Relationships among Governance Quality, Institutional Performance, and (Dis)Trust: Trends and Tensions

A Quest for Critical Ingredients of Institutional Trust

Hasan Muhammad Baniamin
Thesis for the Degree of Philosophiae Doctor (PhD)
University of Bergen, Norway
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**List of Abbreviations and Acronyms**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACO</td>
<td>Authoritarian Cultural Orientation</td>
</tr>
<tr>
<td>ANOVA</td>
<td>Analysis of Variance</td>
</tr>
<tr>
<td>BDT</td>
<td>Bangladeshi Taka (Currency)</td>
</tr>
<tr>
<td>CPI</td>
<td>Corruption Perceptions Index</td>
</tr>
<tr>
<td>DDC</td>
<td>District Development Committee</td>
</tr>
<tr>
<td>DGHS</td>
<td>Directorate General of Health Services</td>
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<td>EVS</td>
<td>European Values Study</td>
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<tr>
<td>GND</td>
<td><em>Grama Niladharí</em> Divisions (lowest administrative unit in Sri Lanka)</td>
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<td>GoT</td>
<td>Governance and Trust Survey</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<tr>
<td>LKR</td>
<td>Sri Lankan Rupee</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<td>NPM</td>
<td>New Public Management</td>
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<td>NPR</td>
<td>Nepalese Rupee</td>
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<tr>
<td>NORHED</td>
<td>Norwegian Programme for Capacity Development in Higher Education and Research for Development</td>
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<tr>
<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
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<tr>
<td>PD</td>
<td>Power Distance</td>
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<td>SEP</td>
<td>Service Enabling Processes</td>
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<td>SIP</td>
<td>Service Impeding Processes</td>
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<td>Acronym</td>
<td>Full Name</td>
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<tr>
<td>TI</td>
<td>Transparency International</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>VDC</td>
<td>Village Development Committees</td>
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<td>WVS</td>
<td>World Values Survey</td>
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<td>WHO</td>
<td>World Health Organization</td>
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Abstract

This dissertation analyzes institutional trust, first, in the three South Asian countries of Bangladesh, Nepal, and Sri Lanka, and then in 32 African countries. These countries were chosen in order to explore why citizens in developing countries trust public institutions despite those institutions’ poor performance. Most of the existing literature on institutional trust indicates that trust in public institutions is contingent on institutional performance and governance quality. This view accords with the rational choice theory and the logic of consequences, with the argument that citizens will evaluate better performance and governance positively, and poor performance and bad governance negatively. These evaluations should be reflected in the citizens’ trust in government institutions. Based on this logic, governmental organizations and agencies, for instance those in OECD (Organization for Economic Cooperation and Development) countries, should enjoy higher institutional trust than do such organizations and agencies that perform poorly, examples being those in non-OECD countries. This is because various public institutions in OECD countries, when they are compared with similar institutions in non-OECD countries, have generally higher performance in a number of areas, for instance in the health and education sectors, and they have better governance. However, certain cross-country surveys (e.g., the World Values Survey and the European Values Study) indicate that public institutions in a number of non-OECD countries, despite their lower performance and poor governance, enjoy higher institutional trust than do comparable institutions in OECD countries. The ‘logic of consequences’ then becomes questionable as an explanatory variable of institutional trust, and the use of rational choice theory becomes problematic as a theoretical lens through which to explain the same phenomenon. This is the point of departure for this dissertation.

The articles in this dissertation propose that along with the consequential logic of rational choice theory, additional explanatory variables may be required to explain the empirical inconsistency of inflated trust in the public institutions of under-performing countries. The proposed variable is based on a cultural attribute, more specifically, authoritarian cultural orientation (ACO). This cultural attribute is tested through a country-representative survey called the Governance and Trust Survey 2 (GoT 2), which was administered in Bangladesh, Nepal, and Sri Lanka. Thereafter, the effects of a similar kind of cultural orientation are explored in 32 African countries using survey data from Afro-barometer. The proposed cultural norm measured by ACO indicates something about people’s degree of unquestioning obedience to authority. People who have higher ACO tend to have a higher degree of
institutional trust. This cultural aspect is related to social values and norms, obligations, and commitment, which together are referred to as the ‘logic of appropriateness’, as described by March and Olsen (1996 and 1998). The first three articles in this dissertation explore the importance of the logic of appropriateness in combination with the logic of consequences in explaining institutional trust. Among these three articles, the first two use ACO to try to explain trust in the civil service, while the third tries to explain trust in various other institutions such as the parliament, the police, and the judicial court. All these articles confirm that ACO matters in explaining institutional trust in the sampled countries.

In the third article, one key finding is that higher education can contribute to reducing ACO. Education may increase people’s cognitive ability, encourage them to become more assertive, and to question authorities and their actions. This may help reduce the degree of unquestioning obedience, which is the indicator of ACO. Interestingly, the second article finds that people with higher ACO usually assess civil servants positively; they have a comparatively strong belief that civil servants are prompt, efficient, and tend to treat people equally. In the fourth article, which analyzes the same phenomenon in 32 African countries also found that people with higher education have lower institutional trust. Like the articles on South Asia, the fourth article confirms that people with lower assertiveness have higher institutional trust. The relation between low assertiveness and institutional trust therefore parallels the relation between ACO and institutional trust. The fourth article also indicates that people with lower assertiveness believe their country has less governance-related problems (e.g., corruption or unfair treatment) than do people with higher assertiveness. Similarly, people with lower assertiveness think their country is doing better in different performance indicators such as management of the economy and the creation of employment.

The focus of the fifth article is slightly different. It tries to explain why the Nepalese anti-corruption agency has higher trust than the similar agencies of Bangladesh and Sri Lanka – despite the fact that all three countries are characterized by a relatively high level of corruption. This study finds that the Sri Lankan anti-corruption agency is dormant (few anti-corruption interventions\textsuperscript{1}), while the Nepalese and Bangladeshi agencies operate selectively. The Nepalese anti-corruption agency has initiated a number of anti-corruption initiatives against the lower-level officials, particularly against the school teachers with fake academic certificates. These actions make the agency more visible to the general public and convince them that the agency is seriously trying to stamp out corruption. This may contribute to the

\textsuperscript{1} The study mainly captures the situation before the establishment of Maithripala Sirisena’s government in 2015.
higher institutional trust that it enjoys. Since the Nepalese agency has not taken any major steps to curb the corruption of politicians and higher-level bureaucrats, the overall corruption level is yet to be improved there. In Bangladesh, the anti-corruption agency targets both higher-level and lower-level people in the power structure, but does so selectively, mainly directing its attention to members of the opposition party. Thus, this article indicates that perceived performance, which may vary from real performance, may affect institutional trust.

The last article is about the possible problem of having an incentive system for credence goods. Credence goods are goods which involve information asymmetry between service providers and consumers. In this situation of information asymmetry, service providers know more about the required nature or quality and quantity of the services than do the consumers. Health services are a good example. In such situations, consumers must depend on the trustworthiness of service providers, and this dependency can make service recipients vulnerable to monetary exploitation. By analyzing the childbirth delivery system of Bangladesh, the study finds that private clinics have a higher level of overtreatment problems (e.g., caesarian delivery without proper medical grounds) than do government and NGO health facilities. This is because private clinics have more incentive to capitalize on information asymmetry, due to their dependency on the earnings from the services they provide.
List of Publications

Article I: Hasan Muhammad Baniamin. Linking Performance, Quality of Governance and Trust in the Civil Service: Does Culture Intercede in the Perceived Relationship? (manuscript)


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An Introduction to the Study of Trust and Institutional Trust

1. Introduction

This dissertation is about explaining institutional trust. Trust is an important variable in explaining relationships between individuals, and between individuals and institutions. The main question addressed in the articles in this dissertation is this: Do institutional performance and governance quality explain citizens’ trust in public institutions, or do we need to incorporate other variables to explain citizens’ trust in institutions? For this dissertation, institutional trust indicates the degree of confidence citizens have in an institution. The most commonly used variables to explain institutional trust are institutional performance and governance quality. These reflect calculations on the part of citizens, where higher performance and better governance are evaluated positively and generate higher institutional trust. This consequential logic, however, which is based on rational choice, is not always supported by empirical data. Various survey responses show that there can be higher institutional trust despite lower performance and poor governance. Some developing counties (e.g., Bangladesh, Nepal, and Sri Lanka) show a higher level of institutional trust compared to many developed countries that enjoy a higher quality of governance and better-performing public institutions.

Why does this inconsistency arise? It may have something to do with the quality of data. There could, for instance, be sampling errors, or the data enumerators may be unreliable, or there could be irregularities in data processing. However, given that different surveys by different institutions at different times and based on different respondents (e.g. the World Values Survey, Afro-barometer, Asia-barometer, and the Governance and Trust Survey) all show a similar trend of higher institutional trust despite poor performance, there is a good reason to explore the possible explanations for this kind of inflated trust in the selected countries. To explain the mismatch between the theoretical expectations and the empirical data, we explore the effect of an additional variable that is based on cultural attributes, more specifically, ‘authoritarian cultural orientation’ (ACO). First, the effect of ACO on institutional trust is explored in Bangladesh, Nepal, and Sri Lanka using survey data from the Governance and Trust Survey 2 (GoT 2). After this, data from Afro-barometer 5 is used to examine the effect of a variable that is similar to ACO – the degree of assertiveness – and to
see how it affects institutional trust in 32 African countries. The articles in this doctoral dissertation therefore mainly focus on the institutional trust dynamics in developing countries.

This introductory chapter summarizes the major findings of the six articles of this PhD project. It starts with a short description of the necessity of studying trust and institutional trust. After this, there follows a summary of the arguments that inspired the writing of the articles. This summary is followed by a presentation of the overarching theoretical framework of the dissertation, and then a short methodological note on the articles. The methodological note explains the reasons for selecting the areas for the studies, the sources of data, and the data collection techniques. After this, there is a short summary of each of the six articles. The chapter then presents a short discussion linking the main findings of the articles with the overarching theoretical framework. The next section highlights the implications of the identified cultural attribute (ACO). The chapter ends with a discussion of the limitations of the studies, ideas for future research on institutional trust, and some concluding remarks.

2. The Importance of Studying Trust and Institutional Trust

The literature on institutional trust indicates that there are different dynamics at work in the phenomenon, as well as a range of arguments for why it does or does not arise. When citizens trust public institutions, this indicates something about how the institutions are managed and the extent to which they are successful (Askvik, 2007; Askvik and Bak, 2005; Bouckaert et al., 2005; Mishler and Rose, 2001; Van de Walle and Bouckaert, 2003; Askvik and Jamil, 2013). It is claimed that trust has substantial links to social and economic development, the effectiveness of political systems, personal happiness, relatively better health, education and higher income, tolerance of minorities, and other beneficial societal outcomes (Almedom, 2005; Portes, 1998; Realo et al., 2008; Uslaner, 2002; Rothstein and Eek, 2009). Kim (2005) observes that a high level of citizens’ trust in public institutions can ensure good governance and the successful implementation of policies. In a similar tone, Van der Meer and Dekker (2011) claim that trust works like glue to keep a governance system together, and like oil to lubricate the policy machine. According to one governance paradigm, citizens’ participation and networking in governing are considered crucial elements; they are closely related to the degree of trust between the different actors involved (Doh, 2014). In new democracies, a high level of trust in public institutions can facilitate democratic consolidation, while in authoritarian regimes, it reflects how strongly such regimes are holding on to power (Wong et al., 2011).
Without institutional trust, citizens may not follow rules, cooperate in providing collective goods or respond appropriately in times of emergency (Van Ryzin, 2011). A low level of such trust may indicate the potential for a crisis in governability (Cook and Gronke, 2005). Due to a lack of trust, “flexibility and discretion become severely constrained” and “it hinders informal relationship[s] and lead[s] to an excessive dependence on rules, formal procedures, regulations and legalisms” (Ruscio, 1996: 463). Bradach and Eccles (1989) identify three governance mechanisms which can be mixed for better performance: market/price, authority, and trust. According to these scholars, market opportunism can be mixed with bureaucratic control, while institutional trust can moderate the extreme effects of both mechanisms. Fukuyama (1995) claims that levels of institutional trust can explain many of the differences in economic progress amongst countries. This is because such trust can make transactions easy and efficient (Ruscio, 1996). Nevertheless, the causal direction of institutional trust is unclear (Lee, 2012), given that statistical analysis only indicates that social trust correlates positively with a number of political, social, and economic conditions that are “normatively desirable” (Rothstein and Eek, 2009). On one hand, trust can be a source of efficiency in market transactions (Granovetter, 1985), which can lead to more efficient economic outcomes, and it can create better functioning institutions (Lee, 2012). On the other hand, the level of trust can also be a consequence of institutional performance rather than its cause (Mishler and Rose, 2001; Rothstein, 1998, 2002; Lee, 2012). Kumlin and Rothstein (2005) show that in Sweden, citizens who interact with need-testing welfare institutions have less trust than people who only interact with universal welfare institutions (non-need testing). This is the case, they argue, because people may perceive need-testing institutions as less impartial or opaque, due to the process of assessing eligibility for the service. These findings provide support for the assumption that trust is a consequence of institutional outcomes. While this may be true, it may also be true that trust is a cause of good institutional performance; trust therefore affects institutions and institutions affect trust. Thus, the different dynamics of trust and institutional trust have, for many years, triggered substantial scholarly interest and research, with the aim of gaining deeper understanding.

Different public-service reforms have been implemented in order to increase citizens’ trust in government; for example, Reinventing Government in the United States, La Rélève in Canada, and the Next Steps Program in the United Kingdom (Barnes and Gill, 2000; Van de Walle and Bouckaert, 2003, cited in Kampen et al., 2006). The performance movements in the United States and Europe operate on the assumption that a government can restore public trust...
by delivering and demonstrating results (Bouckaert, 2008). However, scholars show that the causes and effects of public trust are complex (Kim, 2010). Such trust is often based on subjective perceptions rather than on objective judgement (Welch et al., 2004). This is why Christensen and Lægreid (2005) emphasize the need for research that makes comparisons between countries, in order to understand the sources and variations of institutional trust. The articles in this dissertation attempt to do this, in order to understand the dynamics of institutional trust in the developing countries.

3. Rationale for the Studies

A large body of literature has shown that the degree of institutional trust in a country is related to a range of governance indicators (e.g., Rothstein and Stolle, 2008; Grönlund and Setälä, 2011; Armah-Attoh et al., 2007). When policies are not implemented, when services are not provided efficiently and effectively and when power and authority are misused, a situation of mistrust can arise (Askvik and Bak, 2005). Different definitions of institutional trust also reflect these connections. Miller and Listhaug (1990: 358) define institutional trust as the “evaluation of whether or not political authorities and institutions are performing in accordance with normative expectations held by the public.” Similarly, Giddens (1996: 34) defines trust as “confidence in the reliability of a person or system, regarding a given set of outcomes or events.” A biased, unfair, and corrupt system generally goes hand in hand with low levels of trust (Rothstein and Stolle, 2008). Poor institutional performance reduces the degree to which individuals trust their government (Hutchison and Johnson, 2011). Thus, the ‘quality of government’ and the ‘degree of performance’ of different institutions in a country are associated with the extent of citizens’ trust in those institutions (Doh, 2014). According to this train of thought, in countries with relatively low quality of governance and poor institutional performance, there should be a lower level of institutional trust than in countries that have higher quality of governance and better institutional performance.
Figure 1: Relation between the Human Development Index, 2015 by UNDP, and trust in civil service in different countries

**Note:** Both reference lines are drawn based on median values, and trust in civil service is measured from the data of WVS 6, EVS 4 and GoT 2.

But the situation is not that straightforward because survey data uncovers a puzzle. The latest data from the World Values Survey (WVS) 6 (2010-14) and the European Values Study (EVS) 4 (2008-10) indicate that there are quite a number of non-OECD countries in which the trust levels in the civil service are higher than the trust levels in the OECD countries (details are in article 1). These non-OECD countries have a much lower performance level as measured in the Human Development Index (HDI), which is published by the United Nations Development Programme (UNDP) (objective measure of performance), than do most of the OECD countries (Figure 1). Furthermore, most of the non-OECD countries score low in the Democracy Index (2015) published by the Economic Intelligence Unit, and in the Corruption Perceptions Index (CPI) published by Transparency International (Figures 2 and 3).

On the basis of rational calculations, it would seem reasonable to assume that trust in public institutions is higher in established and well-functioning democracies than in other countries,
because the public institutions in well-functioning democracies are supposed to be more responsive to the needs of the people (Grönlund and Setälä, 2011). Such a connection, however, is not reflected in the empirical data indicated in Figure 2. Figure 3, which reveals a pattern similar to the inconsistent relationship between democracy and institutional trust shown in Figure 2, also indicates that a country can have higher institutional trust despite a higher level of corruption. Thus, the performance and governance-based explanations become problematic for explaining higher levels of trust in the civil service in non-OECD countries. Due to the inconsistencies between theoretical expectations and empirical findings on the relationship between institutional trust and performance, Van de Walle and Bouckaert (2003: 891) say that “this is a very rational and mechanistic reasoning, only part of which corresponds to reality.” The higher level of trust is not only visible for the civil service of many non-OECD countries, but also for many of their other public institutions. For example, in many non-OECD countries, there is higher trust in government as a whole (details are in article 4). Here, trust in government indicates the combined trust index of the three main organs of government: the executive, the judiciary, and the legislature (parliament).
Figure 2: Relation between the Democracy Index (2015) by The Economist Intelligence Unit and trust in civil service in different countries

Note: Both reference lines are drawn based on median values, and trust in civil service is measured from the data of WVS 6, EVS 4 and GoT 2.

Figure 3: Relation between the Corruption Perceptions Index (2015) by Transparency International and trust in civil service in different countries

Note: Both reference lines are drawn based on median values, and trust in civil service is measured from the data of WVS 6, EVS 4, and GoT 2.
The way in which the countries are positioned in boxes Q1 and Q3 in Figures 1, 2 and 3 is more or less consistent with the ‘governance and performance-based hypothesis’ that higher performance and better governance lead to higher institutional trust (situation of Q1), and alternatively, that lower performance and poor governance generate lower institutional trust (situation of Q3). However, the positioning of the countries in Q2 and Q4 does not cohere with this logic of performance and quality of governance. The countries that have lower trust despite higher performance and better governance (situation of Q4 in Figures 1, 2, and 3) are explained by post-materialism and the rise of critical citizens (Inglehart and Baker, 2000; Norris, 2011). Meanwhile, the situation of Q2 in Figures 1, 2, and 3 poses a puzzle which shows that a number of countries display higher trust despite lower performance and poor governance. The studies of this dissertation try to shed light on this puzzle. In this regard, the dissertation argues that in order to explain the inflated institutional trust reported in these underperforming countries, we need to incorporate additional variables. One such variable is tested in this dissertation: authoritarian cultural orientation (ACO).

The fifth article is about the level of citizens’ trust in the anti-corruption agencies (ACA) in three South Asian countries (Bangladesh, Nepal, and Sri Lanka). All three countries are plagued by a high level of corruption, but of the three anti-corruption agencies, the Nepalese one has higher trust. This article explores possible explanations for this inconsistent trend. The last article is about professional trust and incentive systems for credence goods. It explores the possible problem of having an incentive system for credence goods such as health services. For this, the study analyzes the childbirth system in Bangladesh.

4. Overarching Theoretical Framework

4.1 Clarification of the Concepts

Institutional theory can provide a comprehensive lens for understanding how the logic of trust can exist in a societal context (Fuglsang and Jagd, 2015). The theory can be useful for exploring the empirical inconsistencies which are the starting point for this dissertation because it can provide explanations that extend beyond performance-based logic and governance-quality-based logic. For this study, the ‘institution’ concept indicates something about both formal (narrower meaning) and informal (broader meaning) forms of institutions. In the formal or narrower form, the concept points to formally organized arrangements which define the settings in which governing and policy making take place (March and Olsen, 2011). When the articles in this dissertation discuss institutional performance, governance quality, and trust, they mainly address the formal form of institutions, that is, the performance
or trust in different institutions such as the parliament, the civil service, and the judiciary. In this dissertation, ‘institutional trust’ denotes the degree of confidence which the public has in an institution. Measuring confidence is a standard way of measuring trust in all major surveys. For all the studies in this dissertation, the terms ‘institutions’ and ‘organizations’ are used interchangeably. This is because organizations become institutions when they are “recognized as valuable in themselves, beyond the technical requirements related to the carrying out of specific tasks” (Askvik, 1993:151). Given that different countries’ key public organizations such as the civil service, the judiciary, and the parliament have value above and beyond their technical requirements, they can be considered as institutions.

The articles use the broader lens supplied by the ‘institution’ concept to explain the institutional trust level. In a broad sense, institutions include contexts such as societal norms and values; these norms and values can shape institutional trust in addition to institutional performance and governance quality. From this perspective, an institution is a relatively stable collection of practices and rules which define appropriate behavior for specific actors in specific situations (March and Olsen, 1998). Institutions are thus broadly conceived as “the rules of the game in a society or, more formally, [they] are the humanly devised constraints that shape human interaction” (North, 1990: 3). In the same vein, Friedland and Alfrod (1991) define institutions as “patterns of human activity and symbolic systems, cognitive constructions and normative rules through which actors categorize that activity and infuse it with meaning and value” (cited in Hanf and Jansen, 1998: 4).

4.2 Theoretical Underpinnings

Rational choice institutionalists, on one hand, posit that actors have a fixed set of preferences and behave entirely instrumentally to maximize the attainment of these preferences (Hall and Taylor, 1996). On the other hand, sociological and historical institutionalists perceive that the preferences and actions of actors are shaped by the contexts or the cultural arrangements in which they find themselves (Hall and Taylor, 1996). Rational choice institutionalists thus argue that preference formation is exogenous, while historical institutionalists argue that it is endogenous (Thelen, 1999). Sociological institutionalists have a notion of preference formation which is similar to that of historical institutionalists. Historical institutionalists use two approaches to explain human actions: the calculative approach and the cultural approach. According to the calculative approach, human actions are instrumental and based on a strategic cost-benefit calculation. The cultural approach, by contrast, predicts that human actions are not fully strategic but bounded by an individual’s worldview (Hall and Taylor,
According to the rationalist perspective, institutional trust develops through inductive reasoning. However, a person’s calculative nature can also be shaped by non-calculative cultural values. Ruscio (1996: 461) indicates that a non-calculative approach to explaining human actions depends on values, norms, obligations and duties, all of which can influence behavior in combination with self-interest. Thus, culture can shape actions by providing ends or values by which the actions are guided, and can become a central causal element (Grimes and McKay, 2015).

To explain these two types of action (the calculative and the cultural), March and Olsen (1996 and 1998) describe two forms of logic: the logic of consequences and the logic of appropriateness. According to the logic of consequences, people’s actions are based on their expectations of consequences (March and Olsen, 1998). On the other hand, according to the logic of appropriateness, people’s decision-making processes will be biased toward what their social norms deem to be right, rather than on what a cost-benefit calculation would consider best (Balsiger, 2016). Under this latter logic, actors’ behavior is based on “the institutionalized practices of a collectivity and mutual understanding of what is true, reasonable, natural, right and good” (Olsen, 2007: 3). This accounts for how people think, feel and organize themselves. Their loyalty, devotion, respect, friendship, as well as hate, anger, fear, envy, and guilt are made appropriate to particular identities in particular situations (March and Olsen, 1996). Thus, when comparing the logic of consequences and the logic of appropriateness, it is the latter which extends beyond the scope of the cost-benefit strategy and gives a more comprehensive view of human motivation for a specific action. Based on these two logics, we can create a 2 × 2 matrix which helps us understand human processes of evaluating events and actions.

<table>
<thead>
<tr>
<th></th>
<th>Logic of Consequences</th>
<th>Logic of Appropriateness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>Q3: Zone of indifference</td>
<td>Q1: Rational and objective choices are influenced by norms and values</td>
</tr>
<tr>
<td>High</td>
<td>Q2: Mainly norms and values shape actions and their acceptability</td>
<td>Q4: Evaluations of actions are based on rational and objective choices only</td>
</tr>
</tbody>
</table>

Figure 4: Evaluation of an action based on different logics

Source: Own construction based on March and Olsen (1996)
From Figure 4, it appears that for the first quadrant (Q1), both logics play significant roles in the process of evaluating actions. Here, people’s logics are guided by cost-benefit calculation, but that calculation is also shaped by social norms and behavior. In the second scenario (Q2), people’s actions and their evaluations are mainly influenced by social norms and values. People tend to do what is socially acceptable instead of just basing their actions on cost-benefit analysis. This can explain behavior such as ethnic cleansing, blood feuds, and moral heroism (March and Olsen, 2011). Quadrant 3 (Q3) is a ‘zone of indifference’, which indicates a lack of applying any logic. Evaluations in such cases are probably affected by randomness. In quadrant 4 (Q4), actions and their evaluations are mainly based on cost-benefit logic, as predicted by rational-choice theory. In reality, most evaluations of actions can probably be characterized as falling under scenario Q1, and least of all under scenario Q3. This is because for every evaluation, people usually apply one or more type of logic, which can be based on rational calculation or values or a combination of both.

4.3 Variables for the Studies

Evaluation processes of institutional outputs such as institutional performance and governance quality are mainly calculation-based and guided by the logic of consequences. If an institution performs well, people will evaluate it positively and have higher trust in that institution. Similarly, if a country’s quality of governance is good (for example, if corruption is controlled and fair treatment is ensured), then people will have a high level of trust in the government. In such situations, people’s actions are explained by consequential reasons, as indicated by March and Olsen (1998). Ruscio (1996) also terms this calculative nature of individual reasoning as the logic of consequences. However, the logic of appropriateness indicates that “actors seek to fulfil the obligations and duties encapsulated in a role, an identity, and a membership in a political community” (Olsen, 2007: 3). This logic indicates that actors’ strategic and calculative behavior is shaped by cultural norms. The logic of appropriateness shifts the level of trust in an institution to a different position than it would be at if a person had only based his or her trust on rational and objective analysis (the situation of Q4 in Figure 4). Thus, the logic of appropriateness can provide a possible answer to the question of why there is inflated institutional trust in the sample countries. In hierarchical societies such as we find in the three South Asian countries, obedience to authority is an obligation. This obligation (the measure of ACO) can become an important determinant of the formation of institutional trust. By recognizing the importance of both logics, March and Olsen (1998) state that actors’ actions generally cannot be explained solely by either the logic
of consequences or the logic of appropriateness; any particular action by an actor probably involves both types of logic. Thus, the logic of appropriateness can be useful for explaining the main empirical puzzle that backgrounds this dissertation. The first four articles in this dissertation explore the effects of both logics (independent variables) for understanding institutional trust (dependent variable).

![Diagram: Relationship between independent and dependent variables]

The fifth article in this dissertation mainly pursues the relationship between the logic of consequences and institutional trust. It explores possible explanations for variations in the trust levels in anti-corruption agencies in the sample countries (Bangladesh, Nepal, and Sri Lanka). For this study, therefore, the level of trust in an anti-corruption agency is the dependent variable. Different predictors of institutional trust (e.g., the perceived intensity of political and bureaucratic corruption) are used to understand the level of trust in anti-corruption agencies. According to the logic of consequences, a higher perceived intensity of both political and bureaucratic corruption should reduce the amount of trust which an anti-corruption agency receives. Similarly, personal exposure to corruption may also negatively affect institutional trust. Along with these explanatory variables, the target and the intensity of anti-corruption drives by anti-corruption agencies may provide explanations for the variations.
of trust levels. If an anti-corruption agency performs its duties efficiently and neutrally, it should receive higher trust from citizens than if it performed in the opposite manner.

The last article deals with the difficulties of measuring the logic of consequence (performance) for credence goods such as health services. Due to this difficulty, having an incentive system for health services can be problematic. For this study, the nature of treatment (normal child delivery versus cesarean child delivery) is the dependent variable, and the incentive structure of the service delivery institutions (low versus high) is the main explanatory or interest variable.

5. Data and Method

5.1 Study Areas and Sources of Data

The selection of the study areas is based on both practical and scientific reasons. The first three articles (two are on trust in the civil service, and the third is on trust in public institutions in general, which also includes trust in the civil service) and the fifth article (trust in anti-corruption agencies) are based mainly on the South Asian countries of Bangladesh, Nepal, and Sri Lanka. The main scientific reason for selecting these countries is that they show a surprisingly high level of trust in various public institutions, despite those institutions’ relatively poor performance and weak governance. But there is a practical reason as well: the initial PhD project was designed to work on data which was collected under the Governance and Trust Survey 2 (GoT 2) by a NORHED\(^2\) funded project in these three countries. After conducting preliminary analysis of the GoT 2 data, some confusion arose because the higher level of trust in public institutions in these three countries was unexpected. We therefore analyzed data from similar surveys (such as WVS and Asia-barometer) and, surprisingly, found the same trend of a higher level of trust in public institutions in many other under-performing countries, including these three South Asian countries. In order to explain this inflated trust, these studies introduced the ‘authoritarian cultural orientation’ (ACO) variable along with other variables. In the fourth article, the focus of the study extends to African countries where a similar situation of inflated trust is also observed, despite poor institutional performance and weak governance. For this article, data from Afro-barometer was used to measure a variable similar to ACO, in an effort to explain institutional trust in 32 African countries. The last study of this dissertation was mainly based on the childbirth system of

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\(^2\) The Norwegian Programme for Capacity Development in Higher Education and Research for Development – NORHED. This survey is called round 2 because there was an earlier round of the survey in 2008-2009.
Bangladesh. The different methods that were used for the different studies of this dissertation are described below:

5.1.1 Survey Data

The studies used survey databases such as the Government and Trust Survey 2 (GoT 2) (2014-15), the World Values Survey (WVS) 6 (2010-2014), the European Values Study (EVS) 4 (2008-2010) and Afro-barometer 5 (2015). WVS 6 and EVS 4 were mainly used to analyze global trends on trust in institutions such as the civil service. However, the major source of data for explaining institutional trust in the three South Asian countries was the Government and Trust Survey 2 (GoT 2) (2014-15). Data from this survey was used for the first three articles and the fifth article. The fourth article is based on data from Afro-barometer 5 (2015).

5.1.2 Interviews

As stated, the fifth article, which is about trust in anti-corruption institutions in Bangladesh, Nepal, and Sri Lanka, used the GoT 2 survey data. In addition to this survey data, 25 interviews were conducted to gain further insight on anti-corruption institutions and their activities. Interviewees were mostly selected based on convenience and snowball techniques. This is why most of them were academics from universities participating in the NORHED funded project.

Table 1: Different methods for different studies of this dissertation

<table>
<thead>
<tr>
<th>Article Number</th>
<th>Methods</th>
<th>Sources of Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Survey</td>
<td>WVS 6, EVS 4, and GoT 2</td>
</tr>
<tr>
<td>2</td>
<td>Survey</td>
<td>GoT 2</td>
</tr>
<tr>
<td>3</td>
<td>Survey</td>
<td>GoT 2</td>
</tr>
<tr>
<td>4</td>
<td>Survey</td>
<td>WVS 6, EVS 4, and Afro-barometer 5</td>
</tr>
<tr>
<td></td>
<td>Interviews</td>
<td>25 interviewees; they are selected based on convenience and snowball techniques</td>
</tr>
<tr>
<td>5</td>
<td>Netnography</td>
<td>Social media (Facebook)</td>
</tr>
<tr>
<td></td>
<td>Web content analysis</td>
<td>4 newspapers</td>
</tr>
<tr>
<td>6</td>
<td>Registry data analysis</td>
<td>Government of Bangladesh</td>
</tr>
<tr>
<td></td>
<td>Online survey</td>
<td>Own survey based on convenience and snowball techniques</td>
</tr>
</tbody>
</table>
5.1.3 Netnography

The anti-corruption agency of Nepal has a Facebook page to disseminate information related to its activities (link: https://www.facebook.com/NepalCIAA/); on this page, the agency used to post news and reports. In the comments section under these posts, many Nepalese expressed their opinions. During the research period, I followed this page regularly to track citizens’ opinions, particularly in the year 2015. Many of the comments were in the Nepalese language and only few were in English. I therefore used online translating functions (Facebook’s automatic translator and Google translator) to comprehend the comments. This may of course pose a limitation to the study since such online translation tools are not always accurate. Nevertheless, through the translation functions, it was possible to get a general idea about people’s opinions, and they were found to be useful for this study. A similar exercise in the other two countries was not possible since no online platforms were found for anti-corruption agencies of those countries.

5.1.4 Web Content Analysis

Data on corruption and the anti-corruption commission in Bangladesh were collected from reviewing and analyzing online versions of four widely-read local newspapers (the Daily Star, the New Age, the Ittefaq and the Prothom-Alo). To identify news related to the anti-corruption commission, key words such as ‘corruption’ and ‘anti-corruption commission’ were used. Reviewing these newspapers was helpful for gaining data on corruption, but there were of course some limitations; for example, newspapers usually publish news that is assumed to be of interest to general readers, so not all types of corruption are necessarily reported on, especially petty corruption.

5.1.5 Registry Data

Data for the study of the childbirth system in Bangladesh, which is the subject of the last article, stems mainly from the Directorate General of Health Services (DGHS), Government of Bangladesh (2015), available at http://www.dghs.gov.bd/. The DGHS’s webpage has data on 424 Upazila (sub-districts) (out of a total of 476 Upazila).

5.1.6 Online Survey

For the last article, it was important to understand the preferences of mothers regarding modes of childbirth (normal versus cesarean delivery) and related issues such as cost, length of stay in the health facilities, complications, and so forth. A very small scale (n = 44) online survey was therefore conducted. The survey respondents were selected based on convenience and
snowball techniques. First, an online questionnaire was sent to mothers who were known to the researchers. The mothers were asked to forward the link of the survey to other mothers who were known to them. The gathered data is not representative of the country as a whole, as it mainly reflects the opinions of some middle-class educated women.

5.2 Unit of Analysis

The unit of analysis for the first five studies is mainly individual. Each individual respondent’s ratings and responses on different performance and governance indicators along with his or her cultural orientation were used to explain the level of trust in different public institutions. In the last article on credence goods, the unit of analysis consists mainly of those organizations which are involved in childbirth in Bangladesh. This study tried to compare the nature of services among the different types of health service providers: the government hospitals, private clinics, and NGO health facilities.

5.3 Reliability and Validity of the Studies

Possible problems relating to the reliability of data from WVS 6 and EVS 4 may explain the inflated trust reported in the underperforming countries. However, amongst all the available data sources on institutional trust and the related issues, these data sources are considered quite comprehensive, reliable, authentic, and rigorous. Several scholarly articles have already been published based on these databases (e.g., Inglehart and Welzel, 2010; Delhey, et al., 2011; Norris, 2013; Jung, 2017; Buzasi, 2015). Statistics from EVS show that up to November 2017, there are 1,643 publications based on EVS (EVS, 2017). In addition to this, other surveys such as Afro-barometer, Asia-barometer/Global-barometer, and the Governance and Trust survey 2 (GoT 2) also indicate a similar pattern of inflated institutional trust in certain countries with poor institutional performance and weak governance. The trend of relatively high trust despite poor institutional performance is therefore not an anomalous finding from a single survey.

The studies of this dissertation mainly used the GoT 2 survey data to analyze the level of institutional trust in the sample countries. Most of this survey’s questions are similar to WVS 6 questions. The GoT 2 survey questionnaire was prepared in English by two faculty members from the University of Bergen, Norway. After this, the partnering team from each of the three countries translated the questionnaire so that it could be easily understood by the local respondents. Three universities, one from each country, collaborated with the University of
In each university, a research team worked under the leadership of an academic. For sampling, the respective country’s voter list was used to choose a sample from the population; around 50 respondents were randomly selected from each selected polling station (details on the total sample for each country, and other related information, can be found in Table 3 in the appendix). During this selection process, different demographic attributes were taken into consideration. It can therefore be said that the samples from these countries are random and more or less representative. Owing to all these procedures, it can also be said that the data from GoT 2 is relatively reliable. Sometimes, however, it was difficult to locate the selected respondents from the lower income group because of their ‘floating’ nature. There are thus some issues of representativeness within the lower income group.

There can be yet another possible explanation for the higher level of institutional trust despite lower performance and poor governance: people may be afraid to provide ‘honest’ or ‘real’ responses. If this is the case, then people would be reticent to speak about corruption in public bodies and by public officials. Focusing on South Asia, Figures 6 and 7 indicate that most of the respondents (around 90 percent) from the GoT 2 survey expressed their opinions on corruption committed by political leaders and civil servants.

Figure 6: People’s perceptions of politicians’ involvement with corruption (%)

Figure 7: People’s perceptions of civil servants’ involvement with corruption (%)

Source: GoT 2 Survey

3 The North South University in Bangladesh, Tribhuvan University in Nepal, and the University of Peradeniya in Sri Lanka.
If the fear factor truly applies, then respondents would have chosen a safe option such as ‘don’t know’, or even refrained from answering the survey questions. Table 2 indicates that the percentage of ‘don’t know’, ‘not answered’, and ‘system missing’ in the GoT 2 survey is less than 10 percent. This means the majority of the people freely expressed their opinions on corruption, indicating that fear was not a decisive factor when they evaluated different public institutions.

Table 2: People’s perceptions of corruption amongst politicians and civil servants (%)

<table>
<thead>
<tr>
<th>Country</th>
<th>Involvement with corruption</th>
<th>Everyone</th>
<th>Quite many</th>
<th>Some</th>
<th>Just a few</th>
<th>None</th>
<th>Don’t know</th>
<th>Not answered</th>
<th>System missing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>Politicians</td>
<td>5.2</td>
<td>48.1</td>
<td>33.7</td>
<td>6.1</td>
<td>.8</td>
<td>6.0</td>
<td>-</td>
<td>.2</td>
<td>100</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>Civil servants</td>
<td>3.2</td>
<td>39.9</td>
<td>40.1</td>
<td>7.9</td>
<td>1.7</td>
<td>6.9</td>
<td>-</td>
<td>.2</td>
<td>100</td>
</tr>
<tr>
<td>Nepal</td>
<td>Politicians</td>
<td>18.9</td>
<td>33.6</td>
<td>21.1</td>
<td>17.9</td>
<td>1.4</td>
<td>6.2</td>
<td>-</td>
<td>.8</td>
<td>100</td>
</tr>
<tr>
<td>Nepal</td>
<td>Civil servants</td>
<td>10.2</td>
<td>25.6</td>
<td>27.0</td>
<td>25.0</td>
<td>3.3</td>
<td>8.0</td>
<td>-</td>
<td>.9</td>
<td>100</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>Politicians</td>
<td>7.1</td>
<td>50.2</td>
<td>27</td>
<td>12.1</td>
<td>.4</td>
<td>2.9</td>
<td>.4</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>Civil servants</td>
<td>2.4</td>
<td>30.5</td>
<td>38.3</td>
<td>23.3</td>
<td>1.4</td>
<td>3.7</td>
<td>.4</td>
<td>.1</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: The ‘Not answered’ option was only available for Sri Lanka, and the question asked was ‘Are the politicians/civil servants involved with corruption?’

Source: GoT 2 Survey

The same is the case for the data from the Afro-barometer. Table 4 (in the appendix) indicates that most of the people expressed their opinions on the nature of corruption amongst their public authorities. Different studies (Shi, 2001; Wang, 2005) also show that while people are critical (they talk about corruption) of their authorities, they at the same time display relatively high institutional trust. In a study on China where there is also inflated institutional trust, Shi (2001) finds a very weak correlation \((r = .04 \text{ to } .14)\) between political fear and institutional trust. Similarly, in the NORHED survey and in Afro-barometer, people express their opinions on corruption amongst their authorities, but at the same time, express relatively high trust in their public institutions. So, the ‘fear factor’ may not be an important factor to influence the surveyed data. Due to all these factors, the data of GoT 2 and Afro-barometer may be reliable enough for conducting further analysis.

The sixth article is based on registry data on the health system of Bangladesh. This data, which is from the Government of Bangladesh (2015), is quite comprehensive and the best available on this issue. Nevertheless, there can be problems with the data, since it may not have been acquired through rigorous data-collection procedures. Like other developing countries, Bangladesh may also have problems in data collection and data management. Since
this is the main government-generated data on such an issue on a country wide scale, it was deemed relevant to use.

The research questions for the various studies of this dissertation are mainly formulated based on the inconsistencies between theoretical expectations and empirical findings (outlined above). The variables for the studies are mainly developed on the basis of the existing theories of institutional trust and the possible contextual factors (e.g., ACO). Thus, the elements of the different studies are constructed by following logical sequences. The Cronbach’s Alphas for the measurement of ACO are greater than the convention, that is, greater than 0.6, which indicates that the measurement is internally consistent and reliable (details are in article 3). The connections between independent and dependent variables are established using different techniques (mainly quantitative). Those analyses make it possible to see how the variable of interest – ACO – affects institutional trust.

In order to extend the external validity of the findings on ACO beyond the three South Asian countries, another study was conducted based on 32 countries in Africa that were included in Afro-barometer 5. Afro-barometer 5, however, does not have the exact measure of ACO that is used in the articles on South Asia. This study used the concept ‘degree of assertiveness’, which is somewhat similar to the concept of ACO and indicates a situation of power distance. Both measurements (for ACO and the degree of assertiveness) are consistent with the findings of Inglehart (2006), who shows that both South Asia and Africa have lower self-expression values. Both higher authoritarian cultural orientation (used in the articles on South Asia) and lower assertiveness (used in the article on Africa) are indicative of lower self-expression values. A study by Paluck and Green (2009) also shows that authoritarian culture contributes to higher institutional trust in Africa.

6. Summaries of the Findings

6.1 Article I: Linking Performance, Quality of Governance and Trust in the Civil Service: Does Culture Intercede in the Perceived Relationship?

This article highlights that it may not be sufficient to explain a higher level of trust in the civil service in non-OECD countries by performance and governance indicators alone. An additional variable based on cultural orientation is put forward. The argument is that the existence of ‘power distance’ or an ‘authoritarian cultural orientation’ (ACO) in many non-OECD countries may contribute to a higher level of trust despite the lower socio-economic performance of public institutions as compared to similar institutions in OECD countries.
High ACO indicates unquestioning obedience, loyalty, and reliance on authorities such as the government, political leaders, teachers, elders or anyone with a higher social rank, status, and reputation than that of the individual concerned (Ma and Yang, 2014). Accordingly, people with high ACO accept a strong hierarchical social order, and this may contribute to creating blind trust in authorities. Conversely, people with low ACO may challenge authorities and question the appropriateness and effectiveness of various public institutions. Thus, people possessing either of these contrasting cultural values will assess the effectiveness of an institution differently, and this can contribute to differences in their level of institutional trust. The study finds support for this argument by analyzing the data from the three South Asian countries (Bangladesh, Nepal, and Sri Lanka). The study also finds that various perceived performance indicators such as the reduction of poverty, the development of the health system, and the maintenance of law and order contribute to determining the degree of institutional trust in the sampled countries. The perceived quality of governance also appears to be an important factor in shaping the degree of trust in the civil service in the sampled countries. When civil servants are perceived to be corrupt, people have less trust in them. Alternatively, when people perceive that they are receiving equal or just treatment from civil servants, they tend to trust the civil service more than when they perceive themselves as receiving biased or discriminatory treatment.

The effect of ACO on institutional trust can be considered a ‘pull factor’ and a reason why we observe inflated trust in the sampled underperforming countries. In contrast, post-materialistic culture and the rise of critical citizens (Inglehart and Baker, 2000; Norris, 2011) work as a ‘push factor’ and decrease the level of institutional trust as found in various developed countries. These pull and push factors may contribute to creating the gap in the level of institutional trust identified between the non-OECD and OECD countries. This may provide a possible explanation to the main research puzzle of the study, that is, why certain non-OECD countries have higher institutional trust than the OECD countries, despite the non-OECD countries’ lower performance and poor governance.

6.2 Article II: Mismatch between Lower Performance and Higher Trust in Civil Service: Can Culture Provide an Explanation?

Article 2 explores the links between institutional trust and processes of service delivery in combination with ACO in the sampled countries. Processes of service delivery depend on implementers’ dispositions, for instance their degree of promptness and effectiveness or their responsiveness to service recipients. These service delivery processes as well as the perceived
output are considered to be important factors which can affect the degree of institutional trust (Van Ryzin, 2011). The study examined the effect of different aspects of service delivery under two categories: service enabling processes (SEP) and service impeding processes (SIP). It shows that SEP elements – for instance the degree of promptness and effectiveness, responsiveness, equal treatment, and following rules – all have positive effects on trust in the civil service. Alternatively, SIP elements such as corruption and difficulties in gaining access to civil servants have negative effects. This study also finds that higher ACO contributes to a higher level of institutional trust. Most interestingly, the aspects of service delivery are also influenced by ACO. People with higher ACO usually assess civil servants positively; they have a comparatively strong belief that civil servants are prompt, efficient, and tend to treat people equally.

6.3 Article III: How May Culture Nurture Institutional Trust? Some Empirical Insights from Two South Asian Countries

In this article, the effect of ACO on the level of trust in public institutions is tested in Bangladesh and Nepal. The institutions included in the test are the civil service, the parliament, the police, the army, the judiciary, the anti-corruption commission, NGOs, and educational institutions. This article’s main contribution to research is that it finds empirical support for the claim that ACO affects the level of trust in public institutions other than the civil service. Another interesting finding is that people who have high ACO tend to trust the institutions that are more visible and closely located to them, for instance local government agencies, than they trust the central government. Similarly, the lower judiciary attracts more trust than does the higher judiciary, and the police force attracts more trust than does the army amongst the people who possess the same cultural orientation. This may be because of the ‘proximity factor’, given that the police force has higher visibility amongst the citizenry than the army does. In this study, the ‘degree of power’ also appears as an important factor; institutions which have higher administrative power in society (e.g., the civil service as compared to educational institutions) attract more trust among the people who have higher ACO.

This article also finds that ACO increases with the increase in respondents’ age. Such a finding may indicate that this orientation is gradually imbedded through a ‘social learning process’; young people may display relatively less obedience to authority, but as they grow older and their social learning leads to increased obedience, this may in turn lead them to develop increased institutional trust. Lastly, the study finds that higher education and a higher
income level also lead to a reduction of ACO. Higher education may equip people with increased cognitive ability and awareness, and they may possess information which prompts them to question authority. These may help reduce the degree of unquestioning obedience which is the measure of ACO. The effect of education is also visible in the level of trust in the sampled countries’ governments. In both countries, the increase in the level of education leads to a decrease in the respondents’ trust in government. However, the income variable does not show a statistically significant effect in the regression on institutional trust. This may be because the variable ‘income’ works through other channels, for instance education, since higher income makes higher education more easily affordable.

6.4 Article IV: Linking Trust, Performance, and Governance Quality: What Can Explain the Incongruity?

This article uses data from Afro-barometer to explore cultural orientation that is similar to ACO – the degree of assertiveness – and its effect on institutional trust. For this cultural orientation, the people who perceive their government as their ‘employee’ are considered as having higher assertiveness, while those who perceived their government as their ‘parents’ are considered as having lower assertiveness. Based on this distinction in the degree of assertiveness (low vs. high), the study explores the variation of institutional trust in 32 African countries. It finds statistically significant differences in the level of trust in different institutions (e.g., trust in president/prime minister, parliament, and police).

The study indicates that people with lower assertiveness tend to have higher institutional trust. Further mechanisms for such variations between highly assertive and less assertive people may be associated with differences in their perceived notion of the ‘quality of governance’ and the ‘performance of the government’. The study finds that people with lower assertiveness tend to believe that there are fewer governance-related problems (e.g., corruption) than do people with higher assertiveness. The difference in the degree of assertiveness also affects people’s evaluation of different aspects of government performance. People with lower assertiveness assess different types of government performance (e.g., management of the economy and combatting crime) more positively than do people with higher assertiveness. Given that most of Afro-barometer’s respondents have lower assertiveness, the effect of this attribute on institutional trust is very significant in the sample African countries. The study also finds that with the increase of education level, institutional trust level also declines.
6.5 Article V: Dynamics of Corruption and Citizens’ Trust in Anti-corruption Agencies in Three South Asian Countries

Institutional trust levels can be affected by variations in perceived rather than actual performance. This article analyzes variations in trust levels in anti-corruption agencies in Bangladesh, Nepal, and Sri Lanka. The findings reveal that an ACA may attract higher trust despite being relatively ineffective in controlling corruption. The anti-corruption agency of Nepal has attracted higher trust due to its campaign against petty corruption amongst lower-level public officials, particularly against the school teachers who have forged academic certificates. But this agency has failed to curb grand-scale corruption, which usually involves higher-level politicians and bureaucrats. Such selective campaigns against corruption fail to reduce the overall corruption level in Nepal. The Nepalese people nevertheless tend to have relatively high trust in their anti-corruption agency. This may be because the campaign against lower-level officials may have had some ‘demonstration effects’ due to the high visibility of the agency’s actions. In the case of Bangladesh, the anti-corruption agency targets people who are high up in the power structure as well as lower level functionaries, but it does so selectively. It goes after people who belong to the political party in opposition to the government. In Sri Lanka, the anti-corruption agency is a more or less a non-functional institution that has failed to take any effective action against corruption.


One of the core elements of New Public Management is to introduce incentive-based systems to increase output and productivity. However, the introduction of an incentive system can be problematic for some services, particularly those that provide credence goods. Expert services such as medical treatments, legal advice and automobile repair are all examples of credence goods (McCluskey, 2000). Due to the unfamiliarity and the nature of the goods in question, a consumer may not be in a position to judge what he or she actually needs (Emons, 1997). Even after receiving a credence good or service, a consumer may not be able to judge whether a suggested quality was or was not actually provided (McCluskey, 2000; Dulleck and Kerschabamer, 2006). Due to the great cloud of unknowing about these kinds of services, a consumer must simply trust an expert. Credence goods can therefore create information asymmetry (when one person has more or better information than others) between a service provider and a recipient. In such a situation, having an incentive system for the service
providers, to enhance their work motivation, may be problematic, as it may lead them to behave opportunistically to achieve personal gain.

This article finds support in favor of this argument from the childbirth system of Bangladesh. It indicates that physicians from the private clinics tend to go for overtreatment; they mostly choose cesarean delivery, and in most cases, it is not based on medical grounds but may be motivated by financial incentives. Huge differences in the volume of cesarean delivery (5-10 times) between lower (government and NGOs health facilities) and higher (private clinics) incentive-based institutions may be indicative of this problem. The physicians working in government and NGO clinics have less incentive than the private clinics to choose overtreatment, since their earnings usually do not depend on the services they provide.

7. Discussions: Overall Contributions and Synthesis with the Overarching Theoretical Framework

The theoretical framework for this dissertation indicates that both the logic of consequences and the logic of appropriateness can contribute to determining the degree of institutional trust. If we use these forms of logic as lenses for analyzing the findings of the articles, we can observe the importance of both logics. The first three articles, which explain institutional trust in Bangladesh, Nepal, and Sri Lanka, indicate that the authoritarian cultural orientation (ACO) has a statistically significant effect on institutional trust. People who have higher ACO tend to have higher institutional trust principally because they tend to defer to authority. Their cost-benefit logic (i.e., the logic of consequences) is affected by their obedience to authority. This obedience relates to the degree of appropriateness of certain behaviors that are connected with values and norms. We can therefore see the importance of the logic of appropriateness for determining the level of institutional trust. This can provide a possible explanation to why there is inflated trust in public institutions in the sampled countries.

The fourth article, which concerns African countries, finds that people’s degree of assertiveness affects their institutional trust. People with lower assertiveness tend to have higher trust in government than do people with higher assertiveness. This may be because people with higher assertiveness are more conscious of their rights, and, accordingly, are more demanding and calculative of these demands. The concept ‘lower assertiveness’ identified in this article is connected with the concept ‘authoritarian cultural orientation’ identified in the articles on South Asia, as people with higher ACO also have lower assertiveness due to their obedience to authority. On the other hand, people with higher assertiveness may be more critical of authorities and their roles, and may therefore have lower
ACO. The previous three articles’ claim of the possible effect of the logic of appropriateness in explaining institutional trust becomes stronger due to the findings of fourth article, as it is based on the additional 32 African countries.

The articles in this dissertation also confirm that the logic of consequences affects people’s institutional trust, since the perceived degree of quality of governance and the level of institutional performance are shown to have a statistically significant relationship. For example, when respondents feel that there is higher corruption, their trust declines, and when they assess economic performance positively, their institutional trust increases. Nevertheless, the background for the studies in the dissertation was that the objective measure of performance was inconsistent with institutional trust in the sample countries – it appears that some of the perception-based data on performance has a statistically significant effect on institutional trust. This may be due to variation in respondents’ expectations about the performance of public institutions, since political trust is “the ratio of people’s evaluation of government performance relative to their normative expectations of how government ought to perform” (Hetherington and Husser, 2012: 313). From this definition, it appears that the frame of reference is very important for perceived performance and for institutional trust (Röder and Mühlau, 2012). If a person has relatively low expectations, then he or she may be happy with an institution’s lower performance and, accordingly, can have relatively high trust in that institution.

The studies show that the evaluation of the indicators of the logic of consequences can also be affected by the logic of appropriateness because the indicators of logic of consequences show a statistically significant relationship with ACO. For example, people with higher ACO are more likely to perceive civil servants as prompt and efficient and to tend to treat everyone equally. It therefore becomes difficult to disentangle the effect of consequential factors (performance and governance quality) from the effect of ACO on institutional trust. Similarly, in the fourth article, it appears that people with lower assertiveness think that their society suffers from less corruption or unequal treatment than do the people with higher assertiveness. Due to variations in the degree of assertiveness, people have different standards for evaluating institutional performance and governance quality; these differences ultimately lead to the variations in institutional trust in the sample countries. These findings, which are revealed in the articles, indicate that certain values which an individual possess can shape his or her worldview and can lead to higher institutional trust despite lower performance and poor governance. Thus, the logic of appropriateness (here ACO) can shape the application of the
logic of consequences. The endogenous effects of these factors (performance/governance and cultural orientation) on institutional trust are also indicated by Ruscio (1996), who confirms that norms and values influence behavior in combination with self-interest. Ruscio claims that people’s different social obligations cause them to calculate differently. Thus, people with relatively high ACO also have a relatively high level of institutional trust. This can explain the existence of inflated trust in the sampled countries despite their under-performance in most indicators of governance. According to Sztompka (1999), this kind of inflated trust can be regarded as blind or naive, because these trusting people discount negative evidence and take a ‘pure leap of faith’. The findings of the studies in this dissertation are consistent with the observations of Van Ryzin (2007) and Van de Walle and Bouckaert (2007 and 2003); Van Ryzin (2007) warns that it is too simplistic to assume that citizens directly respond to government outcomes. Rather, their trust in government reflects the way they interpret their government’s performance.

The third article indicates that age is positively correlated with ACO, meaning older people tend to have higher ACO. This may indicate that ACO develops with age, as part of the social learning process. Young people tend to be relatively more assertive, but as they grow older, they develop ACO. This claim about the effect of age has one limitation: it is not measured within the same person. If such a measurement were possible, it could strengthen the claim. This article also finds that higher education leads to a reduction in ACO. This could be because higher education can create a higher cognitive ability, which can cause a person to become more assertive, to question authorities and their actions, and to help reduce the person’s degree of obedience to authority. Education may thus contribute to rationalizing the ‘logic of appropriateness’ and help increase the dominance of the application of the ‘logic of consequences’. Nevertheless, in the regression analysis, the negative effect of education on institutional trust is only visible for trust in government in the sample three South Asian countries; it is not visible for trust in the civil service of those countries. This may be because educated people are more critical of government than they are of civil service.

The fourth article also indicates that higher education can lead to reducing trust in government. The negative affect of education on institutional trust is supported by a study by Wang and You (2016), who show that trust in political institutions is declining in China – an Asian country with a strong hierarchical culture. This decline is happening in the face of rapid economic growth, yet at a rather slow pace. The two scholars argue that due to socio-economic modernization, the Chinese people are acquiring stronger liberal democratic values;
their freedom is expanding and they are being empowered as citizens. In this modernization process, education is playing an important role. Meanwhile, Christensen and Lægreid (2005) argue that higher education can also create a higher probability to trust in government. But there are other scholars, for instance Kim (2010), who claim that higher education can contribute to reducing a person’s trust in government, given that knowledge can result in an increase in critical attitudes. The findings of this dissertation on trust in government mainly support the latter claim. Hakhverdian and Mayne (2012) identify two mechanisms related to education which can affect institutional trust: the norm-inducing function and the accuracy-inducing function. Due to the norm-inducing function, people with higher education are more likely than less educated people to be morally troubled by a lack of institutional quality; due to the accuracy-inducing function, more highly educated people have better and more sophisticated skills for judging institutional performance and processes.

Christensen and Lægreid’s (2005) findings on education are based on studies of Norwegian citizens who already have a liberal political culture and a strong welfare state. In such a context, education may help people understand the importance of the socio-political goods they enjoy, and consequently, their institutional trust grows. However, many other countries lack such goods, and this is why the high levels of trust found there are considered blind, naïve, or inflated. In such situations, education can make citizens critical of public institutions and help to reduce the blind trust that arises through unquestioning obedience to authorities (the measure of ACO). The reduction of trust may reflect their aspiration for a better system of governance, and this, in turn, can be understood as part of an evolutionary process of human empowerment. The empowerment process indicates the effects of having developed an independent personality. In recognizing this personality change, Ma and Yang (2014: 327) say that “the hierarchical, obedient, and dependent personality attributes found in authoritarian orientations conflict with modern culture, which advocates equal and independent interpersonal relationships between people.” They also say that the speed and the extent of changes are dependent on cultural inertia and elements of the given social environment, for instance changes in the social structure and political system. The nature of the effects of education on institutional trust is explained further in an empirical study by Güemes and Herreros (2018). These scholars show that the effect of education is dependent on state efficacy; in a weak state, educated people are less trusting, and alternatively, in those countries where state efficacy is higher, educated people tend to have more trust.
The article on trust in anti-corruption agencies also indicates that the application of the logic of consequence is not universal but affected by local contexts. The Nepalese anti-corruption agency does not play a significant role in reducing the overall corruption in Nepal because it takes no action against higher-level officials and politicians. It nevertheless enjoys higher trust due to its relatively strong actions against lower-level officials, particularly against school teachers with fake educational certificates. These actions raise the agency’s visibility in the public sphere and may contribute to the higher institutional trust it receives. Considering all the dynamics of the anti-corruption drive of the Nepalese agency, one Nepalese respondent opined:

This is like killing mosquitoes instead of stopping the source of mosquitoes. Top level officials are the source of mosquitoes, while school teachers and lower level officials are like mosquitoes.

The article on the childbirth system in Bangladesh indicates that due to information asymmetry, it is difficult to judge the ‘logic of consequence’ for credence goods. Because of the nature and complexities of the services, consumers cannot assess their actual needs, and even after consumption, are uncertain of whether proper and adequate services were provided. The consumers must simply trust the service providers. Thomas (1998) defines this kind of trust as ‘fiduciary trust’, illustrating it through principal-agent relationships, where principals are unable to monitor the performance of the agents. This is why principals are vulnerable to both malfeasance and misfeasance. Given that the private clinics’ operating costs are mainly covered by earnings from the services they provide, there is an incentive for the service providers to take advantage of this information asymmetry and opt for overtreatment.

8. Implications of the Identified Cultural Attribute

One of the main contributions of the studies of this dissertation is to find the effect of ACO on institutional trust. Nevertheless, these studies do not explore the possible effects of this cultural orientation on other aspects such as governance and management style. Other related studies, however, may give us some indications of the possible implications of ACO on such aspects. In this connection, it may be useful to state that the definition used to describe ACO in this dissertation is close to what Schwartz (1999) calls ‘hierarchical cultural value’ and what Hofstede et al. (2010) call ‘power distance’. Schwartz (1999: 27) defines hierarchy as “a cultural emphasis on the legitimacy of an unequal distribution of power, roles and resources (social power, authority, humility, wealth).” Societies that have this value comply with the obligations and the rules attached to hierarchal roles and show deference to superiors.
Hofstede et al. (2010: 61) indicate a similar dimension with the concept of ‘power distance’, which they define as the “extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally.” The articles in this dissertation use ACO to describe similar asymmetrical power relations in a society.

At the **state level**, ACO can be beneficial because there is less resistance to governance due to the loyalty of the people. Countries with proper leadership may prosper, as top-down decisions are easier to implement. East Asian countries such as Singapore and South Korea probably benefit from this kind of culture. Cheng et al. (2014) describe the leadership style of these Asian countries as ‘paternalistic’, for leaders have authority and control over subordinates, and rewards are granted to subordinates in exchange for their acquiescence. But this leadership style can be problematic if authorities are corrupt. In an obedience-based culture, it is difficult to make authorities accountable; rather, such a culture can facilitate the misuse of power and repressive governance (Bouckaert and Van de Walle, 2003). Welzel and Dalton (2017) show that an allegiant culture is beneficial for effective governance while an assertive culture can ensure accountable governance. Similarly, Jain and Jain (2018) show that in high power-distance situations, the demand for transparency decreases. This is why lower trust is considered a healthy democratic attitude (Bouckaert and Van de Walle, 2003).

Dalton and Ong (2005) claim that Western societies are rights-based and individualistic, and that these qualities are consistent with the competitive elements of democracy. Here, people have the freedom to disagree with leaders and to demand for more consultative leadership. East Asian societies, by contrast, are paternalistic and have allegiance to authority. These qualities are inconsistent with democracy. This is why, while discussing Asian culture, Fukuyama (1998: 1) states that “…people are born not with rights but with duties to a series of hierarchically-arranged authorities, beginning with the family and extending all the way up to the state” (cited in Chang and Chu, 2006).

Khatri (2009) has identified a number of **organizational-level** effects of this cultural attribute. In a high power-distance context, decision making and the implementation of the decisions in an organization can be speedier, but the quality of decisions may be poorer because there may be a lack of input from lower-level employees. In such an organization, jobs are narrowly and tightly specified and top-level managers are occupied with making routine and minor decisions. They may need to get involved in micromanagement. Communication usually takes place vertically, and lower-level employees are unwilling to participate in decision making.
Older and senior employees receive respect due to their longer tenure in the organization. An organization with high power distance is prone to unethical behavior since the top-level officials do not need to justify their decisions. Another study by Lian and Ferris (2012) finds that subordinates with a high power-distance orientation are more tolerant of supervisory mistreatment than are subordinates with a low power-distance orientation.

There is one study which can be indicative of the group level effect of this cultural orientation. Anicich et al. (2014), who have done research on Himalayan mountain climbers (total 30,625 climbers from 56 countries), show that more climbers from countries with a hierarchic culture reach the summit of a given peak than do climbers from other cultures, but at the same time, there is a larger percentage of climbers from the hierarchical culture who die along the way. This study reveals both functional and dysfunctional aspects of hierarchal culture. One functional aspect is to have success in reaching the summit due to increased coordination; a dysfunctional aspect is that performance is impaired because the concerns and voices of lower-ranking climbers are blocked. The second article in this dissertation indicates one possible individual level effect of ACO. This article indicates that people with higher ACO tend to have higher satisfaction in life. This may be because they do not think or bother too much about different issues. On the other hand, people with lower ACO tend to experience higher stress, perhaps because of their assertiveness and consciousness. Being assertive and conscious of rights may lead them to do more intense and sophisticated evaluation and calculation of different events and actions.

9. Limitations of the Studies and Scope for Future Research on Institutional Trust

The articles in this dissertation can have several limitations which should be kept in mind. Future research on institutional trust is needed to address these potential limitations. First, there can be a problem in the conceptualization of the main dependent variable ‘institutional trust’ and in its measurement. The studies of this dissertation consider trust and confidence as similar constructs. This is because terms such as trust, confidence, perception, and image of government are often used interchangeably as ‘catch all’ terms (Van de Walle and Bouckaert, 2003). Different surveys also measure trust through confidence. Luhmann (1988 cited in Joon, 2004), however, makes a distinction between confidence and trust. Confidence, he argues, is associated with asymmetrical relationships and is related to real danger and contingency. Alternatively, the concept of trust is associated with modern society, where danger is replaced with risk and is dependent on a calculation of risk. Thus, according to Luhmann’s thinking,
there are differences between confidence and trust. If a person does not have any alternative solutions to a given problem, then he or she is in a situation of confidence.

The survey component which is used to measure institutional trust in the articles is “I am going to name a number of organizations and institutions. For each one, could you tell me how much confidence you have in them: is it a great deal of confidence, quite a lot of confidence, not very much confidence or none at all?” It is possible that this measure of institutional trust may reflect different things in different societies. In some countries it may reflect Luhmann’s (1988) concept of confidence, as there is higher power distance between an ordinary person and an authority figure. People in such society would rely on the authority to solve their problems, but such problem-solving mechanisms are not automatic or matters of course. In many cases the people will be dependent on the whim of the authority and will have very limited alternatives for dealing with such unpredictable behavior. They will be helpless because of limited opportunities to bargain or negotiate with the authority. Simply raising their voice can bring further troubles. In a high power-distance culture, demonstrations of obedience and loyalty may often help people gain favor from the authority. In such situations the power is asymmetrical, and if an authority does not intend to provide services, or if that authority treats people unfairly, then in most cases, people will have very little say in the matter. In contrast, in modern societies that have more freedom and formal space to negotiate with authorities and to create pressure on them if they act unjustly, trust is related to the calculation of risk. It therefore appears that the current measure of institutional trust may have different meanings in different countries. The higher trust in under-performing countries can be analogous to confidence in God: for any personal misfortune or disaster, confidence in God may not decline; rather, it will incite the believer to pray even more, and to show confidence in God precisely in order to gain God’s favor.

There may also be a limitation on the measurement of the main independent variable ‘ACO’. The respondents who scored high in the measure of ACO may have done so because they benefit from this kind of obedience-based system, but in practice, they may not actually be all that obedient to their authority. For instance, those who supported the statement: “it is natural that those with power, money and belonging to a high-status family background should be respected and obeyed”, may have done so because they are the beneficiaries of this hierarchical system, but in reality, they may not be all that obedient towards their authority. The current studies tried to minimize the effect of this problem by controlling for the income level of the respondents. The articles do not discuss the formation of ACO or the mechanisms
through which it develops in a person or in a society. Only the relationship between ACO and institutional trust is explored. The current studies do not explore the dynamics between specific and diffuse trust as indicated by Easton (1975). The unit of analysis for the studies on institutional trust is mainly individual, but country-level analysis could have made the studies’ claims (such as the effect of ACO) more convincing and comprehensive.

Next, there can be a problem in the measurement of independent variables. The articles in this dissertation used perceived performance to understand institutional trust, since institutional trust is supposed to be formed on the basis of people’s perceived understanding of performance. Although such perceptions cannot be created without objective evidence, Yang and Holzer (2006) have identified three factors which can moderate or mediate performance-trust relationships: a) grievance asymmetry – good performances can go unnoticed while bad performances and their related grievances can affect trust; b) summation – there are different agencies in civil service and government, and some of them may feature more strongly in citizens’ mind than others; c) expectations – citizens may differ in their expectations, and this is why their reactions to the same level of performance can vary. The perception-based data for the studies of this dissertation can be affected by these factors, but the studies do not develop further techniques to address the issues.

There is another limitation to the measurement of performance related indicators: the studies of the dissertation do not distinguish between the performance of civil service and that of government. Performance indicators such as the ‘reduction of poverty’ or ‘management of the economy’ can be the performance of both civil service and government, but the contributions of these may differ. In the first article, these indicators point to the performance of civil service, whereas in the fourth article, similar indicators are used to point to the performance of government. These studies do not distinguish the performance of civil service from that of government, and this is precisely because of their connected and complex nature. Van de Walle et al. (2008) also points this out and mentions that it is difficult to measure the performance of the public sector as a whole.

The current studies do not explore the role of political scandal, which can cause institutional trust to fluctuate quickly (Bowler and Karp, 2004). And then there is the ‘perceptual bias’ of survey responses, which can cause considerable variation in perception-based data (Erlingsson and Kristinsson, 2016). For example, people usually overestimate the threat of crime and corruption. According to Anderson and Singer (2008), people’s ideological predisposition can affect their evaluation of performance, and accordingly, their institutional
trust level. People who identify themselves as politically right wing are less likely to view inequality negatively than do others (Anderson and Singer, 2008). The findings of this dissertation may be affected by these factors, but since there are clear statistically significant trends in the studies, the findings can be important to contemplate further.

Van de Walle and Bouckaert (2003) list different performance indicators and identity-related indicators to explain institutional trust, but a number of these identity-related indicators are not included in the analyses of the studies of this dissertation. For example, party loyalty as an explanatory variable for institutional trust is not included, even though it is a very important variable for defining trust in different countries (Christensen and Lægreid, 2005; Anderson and LoTempio, 2002). The article on Africa does not include ethnic divisions as an explanatory variable in the regression models, even though ethnicity can be an important explanatory variable in the African context (Franck and Rainer, 2012; Zerfu, Zikhali, and Kabenga, 2008). From the data on African countries, Chang and Kerr (2017) show that individuals who have partisan or ethnic relationships with rulers are less likely to consider corruption as widespread. Due to the large variation of ethnic groups across 32 countries, the study did not include this variable in the regression models. The articles discussing the South Asian countries also do not include some context-specific identity variables. For example, in Sri Lanka, the ethnic division between Sinhalese and Tamil respondents may affect respondents’ level of institutional trust. Similarly, in Nepal, ethnicity and caste may have affected respondents’ institutional trust. A study by Askvik et al. (2011), however, shows that different identity variables have little significance in explaining the degree of institutional trust in Nepal.

Methodologically, most of the articles in this dissertation can have ‘common method bias’, which is a systematic variance among the variables that is due to the measurement method itself, rather than to the theoretical constructs the measurements represent (MacKenzie and Podsakoff. 2012, cited in Jakobsen and Jensen, 2015). The explanation sections in the first five articles are mainly based on the same survey responses, from either the GoT 2 survey or Afro-barometer 5. This is why the findings of these articles can be affected by common method bias.

The regression models in the analysis sections of the articles on institutional trust may also have limitations. The institutional trust variable is measured by a 4-point Likert scale that does not reflect an ideal continuous variable. Using linear regression to analyze these
dependent variables may therefore have limitations. However, there is literature (such as Pasta, 2009) which lends support to the use of ordinal variables for linear regression.

The studies do not find any effect of generalized trust on institutional trust in the sampled countries. One possible explanation for this relates to the existence of a lower level of generalized trust in the sampled countries. However, there may be another explanation based on the problem of measuring this variable. Although these studies use the standard measure of generalized trust that is used in established surveys such as WVS, there are studies which show that the results from WVS do not correlate with the findings of experimental studies (senders’ behavior in the ‘trust game’) (Sapinza et al., 2013).

In the article on anti-corruption agencies, the data from Transparency International is used to understand the magnitude of corruption in the sample countries. This data, however, is not based on an objective measurement of corruption, but on expert opinions. It may therefore have the same type of problems which are found in perception-based data (over-estimation or under-estimation due to different limitations and biases). This article does not inquire into the effect of ACO. This is because the study was conducted before the idea of the possible effect of ACO was conceived. Notwithstanding, the other articles in this dissertation on South Asia do indicate that ACO can affect the level of trust in the anti-corruption agencies of the sample three countries.

The last article, which tries to show the problem of overtreatment during childbirth in the private clinics of Bangladesh, is different than the other articles and does not fit properly with the main theoretical framework. One of its weaknesses is its inability to identify the exact number of cesarean deliveries based on each of the possible reasons (e.g., medical necessity, a mother’s own preference, and opportunistic behavior of the service providers). The comparative analysis of the volume of cesarean delivery at the private clinics with the volume at the government hospitals and NGO health facilities may be indicative of the problem of overtreatment, but this indication is inconclusive. Nevertheless, a report from the World Health Organization (2015) indicates that the ideal rate for caesarean sections is between 10-15 percent, and that there is no justification for any hospital to have a higher rate than this. Having around 65 percent cesarean delivery in the private clinics is therefore certainly an indication of the overtreatment problem. On top of this limitation, the database used for this study is confined to the sub-districts – there is no data from major cities such as the capital Dhaka. As most of the private clinics are located in major cities, it is highly likely that the
The overtreatment problem of cesarean delivery is more acute in the large cities, but the study could not include them due to the non-availability of data.

The articles in this dissertation do not explore the mechanisms for restoring or building trust, which is the main focus of many institutional trust-related studies in Western countries. Based on the studies in this dissertation, it appears that many developing countries have higher institutional trust when they should actually have lower trust due to lower performance and poor governance. Because of this mismatch, the institutional trust in these countries can be considered inflated or blind. Such unwarranted trust may be a problem for these countries as indicated by political science literature (Van de Walle and Six, 2014). For example, according to the classical liberal theory, distrust is rational and trust is naive (Hardin, 2002), for with a high level of trust, there is a risk that checks and balances will be hollowed out (Van de Walle and Six, 2014). As such, the decline of inflated trust may not be a problem. Instead, it may indicate that people are becoming increasingly sophisticated about the conditions of trust (Warren, 1999). This means their blind trust is reduced and they become more objective in analyzing the performance of public institutions. This may help create pressure on authorities and to induce them to improve their performance. The studies of this dissertation do not develop mechanisms to differentiate between which types of trust increase efficiency and which types are so naive as to create governance-related problems. In liberal Western societies, having higher trust can probably increase efficiency, but in the non-liberal societies, having higher trust can create governance related problems, such as the failure to ensure accountable and responsive governance. In these latter societies, less blind or naive trust can help to improve governance quality.

The limitations identified in this section may provide ‘food for thought’ for future studies on institutional trust. Having the same measurement for ACO across all the countries may lead to more rigorous analysis and help in measuring the power of this variable in explaining institutional trust within and across societies. If, by adopting an experimental research design, we can change the extent of different cultural orientations (e.g., ACO and post-materialism) and can find the effect of such changes on institutional trust, then we might possibly gain robust support for the effects of these cultural attributes on institutional trust.

10. Conclusion

The findings outlined in this dissertation do not negate rational choice theory but add an additional layer of insight that helps us to capture a more complex reality. This layer is based on the logic of appropriateness (here ACO), which is derived from contextual factors. It helps
us to understand the complexities associated with institutional trust in the sampled countries and consequently also to overcome a simplistic understanding of the logic of consequence and rational choice theory and how they relate to institutional trust. Due to these complexities, researchers need to be cautious when comparing institutional trust across different countries: institutional trust may not reflect similar things in all countries and societies. We can be led astray if we take for granted that the measured trust levels are only reflections of people’s objective assessments of institutional performance and governance quality. For this reason, it may not be appropriate to consider institutional trust as the proxy to measure institutional performance and governance quality. This is also echoed by Bouckaert and Van de Walle (2003), as they claim that current attempts to measure trust and satisfaction in government can be misleading if they are assumed to measure good governance. In different countries, institutional trust may stem from different roots. While a post-materialistic and assertive culture may lead to lower institutional trust (Inglehart and Baker, 2000; Norris, 2011) even when institutions have higher performance (a fact in many Western countries), an authoritarian cultural orientation may generate higher trust in public institutions despite the poor performance of institutions. Therefore, in any initiative to assess citizens’ perceptions of public services and institutional trust, cultural orientations and contextual factors must be taken into account, as these are found to be relevant and useful in this dissertation.
References


Table 3: Quick overview of the Governance and Trust Survey 2

<table>
<thead>
<tr>
<th>Country</th>
<th>Nepal</th>
<th>Bangladesh</th>
<th>Sri Lanka</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample size</td>
<td>2404</td>
<td>2748</td>
<td>1648</td>
</tr>
</tbody>
</table>

Selection of sample

- **Nepal**: Used voter list; (20% of constituencies, i.e. 48 constituencies were selected to conduct survey on the respondents; one polling booth was randomly selected and from there, 50 voters were selected from each polling booth)
- **Bangladesh**: Used voter list; (20% of constituencies, i.e. 60 constituencies were selected to conduct survey on the respondents; one polling booth was randomly selected and from there, 50 voters were selected from each polling booth)
- **Sri Lanka**: Used voter list; (among 25 district 12 were selected; within each selected district, GNDs (*Grama Niladhari* divisions) were chosen based on ethnic composition, and geographical location. Every 5th odd number in the electoral registry household was selected; first sample unit (household/respondent) had been randomly selected and remaining units were selected at fixed equal intervals from one another. In this way, 20-25 households were interviewed)

Source: NORHED Survey Documents (unpublished)

Table 4: Citizens’ perception on the involvement with corruption of the office of their President/Prime Minister

<table>
<thead>
<tr>
<th>Countries</th>
<th>Involvement with Corruption of the Office of President/Prime Minister (%)</th>
<th>Total Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria</td>
<td>97.55</td>
<td>2367</td>
</tr>
<tr>
<td>Cameroon</td>
<td>94.74</td>
<td>950</td>
</tr>
<tr>
<td>Uganda</td>
<td>94.04</td>
<td>2232</td>
</tr>
<tr>
<td>Kenya</td>
<td>91.93</td>
<td>2155</td>
</tr>
<tr>
<td>Ghana</td>
<td>91.55</td>
<td>2307</td>
</tr>
<tr>
<td>South Africa</td>
<td>91.16</td>
<td>2273</td>
</tr>
<tr>
<td>Togo</td>
<td>90.13</td>
<td>932</td>
</tr>
<tr>
<td>Sierra Leone</td>
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<td>Countries</td>
<td>Involvement with Corruption of the Office of President/Prime Minister (%)</td>
<td>Total Respondents</td>
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Source: Afro-barometer, 2015