

# The value of trust

How trust is earned and why it matters

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### **About the British Council**

The British Council is the UK's international organisation for cultural relations and educational opportunities. We create friendly knowledge and understanding between the people of the UK and other countries. We do this by making a positive contribution to the UK and the countries we work with – changing lives by creating opportunities, building connections and engendering trust.

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# Foreword

Trust is the bedrock of all strong relationships, whether diplomatic, economic, or personal. It is what allows us to believe in the reliability of others: colleagues, business partners, friends. With trust comes the possibility of co-operation. Without it chaos – or coercion – will dominate. In international relations and trade, the benefits of trust in satisfying mutual interests and reducing transaction costs have been widely demonstrated, just as we are all familiar with its huge value in our personal lives.

As the UK prepares for a future outside the EU, we will be more reliant than ever on the degree to which our government, institutions, companies, and people are trusted around the world. Fortunately, this report shows that the UK enjoys a strong measure of trust among the young people of many countries important to the UK's influence and prosperity. It also suggests that those who trust the UK are roughly twice as likely to want to engage or do business with us.

Yet we must not risk complacency. As its relative hard power declines, a 'Global Britain' will be ever more dependent on the trust and good will that it generates. Trust takes a long time to earn, but can be lost in a moment. As such it is powerful but must be carefully nourished. History has shown how, when we are not careful, perceptions of the 'British sense of fair play' can give way to accusations that we are 'Perfidious Albion'. After the EU referendum, some people's perceptions were negatively affected and will need to be addressed while for a few they may have improved. Others endure but must be guarded with care.

To trust someone does not always mean that you agree with them. But it certainly helps to share the same values. This report shows the strong association between those saying they believe that the UK supports important values and those saying that they trust the UK. Furthermore, it sets out which values are most important for the UK in earning that trust. They include the perceptions that the UK is open and welcoming, that it contributes to international aid, that it has an un-corrupt justice system, a free press, and world-leading arts and culture. If the UK continues to excel in these areas, it will continue to benefit from being trusted: not only in the basic, transactional sense necessary for our prosperity, but also in the deeper, value-driven sense which underpins our international influence.

Importantly, young people overseas who had exposure to British culture, particularly those practised by organisations like the British Council, were significantly more likely not just to appreciate our culture and values, but also to trust us. This demonstrates that to maintain the trust others have in us is a job for the UK's institutions and people as much as for its government. Doing so is in all of our interests.



**Tom Cargill,**  
Executive Director,  
British Foreign  
Policy Group

# Executive summary

As the UK prepares to leave the European Union, each day is an opportunity to strengthen relationships with our European neighbours and enhance relationships with countries around the world. The extent to which we can become an outwardly-facing, influential and prosperous nation will be determined, in no small part, by the quality of our relationships. And in these relationships, what is the value of trust?

Beginning with a review of literature on trust in international relations, this report looks at the dynamics behind trust:

- the role of UK values in earning trust
- the relationship between trust and people's intentions to engage with the UK, and
- the relationship between cultural relations activities, trust and values.

Drawing on previous British Council research and surveys of almost 20,000 respondents in G20 countries, our analysis found a connection between the perception that the UK upholds the values people consider important, and levels of trust. Some 76 per cent of people who consider the UK to uphold and support important values also said they trust the UK, while only ten per cent of those same people said they distrust the UK. The values or qualities which most strongly drive trust are:

- openness
- contribution to development in poorer countries
- a free justice system
- world-leading arts and culture
- working constructively with other governments
- treating people fairly.

Our analysis also found a connection between cultural relations and levels of trust, with 50 per cent net trust in the UK among people who have been involved in a cultural relations activity with the UK, compared to 32 per cent net trust among those who have not been involved in a cultural relations activity with the UK.

On the tangible value of trust to the UK, our analysis found that people who trust the UK are roughly twice as likely to want to engage with the UK in future: 15 per cent of people who said they trust the UK said they intend to do business or trade with the UK, compared to only eight per cent who said they distrust the UK. Twenty-one per cent of people who said they trust the UK said they intend to study in the UK, compared to 12 per cent who said they distrust the UK.

Analysis of the comparisons of levels of trust over time and between the UK and countries with which the UK compares itself suggest that among young educated people:

- trust in the UK has increased in China, India and Saudi Arabia
- trust in the UK has decreased significantly in Brazil, Russia and Turkey
- in Australia, Canada, India, and South Africa reported levels of trust in the UK fare well compared to competitors
- in Argentina, Japan, Turkey and Saudi Arabia, reported levels of trust in Germany are considerably higher than in the UK.

The overall implications of our analysis of trust and values for the UK's future international engagement are clear:

- it is often the qualities that we ourselves consider to be most fundamental to our society that are also the most important to international perceptions and trust in the UK
- upholding, investing in, and protecting these fundamental characteristics and values as a society is likely to have a positive impact on our international relationships, helping to secure future influence and prosperity for the UK
- within the G20, there are a number of countries with which we have strong and trusting people-to-people relations to build upon, and there are countries which require more attention
- supporting and making the most of the organisations which earn trust for the UK worldwide will be critical to this.

# Introduction

The UK is entering a new era of co-operation with Europe and with the rest of the world. Our ability to shape and strengthen our bilateral and multilateral partnerships will determine our future influence and prosperity. To extend co-operation beyond the transactional and into a multiplying force requires trust. As the UK pursues the opportunity to become even more outward looking, how can we ensure other nations are looking favourably at us? A trustworthy reputation internationally – the status of ‘partner of choice’ among 7.5 billion people – will be central to this. But in international relations, what is trust and how is it earned? How can it lay the foundations for security and prosperity?

As the UK’s international organisation for cultural relations, the British Council has been reflecting on these questions for decades. Trust is essential in the pursuit of our mission to build long-term friendships for the UK globally. Past British Council research has shown that participation in cultural activities with the UK is associated with increased trust.<sup>1</sup> It has also shown that both trust and participation in cultural relations activities are associated with increased interest in doing business with the UK.<sup>2</sup>

This report goes further, offering new insight into how trust is earned and what the implications are of being trusted. Drawing on previous British Council research and surveys of almost 20,000 respondents in all G20 countries,<sup>3</sup> we consider a number of questions: is trust based on shared values? Does trust mean trade? How trusted is the UK? How do current levels of trust in the UK compare to the past, and to other countries? Ultimately, as the UK pursues the vision of global Britain, reinforcing existing economic relationships and forging new ones, why and how will trust be important?

**Our ability to shape and strengthen our bilateral and multilateral partnerships will determine our future influence and prosperity.**

1. British Council (2012) *Trust Pays*. Available online at: <https://www.britishcouncil.org/sites/default/files/trust-pays-report-v2.pdf>

2. British Council (2013) *Culture Means Business*. Available online at: <https://www.britishcouncil.org/sites/default/files/culture-means-business-report-v2.pdf>; British Council (2012) *Trust Pays*. *Op cit*.

3. The British Council’s 2016 surveys asked 19,010 people aged 18–34 with a minimum of secondary education in all 19 countries of the G20 – the UK’s closest economic and cultural competitors and partners – about their perceptions of the UK.

# The theory of trust and values

**Trust is an ongoing and two-way relationship.**

What is trust? In international relations, trust is often equated with the willingness to take risks on the behaviour of others.<sup>4</sup> Predictive and rational choice approaches define trust as a rational prediction about the behaviour and nature of the other country. Trust is firstly a belief about the probability that the other state will co-operate – where the considerations are no different from those a rational actor applies in deciding whether to place a bet<sup>5</sup> – and secondly a belief about the likely *preferences*<sup>6</sup> of that country.<sup>7</sup> From a rational choice perspective trust is about confidence in expectations. Social approaches go beyond this, defining trust as confidence in expectations that the other state will ‘do what is right’.<sup>8</sup> From this perspective trust involves more than predicting the behaviour of another; it includes the perception that the country has a responsibility to fulfil the trust placed in them.<sup>9</sup> Trust depends on an assessment of the general benevolent character and honesty of a country and not simply an assessment of its interests.<sup>10</sup> To be deemed trustworthy is to be judged as ‘upright’ or ‘honourable’ rather than simply ‘a good bet’.<sup>11</sup> This relies on a familiarity with the behaviours, qualities and values of another country. It also highlights the notion that trust is an ongoing and two-way relationship.<sup>12</sup>

It should be noted that many concepts of trust in international relations have traditionally focused on state-to-state interactions and often specifically the personal bonds between leaders. Such a view reflects the importance of the individual human experience in perceptions of trust, but then neglects the myriad of other people-to-people connections and networks that are vital to sustaining trust between nations over a prolonged period. The most pressing opportunities and challenges facing the world today require co-operation which is both broader than government-to-government relationships, and longer term than election cycles. Challenges like poverty eradication can only be addressed through the combined efforts of governments, businesses and communities working together for the long term. The success of a framework like the Sustainable Development Goals relies on the continued co-operation of state and non-state actors, private sector and civil society.

4. Hoffman (2002) A Conceptualization of Trust in International Relations. *European Journal of International Relations* 8/3: 375–401.
5. Coleman (1990) *Foundations of Social Theory*. Cambridge University Press.
6. I.e. Prisoner’s Dilemma or Stag Hunt Game preferences.
7. Kydd (2010) Learning Together, growing apart: Global warming, energy policy and international trust. *Energy Policy* 38/6: 2675–2680.
8. Hoffman (2002) *A Conceptualization of Trust in International Relations*. *Op cit*.
9. *Ibid*.
10. Brian Rathbun (2011) *Trust in International Cooperation*. Cambridge University Press.
11. Hoffman (2002) *A Conceptualization of Trust in International Relations*. *Op cit*.
12. Booth and Wheeler (2008) *The security dilemma: Fear, cooperation and trust in world politics*. Houndsmills: Palgrave Macmillan.

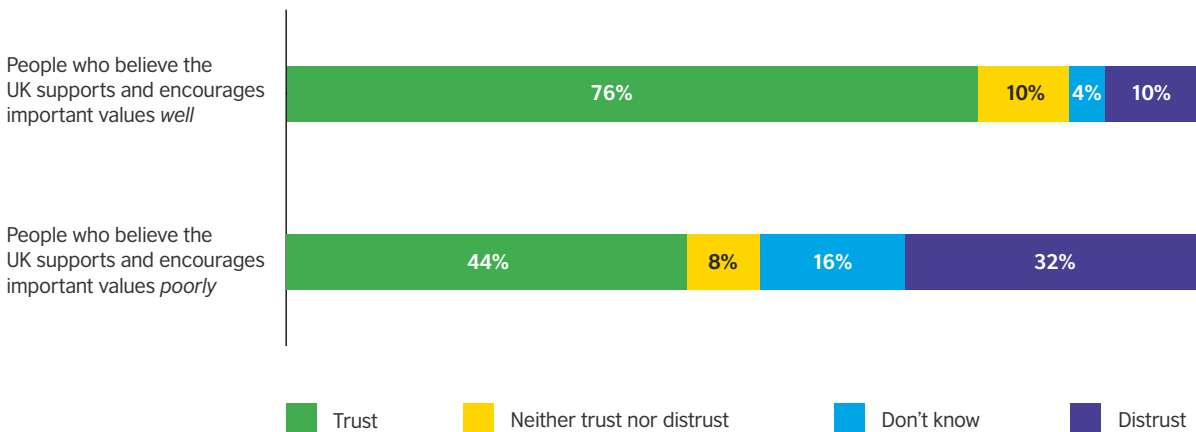
As in a social approach to trust, our analysis – based on a series of surveys of people aged 18–34 in all 19 G20 countries – found that trust in people from the UK was strongly associated with the belief that the UK supports and encourages the values which respondents think are important. That is to say, trust in people from the UK was strongly associated with the belief that the UK does and will do *what is right*. Although causation cannot be inferred from correlation, Figure 1 shows that the more respondents thought the UK supports and encourages important values, the more they also said they trust the UK.

When respondents were asked which values they think are the most important for a country to support and encourage in the 21st century, the top mention across the G20 was equality and diversity (31 per cent). This was followed by co-operation and tolerance (15 per cent), peace (14 per cent), respect (11 per cent), freedom and freedom of speech (nine per cent).

Respondents were also asked about UK qualities specifically – including values such as democracy, the rule of law, individual liberty and respect for different faiths, as well as other characteristics such as contribution to international development, free press and justice system, and the strength of UK arts and cultural institutions, universities and academic research (see Figure 2). Some 71 per cent of respondents said they agree the UK has world-leading universities and academic research, 67 per cent said they agree the UK has world-leading arts and cultural institutions and attractions. At the other end of the scale, and quite surprisingly given the UK is the only G20 country to consistently meet the UN target of spending 0.7 per cent of GNI on overseas aid,<sup>13</sup> only 42 per cent said they agree the UK government contributes its fair share to aiding development in poorer countries.

**Figure 1: Association between values and trust in the UK**

Levels of trust in people from the UK among people who believe the UK supports and encourages important values well or poorly



Base: All excluding UK participations (18,010). Those who believe that the UK supports and encourages important values well (7,964); those who believe that the UK supports and encourages important values poorly (2,371). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. How well do you think the United Kingdom supports and encourages the values you think are important in the 21st century? Thinking generally about people, to what extent do you distrust or trust people from the UK? Well = 'very well' + 'fairly well'; Poorly = 'very poorly' + 'fairly poorly'. Distrust = scores 0–4; Trust = scores 6–10 on a scale of 0–10.

13. OECD (2018) Available online at: [www.oecd.org/newsroom/development-aid-stable-in-2017-with-more-sent-to-poorest-countries.htm](http://www.oecd.org/newsroom/development-aid-stable-in-2017-with-more-sent-to-poorest-countries.htm). Note: Germany met the 0.7 per cent target for the first time in 2016 but did not meet the target in 2017.



**Figure 2: Perceptions of UK qualities**

Thinking specifically about the UK, to what extent do you agree or disagree with the following statements? (See appendix for glossary of full statements)



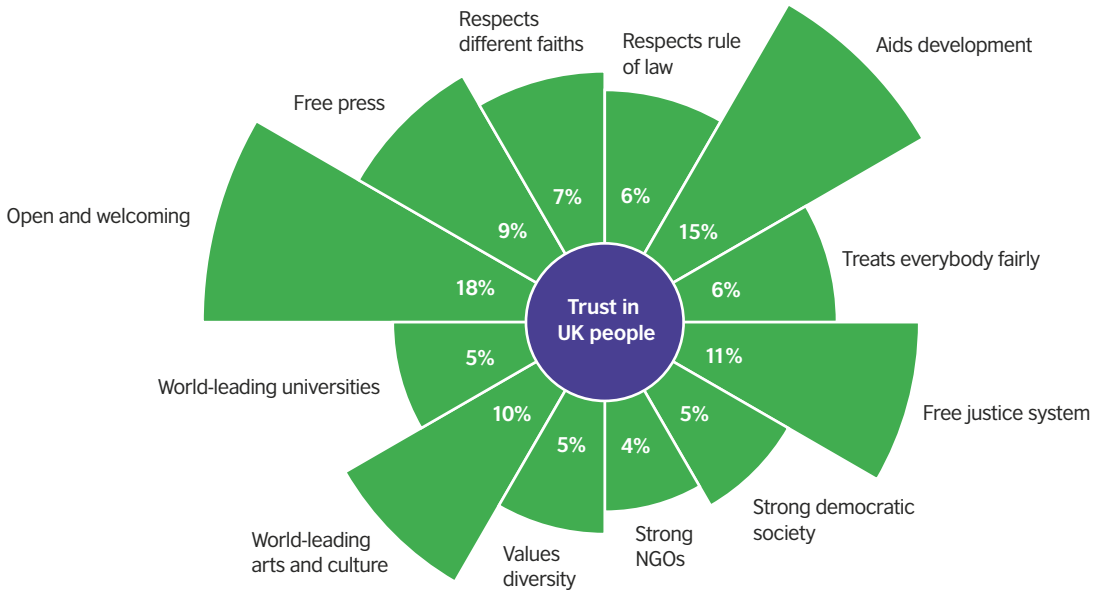
Base: All participants (19,010). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Percentage strongly agree and agree = scores 6–10 on a scale of 0–10.

Using stepwise regression, we were able to determine which of these qualities and behaviours are the strongest drivers of trust in the UK. Figure 3 on page 8 shows the drivers of trust in the people from the UK and drivers of trust in the government of the UK are shown in Figure 4. For trust in people, the strongest drivers were openness ('People from the UK are open and welcoming'), contribution to international development ('The UK government contributes its fair share to aiding development in poorer countries'), free justice system ('The UK has a free and fair justice system'), and arts and culture ('The UK has world-leading arts and cultural institutions and attractions'). For trust in the UK government, the strongest drivers were

contribution to international development ('The UK government contributes its fair share to aiding development in poorer countries'), working constructively with other governments ('The UK government works constructively with other governments around the world'), openness ('People from the UK are open and welcoming') and fairness ('The UK government treats everybody who lives in the country fairly'). This analysis goes further than demonstrating a strong association between values and trust; it also tells us which UK values are important in earning trust among young people abroad.

**Figure 3: Drivers of trust in people from the UK**

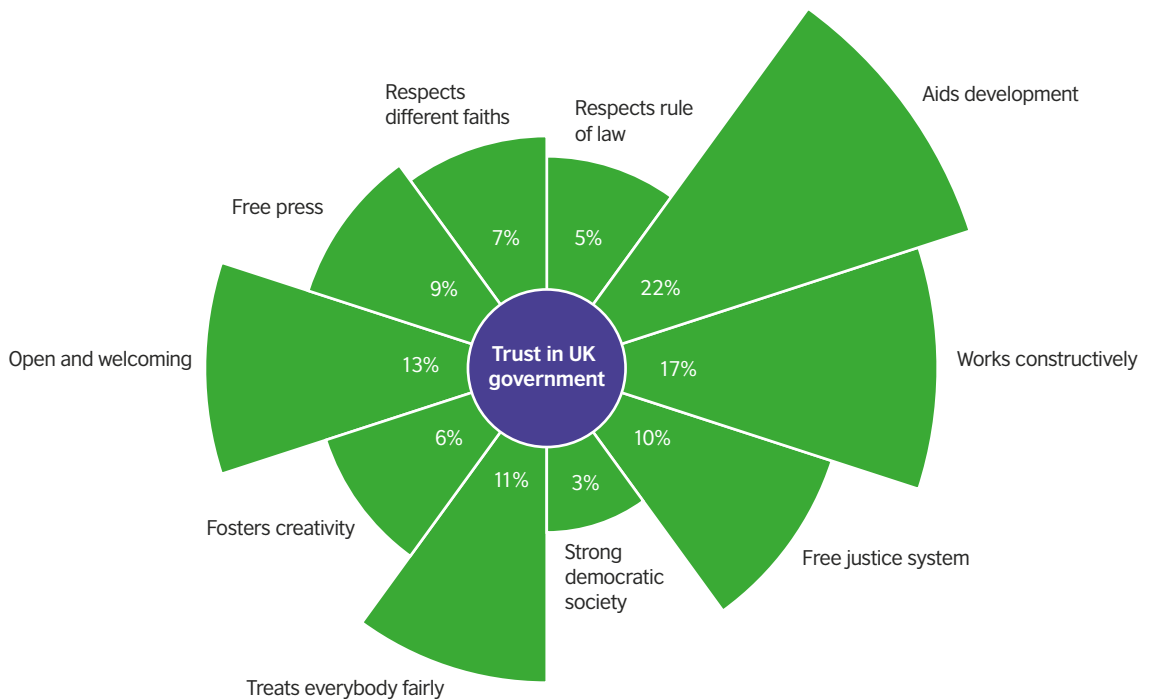
Stepwise regression which shows the percentage importance of each factor in explaining the variance in trust ratings. (See appendix for glossary of full statements)



Base: All excluding UK participants (18,010). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact.

**Figure 4: Drivers of trust in the government of the UK**

Stepwise regression which shows the percentage importance of each factor in explaining the variance in trust ratings. (See appendix for glossary of full statements)



Base: All excluding UK participants (18,010). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact.

# Earning trust

**Rather than a country telling the world what they stand for, cultural relations can demonstrate a country's values in practice. They are a foundation of people-to-people trust.**

If we consider the finding that trust in the UK was strongly associated with the belief that the UK supports and encourages important values, and the finding that values such as openness, contribution to international development and co-operation are the strongest drivers of trust, then the key to earning trust is here.

Trust – the social capital upon which soft power operates – is earned by upholding and demonstrating these values. As Joseph Nye describes it, soft power ‘arises from the attractiveness of a country’s culture, political ideals, and policies’.<sup>14</sup> This is an area of soft power which Gary Rawnsley of Aberystwyth University emphasises: ‘Soft power arises from attraction to a country’s values and moral authority’.<sup>15</sup> Similarly, a recent ResPublica report argued that the relationship between other countries and the UK is based on shifting perceptions of British attitudes, behaviour and values.<sup>16</sup> It is a notion Rawnsley refers to as ‘the power of example’. The actions a country takes at home and abroad are seen as a reflection of the values that country upholds.<sup>17</sup>

These international actions comprise a wide spectrum of hard power measures (economic and military) and soft power activities (principally public diplomacy, cultural diplomacy and cultural relations). Public diplomacy is the means through which governments mobilise soft power resources such as values and culture to communicate and attract the publics of other countries.<sup>18</sup> Cultural diplomacy, one part of public diplomacy, is the use of a country’s cultural assets to build international interest and attraction. Cultural relations are the reciprocal, non-coercive, transnational interactions between two or more cultures, which encompass a range of activities conducted by both state and non-state actors within the space of cultural and civil society.<sup>19</sup> Cultural relations make connections and promote exchange and understanding based on mutual benefit. Rather than a country telling the world what they stand for, cultural relations can demonstrate a country’s values in practice. They are a foundation of people-to-people trust. For this reason, cultural relations have been the focus of our analysis.

We found that respondents who had participated in a UK cultural relations activity (e.g. school exchange, language training, arts or cultural programme) were more likely to say the UK supports and encourages important values. As Figure 5 on page 10 shows, some 50 per cent of respondents who had participated in a cultural relations activity felt the UK supports and encourages important values, compared to only 31 per cent who had not participated in a cultural relations activity.

14. Joseph Nye (2004) *Soft Power: The Means to Success in World Politics*. PublicAffairs.

15. Gary Rawnsley (2018) *Understanding the UK's soft power: more than Shakespeare and the Royal Family*. Available online at: <http://blogs.lse.ac.uk/politicsandpolicy/soft-power-british-government-actions/>

16. ResPublica (2017) *Britain's Global Future: Harnessing the soft power capital of UK institutions*. Available online at: [www.respublica.org.uk/wp-content/uploads/2017/07/Soft-Power-3.pdf](http://www.respublica.org.uk/wp-content/uploads/2017/07/Soft-Power-3.pdf)

17. Gary Rawnsley (2018) *Understanding the UK's soft power: more than Shakespeare and the Royal Family*. *Op cit*.

18. Joseph Nye (2008) Public Diplomacy and Soft Power. *The Annals of the American Academy of Political and Social Science* 616/1: 94–109.

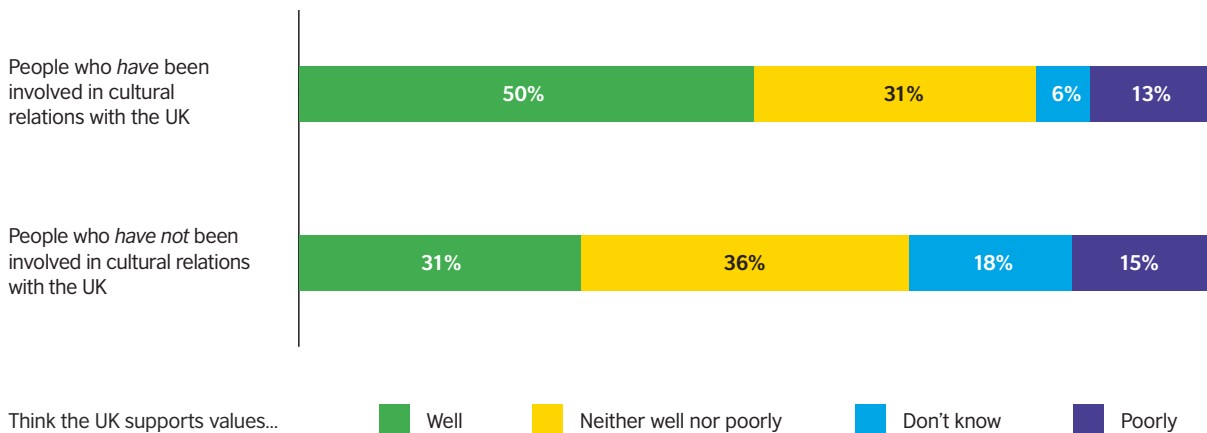
19. JP Singh and Stuart MacDonald (2017) *Soft Power Today: Measuring the Influences and Effects*. Available online at: [https://www.britishcouncil.org/sites/default/files/3418\\_bc\\_edinburgh\\_university\\_soft\\_power\\_report\\_03b.pdf](https://www.britishcouncil.org/sites/default/files/3418_bc_edinburgh_university_soft_power_report_03b.pdf)

Consistent with this notion that cultural relations help to demonstrate values – and that values are central to trust – our analysis found an 18 per cent difference in levels of reported trust between respondents who had participated in cultural relations and those who hadn't

(see Figure 6). Net trust in people from the UK among respondents who had been involved in a UK cultural relations activity was 50 per cent, compared with 32 per cent for those who had not been involved in a UK cultural relations activity.

**Figure 5: Association between cultural relations engagement and values**

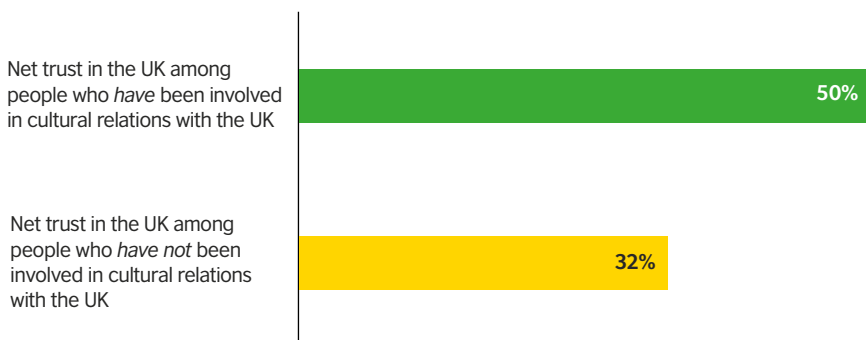
Perceptions of UK support of values among people who have and have not been involved in UK cultural relations activities (See appendix for definition of cultural relations activities)



Base: 14 non-English speaking countries: Argentina, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Korea, Turkey. Those who have been involved in cultural relations activities with the UK (7,623); those who have not been involved in cultural relations activities with the UK (6,386). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. How well do you think the United Kingdom supports and encourages the values you think are important in the 21st century? Well = 'very well' + 'fairly well'; Poorly = 'very poorly' + 'fairly poorly'.

**Figure 6: Association between cultural relations engagement and trust in the UK**

Percentage net trust in people from the UK among people who have and have not been involved in UK cultural relations activities (See appendix for definition of cultural relations activities)



Base: 14 non-English speaking countries: Argentina, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Korea, Turkey. Those who have been involved in cultural relations activities with the UK (7,623); those who have not been involved in cultural relations activities with the UK (6,386). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Thinking generally about people, to what extent do you distrust or trust people from the UK? Net trust = Trust (codes 6–10 on a scale of 0–10) – Distrust (codes 0–4 on a scale of 0–10).

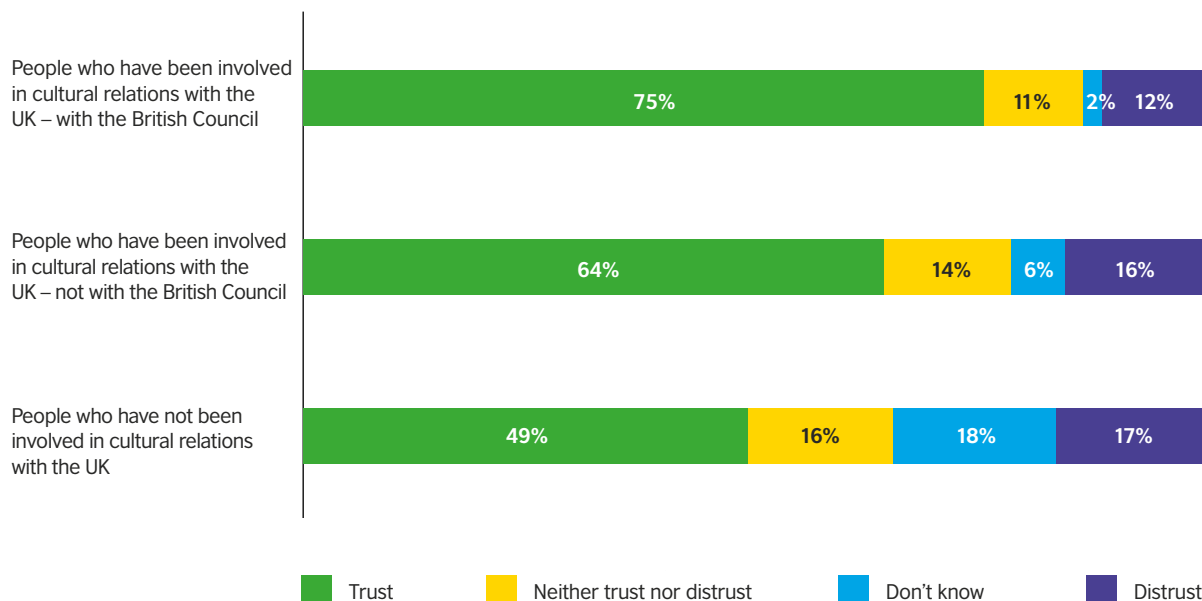
How do cultural relations help to earn trust? At a rudimentary level, they increase exposure and familiarity between people which has been shown to improve likeability<sup>20</sup> and shared levels of trust over time.<sup>21</sup> At another level, they provide a safe or neutral space for relationship building where other bilateral exchanges can't. However, it is the central principle of reciprocity – the two-way exchange of understanding, values and practice for mutual benefit – which gives cultural relations a legitimacy that is particularly effective in fostering trust.

Looking in more detail at different types of cultural relations, British Council specific activity was associated with the strongest level of trust. As Figure 7 shows, 75 per cent of people who had been involved in a British Council programme said they trust the UK, compared with 64 per

cent who had been involved in a non-British Council cultural relations activity, and 49 per cent who had never been involved in a UK cultural relations activity. Strikingly, distrust of the UK was 17 per cent for those who had never been involved in a UK cultural relations activity, 16 per cent for those who had been involved in a non-British Council cultural relations activity, and only 12 per cent for those who had been involved in a British Council programme. This demonstrates that cultural relations, and British Council activities specifically, not only enhance trust but actually decrease distrust. Figure 8 on page 12 demonstrates the association between cultural relations activities and levels of trust at a country level. The difference in levels of trust in UK people between those who had participated in UK cultural relations activities and those who had not in Saudi Arabia and Turkey is particularly striking.

**Figure 7: Association between British Council cultural relations engagement and trust in the UK**

Levels of trust in people from the UK among people who have and have not been involved in UK cultural relations activities (See appendix for definition of cultural relations activities)

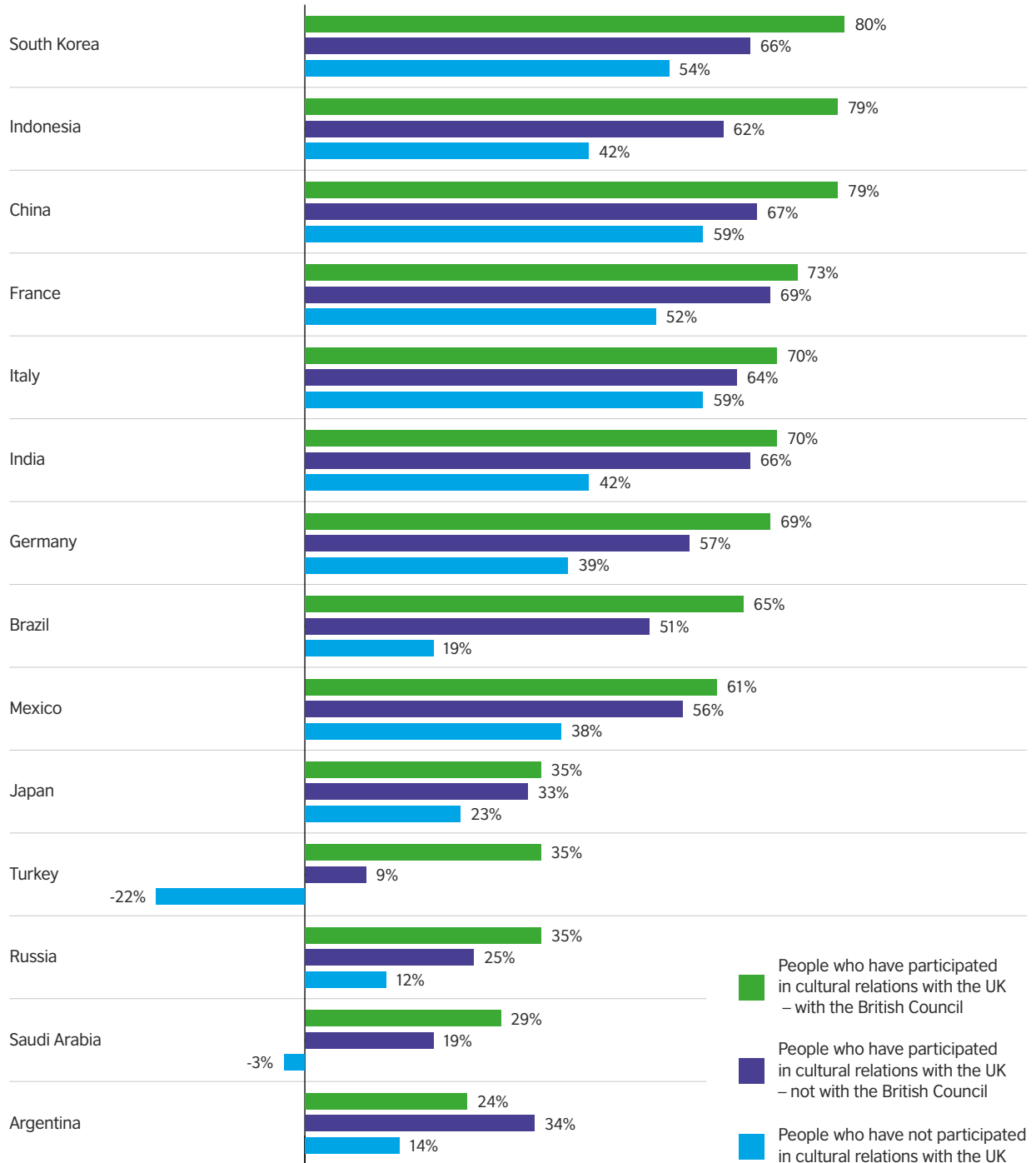


Base: 14 non-English speaking countries: Argentina, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Korea, Turkey. Those who have been involved in cultural relations activities with the British Council (1,110); those who have been involved in cultural relations activities with the UK – not with the British Council (6,513); those who have not been involved in cultural relations activities with the UK (6,386). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Thinking generally about people, to what extent do you distrust or trust people from the UK? Distrust = scores 0–4; Trust = scores 6–10 on a scale of 0–10.

20. Fiske (2014) *Social Beings: Core Motives in Social Psychology*. Third Edition. Hoboken, New Jersey: John Wiley & Sons.  
 21. Pentland (2015) *Social Physics: How Social Networks Can Make Us Smarter*. Penguin Publishing Group.

**Figure 8:** Association between cultural relations engagement and trust in the UK across the G20

Percentage net trust in people from the UK among people who have and have not been involved in UK cultural relations activities across the G20. (See appendix for definition of cultural relations activities)



Base: 14 non-English speaking countries: Argentina, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Korea, Turkey. Those who have been involved with involved in cultural relations with the British Council (1,110); those who have been involved in cultural relations with the UK – not with the British Council (6,513); those who have not been involved with cultural relations activities with the UK (6,386). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Thinking generally about people, to what extent do you distrust or trust people from the UK? Net trust = Trust (codes 6–10 on a scale of 0–10) – Distrust (codes 0–4 on a scale of 0–10).

# The economic benefits of trust

Having established an association between values and trust, determined some of the strongest drivers of trust, and explored the relationships between cultural relations, values and trust, many may ask so what? What is the value of trust? In international relations, the benefits of trust cannot be overstated. Trust is the foundation upon which long-term relationships and alliances are built. When international actors – countries, non-state actors, individuals – trust each other, mutual co-operation for peace, development and prosperity can flourish. The multilateral co-operation underpinning the Paris Climate Agreement, and the momentum it has gathered and sustained, has been possible because of the networks of trust between the various partners.

For the purposes of this report, we consider the potential economic benefits of trust specifically. In *Trust: The Social Virtues and the Creation of Prosperity*, Francis Fukuyama argues that prosperous countries tend to be those where business relations between people can be conducted informally and flexibly on the basis of trust. Numerous studies indicate the dividends of trusting relationships. Some show that, at the least, trust is robustly related to economic growth<sup>22</sup> and, at most, that the relationship between trust and growth is statistically significant.<sup>23</sup> One study concluded explicitly that growth rises nearly one percentage point on average for each 15 percentage point increase in trust.<sup>24</sup> Others demonstrate that as mutual trust between the populations of two countries increases by one per cent, exports increase by 0.6 per cent and the stock of foreign direct investment increases by three per cent.<sup>25</sup> The theoretical basis of this is that high-trust relationships have lower transaction costs. Lower transaction costs stimulate investment, production and trade, which in turn lead to economic growth.<sup>26</sup>

Our own analysis found a strong association between trust and intention to engage with the UK in the future. Those who trust the UK are roughly twice as likely to want to do business or trade, study, experience UK arts and culture or visit as a tourist than those who do not trust the UK. Looking specifically at intentions to do business or trade or to study – areas of particular importance to the UK economy – 15 per cent of respondents who said they trust people from the UK said they intend to do business/trade with the UK, compared to just eight per cent who said they do not trust people from the UK (see Figure 9 on page 14). Some 21 per cent of respondents who said they trust people from the UK said they intend to study in the UK, compared to only 12 per cent of those who said they do not trust UK people. It's a finding which is consistent with existing British Council research and is critical as the UK considers how to enhance its position as an open, prosperous international trading partner of choice.

**Growth rises nearly one percentage point on average for each 15 percentage point increase in trust.**

22. Berggren, Elinder and Jordahl (2007) *Trust and Growth: A Shaky Relationship*. Research Institute of Industrial Economics Working Paper. Available online at: [www.ifn.se/Wfiles/wp/wp705.pdf](http://www.ifn.se/Wfiles/wp/wp705.pdf). Working Paper, No. 705.

23. Knack and Keefer (1997) Does social capital have an economic pay-off? A cross country investigation. *Quarterly Journal of Economics* 112/4: 1251–1288.

24. Zak and Knack (2001) Trust and growth. *Economic Journal* 111/470: 295–321.

25. Dekker et al. (2007) *Diverse Europe – Public opinion on the European Union*. Available online at: <https://www.scp.nl/dsresource?objectid=dc8589a6-b1e3-4fd3-a473-62098c7a55ca>

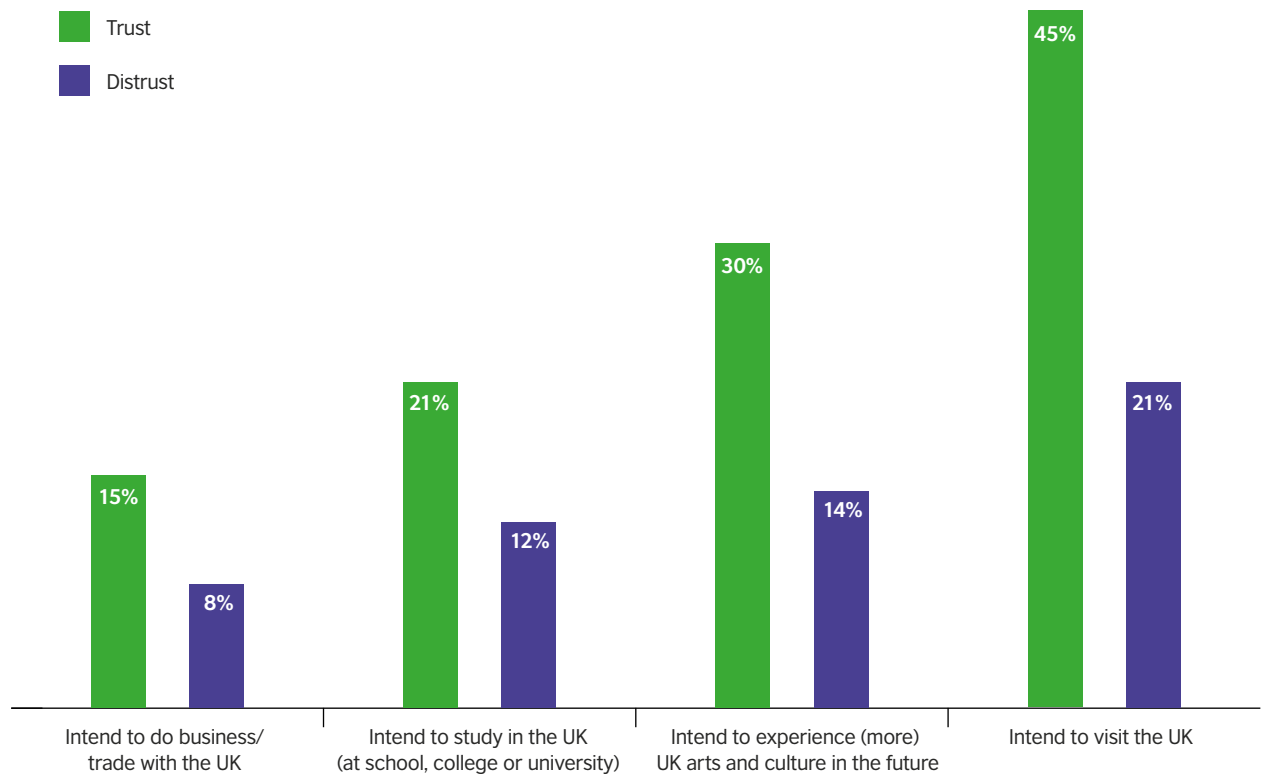
26. Dyer and Chu (2003) The role of trustworthiness in reducing transaction costs and improving performance: Empirical evidence from the United States, Japan, and Korea. *Organization Science* 14/1: 57–68. It has also been argued that trust has a mutually causal relationship with information sharing which creates value in the exchange relationship. This is unlike other governance mechanisms which regulate behaviour but do not create value beyond transaction-cost minimisation. *Ibid.*

As Figure 10 shows, in almost all countries surveyed, a higher level of trust in people from the UK was associated with a higher level of intention to do business/trade with the UK. In India, those who said they trust the UK were eight percentage points more likely to say they intend to

do business/trade with the UK than those who said they do not trust the UK. In China those who said they trust the UK were 14 percentage points more likely to say they intend to do business/trade with the UK.

**Figure 9:** Association between trust in the UK and intention to engage with the UK

Levels of trust and distrust in people from the UK among people who intend to engage with the UK

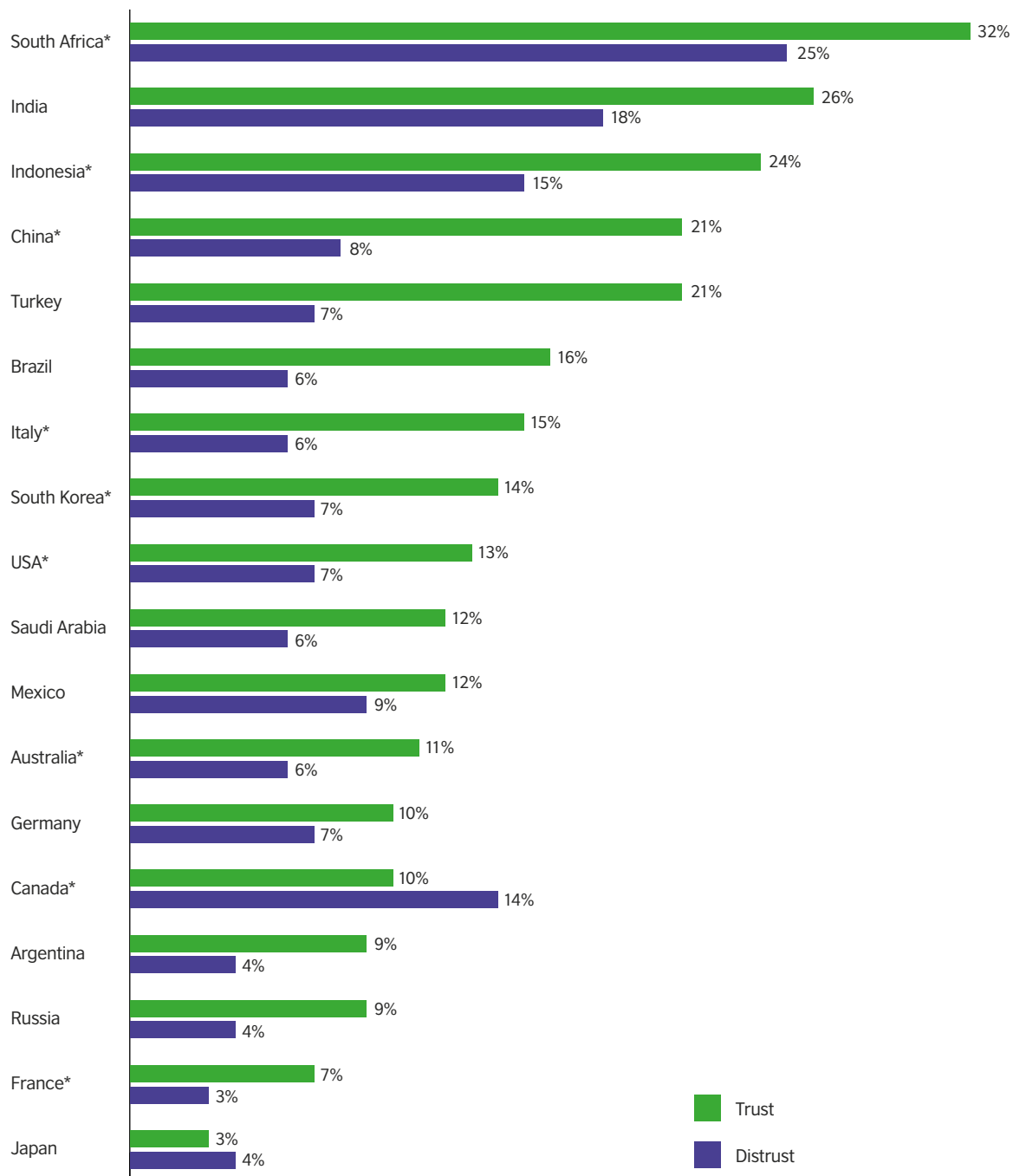


Base: All excluding UK participants (18,010). Those who trust people from the UK (10,980); Those who distrust people from the UK (2,618). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Thinking generally about people, to what extent do you distrust or trust people from the UK? Distrust = scores 0–4, Trust = scores 6–10 on a 10 point scale.



**Figure 10:** Association between trust in the UK and intention to do business/trade with the UK across the G20

Percentage of people who said they intend to do business/trade with the UK by whether they trust/distrust people from the UK.



Base: All excluding UK participants (18,010). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Thinking generally about people, to what extent do you distrust or trust people from the UK? Distrust = scores 0–4, Trust = scores 6–10 on a scale of 0–10.

\*Note: small sample size for those who said they distrust (<100), results indicative.

# Values and trust in the UK today

Considering the implications of these findings – the potential value of trust – exactly how trusted is the UK when compared with other countries? Have levels of trust in the UK changed over time? How do perceptions of UK values compare with other countries?

Our analysis shows that, among young people in the G20, trust in people from the UK is high. Figure 11 demonstrates that for all G20 countries, trust in UK people and institutions

remains higher than trust in the UK government. Previous British Council analysis of perceptions of the UK before and after the EU referendum showed that directly following the referendum 61 per cent of respondents said they trusted people from the UK.<sup>27</sup> This was very slightly down from the 62 per cent of respondents who gave the same answer when the question was asked before the referendum took place – a small but statistically significant reduction. There was a fall in reported trust in the UK government from

**Figure 11: Net trust in UK people, institutions and government across the G20 countries**

Thinking generally about people/government/institutions, to what extent do you distrust or trust people/government/institutions from the UK?

- Trust in people from the UK
- Trust in UK government
- Trust in UK institutions



Base: All excluding UK participants (18,010). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Net trust = Trust (scores 6–10 on a scale of 0–10) – Distrust (scores 0–4 on a scale of 0–10).

27. British Council (2017). *From the outside in*. Available online at [https://www.britishcouncil.org/sites/default/files/from\\_the\\_outside\\_in.pdf](https://www.britishcouncil.org/sites/default/files/from_the_outside_in.pdf)

55 per cent reported prior to the referendum to 53 per cent post-referendum, accompanied by an increase in respondents who reported distrust in the UK government from 18 per cent to 21 per cent. Reported trust in UK institutions was relatively stable.

Among young people in certain G20 countries, levels of trust in people from the UK compare well against some international competitors. Figure 12 shows reported levels of trust in people from the UK, compared with levels of trust

in USA and Germany. In Australia, Canada, India, and South Africa people reported higher levels of trust in the UK than in the other two countries – this is perhaps unsurprising given the strong historic and cultural ties these countries share with the UK. Elsewhere among the G20 there are some areas for concern. In Argentina, Japan, Turkey and Saudi Arabia, reported levels of trust in people from Germany were considerably higher than reported levels of trust in people from the UK.

**Figure 12: Net trust in people from the UK, Germany and USA across the G20 countries**

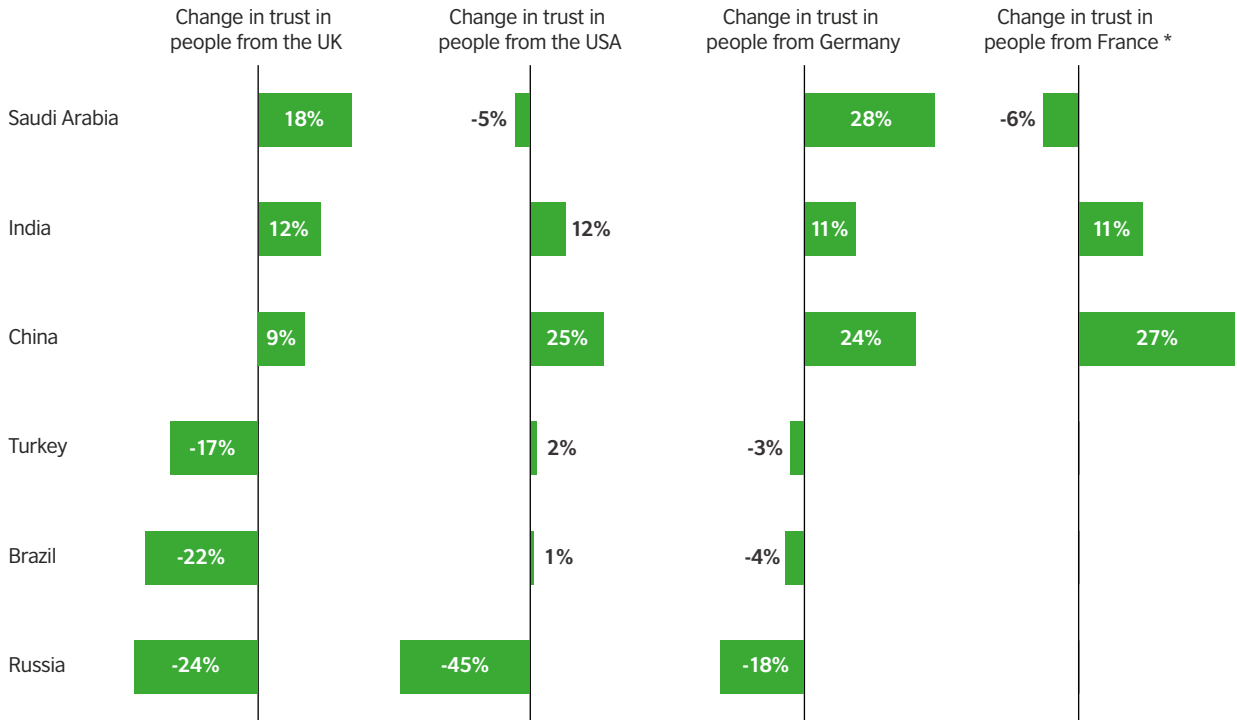
Thinking generally about people, to what extent do you distrust or trust people from each of these countries?



Base: All excluding UK participants (18,010). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Net trust = Trust (scores 6–10 on a scale of 0–10) – Distrust (scores 0–4 on a scale of 0–10).

**Figure 13:** Change in net trust in people from the UK, France, Germany and USA between 2011 and 2016

Thinking generally about people, to what extent do you distrust or trust people from each of these countries?



Base: Saudi Arabia 2011 (520), 2016; (228-999) India – 2011 (1,203); 2016 (214-997); China – 2011 (1,205); 2016 (270-1,000); Turkey – 2011 (1,000), 2016 (228-1,001); Brazil – 2011 (1,000), 2016 (210-1,000); Russia – 2011 (1,000); 2016 (170-1,000). Fieldwork dates: 2010; 2011; 8 September – 16 October 2016. Source: Fieldwork by Ipsos MORI and YouGov, analysis by In2Impact. Net trust = Trust (scores 6-10 on a scale of 0-10/Strongly trust + Tend to trust) – Distrust (scores 0-4 on a scale of 0-10/Strongly distrust + Tend to distrust). \*Data for Turkey, Brazil, Russia on France not available.

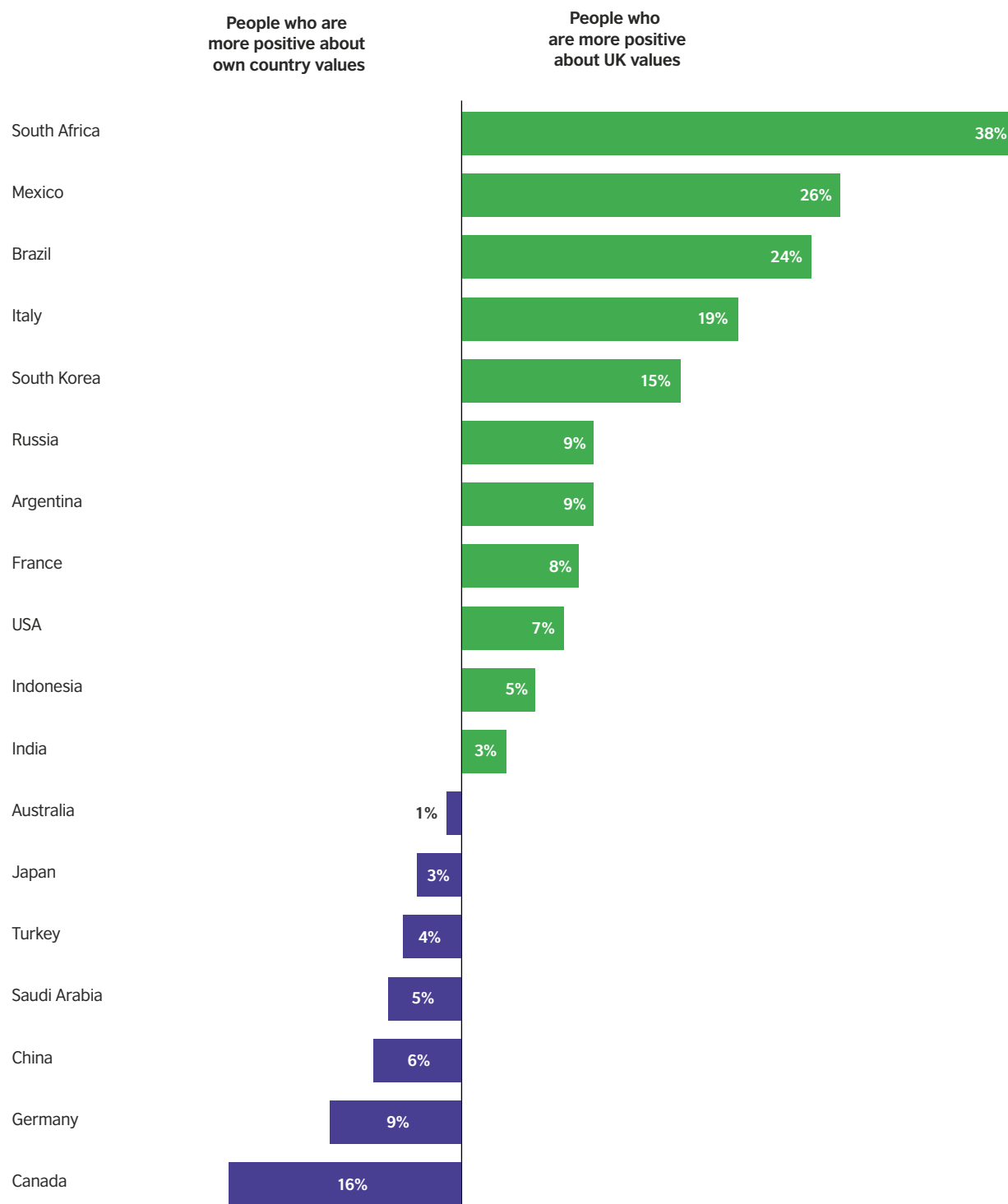
Comparing reported levels of trust with our 2011 research, the results are mixed. Figure 13 shows China’s trust in people from the UK has increased, which is positive. However, China’s trust in France, Germany and the USA has grown at a higher rate. Brazil’s trust in people from the UK has decreased significantly since 2011, while it has increased in people from the USA and China. Turkey’s trust in people from the UK has also decreased significantly since 2011, while increasing in people from the USA.

Falls in levels of reported trust in the UK among young people in Brazil, Russia and Turkey, and stronger growth in levels of reported trust in some of our key competitors among young people in China and Saudi Arabia should signal the bilateral relationships which require the UK’s particular attention.

Looking at the relative perception of the UK’s support of global values compared to respondents’ perceptions of their own countries’ values, the UK was largely considered to do better. Figure 14 shows the net agreement of whether the UK or the respondents’ own country supports the values considered important. In 11 of the 18 countries (excluding the UK), the UK was considered to do better than respondents’ own countries.

**Figure 14:** Net perceptions of the UK's and own country's values

And now thinking about your own country/the UK, how well do you believe [own country/UK] supports and encourages the values that you think are important in the 21st century?



Base: All excluding UK participants (18,010). Fieldwork dates: 8 September – 16 October 2016. Data presented here is weighted to relevant national populations. Source: Fieldwork by Ipsos MORI, analysis by In2Impact. Net % = % believe the UK supports important values well (Fairly well + Very well) – % believe own country supports important values well (Fairly well + Very well).

# Conclusion

Trust is based on an assessment of the behaviours and character of another, on a belief that the other does and will do what is right. Common sense dictates that trust is essential to human interaction at the level of individuals, institutions or governments, domestically or internationally. This paper highlights academic thinking, data and analysis which demonstrate that there is more substance to this than simply intuition.

Our analysis suggests that, in an international context, there is a connection between the perception that another country upholds the values people consider important and levels of trust. On the question of whether the UK upholds the right values, the perception among young people in the G20 is relatively positive. Those who felt this most strongly also had the highest levels of trust in people from the UK.

Looking at the qualities and behaviours which embody the values of the UK we see that the most important in driving trust among young people abroad are:

- openness
- contribution to development in poorer countries
- a free justice system
- world-leading arts and culture
- working constructively with other governments
- treating people fairly.

Given the importance of artistic and educational collaborations and exchange in fostering familiarity and understanding based on mutual benefit, we tested the relationship between young people's engagement in cultural relations activities with the UK and their perceptions of the UK's values. We found a positive association. We also found a positive association between cultural relations engagement and levels of trust in UK people.

Our analysis of the intentions of young people in the G20 to engage with the UK suggests that those who trust the UK are roughly twice as likely to want to do trade or do business with or study in the UK, as those who distrust the UK.

Why does this matter? It matters to the British Council because it helps us to better understand the dynamics behind the trust we know we earn for the UK, and how we can best continue our mission to build friendships and understanding between people in the UK and in other countries. More broadly, it demonstrates the vital importance of trust to the international success of the UK's arts and cultural sector, creative industries, tourism, education and business sectors. **It also highlights that there are some G20 countries with which we have strong and trusting people-to-people relationships to build upon, and that there are relationships with other important countries which require greater attention.** It is essential that we understand international perceptions of our values, strengths and weaknesses, how these interact with our perceived trustworthiness, and the impact this has on the UK's global influence and future prosperity.

This study suggests that it is often the qualities that we ourselves consider to be most fundamental to our society that are also the most important to international perceptions and trust in the UK. It is worth noting that these qualities are at times taken for granted, disputed, or under attack in a number of countries – including the UK – and an emphasis on their importance on the global stage should be raised more regularly in conversations about what the UK stands for. **Continuing to uphold, invest in, and protect these qualities and behaviours is likely to have a positive impact internationally as well as domestically.** And the implication of our analysis is that by doing so, the UK actually has the power to affect the levels of trust we enjoy.

There are challenges. **The perception that the UK is open and welcoming is the strongest driver of trust in people from the UK, but we saw a small but significant worsening in this perception after the EU referendum.**<sup>28</sup> **Considerable attention will be needed to prevent this becoming a downtrend,** affecting levels of trust in the UK and intentions to visit, study or do business here. The perception that the UK contributes fairly to international development is a key driver of trust, yet our generous overseas aid programme is not widely appreciated. Increasing awareness of our considerable contribution to development is something for government to consider.

The paper also demonstrates that earning trust is not a task for government alone. Our analysis found a strong association between engagement with UK cultural and educational activities, positive perceptions of UK values, and levels of trust in the UK. This suggests **it would be a lost opportunity not to make the most of the many organisations which earn trust for the UK worldwide by better understanding and enabling their contribution.**

Trust is essential to the realisation of the government's ambitions for global Britain, for a country that is prosperous, internationally engaged, outward looking and influential in shaping the response to the challenges facing the world today. **The UK must continue to earn a trustworthy reputation internationally to secure its future influence and prosperity in tomorrow's world.**

# Appendix

## Glossary of full UK qualities statements

### Value diversity

People from the UK value diversity and cultural difference.

### Open and welcoming

People from the UK are open and welcoming.

### World leading arts and culture

The UK has world-leading arts and cultural institutions and attractions (e.g. theatres, museums and galleries).

### World-leading sports

The UK has world-leading sports teams and events.

### Fosters creativity

The UK education system fosters creativity and innovation.

### World-leading universities

The UK has world-leading universities and academic research.

### Global power

The UK is a global power.

### Democratic society

The UK is a strong example of a democratic society.

### Treats everybody fairly

The UK government treats everybody who lives in the country fairly.

### Works constructively

The UK government works constructively with other governments around the world.

### Aids development

The UK government contributes its fair share to aiding development in poorer countries.

### Good public services

The UK has good public services.

### Respects the rule of law

The UK respects the rule of law.

### Values individual liberty

The UK values individual liberty.

### Respects different faiths

The UK demonstrates respect and tolerance for those with different faiths and beliefs.

### Strong NGOs

The UK has strong non-governmental institutions (for example, voluntary and charitable organisations).

### Free justice system

The UK has a free and fair justice system.

### Free press and media

The UK has a free press and media.

### Note on statistical significance

The individual sample size for the research in each country was close to 1,000. The 19-country sample size was 19,010 and where the UK is excluded the sample size was 18,010.

Differences in results can appear due to random variations in the sample researched. A significance test gives an indication of the likelihood that the observed difference in results between samples is explained by something other than this random variation.

A likelihood of ninety-five out of a hundred (a confidence level of 95 per cent) is a commonly accepted standard for accepting that an observed result is not a consequence of random variation

As an example, when comparing the results from two countries each with a sample size of 1,000, the result of 46.9 per cent in one country and 53.1 per cent in the other country can be taken to show a real difference – i.e. a difference not resulting from random chance – more than ninety-five times out of one hundred.

When comparing smaller subsamples of 500 in each country the difference in results would need to be larger – 45.6 per cent in one country and 54.4 per cent in the other country – to be taken to show a real difference more than ninety-five times out of one hundred.

In this report we use the word *significant* in its everyday sense of a result that is important and the words *statistically significant* to indicate that the result is likely to be real ninety-five times out of a hundred. We have noted where sample sizes are small and therefore most likely not statistically significant.



**Note on cultural relations activities:**

The definition of involvement in UK cultural relations activities is:

Which, if any, of the following have you ever done?

- participated in a school exchange with a UK school or participated in an educational or skills programme run by a UK institution
- participated in a volunteering/community programme run by a UK institution
- attended an arts or cultural event, exhibition or performance involving a UK institution, artist or performer
- studied English anywhere except at school.

Charts exploring the impact of Cultural Relations use data from 14 of the 19 surveyed countries: Argentina, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Korea, and Turkey.

Data from Australia, Canada, South Africa, and the USA is excluded because in these countries English is the official language and respondents were not asked whether they had studied English outside of school. Therefore the definition of participation in cultural relations is consistent across the 14 countries.

**Note on fieldwork**

Commissioned by the British Council, Ipsos MORI conducted an online survey across all 19 countries of the G20, interviewing 18–34 year olds with a minimum of secondary education. Fieldwork was conducted between 8 September – 16 October 2016. Each country had a sample size of around 1,000. The total sample size of all G20 countries was 19,010.

In each market, the data is weighted to be representative of the national population by age (18–24 versus 25–34) and gender. Additionally, the sample of the second wave is weighted to match the sample profile of the first wave on the following variables: interlocking age and gender quotas, education, area of residence, and employment status.



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