Impersonal Trust in a Just and Unjust World: Evidence from an Educational Intervention

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Motivation

 Relationship between impersonal trust and economics outcomes such as growth, investment, and governance quality. Algan and Cahuc (2013).

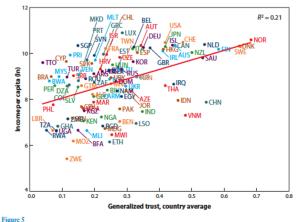


Figure 5

Cross-country correlation between average income per capita (ln) and trust. Data taken from Penn World
Tables 7.0. World Values Survey (1981–2008). European Values Study (1981–2008), and the Afrobarometer

(2005).



Motivation

- Impersonal trust is ...
 - positively correlated with wealth accumulation
 - negatively correlated with inequality (social justice)
- ullet Higher impersonal trust \longrightarrow higher economic prosperity
- ullet Higher inequality \longrightarrow lower impersonal trust

Circular Causality



What do we do?

- We dig into this chicken-egg problem and...
 - identify the causal effect of impersonal trust on wealth and wealth inequality
- How?
 - Leveraging a randomly implemented educational intervention that boosted impersonal trust and reciprocity in children (exogenous variation)
 - Measuring trust and desire for redistribution using an incentivized task (trust game)

An Educational Intervention: Perspective Taking

- An educational intervention aiming at increasing perspective taking among children in Southeast Turkey
- Objective:
 - Lower peer violence, ethnic segregation, social exclusion
 - Improved prosocial attributes (trust, reciprocity, cooperation, altruism)
- Full academic year
- Delivered by children's own class teachers (extensively trained)

Perspective Taking Curriculum



BIRBIRIMIZI ANLIYORUZ

Eğitim Projesi Műfredati

HAFTA

1

EMPATI NEDIR?

Amaç: Öğrencileri empati olgusu ile tanıştırmak

Kazanım: Öğrenciler empatinin nasıl bir karakter özelliği olduğunu öğrenir.

Haftanın Materyali: Etkinlik

HAFTA

2

DUYGU İŞARETLERİNİ TANIYALIM

Amaç: Ögrencilere sosyal işaretleri tanımayı öğretmek

Kazanım: Öğrenciler sosyal işaretlerden durum çıkarımı yapmayı öğrenir.

Haftanın Materyali: Etkinlik

HAFTA

3

İNSANLAR FARKLI AMA DUYGULARI AYNI

Amaç: Öğrencilere hissettiğimiz duygularda ortak olduğumuz mesajını iletmek

Kazanım: Öğrenciler bireylerin acı, mutluluk, utanç gibi duygulardaki ortaklığını öğrenir.

Haftanın Matervali: Video, Etkinlik

HAFTA

4

ARKADAŞIMI ANLAMAK

Amaç: Öğrencilere karşı tarafın perspektifini alarak problem cözmeyi öğretmek

Kazanım: Öğrenciler tanıdık bir senaryo ile karşı tarafın perspektifini alarak bir problem çözme stratejisi öğrenir.

Haftanın Materyali: Okuma parçası

HAFTA

5

CANLILARIN DUYGULARINI ANLAMAK

Amaç: Öğrencilere, hayvanların da insanlar gibi empatiye ihtiyacı olduğunu aşılamak

Kazanım: Öğrenciler sadece insanların değil, hayvanların da empatiye ihtiyacı olduğunu öğrenir.

Haftanın Materyali: Okuma parçası

ΗΔΕΤΔ

6

SÖYLENMEYEN DÜŞÜNCELERİ ANLAMAK

Amaç: Öğrencilere sosyal işaretlerden çıkarım yaparak ikili ilişkilerde anlayış ve çözüm üretme yetisini kazandırmak

Kazanım: Öğrenciler sosyal durumlarda karşısındaki bireyi anlamayı öğrenir.

Haftanın Materyali: Etkinlik

HAFTA

7

HAKSIZLIK VE CÖZÜMÜ

maç: Öğrencilere etraflarında nık oldukları doğru olmayan əvranışlara karşı prensipli bir vruş sergilemelerini öğretmek

Kazanım: Öğrenciler kötü sosyal davranışlara karşı prensipte karşı çıkmanın önemini öğrenirler.

Haftanın Materyali: Okuma parçası



Fun Perspective Taking Activities



A. Emotion Jar



B. All for one, one for all

Evaluation Design

- A cluster randomized controlled trial (AEA Registry no: AEARCTR-0003974)
- Randomization is at the school level and stratified by province and student absenteeism
- Sample: 222 teachers (classrooms) from 80 schools about 7000 3rd and 4th grade children
- 40 schools 124 classrooms treated, 40 schools 98 classrooms kept as control.

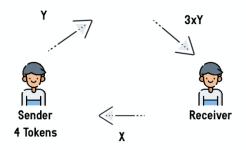
Full evaluation results: Alan, Baysan, Gumren and Kubilay (2021): "Building Social Cohesion in Ethnically Mixed Schools: An Intervention on Perspective Taking"

Study Sites



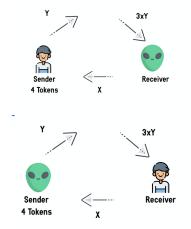
Measuring Interpersonal Trust

- Trust Game In-Group: Recipient (Sender) is an unknown classmate
- Decisions made both as a sender and as a receiver



Impersonal Trust

- Trust Game Out-Group: Recipient is in another school in the same province.
- Decisions made both as a sender and as a receiver



The Impact of Intervention on Trust and Reciprocity

- 19.2% increase in interpersonal trust
- 12.8% increase in interpersonal reciprocity
- 14.3% increase in impersonal trust
- 12.3% increase in impersonal reciprocity

Treated children are 7 pp more likely to believe that these unknown people will send back more than half of what they receive:

Did they become too optimistic about the state of the world they live in?

Calculating Wealth and Inequality

Sender i's wealth W_i^k who meets receiver j is:

$$W_i^k = E - X_i (1 - q_j^k m) \tag{1}$$

Receiver j's wealth W_j^k who receives tokens from sender i is:

$$W_j^k = E + mX_i(1 - q_j^k) \tag{2}$$

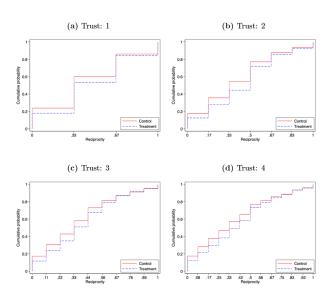
- E initial endowment (4 tokens)
- X_i number of tokens sent by sender
- ullet q_j fraction of tokens sent back by reciprocator
- m magnifying factor (3)
- k = T, U

Simulation of Counterfactual Worlds

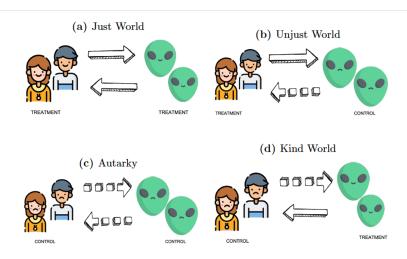
Creating communities with two groups (classrooms) in each. One classroom made sender, the other receiver.

- A community where both groups are treated: The Just World (124) communities)
- A community where senders are treated, receivers untreated: The Unjust World (124 communities)
- A community where both groups are untreated: Autarky: (98) communities)
- A community where senders are untreated, receivers treated: The Kind World (98 communities)

Distribution of Reciprocity in the Data



Simulated Worlds

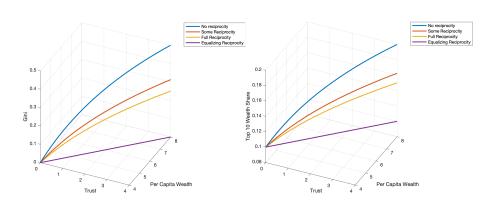


Measuring Prosperity and Inequality

Once we calculate expected wealth for each child in each community, we can calculate aggregate quantities

- Per-capita wealth in each community
- Minimum and maximum wealth (the richest and the poorest in each community)
- Gini coefficient for each community
- Share of wealth captured by the wealthiest 10% in each community

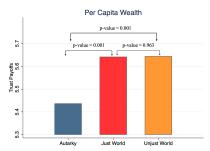
Wealth and Wealth Inequality as Functions of Trust and Reciprocity

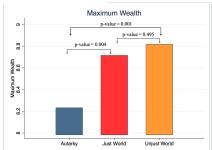


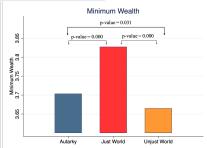
Differences in Wealth and Inequality across Worlds

	Per Capita Wealth	Maximum Wealth	Minimum Wealth	Gini Index	Top 10 Wealth Share
Just World	0.205***	0.483***	0.124***	-0.004	-0.005***
	(0.059)	(0.164)	(0.014)	(0.004)	(0.002)
Unjust World	0.207***	0.585***	-0.038**	0.014***	0.003*
	(0.059)	(0.166)	(0.018)	(0.004)	(0.002)
Kind World	0.003	-0.071	0.127***	-0.013***	-0.008***
	(0.063)	(0.177)	(0.015)	(0.004)	(0.002)
p-val (Just W.= Kind W.)	0.00	0.00	0.77	0.01	0.02
p-val (Just W.= Unjust W.)	0.96	0.49	0.00	0.00	0.00
p-val (Kind W.= Unjust W.)	0.00	0.00	0.00	0.00	0.00
Observations	444	444	444	444	444

Wealth Creation in Data







Inequality Creation in Data





What is the Real World?

- The real world is Unjust by design
- We treated only a portion of schools to evaluate the program (RCT)
- Treated children earned 2% less rewards than control because of trusting in an Unjust World

Summary

- Impersonal trust creates wealth but also increases inequality
- Redistribution is needed to tame inequality
- Educational interventions that aim to build social capital are vital to build prosperous and just societies
- But this needs to take into account the externalities inherent in prosocial psychology
- Opportunities to build social capital should be universally accessible

The Road Ahead

- Long-term results (September, 2021)
- "Understanding Each Other" will be scaled up (2021-2022 academic year)