

Does social trust increase support for free trade?

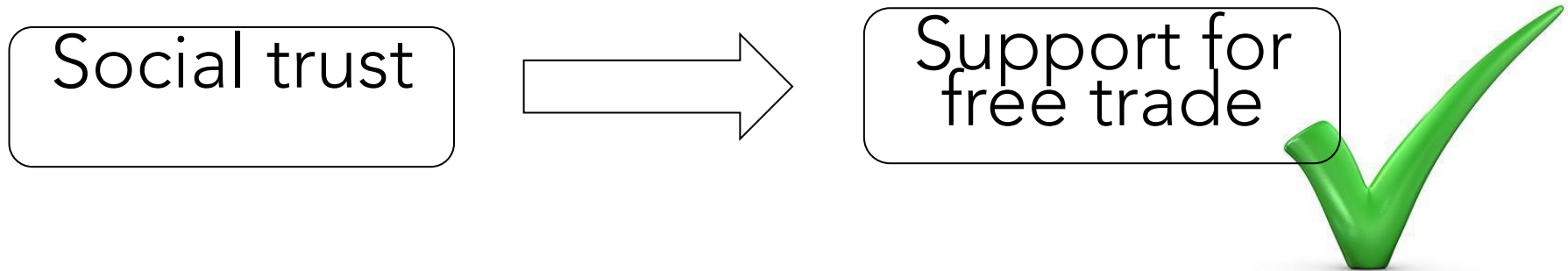
Evidence from a field survey experiment in Vietnam

Quynh Nguyen and Thomas Bernauer

International Relations

Presentation at ECPR General Conference 2013, Bordeaux

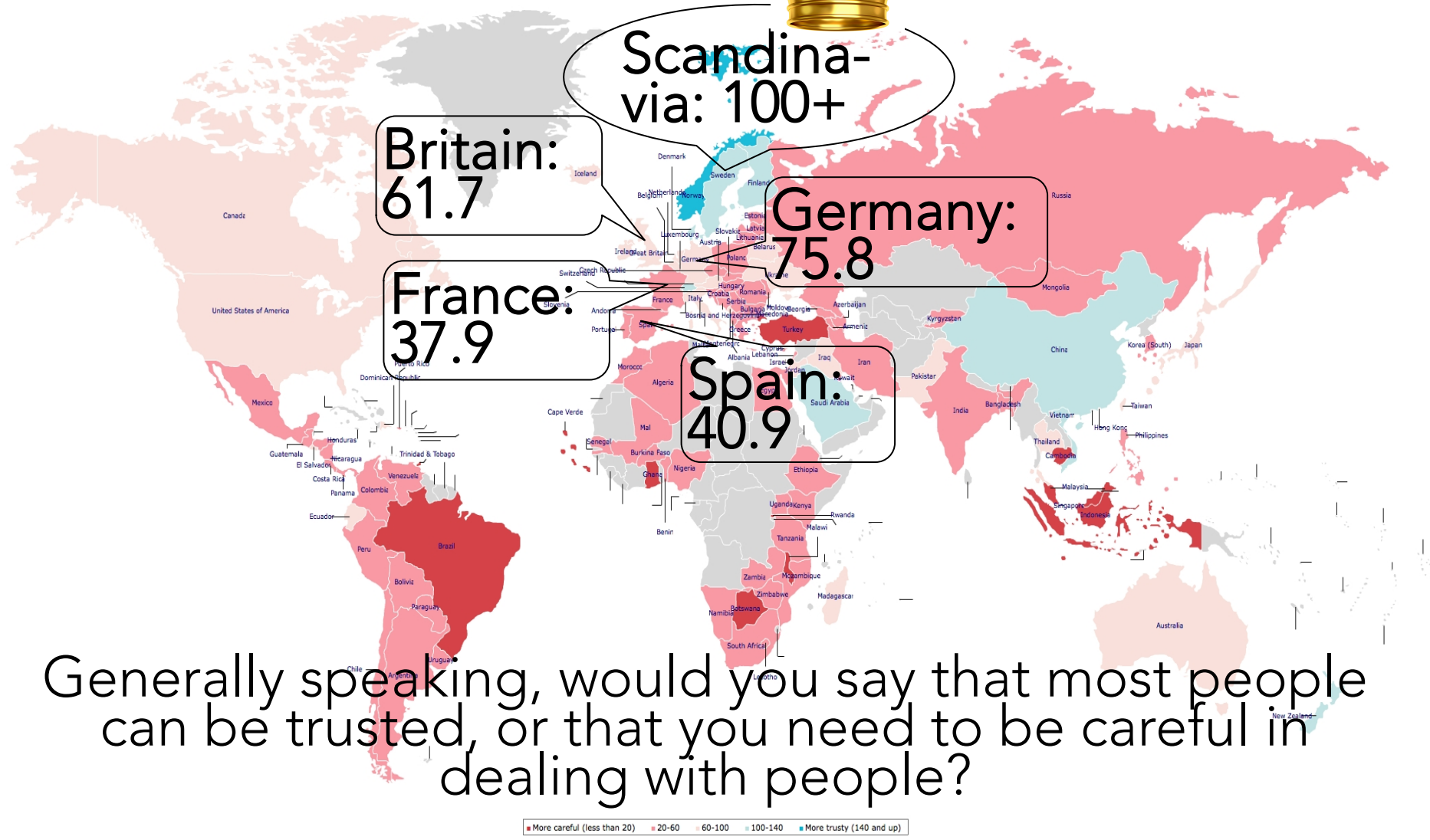




Spilker, Schaffer and Bernauer (2012)
Kaltenthaler and Miller (forthcoming)

Outline

1. Experimental Design
 - Conceptual background
 - Goal
2. Implementation
3. Results
4. Conclusion



**Scandina-
via: 100+**

**Britain:
61.7**

**Germany:
75.8**

**France:
37.9**

**Spain:
40.9**

More careful (less than 20) 20-60 60-100 100-140 More trusty (140 and up)

Generally speaking, would you say that most people can be trusted, or that you need to be careful in dealing with people?

<http://www.jdsurvey.net/jds/ShowMap.jsp?Idioma=I&MAPA=FCMap WorldwithCountries&ID=2>

Goal of experimental design

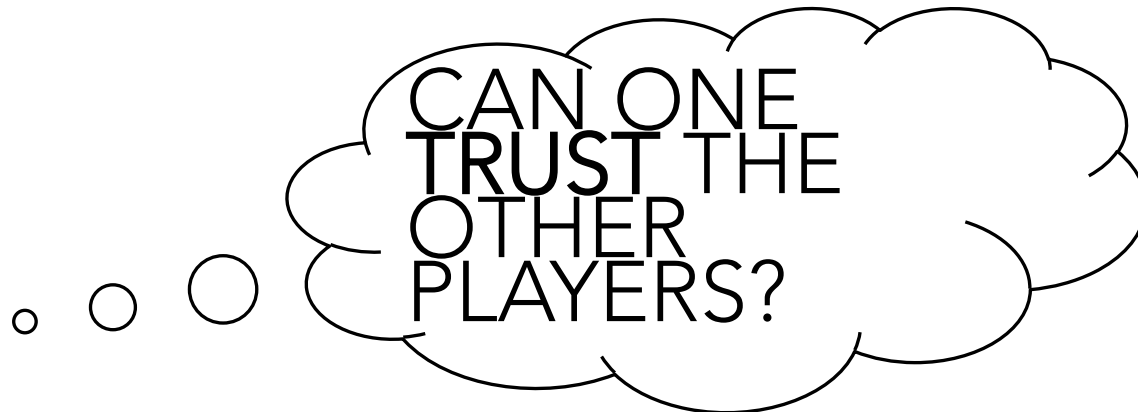
- Experimental game with two treatment conditions

Positive trust	Negative trust
Environment with high trustworthiness, high cooperation → Induce high trust	Environment with low trustworthiness, low cooperation → Induce low trust

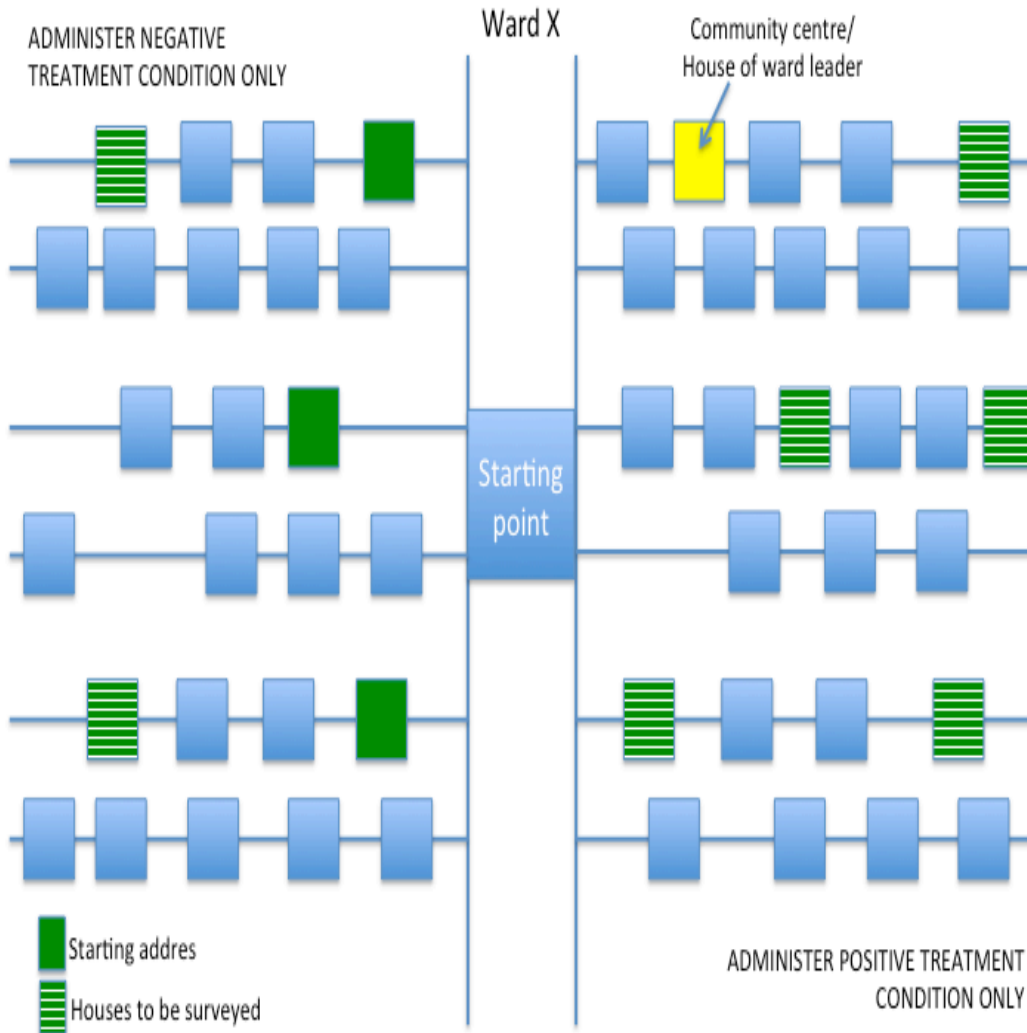
- Compare individuals' attitude towards trade between the two groups

Implementation

- 702 participants
- Groups of 3 (= 234 games à 40-50 mins)
- Voluntary contribution game:
 - Total of individual contributions, doubling of contributions, three equal shares
 - Group would be best off if everyone contributes fully



Implementation



Survey questionnaire

- 3 parts
 - Attitudes and opinions towards international trade → dependent variables
 - Trust attitudes
 - Demographics (e.g., gender, education, employment, age, rural-urban, etc.)

Results

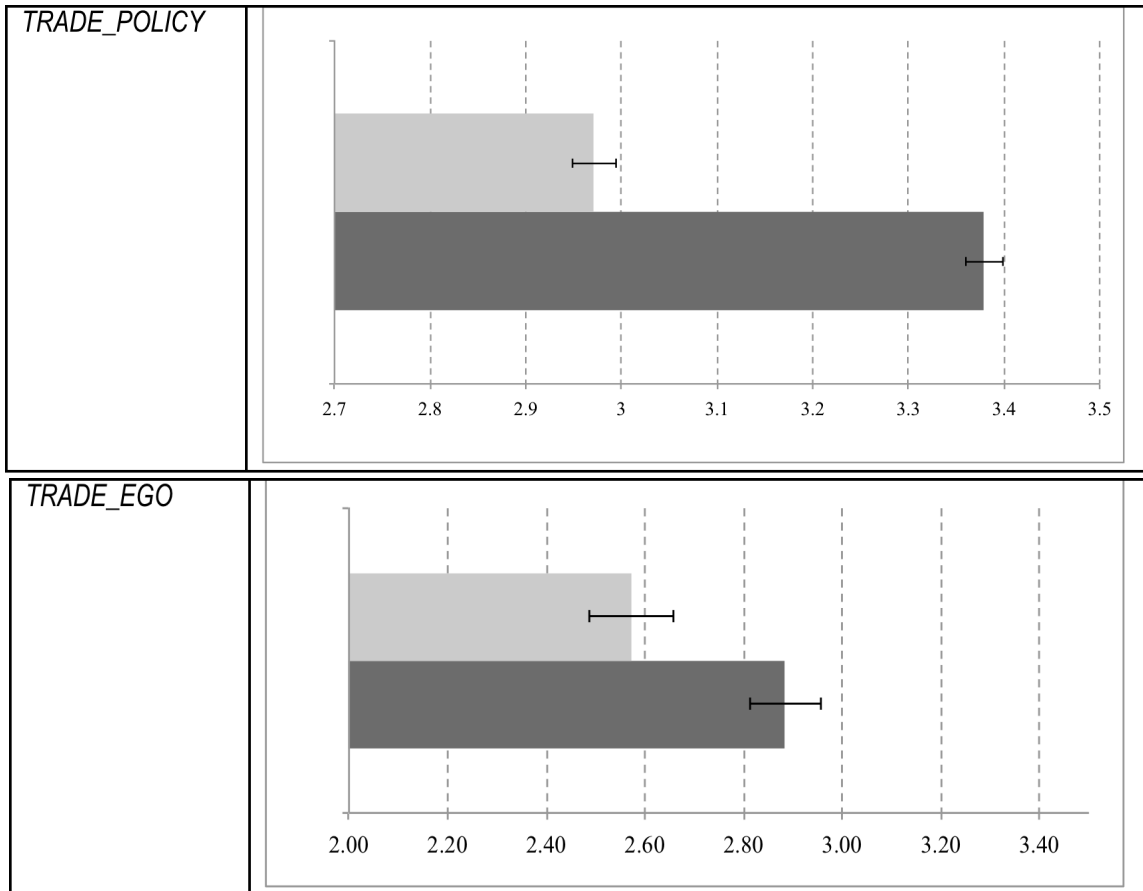
- Manipulation check:

	Positive condition	Negative condition
Trust level	Higher	Lower
Contribution	Higher	Lower
Payoff	Higher	Lower



Results

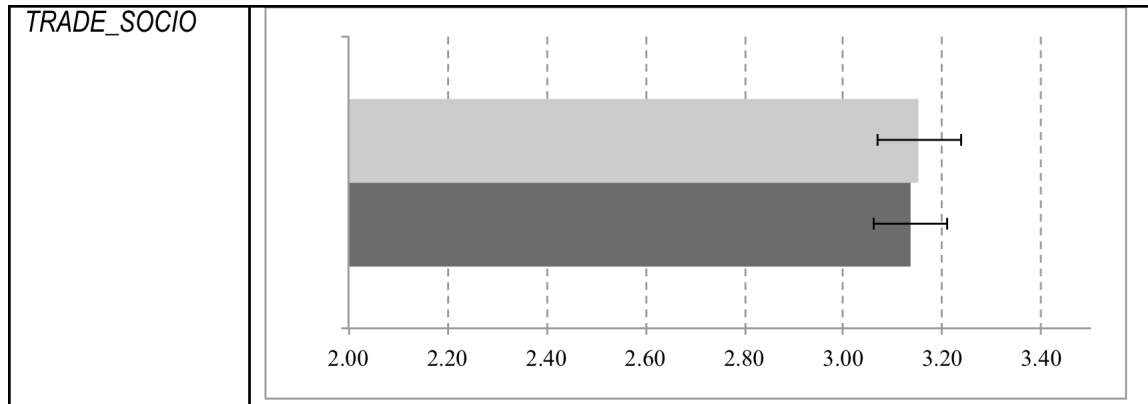
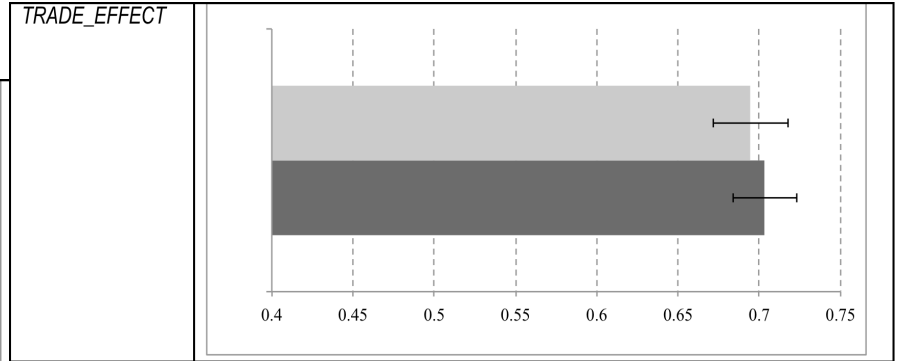
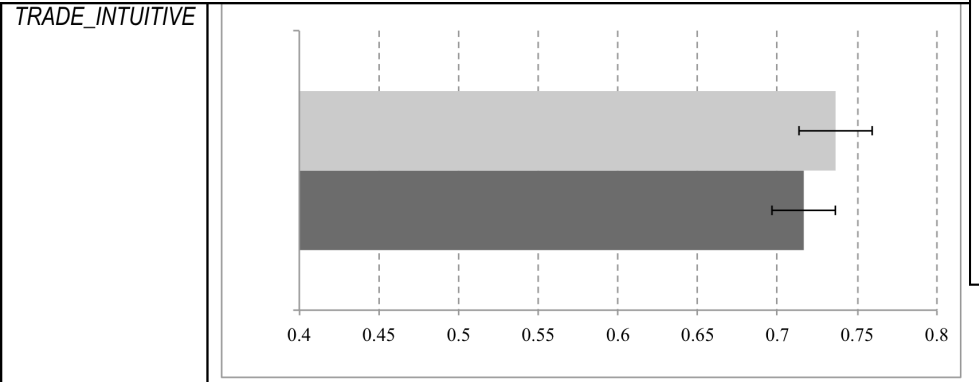
Does social trust increase support for free trade?



■ Positive
■ Negative

YES

Results



■ Positive
■ Negative

Not really

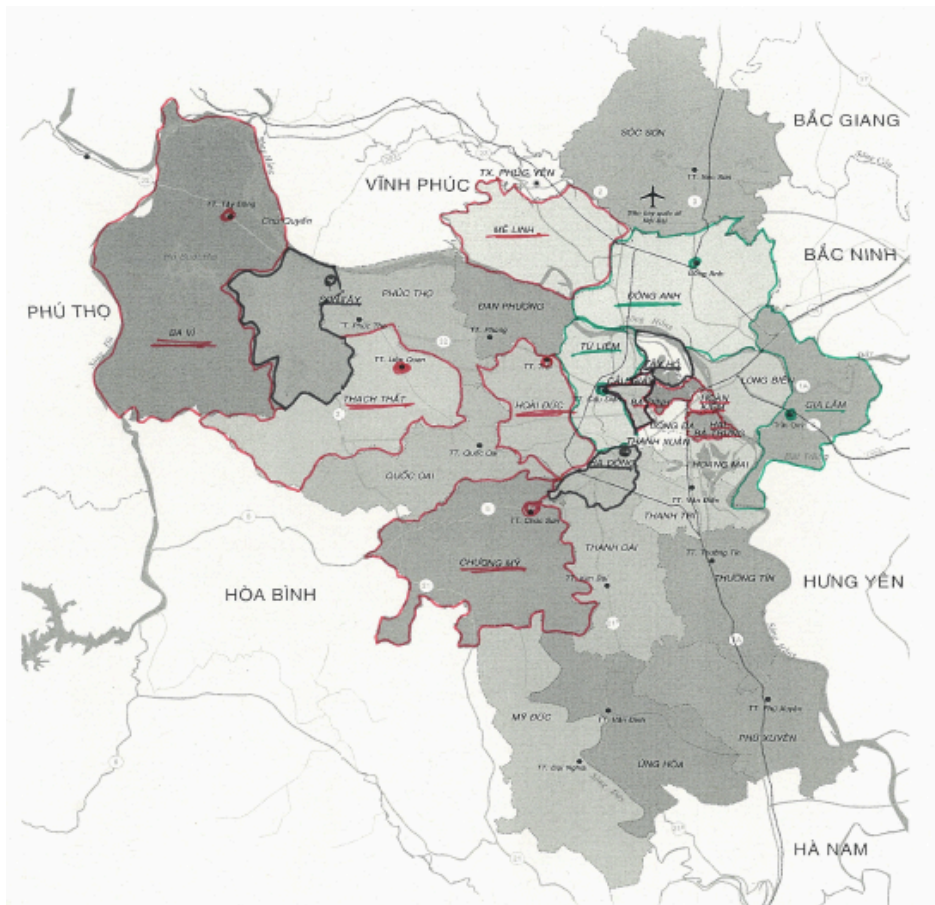
Conclusion

- Yes, there is a causal effect of social trust on how people think about international trade
- Mixed results
- Social trust has a positive causal effect on *certain aspects* of trade support

Thank you for your attention.

Sampling strategy I

- Total sample size: 702 (= 234 three-person groups)
- Aim: Representative and proportionate sample of Hanoi's urban and rural residents

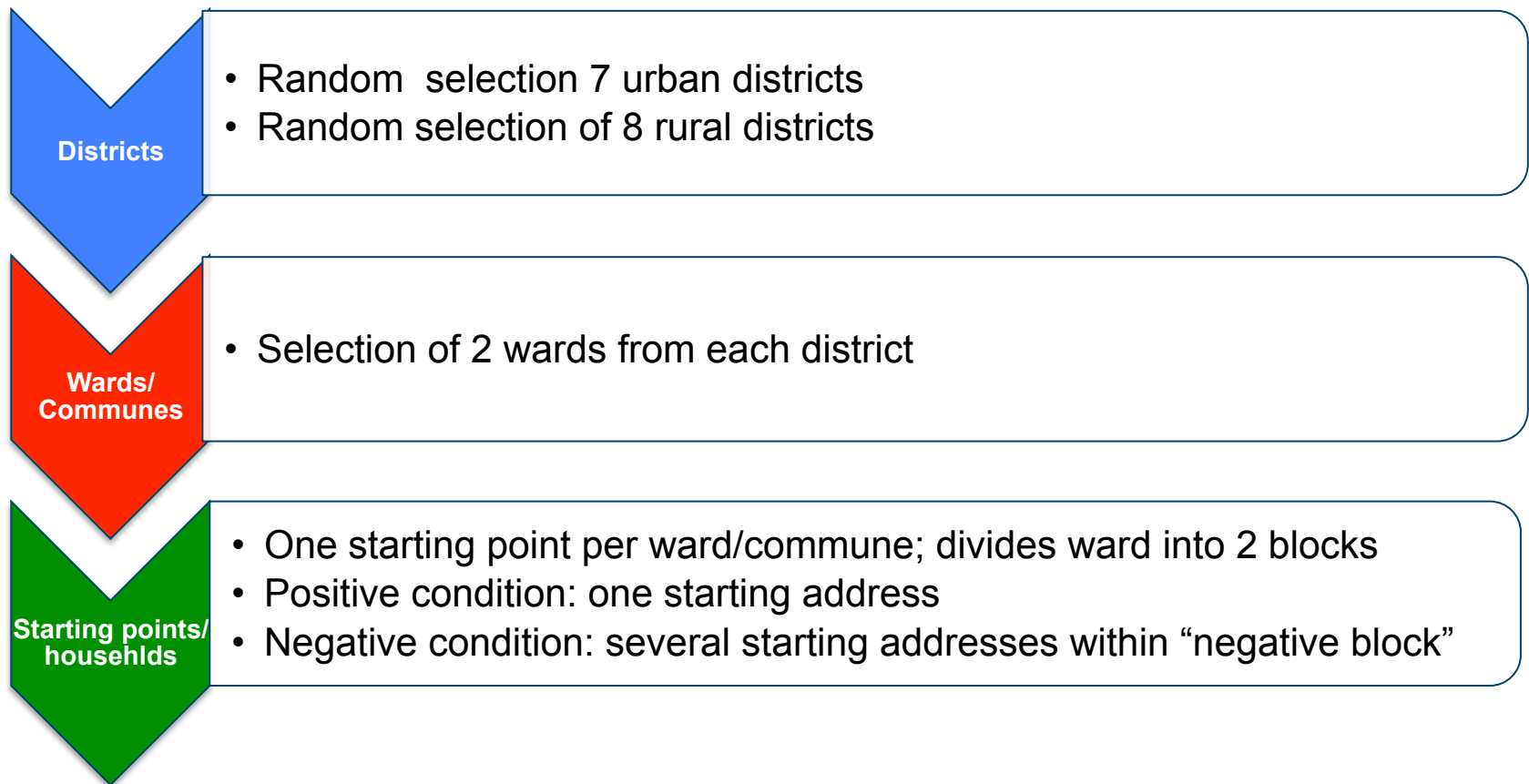


Hanoi	Total	Urban	Rural
Total	6,451,909	2,644,536	3,807,373
%	100	41.0	59.0
Nr of districts	29	11	18

SS	Total	Urban	Rural
Total	702	288	414
%	100	41.0	59.0
Nr of districts	15	7	8

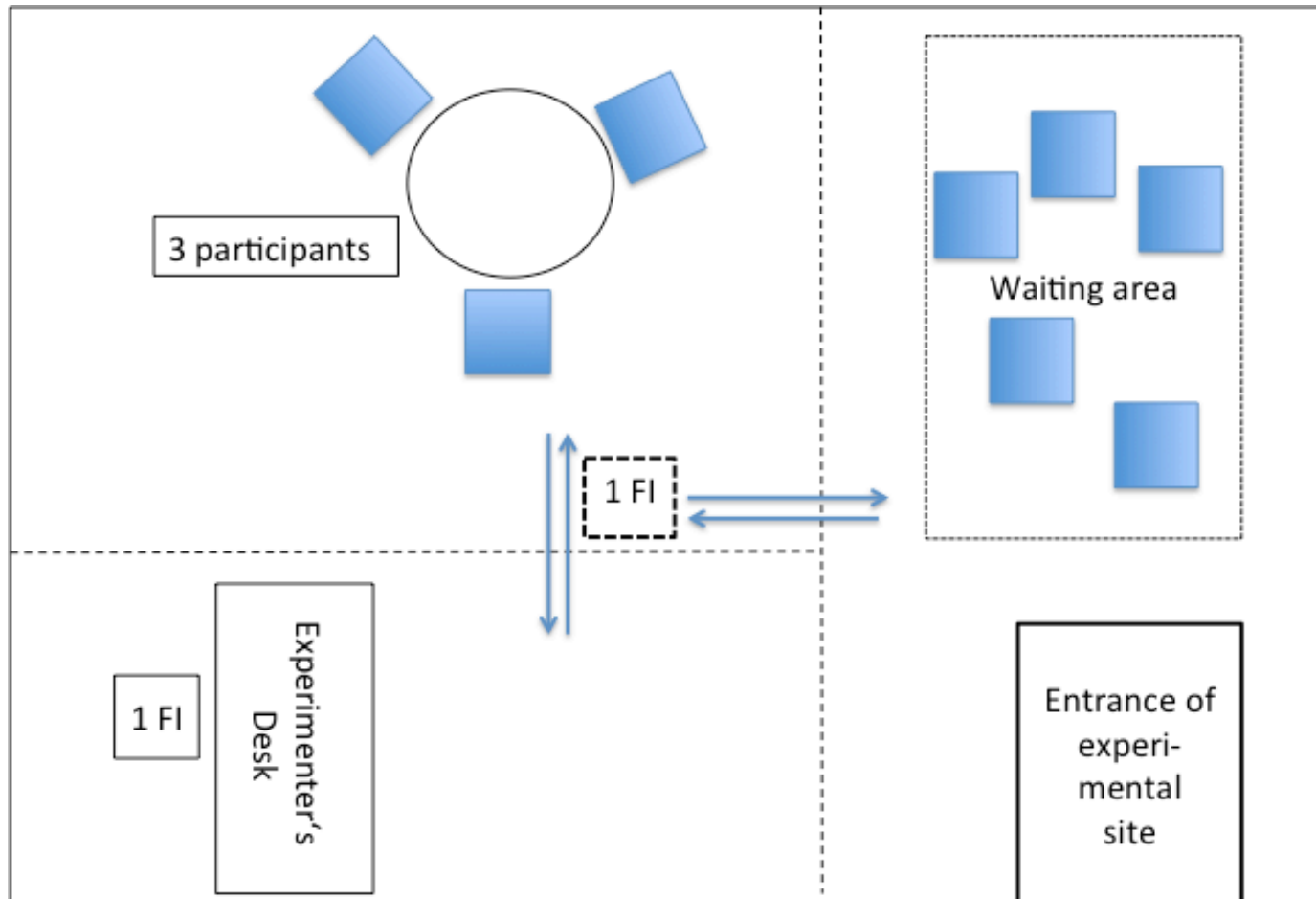
Sampling strategy II

■ Three-stage sampling design



Administering the POSITIVE game I

- Sketch of experimental site



Administering the POSITIVE game II

- FI distributes game instruction sheet to participants
- FI leaves the room; participants are permitted to speak to each other about anything they wish, including the game
- FI enters the room again after 2 minutes to start the game
- FI calls up the first participant (=the group oldest), asks him how much he wants to contribute and asks him to place his contribution into an envelope

Administering the POSITIVE game III

- At the start of the next round participants receive the information about the group contribution and their individual payoff from the previous round before making their contribution for the next round
- After the fourth round, place participants in different corners of the room and ask them to take the questionnaire
- Calculate overall payoffs of each participant and convert into VND (1:1)

Administering the NEGATIVE game I

- The negative game is played **simultaneously** between 3 participants at each participant's home
- Once the participant agrees to take part in the survey experiment, FI notifies MI via SMS
- SMS contains SurveyID: Flxx-yy, OK
- As soon as MI has the information that 3 participants are ready to start the game, MI informs the FIs that they may start the game
- Neither FIs nor the participants know whom they have been matched with to play the game

Administering the NEGATIVE game II

- FI asks how much participant wants to contribute to the group
- Each FI reports this amount via SMS to MI
- MI calculates the group and the individual payoff for each group member, and reports back to the FIs
- FIs inform participants about the group payoff, their individual payoff and the participant's current rank
- **1st: 100'000VND, 2nd: 25'000VND, 3rd: 20'000VND**