies drew on measures in existing datasets. Three studies used the European Social Survey (Adriaenssens and Hendriks 2015B; Blanco-Gonzales, Prado-Roman, and Diez-Marin 2017; Whiteley 2014), two studies a Eurobarometer survey (Alexandru, Irina, and Alice 2014; Bolleyer and Smirnova 2017), two studies the World Values Survey (Alon and Hageem 2017; Cinar and Ugur-Cinar 2018), one the Asian Barometer survey (He, Hand, and Liu 2019), and one the American National Election Studies Trust in Government Index (Birskyte 2014).

Adriaenssens and Hendricks (2015) and Blanco-Gonzalez, Prado-Roman, and Diez-Martin (2017) both draw on similar items from the European Social Survey (on trust in the legal system, police, parliament, politicians, and political parties). Adriaenssens and Hendricks use data from these items to create an index of ‘institutional trust’, and Blanco-Gonzalez, Prado-Roman, and Diez-Martin an index of ‘legitimacy’. Whiteley (2014) uses only the question on trust in political parties from that Survey.

Similarly, Cinar and Ugur-Cinar (2018) use items from the World Values Survey to create a composite variable for trust in ‘regulative state institutions’. This is a unidimensional metric: an index made up of respondent answers, on Likert-scales, to how much trust they have in the judiciary, the police, and the civil services. Alon and Hageem (2017), instead, use World Value Survey questions on interpersonal trust – in combination with data from several other sources – in their study of ‘dispositional’ versus ‘rule-based’ trust in transitioning economies. Mickiewicz, Rebmann, and Sauka (2019) also use survey items – but not data- from the World Values Survey. In that case, they use the question ‘how much confidence do you have in the government’ (1-4).

Trust as beliefs in government competence and benevolence

Trust in government is commonly conceptualized as combining beliefs that government is competent and beliefs that government is benevolent into a unidimensional index. We see such indices in studies of food safety (DeLong and Grebitus 2018; Han and Yan 2019), water quality (Driedger, Mazur, and Mistry 2014), agriculture (Enticott et al. 2014), genetically-modified organisms (Hanssen et al. 2019), and the regulation of corporations (Wong, Wei, and Tjosvold 2015). In some cases, the notion of government being benevolent includes that government is honest/has integrity (as seen in research on tax and private auditors), while in others this is a separate dimension. Notably, survey item wording is similar but not replicated across these studies.

Other studies add further dimensions to the concept of ‘trust in government’. Bronfman et al. (2015) present an index to measure ‘social trust’ in ‘regulatory authorities’ in their study of energy regulation in Chile. Social trust is defined as a multidimensional concept made up of beliefs about institutional behaviour, centrally competence but with a number of additional dimensions (p. 353). PytlikZillig et al. (2017) use a 40-item index in their study of Dutch water regulatory institutions, measuring 12 components of trustworthiness based on



Mayer, Davis, and Schoorman's (1995) model (which includes dimensions like shared values and legitimacy). In a survey and focus group study of environmental regulatory policy in Hong Kong, Walker and Hills (2014) consider trust in government to have seven dimensions: competence, credibility, reliability, integrity, care, fairness, and openness.

Other conceptualizations and measurements

As in measurements of other kinds of trust, several studies are concerned with trust in government as a component of some larger concept. Musimenta et al. (2019) measure trust in government as a component of the concept of 'tax morale', drawing on Alm et al. (2006) where trust is largely understood as synonymous with a belief in government benevolence. Similarly, in their study of US environmental regulation, Rorie et al. (2018) measure trust as a component in procedural justice. In a different vein, De Boer and Eshuis (2018) measure trust, specifically, in government transparency with a single survey item.

In a few cases, authors measure trust in government but do not provide detailed conceptualizations nor measures (Alexandru, Irinia, and Alice 2014; Charlesbois et al. 2019; Herbert 2014; Hojberg, Nielsen, and Jacobsen 2017; Kumer 2014; Reiher 2017).

All remaining measures in these studies have already been described. These are in cases where trust in government is measured along with other actors in a regulatory regime, using – for all types of regime actors – the same question or other kind of measurement (Walrvarens 2017; Whittle, Mueller, and Carter 2016; Charlebois et al. 2017; Ishii 2015; Ryu, Kim, and Kim 2018; Carter and Moargan 2018; Edgeley, Paveglio, and Williams 2020; Bradford-Know and Neighbour 2017; Martin 2019; Reynaers and Parrado 2017).

5.3.5 RQ5) Are there prominent limitations in the measurement of trust in regulatory contexts in recent scholarship?

To address this question, we analysed the self-identified biases and other measurement issues reported in the "limitations" sections of articles. Here we summarize the most important points authors raised. Many of these limitations have been commonly observed by previous overviews, notably the OECD in their Guidelines for Measuring Trust (OECD 2017).

First, a number of authors raise concerns about whether models and measures of trust are equally valid between different jurisdictions or populations (see also OECD 2017, p. 104). Kutnjak, Peacock, and Cajner (2019) note that methods to measure police trust in the public which were developed in democratic countries may not translate well to newly democratized states. Mourtgos et al. (2019) go further, suggesting that methods to measure police trust may not be valid even across precincts in the same country (for example, between high- and low- risk parts of the country).

Second, a number of studies note limitations arising from survey measurement errors that apply to trust research. Osman et al. (2018) discuss the risks of priming effects. In that study, as is common in measuring trust, the risk arose from survey question order. In particular, if respondents are first asked about their political beliefs, risk, or feelings of safety this has been known to systematically bias their responses to subsequent questions about trust (OECD 2017, p. 91). Kaplanoglou et al. (2016) discuss social desirability as another potential measurement error in trust. When measuring trust, respondents can sometimes give an untrue answer because they think their true beliefs are not appropriate or normatively acceptable to others in society/the researcher (OECD 2017, p. 102). Kaplanoglou et al. (2016) note these effects can be particularly acute when studying regulatory contexts, where respondents may fear giving responses that suggest they are breaking rules or have negative opinions of government authorities (tax agencies, in this case) (p. 406). Finally, Shim and Park (2016) note that common method bias is a limitation in their study on whether political participation increase trust in authorities, as is often observed in survey studies of this kind (OECD 2017, p. 86).

Third, Kowitt et al. (2017) note that measuring trust in specific regulatory authorities tends to be biased because one only collects data from people who are aware the agency exists. The authors suggest that individuals



who are unaware of the regulators studied may well have systematically lower trust in those organizations. This limitation is an example of broader issues to do with sampling and recruitment when studying trust (OECD 2017, pp. 124-126).

Finally, in the literature reviewed a significant portion of studies employ a unidimensional conceptualization of trust (60%), meaning that no sub-concepts are distinguished theoretically. Siglé et al. (2018) mention that unidimensional conceptualizations of trust are likely to oversimplify the phenomenon. In measuring trust in tax authorities, they note that it is important to distinguish between implicit trust and the trust which comes from a rational assessment of the authority's behaviour. This echoes the objection from Verhoest et al. (2014) and Dietz and Hartog (2006) that perceptions of competence are irreducibly different to perceptions of good intentions. Whether unidimensional conceptualizations (and metrics) are considered a limitation, of course, depends upon one's theoretical understanding of trust; a subject of ongoing academic debate (OECD 2017, p. 40).

These self-reported limitations, and implications for future studies measuring trust, were considered in developing our conclusions.



5.4 Discussion and concluding remarks for Section 5

In this section we provide our critical reflections on the strengths, limitations, and gaps in measures of trust in regulatory contexts from recent literature. These are structured around our central recommendations for future research.

1. Develop and use more common metrics of trust

One strength in current literature is that authors tend to apply very similar definitions of trust, such as the well-known Rousseau et al. (1998) or Mayer et al. (1995) definition. Trust is commonly considered to be a multidimensional concept that includes the subject's perceived competence, benevolence, and (in some cases) integrity. Further, many studies take a similar approach to measuring trust. Often, researchers use quantitative survey instruments which measure citizen responses on a Likert-scale to questions about the competence and benevolence of a regulatory agency or government in general, combined into a single index score. Paradoxically, however, a striking result of this review is the diversity of measures used. We see one-off, specific instruments used across studies. Only a handful of studies replicate precise measurement approaches to trust (Grimmelikhuijsen and collaborators; Sun and collaborators; Maresch, Aschauser, and Fink 2019; Aschauser et al. 2016; Schmidt et al. 2018; Osman et al. 2018). Of course, there is a trade-off between ensuring comparable and valid generic scales and tailoring questions to the context of the study. However, it seems that currently the balance is tipping towards the latter which obstructs scientific knowledge production.

We encourage scholars to develop common measures and build on these measures to develop a common and comparable source of knowledge on trust in regulatory regimes.

2. In developing metrics, consider multiple dimensions and manifestations of trust

Although the broader trust literature indicates that trust is a multidimensional concept, we found that many studies on trust in regulatory regimes employ unidimensional measures of trust. Although the way trust is conceptualized depends on the specific goals of a study, it would be commendable to include a broader set of dimensions to capture trust. For instance, there is evidence that trust and distrust are distinct concepts (Lee and Dodge 2019), yet mostly only "trust" or "trustworthiness" is measured in the current literature. Multiple and different measures of trust should receive more scholarly attention to get a better understanding of (dis)trust in regulatory regimes.

As a related point, we found that nearly all studies measure trusting attitudes, rather than trusting behaviours or intentions to behave trustingly. This accords with conclusions from Dietz and Den Hartog (2006). Their detailed content analysis of 14 scales for intra-organisational trust found that measures hardly ever focus on its manifestation in trusting intentions or behaviour. This gap is remarkable since measuring intentions to act can help to better predict future behaviour than measure trusting attitudes (p. 567). We echo Dietz and Den Hartog's recommendation to examine trusting intentions and behaviours alongside attitudes.

3. Report trust measure methodology transparently

We found that almost a third of the articles in this review had unclear or undisclosed ways of measuring trust. Given the importance of studying trust and finding common ways to measure trust a first step would be to at least be transparent in how trust is measured so that other studies can build on this. Transparency is also important in regard to discussing actual or potential measure biases. There are now well-established principles for the conduct of quantitative and qualitative research into trust. For example, reducing the risks of socially desirable answers through making respondents feel more secure in their anonymity (OECD 2017, p. 104). Many authors in this review discuss biases and how they sought to reduce their influence. Where methodological details are not provided, however, it is difficult to build collective knowledge on the quality of various measurement approaches.



We encourage scholars, in both qualitative and quantitative approaches, to provide detailed descriptions of how they have conceptualized and measured trust in their research. Quantitative studies on trust should be accompanied by publishing full questionnaire items and metric properties in (online) appendices. Qualitative studies can achieve similar transparency by disclosing interview questions, coding schemes and analysis. Sampling and measurement biases and limitations should be discussed.

4. Measure trust through a wider array of methods, beyond survey instruments

A fourth striking finding is that survey research seems to be the predominant way of measuring trust in regulatory regimes. While we have no a priori reason not to use surveys, we do think it is important to further diversify the methodological toolbox of trust researchers in the regulatory domain. This can be done by employing 1) more diverse quantitative methods, 2) more diverse qualitative methods and 3) by using mixed method designs.

In regard to quantitative methods, there is potential – in particular - to increase the use of experimental methods to measure trust. Experiments are a potentially valuable tool for evaluating causal relationships between trust and other variables (e.g. compliance, collaboration) in regulatory contexts. Among qualitative studies, case studies and interviews were the most popular methods. There is potential, in particular, to increase methods like focus groups, discourse analysis, and Qualitative Comparative Analysis (QCA). A QCA approach allows researchers to identify configurations of sets of causal conditions that, for instance, together result in increased trust (cf. Ragin 1987). Other qualitative methods that are currently underrepresented but could yield important insights are content analyses of traditional news media and social media and ethnographic approaches.

Another finding of our review is that the current literature rarely combines quantitative and qualitative methods within one study (mixed methods). Employing a mixed methods approach of, for instance, survey experiments, case studies and social network analysis may result in much more reliable and profound knowledge in trust relations in regulatory regimes. Survey experiments yield knowledge about the causes of trust in regimes, social network analysis shows which actors are trusting each other and case studies provides rich understanding of these relations.

5. Develop and evaluate trust measures in a broader range of contexts

Another notable finding is that more than two thirds of studies are about trust in the immediate regulatory triangle. Only (12%) measure trust in or amongst other actors in regimes like scientists, businesses, NGOs, and community members. Across studies, trust by citizens in public organization is a well-examined phenomenon. Trust by regulators in citizens or other kinds of actors, however, is relatively scarce. Of these studies, further, the vast majority measure police officer trust in their communities (where citizens are simultaneously regulated actors) yet these findings which are not necessarily transferable to other regulatory domains.

Concerning regulatory sectors, there is a rich literature with measures of trust in food safety and natural resource management regimes. There are, however, many sectors which have been studied once or twice (for example: infrastructure, electricity markets, transport, and parliamentary regulations). Trust relationships in regimes in North America, Europe, Asia, and Australia/New Zealand have also been extensively measured. South and Central America, the Middle East, and Africa are underrepresented. These gaps are methodologically significant, as prior trust indicates that (cultural) context affects how trust measures are interpreted (Lyon et al. 2012; OECD 2017). In other words, measures developed in one context may not be valid if applied in another.

We encourage scholars to take up the opportunities and study trust in more diverse regulatory contexts. Obvious areas for further study are regulatory regimes beyond the ‘triangle’, regulator trust in citizens and regulated individuals and organizations, studies in the Global South, and research on currently understudied regulatory sectors.



5.5 Bibliography

- Alm, J. and Torgler, B. (2006) Culture differences and tax morale in the United States and in Europe. *Journal of Economic Psychology*. 27(2).
- Bratspies, R. (2009) Regulatory trust. *CUNY Academic Works*. http://academicworks.cuny.edu/cl_pubs/182
- Carpenter, D. (2001) *The forging of bureaucratic autonomy: Reputations, networks, and policy innovation in executive agencies, 1862–1928*. Princeton, N.J.: Princeton University Press.
- Dietz, G., and Den Hartog, D. N. (2006). Measuring trust inside organisations. *Personnel Review* 35(5): 557-588.
- Lyon, F., Mßllering, G., and Saunders, M. N. (Eds.). (2015). *Handbook of research methods on trust*. Edward Elgar Publishing.
- Mayer, RC. Davis, J.H and Schoorman, F.D. (1995) An integrative model of organizational trust. *The Academy of Management Review*. 20(3).
- OECD (2017), OECD Guidelines on Measuring Trust, OECD Publishing, Paris.
<http://dx.doi.org/10.1787/9789264278219-en>
- Putnam, R. (2000) *Bowling Alone: The collapse and revival of American community*. New York: Simon and Schuster Paperbacks.
- Ragin, Charles C. (1987). *The Comparative Method: Moving Beyond Qualitative and Quantitative Strategies*. University of California Press.
- Six, F. S. and Verhoest, K. (2017) Trust in regulatory regimes: scoping the field. *Trust in Regulatory Regimes*. Cheltenham: Edward Elgar Publishing.
- Sunshine, J. Tyler, T.R. (2003) “The Role of Procedural Justice and Legitimacy in Shaping Public Support for Policing. *Law and Society Review*. (37).



5.6 Appendix A

Protocol: Systematic comparative review of trust literature and critical reappraisal of concepts, approaches and methodologies

Aims and scope

In this document we lay out a protocol for how we intend to conduct a literature review for 5a Methodological issues - Operationalization and measurements.

This review will build on Six and Verhoest's 2017 systematic review, updating it to include more recent scholarship, but with a narrower focus. Six and Verhoest were reviewing a number of themes and findings of research, including which methods have been used to study trust. This current review will *only* review what methods and measures scholars have used i.e. ethnography, survey. This search will also go review measures in finer detail.

Our review of operationalization and measurement aims to provide a comprehensive overview of the metrics (both qualitative and quantitative) which scholars have used to measure trust in and by regulatory agencies. All relevant empirical literature will be systematically reviewed.

A list of metrics will be created, to the level of providing survey questions, experimental manipulations etc. These metrics would then be categorized and summarized in a document explaining and comparing various approaches.

Review questions

The overarching question the review seeks to answer is: *How (in studies of the last five years) have scholars empirically measured trust in regulatory regimes?* Major sub-questions are:

- **What high-level methods have scholars used** (e.g. experiment)?
- **What precise measures/operationalizations have scholars used** (e.g. question wording)?
- **Upon which datasets have scholars commonly drawn** (e.g. European Values Survey)?
- **How have scholars measured trust in and by different kinds of regime actors?**

In addition to these questions, the review will also produce other descriptive data about the nature of empirical research on the topic e.g. country where study conducted, trust relationships studied, industry sector etc.

Review method

Our review will be conducted systematically. Two databases will be searched: Web of Science and Scopus. Databases will be searched using the search terms described below. Abstracts will then be read manually and included or excluded based on the criteria described below.

The final list of included articles will be analysed to identify how the concept of trust has been operationalized/what metrics have been used. If the authors note problems which arose from the use of this metric (e.g. validity or replication issues), these will also be noted.

Metrics will then be reorganized into the methodological categories into which they fit (e.g. quantitative – experiment; qualitative – interviews). At the coding stage, some may be further excluded (with justifications recorded).

To support the systematic review process, we will also conduct an expert consultation. We will contact experts in the field to ask for recommendations for 2-3 recent publications on the topic.



Search terms

(Regulat* OR inspect* OR supervis*) AND (trust* OR *trust)

These terms are similar to those used by Six and Verhoest (2017). On their advice, synonyms for regulator are included and the search captures distrust, mistrusting, trusting, trustworthy etc. We note that this search should theoretically cover all kinds of trust relations between all kinds of actors in regulatory regimes (noting Inclusions and exclusions below). That is, trust between regulatory agencies, citizens, market actors, politicians/parliament, the civil service, courts, the media, and other stakeholders.

Regulation is “about rule-making, standard-setting, information-gathering, judging whether rules and standards have been met and, where necessary, behaviour-modification through sanctions” (as defined by the TiGRE consortium) and “[r]egulation as a mode of governance involves the promulgation of rules, and the creation of dedicated institutions and mechanisms to monitor, assess and enforce these rules” (as defined by the TiGRE consortium). Our focus in this review will be on “trust relations that shape the expectations and preferences of the various actors embedded in a regulatory regime and thereby their behaviour. These include, in addition to regulators and regulatees, the political superiors of the regulators, the organisations that defend the interests of the regulated, parliamentary bodies and courts to which regulators are accountable, and other stakeholder interests such as those of affected civil society and third-parties, which are defended by consumer organisations and public interest groups. Other administrative bodies, experts, and the media also have a say in the process.”

Regulatory contexts, thus, are understood to be regimes which are designed to administer formal, state regulation. This does not mean that informal aspects of regulatory regimes, nor non-state actors which are part of regimes, will be ignored. Rather, the term regulatory contexts simply serve to draw a contrast to: 1) contexts which are not regimes designed to make and/or administer formal state regulation (or where this is a tertiary goal of the regime) e.g. public health, public schools and universities, funding for the arts, the military, large infrastructure projects; and 2) government *in general* i.e. trust relations in the amorphous, abstract notion of government rather than specific regimes or actors therein.

We note that, where possible, searches will be limited to relevant disciplines e.g. public administration.

Inclusion/exclusion criteria

Included	Excluded
Peer-reviewed, academic, empirical articles from 2014-2019	Articles which are not in peer-reviewed, international, academic journals Non-empirical i.e. entirely theoretical articles
Articles which measure trust <i>in</i> or <i>by</i> actors involved in regulatory regimes (regulatory agencies, citizens, regulated actors, politicians/parliament, government in general, the civil servants, government departments, courts, the media, and other stakeholders.)	Articles which solely concern perceptions <i>other than</i> trust e.g. legitimacy, general reputation Articles which measure trust in private actors/organizations, politicians/elected officials, government in the abstracts where these studies are outside regulatory contexts Articles which measure trust relations which are otherwise obviously tangential



Coding

Articles will be coded descriptively and the measures within them analytically.

Descriptive codes

- Author
- Year
- Journal
- Country/countries
- Sector (i.e. market sector e.g. finance)
- Trust relationship (e.g. regulator in market actors, politicians in regulators)

Method

Analytical codes

Here, each metric, measure, or index would be treated as a single unit of analysis. Coding for metrics is proposed to be abductive. We will start from the codes in Table 34 below. However, we will add new codes if the pre-existing ones are inadequate for analysing the metrics we find.

Table 34: Trust metric codes

Question	Code category	Sub-codes
In <i>what kind of public organization</i> is trust being measured?	Trust subject	<ul style="list-style-type: none"> ■ Regulatory agency / Supervisor / Inspectorate ■ Government agency / department (non-regulatory) ■ Bureaucracy / civil service ■ Courts ■ Legal system (general) ■ Law enforcement agency (non-police) ■ Police force ■ Government in general ■ Politicians/parliaments ■ Other
Trust <i>by whom</i> is being measured?	Trust agent	<ul style="list-style-type: none"> ■ Regulators ■ Public organization (excl. regulators) ■ Citizens ■ Regulated actors ■ Politicians/parliament ■ Bureaucracy/civil service ■ Regime stakeholders (other)
Methodologically, <i>what kind of metric</i> is this? (Code here refers to words or behaviours the researcher has used to 'operationalize' trust e.g. in document analysis, words or phrases coded to represent trust in a regulator.)	Quantitative	<ul style="list-style-type: none"> ■ Survey question ■ Experimental manipulation ■ Interview question (structured) ■ Content analysis code* ■ Statistical analysis (non-survey) ■ Other
	Qualitative	<ul style="list-style-type: none"> ■ Interview question/answer code ■ Focus group question/answer code ■ Case study code ■ Qualitative comparative analysis code ■ Document analysis code ■ Observation/ethnography code ■ Other



	Mixed method ¹	(From categories above)
	Uni/multidimensional	<ul style="list-style-type: none"> ■ Unidimensional ■ Multidimensional
What dataset (if any) do the authors draw on?	Dataset	[This will include the eight databases for WP2 – once confirmed – and any others which are raised e.g. World Values Survey]
What are the <i>strengths and limitations</i> of the metric according to the authors? (We note that if the metric has been tested [e.g. factor analysis], results of that analysis would be included in these categories.)	Metric strengths/ limitations	NA

¹ We note this would rarely be required for individual metrics, except in the case of multidimensional indices.



5.7 Appendix B

Author	Year	Title	Journal/Book	Vol	No	Country(ies)	Sector	Method	Relation
Adriaenssens, S. Hendrickx, J.	2015	Can informal economic activities be explained by social and institutional factors? A comparative analysis	Socio-Economic Review	4	3	Multiple (26 European)	Tax	Survey	Regulated actor trust in government
Alexandru, P. D. Irina, M. Alice, C.	2014	Consumers' Attitude Towards Consumer Protection in the Digital Single Market, as Reflected by European Barometers	Amfiteatru Economic	16	36	Multiple - EU member states	Finance	Survey	Consumer trust in government
Alleyne, P. Harris, T.	2017	Antecedents of taxpayers' intentions to engage in tax evasion: evidence from Barbados	Journal of Financial Reporting and Accounting	15	1	Barbados	Tax	Survey	Citizen trust in specific regulatory authority
Alon, A. Hageman, A. M.	2017	An institutional perspective on corruption in transition economies	Corporate Governance: An International Review	25	3	Multiple - 10 transition economy countries	Tax	Survey	Regulated actor trust in government
Aschauer, E. Fink, M. Moro, A. van Bakel-Auer, K. Warming-Rasmussen, B.	2016	Trust and Professional Skepticism in the Relationship between Auditors and Clients: Overcoming the Dichotomy Myth	Behavioral Research in Accounting	29	1	Germany	Finance/Accounting	Mixed	Private audit firm trust in regulated actor
Aven, B. Morse, L. Iorio, A.	2019	The valley of trust: The effect of relational strength on monitoring quality	Organizational Behavior and Human Decision Processes			USA	Finance/Accounting	Experiment	Mutual trust between private audit firms and businesses
Balog-Way, D. Evensen, D.	2019	Effects of public trust on behavioural intentions in the pharmaceutical	Journal of Risk Research			Multiple - Great Britain, France, Germany,	Health	Survey	Citizen trust in actor in



Lofstedt, R. Bouder, F.		sector: data from six European countries				Denmark, Italy, and Poland			regulatory regimes
Barrera, Lbmd	2019	Persistent Exclusion in Mexico: Regulatory Governance as an Imperfect Project of Political Modernization	Politics and Policy	47	1	Mexico	Multiple - Agriculture, Telecommunications, Health, NRM/Environment	Case study	Mutual trust among actors in regulatory regime
Birskyte, L.	2014	The impact of trust in government on tax paying behavior of nonfarm sole proprietors	Analele Stiintifice ale Universitatii Al I Cuza din Iasi - Sectiunea Stiinte Economice	61	1	USA	Tax, small business	Survey	Regulated actor trust in government
Blanco-Gonzalez. A. Prado-Roman, C., Diez-Martin, F.	2017	Building a European Legitimacy Index	American Behavioral Scientist	61	5	Multiple - European member states	Multiple	Survey	Citizen trust in government
Bolleyer, N. Smirnova, V.	2017	Parliamentary ethics regulation and trust in European democracies	West European Politics	40	6	Multiple- 26 European democracies	Politics	Survey	Citizen trust in parliament
Bradford, B. Hohl, K. Jackson, J. MacQueen, S.	2015	Obedying the Rules of the Road: Procedural Justice, Social Identity, and Normative Compliance	Journal of Contemporary Criminal Justice	31	2	Scotland	Policing	Experiment	Citizen trust in specific regulatory authority
Bradford-Knox, R. Neighbour, S.	2017	Food safety compliance approaches: Case study of a primary authority partnership between E.H. Booths Ltd and Preston City Council	British Food Journal	119	4	England	Food safety	Interviews	Mutual trust between government and regulated actor
Brinkman, T. J.	2018	Hunter acceptance of antlerless moose harvest in Alaska: Importance of agency trust, proximity of hunter residence to hunting area, and hunting experience	Human Dimensions of Wildlife	23	2	USA	NRM/Environment	Survey	Citizen trust in specific regulatory authority



Bronfman, N. C. Jimenez, R. B. Arevalo, P. C. Cifuentes, L. A.	2015	Public Acceptance of Electricity Generation Sources: The Role of Trust in Regulatory Institutions	Energy and Environment	26	3	Chile	Utilities, energy	Survey	Citizen trust in abstract regulatory authorities
Brown, P. Hashem, F. Calnan, M.	2016	Trust, regulatory processes and NICE decision-making: Appraising cost-effectiveness models through appraising people and systems	Social Studies of Science	46	1	England	Health	Ehtnography	Mutual trust among actors in regulatory regime
Calliera, M. Marchis, A. Sacchetti, G. Capri, E.	2016	Stakeholder consultations and opportunities for integrating socio-behavioural factors into the pesticide risk analysis process	Environmental Science and Pollution Research	23	3	EU	Agriculture	Survey	Actors in a regulatory regime trust in specific regulatory authority
Capelos, T. Provost, C. Parouti, M. Barnett, J. Chenoweth, J. Fife-Schaw, C. Kelay, T.	2016	Ingredients of institutional reputations and citizen engagement with regulators	Regulation and Governance	10	4	Cyprus	Utilities, water	Survey	Citizen trust in specific regulatory authority
Carr, J. D. Maxwell, S. R.	2018	Police officers' perceptions of organizational justice and their trust in the public	Police Practice and Research	19	4	USA	Policing	Survey	Specific regulatory authority trust in citizens
Carter, R. M. Morgan, R. K.	2018	Regulatory trust and failure – a case study of coal seam gas in New South Wales, Australia	Journal of Environmental Planning and Management	61	10	Australia	Mining	Case study	Citizen trust in abstract regulatory authorities
Charlebois, S. Juhasz, M. Foti, L. Chamberlain, S.	2017	Food Fraud and Risk Perception: Awareness in Canada and Projected Trust on Risk-Mitigating Agents	Journal of International Food and Agribusiness Marketing	29	3	Canada	Food safety	Survey	Consumer trust in abstract regulatory authorities



Charlebois, S.Somogyi, S.Music, J.Cunningham, C.	2019	Biotechnology in food: Canadian attitudes towards genetic engineering in both plant- and animal-based foods	British Food Journal	121	12	Canada	Food safety	Survey	Consumer trust in abstract regulatory authorities
Cinar, K. Ugur-Cinar, M.	2018	The effects of executive constraints on political trust	Democratization	25	8	Multiple (73 democratic)	Multiple	Survey	Citizen trust in abstract regulatory authorities
Cummings, C. L. Chuah, A. S. F. Ho, S. S.	2018	Protection Motivation and Communication through Nanofood Labels: Improving Predictive Capabilities of Attitudes and Purchase Intentions toward Nanofoods	Science Technology and Human Values	43	5	Singapore	Food safety	Survey	Consumer trust in specific regulatory agency
de Boer, N. Eshuis, J.	2018	A street-level perspective on government transparency and regulatory performance: Does relational distance matter?	Public Administration	96	3	Netherlands	Food safety	Survey	Regulatory authority trust in government
DeLong, K. L. Grebitus, C.	2018	Genetically modified labeling: The role of consumers' trust and personality	Agribusiness	34	2	USA	Food safety	Survey	Consumer trust in government
Dementiev, A. Loboyko, A.	2014	Trusting partnerships in a regulatory game: The case of suburban railway transport in Russia	Research in Transportation Economics	48		Russia	Transport	Model	Mutual trust between regulated actor and regulatory authority
Devaney, L.	2014	Food risk in Ireland: Consumer perceptions, trust and dependence	Irish Geography	47	1	Ireland	Food safety	Focus group	Consumer trust in actors in regulatory regime
Dincer, O. C. Fredriksson, P. G.	2018	Corruption and environmental regulatory policy in the United States: Does trust matter?	Resource and Energy Economics	54		USA	NRM/Environment	Survey	Mutual trust among citizens



Dobbie, M. F. Brown, R. R. Farrelly, M. A.	2016	Risk governance in the water sensitive city: Practitioner perspectives on ownership, management and trust	Environmental Science and Policy	55		Australia	Utilities, Water	Survey	Mutual trust among actors in regulatory regime
Dowling, C. Knechel, W. R. Moroney, R.	2018	Public Oversight of Audit Firms: The Slippery Slope of Enforcing Regulation	Abacus	54	3	Australia	Finance/Accounting	Interviews	Private audit firm trust in specific regulatory authority
Driedger, S. M. Mazur, C. Mistry, B.	2014	The evolution of blame and trust: An examination of a Canadian drinking water contamination event	Journal of Risk Research	17	7	Canada	Utilities, Water	Mixed	Multiple. Citizen trust in government. Citizen trust in abstract regulatory authorities
Ebel, S. A. Beitl, C. M.Runnebaum, J.Alden, R.Johnson, T. R.	2018	The power of participation: Challenges and opportunities for facilitating trust in cooperative fisheries research in the Maine lobster fishery	Marine Policy	90		USA	NRM/Environment	Interviews	Mutual trust among actors in regulatory regime
Edgeley, C. M. Paveglio, T. B. Williams, D. R.	2020	Support for regulatory and voluntary approaches to wildfire adaptation among unincorporated wildland-urban interface communities	Land Use Policy	91		USA	NRM/Environment	Mixed	Multiple. Citizen trust in government. Citizen trust in actors in regulatory regime
Engen, O. A. Lindøe, P. Hansen, K.	2017	Power, trust and robustness – The politicization of HSE in the Norwegian petroleum regime	Policy and Practice in Health and Safety	15	2	Norway	Mining	Focus group	
Enticott, G. Maye, D. Fisher, R.	2014	Badger vaccination: dimensions of trust and confidence in the governance of animal disease	Environment and Planning A	46	12	England	Agriculture	Multiple	Citizen trust in government



Ilbery, B.
Kirwan, J.

Eriksson, L.	2018	Conventional and New Ways of Governing Forest Threats: A Study of Stakeholder Coherence in Sweden	Environmental Management	61	1	Sweden	NRM/Environment	Survey	Actors in a regulatory regime trust in specific regulatory authority
Fairbrother, M.	2016	Geoengineering, moral hazard, and trust in climate science: evidence from a survey experiment in Britain	Climatic Change	139	3-4	England	NRM/Environment	Experiment	Citizen trust in actor in regulatory regime
Fast, S. Nourallah, L.	2018	Public Trust in Environmental Decision-Making: A Case Study of Shale Gas Regulation in Kent County, New Brunswick	Case Studies in the Environment	2	1	Canada	NRM/Environment	Mixed-Survey, Interview	
Grimmelikhuijsen, S. de Vries, F. Zijlstra, W..	2018	Breaking bad news without breaking trust: The effects of a press release and newspaper coverage on perceived trustworthiness	Journal of Behavioral Public Administration	1	1	Netherlands	Finance	Experiment	Citizen trust in specific regulatory authority
Grimmelikhuijsen, S. Knies, E.	2015	Validating a scale for citizen trust in government organizations	International Review of Administrative Sciences	83	3	Netherlands	Local government	Experiment	Citizen trust in government
Grimmelikhuijsen, S. Herkes, F. Leistikow, I. Verkroost, J. de Vries, F. Zijlstra, W. G.	2019	Can decision transparency increase citizen trust in regulatory agencies? Evidence from a representative survey experiment	Regulation and Governance			Netherlands	Local government	Experiment	Citizen trust in specific regulatory authority
Guo, T.Gill, D.Johengen, T. H.Cardinale, B. L.	2019	What determines the public's support for water quality regulations to mitigate agricultural runoff?	Environmental Science and Policy	101		USA	Agriculture	Survey	Citizen trust in government



Han, G. Yan, S.	2019	Does food safety risk perception affect the public's trust in their government? An empirical study on a national survey in China	International Journal of Environmental Research and Public Health	16	11	China	Food safety	Survey	Citizen trust in government
Hansen Löfstrand, C. Uhnöo, S.	2019	Blurred boundaries and legal uncertainty in police–volunteer partnerships	Policing and Society			Sweden	Policing	Interviews	Mutual trust among actors in regulatory regime
Hanssen, L. Dijkstra, A. M. Sleenhoff, S. Frewer, L. J. Gutteling, J. M.	2019	Revisiting public debate on Genetic Modification and Genetically Modified Organisms. Explanations for contemporary Dutch public attitudes	Journal of Science Communication	17	4	Netherlands	Food safety	Survey	Citizen trust in government
Harvey, J. Bosworth-Davies, R.	2016	Drawing the line in the sand: Trust, integrity and regulatory misdemeanour	Security Journal	29	1	England	Finance/Accounting	Model	
Hauptman, L. Gurarda, S. Korez-Vide, R.	2015	Exploring Voluntary Tax Compliance Factors in Slovenia: Implications for Tax Administration and Policymakers	Lex Localis-Journal of Local Self-Government	13	3	Slovenia	Tax	Survey	Citizen trust in government
He, C. Han, G. Liu, Y.	2019	Food safety satisfaction in China and its influencing factors: Empirical study with a hierarchical linear model	Safety	5	1	China	Food safety	Survey	Citizen trust in government
Heck, N. Paytan, A. Potts, D. C. Haddad, B. Lykkebo Petersen, K.	2018	Management preferences and attitudes regarding environmental impacts from seawater desalination: Insights from a small coastal community	Ocean and Coastal Management	163		USA	Utilities, water	Survey	Citizen trust in government
Herbert, S.	2014	Fear and loathing in the San Juan Islands: Endangered orcas and the legitimacy of environmental law	Environment and Planning A	46	8	USA	NRM/Environment	Case study	Members of regulatory regime trust in government



Hojberg, P. L. Nielsen, M. R. Jacobsen, J. B.	2017	Fear, economic consequences, hunting competition, and distrust of authorities determine preferences for illegal lethal actions against gray wolves (<i>Canis lupus</i>): a choice experiment among landowners in Jutland, Denmark	Crime Law and Social Change	67	4	Denmark	NRM/Environment	Experiment	Citizen trust in abstract regulatory authorities
Ishii, S. K. L.Boyer, T. H.Cornwell, D. A.Via, S. H.	2015	Public perceptions of direct potable reuse in four US cities	Journal - American Water Works Association	107	1	USA	Utilities, water	Survey	Multiple. Citizen trust in government. Citizen trust in actors in regulatory regime
Johnson, D. Maguire, E. R. Kuhns, J. B.	2014	Public Perceptions of the Legitimacy of the Law and Legal Authorities: Evidence from the Caribbean	Law and Society Review	48	4	Trinidad and Tobago	Multiple - Policing, Justice	Survey	Citizens trust in specific regulatory authority
Jonathan-Zamir, T. Harpaz, A.	2019	Predicting Support for Procedurally Just Treatment: The Case of the Israel National Police	Criminal Justice and Behavior	45	6	Israel	Policing	Survey	Specific regulatory authority trust in citizens
Jonsson, S. Soderberg, I. L.	2019	Investigating explanatory theories on laypeople's risk perception of personal economic collapse in a bank crisis - the Cyprus case	Journal of Risk Research	21	6	Cyprus	Finance	Survey	Citizen trust in actor in regulatory regime
Kaplanoglou, G. Rapanos, V. T. Daskalakis, N.	2016	Tax compliance behaviour during the crisis: the case of Greek SMEs	European Journal of Law and Economics	42	3	Greece	Tax	Experiment	Multiple. Regulated actor trust in specific regulatory authority. Regulated actor trust in government



Karakus, O.	2017	Instrumental and Normative Pathways to Legitimacy and Public Cooperation with the Police in Turkey: Considering Perceived Neighborhood Characteristics and Local Government Performance	Justice Quarterly	34	1	Turkey	Policing	Survey	Citizen trust in specific regulatory authority
Kendall, H. Naughton, P. Kuznesof, S. Raley, M. Dean, M. Clark, B. Stolz, H. Home, R. Chan, M. Y. Zhong, Q. Brereton, P. Frewer, L. J.	2018	Food fraud and the perceived integrity of European food imports into China	PLoS ONE	13	5	China	Food safety	Mixed	Consumer trust in actors in regulatory regime
Kim, Y. Kim, W. Kim, M.	2014	An international comparative analysis of public acceptance of nuclear energy	Energy Policy	66		Multiple (19)	Energy	Survey	Citizen trust in specific regulatory authority
Kowitt, S. D. Schmidt, A. M. Hannan, A. Goldstein, A. O.	2017	Awareness and trust of the FDA and CDC: Results from a national sample of US adults and adolescents	PLoS ONE	12	5	USA	Health	Survey	Multiple. Citizen trust in specific regulatory authority. Citizen trust in government
Kumar, S.	2014	Indian Consumer Attitudes Toward Food Safety: An Exploratory Study	Journal of Food Products Marketing	20	3	India	Food safety	Survey	Consumer trust in government
Kutnjak Ivković, S.Peacock, R.Cajner Mraović, I.	2019	TOhe role of organisational justice and community policing values in the model of external procedural justice in Croatia	International Journal of Comparative and Applied Criminal Justice			Croatia	Policing	Survey	Specific regulatory authority trust in citizens



Lauesen, L. M.	2016	Stakeholder dissonance: Corporate social responsibility versus regulation - A study of a trust-recovery process	Developments in Corporate Governance and Responsibility	9		Denmark	Utilities, Water	Case study - Interviews, Document analysis	Mutual trust between regulated actor and specific regulatory authority
Lee, J. Dodge, J.	2019	Keeping Your Enemies Close: The Role of Distrust in Structuring a Local Hydraulic Fracturing Policy Network in New York	Journal of Public Administration Research and Theory	29	2	USA	Mining	Case study	Mutual trust among actors in regulatory regime
Liu, R. Gao, Z. Nayga, R. M., Jr. Snell, H. A. Ma, H.	2019	Consumers' valuation for food traceability in China: Does trust matter?	Food Policy	88		China	Food safety	Experiment	Consumer trust in government
Maresch, D. Aschauer, E. Fink, M.	2019	Competence trust, goodwill trust and negotiation power in auditor-client relationships	Accounting, Auditing and Accountability Journal			Austria	Finance/Accounting	Experiment	Mutual trust between private audit firms and businesses
Marques, M. D. Critchley, C. R. Walshe, J.	2015	Attitudes to genetically modified food over time: How trust in organizations and the media cycle predict support	Public Understanding of Science	24	5	Australia	Food safety	Survey	Citizen trust in actor in regulatory regimes
Martin, A. Gravelle, T. B. Baekkeskov, E. Lewis, J. Kashima, Y.	2019	Enlisting the support of trusted sources to tackle policy problems: The case of antimicrobial resistance	PLoS ONE	14	3	Australia	Health	Experiment	Multiple. Citizen trust in government. Citizen trust in actor In regulatory regime



Mickiewicz, T. Rebmann, A. Sauka, A.	2019	To Pay or Not to Pay? Business Owners' Tax Morale: Testing a Neo-Institutional Framework in a Transition Environment	Journal of Business Ethics	157	1	Latvia	Tax	Survey	Multiple. Citizen trust in specific regulatory authority. Citizen trust in government.
Mills, R. W. Reiss, D. R.	2017	The role of trust in the regulation of complex and high-risk industries: The case of the U.S. Federal Aviation Administration's voluntary disclosure programs	Trust in Regulatory Regimes	Book		USA	Transport	Case study	Mutual trust between regulated actor and specific regulatory authority
Mourtgos, S. M. Mayer, R. C. Wise, R. A. O'Rourke, H.	2019	The Overlooked Perspective of Police Trust in the Public: Measurement and Effects on Police Job Behaviors	Criminal Justice Policy Review			USA	Policing	Survey	Specific regulatory authority trust in citizen
Murphy, K. Mazerolle, L. Bennett, S.	2014	Promoting trust in police: findings from a randomised experimental field trial of procedural justice policing	Policing and Society	24	4	Australia	Policing	Experiment	Citizen trust in specific regulatory authority
Musimenta, D. Naigaga, S. Bananuka, J. Najjuma, M. S.	2019	Tax compliance of financial services firms: a developing economy perspective	Journal of Money Laundering Control	22	1	Uganda	Finance	Survey	Regulated actor trust in government
Oomsels, P. Bouckaert, G.	2017	Interorganizational trust in Flemish public administration: Comparing trusted and distrusted interactions between public regulatees and public regulators	Trust in Regulatory Regimes			Belgium	Government	Mixed	Mutual trust between government departments
Osman, A. Kowitt, S. D. Sheeran, P.	2018	Information to Improve Public Perceptions of the Food and Drug	International Journal of Environmental	15	4	USA	Health	Experiment	Citizen trust in specific



Jarman, K. L. Ranney, L. M. Goldstein, A. O.		Administration (FDA's) Tobacco Regulatory Role	Research and Public Health						regulatory authority
Overman, S, Busuioc, M, Wood, M	2020	A Multidimensional Reputation Barometer for Public Agencies: A Validated Instrument	Public Administration Review			EU	NRM/Environment, Chemicals	Survey	Members of regulatory regime trust in regulatory agency
Pautz, M	2016	Cops on Film: Hollywood's Depiction of Law Enforcement in Popular Films, 1984-2014.	PS: Political Science and Politics	49	2	USA	Policing	Media analysis	NA
Pautz, M. Rinfret, S.	2016	State environmental regulators: Perspectives about trust with their regulatory counterparts	Journal of Public Affairs	16	1	USA	NRM/Environment	Survey	Specific regulatory authority trust in regulated actors
Prihandini, W.	2018	The optimum level of tax compliance based on power of authority and trust in an antagonistic climate	European Research Studies Journal	21	1	Indonesia	Tax	Statistical analysis	Regulated actor trust in specific regulatory authority
PytlikZillig, L. M.Kimbrough, C. D.Shockley, E.Neal, T. M. S.Herian, M. N.Hamm, J. A.Bornstein, B. H.Tomkins, A. J.	2017	A longitudinal and experimental study of the impact of knowledge on the bases of institutional trust	Plos One	12	4	USA	Utilities, Water	Experiment	Citizen trust in government
Reiher, C.	2017	Food safety and consumer trust in post-Fukushima Japan	Japan Forum	29	1	Japan	Food safety	Mixed	Consumer trust in government



Reisig, M. D. Tankebe, J. Mesko, G.	2014	Compliance with the Law in Slovenia: The Role of Procedural Justice and Police Legitimacy	European Journal on Criminal Policy and Research	20	2	Slovenia	Policing	Survey	Citizen trust in specific regulatory authority
Reynaers, A. M. Parrado, S.	2017	Responsive regulation in public-private partnerships: Between deterrence and persuasion	Regulation and Governance	11	3	Netherlands	Infrastructure	Case study	Mutual trust between regulated actor and government
Riley, S. J. Ford, J. K. Triezenberg, H. A. Lederle, P. E.	2018	Stakeholder trust in a state wildlife agency	Journal of Wildlife Management	82	7	USA	NRM/Environment	Survey	Citizen trust in specific regulatory authority
Rorie, M. Simpson, S. S. Cohen, M.A. Vandenbergh, M.	2018	Examining Procedural Justice and Legitimacy in Corporate Offending and Beyond-Compliance Behavior: The Efficacy of Direct and Indirect Regulatory Interactions	Law and Policy	40	2	USA	NRM/Environment	Survey	Regulated actor trust in government
Rudolph, B. A. Riley, S. J.	2014	Factors Affecting Hunters' Trust and Cooperation	Human Dimensions of Wildlife	19	5	USA	NRM/Environment	Survey	Citizen trust in specific regulatory authority
Ryu, Y. Kim, S. Kim, S.	2018	Does trust matter? Analyzing the impact of trust on the perceived risk and acceptance of nuclear power energy	Sustainability (Switzerland)	10	3	South Korea	Energy	Survey	Multiple. Citizen trust in government. Citizen trust in specific regulatory authority. Citizen trust in abstract regulatory authority



Saunders, M.N.K Dietz, G. Thornbill, A.		Trust and distrust: Polar opposites, or independent but co-existing?	Human Relations	67	6	UK	Local government	Mixed	Mutual trust between government departments
Schmidt, A. M.Kowitz, S. D.Myers, A. E.Goldstein, A. O.	2018	Attitudes towards potential new tobacco control regulations among U.S. adults	International Journal of Environmental Research and Public Health	15	1	USA	Health	Survey	Multiple. Citizen trust in specific regulatory authority. Citizen trust in government
Schroeder, S. A. Fulton, D. C. Lawrence, J. S. Cordts, S. D.	2017	How Hunter Perceptions of Wildlife Regulations, Agency Trust, and Satisfaction Affect Attitudes about Duck Bag Limits	Human Dimensions of Wildlife	22	5	USA	NRM/Environment	Survey	Citizen trust in specific regulatory authority
Schuck, A. M.	2020	Examining the community consequences of arrests for low-level criminal activity	Journal of Community Psychology	48	1	USA	Policing	Survey	Citizen trust in specific regulatory authority
Shapoval, Y. Anufrieva, K. Brus, S. Bublyk, Y.	2019	Communication as an instrument for enhancing trust in a central bank: The case of Ukraine	Banks and Bank Systems	14	2	Ukraine	Finance	Case study	Citizen trust in actor in regulatory regime
Shim, J. Park, J. H.	2016	Public Participation and Trust in Government: The Case of the Korean Financial Regulatory Agency	Public Performance and Management Review	40	1	Korea	Finance	Survey	Regulated actor trust in specific regulatory authority
Sigl�, M. Goslinga, S. Spekl�, R. van der Hel, L. Veldhuizen, R.	2018	Corporate tax compliance: Is a change towards trust-based tax strategies justified?	Journal of International Accounting, Auditing and Taxation	32		Netherlands	Tax	Survey	Regulated actor trust in specific regulatory authority



Six, F. van Ees, H.	2017	When the going gets tough: Exploring processes of trust building and repair in regulatory relations	Trust in Regulatory Regimes	Book		Netherlands	Utilities, Water	Case study	Mutual trust between regulated actor and specific regulatory authority
Sun, I. Y. Wu, Y. N. Van Craen, M. Hsu, K. K. L.	2018	Internal Procedural Justice, Moral Alignment, and External Procedural Justice in Democratic Policing	Police Quarterly	21	3	Taiwan	Policing	Survey	Specific regulatory authority trust in citizens
Sun, I. Y. Wu, Y. Liu, J. Van Craen, M.	2019	Institutional procedural justice and street procedural justice in Chinese policing: The mediating role of moral alignment	Australian and New Zealand Journal of Criminology	52	2	China	Policing	Survey	Specific regulatory authority trust in citizens
Tan, Y. Shaw, P.	2018	Attribute-Priming Effects on Presidential Approval: The Role of Risk Perception and Trust in Government Regulation	Issues and Studies	54	3	Taiwan	Food safety	Survey	
Temby, O. Rastogi, A. Sandall, J. Cooksey, R. Hickey, G. M.	2015	Interagency trust and communication in the transboundary governance of pacific salmon fisheries	Review of Policy Research	32	1	Multiple - USA, Canada, and sub-national US and Canadian jurisdictions.	NRM/Environment	Case study	Mutual trust between government departments



Tonkin, E. Wilson, A. M. Coveney, J. Henderson, J. Meyer, S. B. McCarthy, M. B. O'Reilly, S. Calnan, M. McGloin, A. Kelly, E. Ward, P.	2019	Food-system actors' perspectives on trust: an international comparison	British Food Journal	121	2	Multiple - Australia, New Zealand, the United Kingdom, Ireland (North and Republic)	Food safety	Interviews	Mutual trust among actors in regulatory regime
Trinkner, R. Tyler, T. R. Goff, P. A.	2016	Justice From Within: The Relations Between a Procedurally Just Organizational Climate and Police Organizational Efficiency, Endorsement of Democratic Policing, And Officer Well-Being	Psychology, Public Policy, and Law	22	2	USA	Policing	Survey	Specific regulatory authority trust in citizens
Van Craen, M. Skogan, W. G.	2017	Officer Support for Use of Force Policy: The Role of Fair Supervision	Criminal Justice and Behavior	44	6	USA	Policing	Survey	Specific regulatory authority trust in citizens
Van Craen, M. Skogan, W. G.	2017	Achieving Fairness in Policing: The Link Between Internal and External Procedural Justice	Police Quarterly	20	1	USA	Policing	Survey	Specific regulatory authority trust in citizens
van der Voort, H.	2017	Trust and cooperation over the public-private divide: An empirical study on trust evolving in co-regulation	Trust in Regulatory Regimes	Book		Netherlands	Multiple - Food safety, Employment services	Case study	Mutual trust among actors in regulatory regime
Velez, M. Adlerstein, S. Wondolleck, J.	2014	Fishers' perceptions, facilitating factors and challenges of community-based no-take zones in the Sian Ka'an	Marine Policy	45		Mexico	NRM/Environment	Mixed	Regulated actor trust in actors in regulatory regime



		Biosphere Reserve, Quintana Roo, Mexico							
Verhoest, K. Rommel, J. Boon, J.	2014	How organizational reputation and trust may affect the autonomy of independent regulators: The case of the Flemish energy regulator	Organizational Reputation in the Public Sector	Book		Belgium	Utilities, Electricity	Case study	Multiple. Political principal trust in regulatory agency. Citizen trust in regulatory agency
Walker, R. M. Hills, P.	2014	Changing dimensions of trust in government: An exploration in environmental policy in Hong Kong	Public Administration and Development	34	2	China	NRM/Environment	Mixed	Regulated regime actor trust in government
Walravens, T.	2017	Food safety and regulatory change since the 'mad cow' in Japan: Science, self-responsibility, and trust	Contemporary Japan	29	1	Japan	Food safety	Document analysis	Multiple. Citizen trust in government. Citizen trust in specific regulatory agency. Citizen trust in actor in regulatory regime
Weaver, S. R. Jazwa, A. Popova, L. Slovic, P. Rothenberg, R. B. Eriksen, M. P.	2017	Worldviews and trust of sources for health information on electronic nicotine delivery systems: Effects on risk perceptions and use	SSM - Population Health	3		USA	Health	Survey	Citizen trust in actor in regulatory regimes
Whiteley, P.	2014	Does regulation make political parties more popular? A multi-level analysis of party support in Europe	International Political Science Review	35	3	Multiple - 24 European democracies	Government	Statistical analysis	Multiple. Citizen trust in government. Citizen trust in political parties



Whittle, A. Mueller, F. Carter, C.	2016	The 'Big Four' in the spotlight: Accountability and professional legitimacy in the UK audit market	Journal of Professions and Organization	3	2	UK	Finance/Accounting	Discourse analysis	Mutual trust between government and private audit firm
Wong, A. Wei, L. Tjosvold, D.	2015	Business confidence in government regulators Cooperative goals and confirmation of face in China	International Journal of Conflict Management	26	3	China	Multiple - Private sector	Survey	Regulated actor trust in government
Xu, R. Wu, Y. Luan, J.	2020	Consumer-perceived risks of genetically modified food in China	Appetite	147		China	Food safety	Survey	Consumer trust in actors in regulatory regime
Zannakis, M. Wallin, A. Johansson, L. O.	2015	Political Trust and Perceptions of the Quality of Institutional Arrangements - how do they influence the public's acceptance of environmental rules	Environmental Policy and Governance	35	6	Sweden	NRM/Environment	Survey	Multiple. Citizen trust in specific regulatory authority. Citizen trust in government

