

## **TRUSTLAB – CROSS-COUNTRY COMPARABLE DATA ON TRUST AND OTHER SOCIAL NORMS**

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### **Abstract for Herbert Simon Society Fourth International Workshop on Behavioural Economics Nudges and Heuristics for Public Policies**

If one is interested in an approach to behavioural sciences that goes beyond simple nudging, it is of utmost importance to understand and properly quantify the social norms that underpin human behaviour and decision-making. In this context, trust has been proven to be an essential driver of desirable micro- and macro-level policy outcomes.

Trust in other people within a given society, also known as generalized trust, has been shown to be a decisive determinant of economic growth and social cohesion (Arrow 1972; Fukuyama 1995; Putnam 2000; Guiso et al. 2011). The notion of generalized trust captures a number of features that regulate how a community functions: these include its capacity to achieve common goals through pooling of resources, reduce transaction costs and coordination failure during economic exchanges, and more generally the way its people live together (OECD 2015). Therefore innovation, investment, the functioning of financial and labour markets as well as social relations (Algan and Cahuc 2013) are contingent on trust. At the same time, citizen's trust in public institutions is a crucial component for policy reform and the legitimacy and sustainability of any political system (Klijn, Edelenbos and Steijn, 2010). Understanding trust is thus critical for delivering effective policies, since public programmes, regulations and reforms depend on cooperation and compliance of citizens (Blind 2007, OECD 2013).

Available measurement instruments of trust have mostly been survey-based, with limited evidence on their validity (Naef and Schupp, 2009; Reeskens & Hooghe, 2008). On the other hand, laboratory experiments have become an increasingly popular tool for studying economic preferences and decision-making in real-time and through concrete, observed behaviour (Haushofer et al 2013). Surprisingly, however, laboratory studies in behavioural science have so far largely been restricted to university students as subjects. In psychology, for instance, a 2008 survey by (Arnett 2008) found that 96% of subjects in studies published in top journals were from "WEIRD" (Western, educated, industrialized, rich, and democratic) backgrounds. Researchers – often implicitly – assume that either there is little variation in experimental results across populations, or that these “WEIRD standard subjects” are as representative of the human species as any other population. This is not the case, as Heinrich et al conclude in their 2010 comparative database review from across the behavioural sciences: “WEIRD subjects” are among the least representative populations one could find for generalizing about humans, and there is substantial variability of results across countries. This fact represents a significant challenge to the external validity of the findings obtained in context of small unrepresentative samples.

TRUSTLAB, a collaboration between the OECD and Yann Algan at the Sciences Po University Paris, goes beyond these contexts and has developed an online platform to collect nationally representative and country-comparable estimates of trust across a range of countries. TRUSTLAB quantifies the multiple dimensions of trust through two experimental behavioural measures and a standard survey

module, using the methodological variation to test for the robustness of each. In the first module, generalized trust, cooperative attitudes, and altruism are measured through well-established experimental games (such as the investment game, the public goods game, and the dictator game). In a second innovative module, we measure respondent's trust in public institutions through a specially adopted version of a Single-Target Implicit Association Test. Classical survey questions at the end include a set of self-reported items on trust, and a range of socio-demographic and other control variables. For the Herbert Simon Society Fourth International Workshop on Behavioural Economics Nudges and Heuristics for Public Policies, we will report the TRUSTLAB results of two countries, South Korea and France. The results will offer a first insight into the state of trust in these countries from a representative perspective, including decomposition by different population groups. Evidence will be also provided on the individual and system-level determinants of trust, which in turn can inform policies to boost pro-social behaviour beyond nudging.