



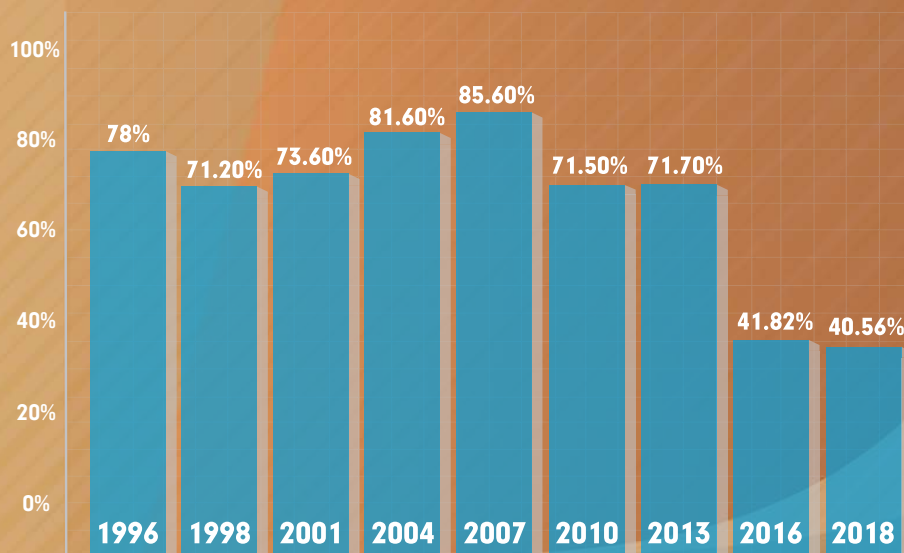
**Democracy
2025**

BRIDGING THE TRUST DIVIDE

Lessons from international experience

Gerry Stoker, Mark Evans and Max Halupka

Report No.2



DEMOCRATIC SATISFACTION IN AUSTRALIA 1996 TO 2018



Museum of
Australian Democracy
Old Parliament House



UNIVERSITY OF
CANBERRA



INSTITUTE FOR
GOVERNANCE
& POLICY ANALYSIS

DEMOCRACY 2025



Democracy
2025

ABOUT DEMOCRACY 2025

bridging the trust divide

THE CHALLENGE

There are now more authoritarian regimes than full democracies around the world. Democracy is on the retreat and Australia is not immune. Despite 25 years of economic growth, satisfaction in democracy has more than halved over the past decade dropping to 40.5 per cent in 2018. Levels of trust in Commonwealth government (31 per cent) and politicians (21 per cent) in Australia are at their lowest levels since survey data has been available. And there is a widespread belief that politicians don't care about Australian citizens and their concerns for the future.

WHY THIS MATTERS

Trust is the essential component of social and political capital. It is the glue that facilitates collective action for mutual benefit. Low trust limits our ability to manage long-term policy issues, undermines domestic policy ambition and encourages short term responses. The problem of declining trust must be addressed as a matter of urgency. By 2025 if nothing is done and current trends continue, fewer than 10 per cent of Australians will trust their politicians and political institutions – resulting in ineffective and illegitimate government, and declining social and economic wellbeing. The restoration of political trust in Australia is therefore critical to the health of our democracy and to the defence of liberal democracy more broadly in our region.

DEMOCRACY 2025

Democracy 2025 will be a world leading initiative based at the spiritual home of Australian democracy – Old Parliament House, Canberra.

Our aim is to become Australia's leading go-to for applied research, analysis and interpretation of the challenges facing representative democracy and its potential for innovation and renewal.

Bringing together business, government, the public service and the public, our key objective is to **bridge the trust divide** by:

1. rolling out innovative best-practice solutions to the liberal democratic challenges faced across Australia and the Asia-Pacific
2. creating active, engaged and informed citizens
3. positively influencing democratic leadership, capacity and practice
4. promoting excellence and innovation in democratic governance

KEY ACTIVITIES

Public Trust Index

The creation of a **Public Trust Index** will set a baseline for the measurement and improvement of Australian democratic practice and integrates the four key elements that influence public trust - **integrity, transparency, accountability and participation** - into a single democratic dashboard.

Ignite learning program

MoAD's onsite schools' learning programs currently reach 85,000+ students each year. Through **Ignite**, a new digital-based education program, we aim to reach every student in Australia.

Democracy Lab

As a first for Australia, the **Democracy Lab** will bring together the public, experts, politicians and government officials at Old Parliament House to co-design solutions for some of our big national challenges and experiment with new forms of democratic innovation.

Trust Building Public Leadership Program

Co-designed with government, business and community sector leaders, this innovative program specifically aims to improve trust systems in Australia and integrity in governance.

Transformative exhibitions and events

Interactive and engaging, MoAD's exhibitions and events will showcase core concepts of Australian democracy and highlight our latest research, providing a unique space for visitor experiences and responses.

Australian Democracy in the Asian Century

By building strong regional partnerships in the Asia-Pacific region to generate research, education and engagement, this program aims to enhance the quality of democratic practice.

WE CAN MAKE A DIFFERENCE. DEMOCRACY. ARE YOU IN?

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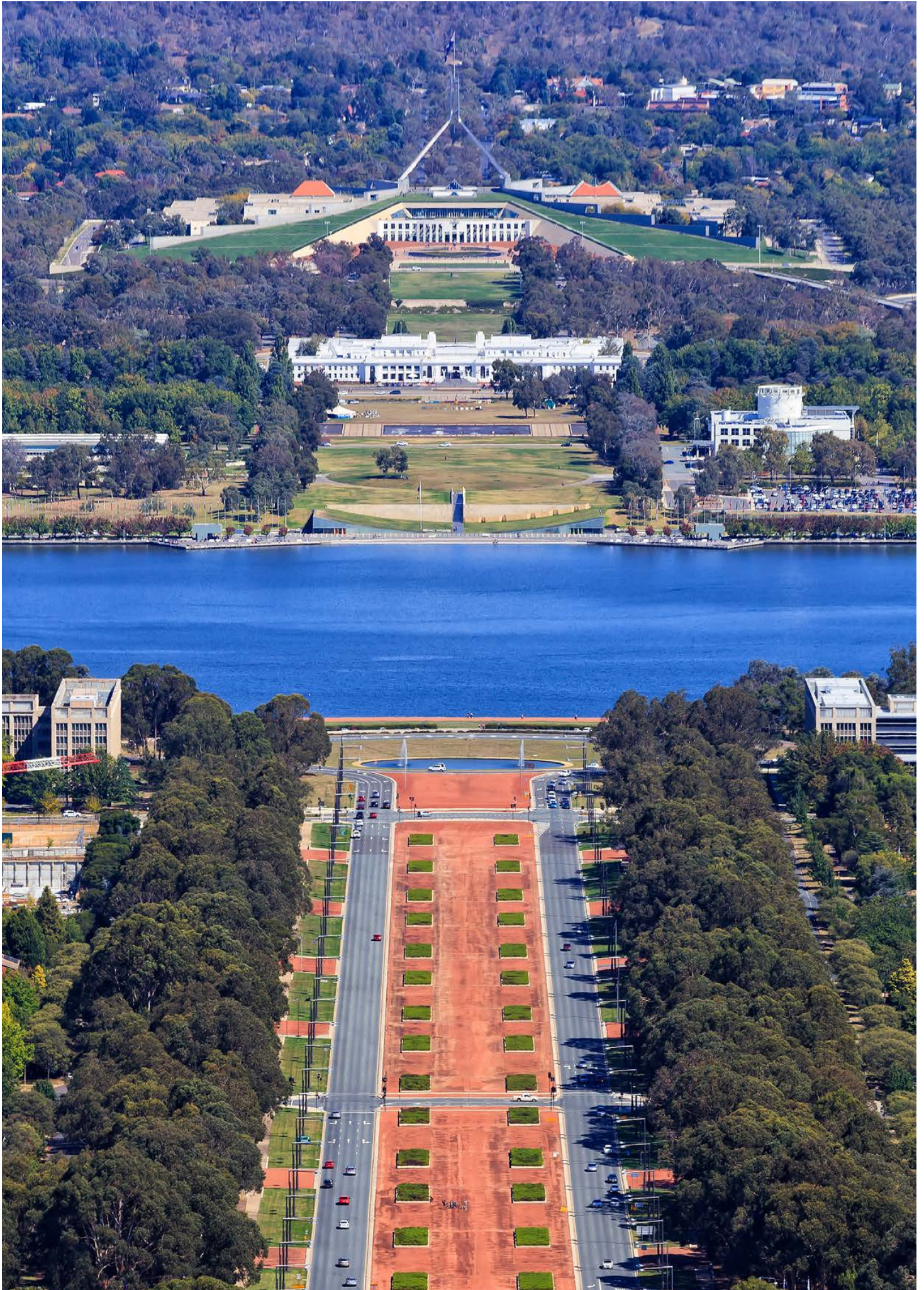
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EXECUTIVE SUMMARY

PURPOSE

We are witnessing a growing trust divide in Australia which has increased in scope and intensity since 2007. The purpose of this briefing paper is to provide a general understanding of how other democracies are seeking to bridge the trust divide. It explores the nature and relevance of the trust problem in the context of the operations of contemporary democracies; outlines various demand and supply side theories that can help explain what is driving trust or its absence; assesses the range of measures taken to promote trust in government and politics over the last few decades; and, examines the views of Australian citizens on various reform proposals. In conclusion, we identify some key lessons for the *Democracy 2025* project based on emerging insights from this review.

Please note that this briefing paper draws on some of the core insights from a research bid prepared in June 2018 by one of our authors, Gerry Stoker, with Will Jennings and Pippa Norris to the United Kingdom's Economic and Social Research Council's *Trust and Global Governance Program*. The bid is still under review.

UNDERSTANDING THE TRUST DIVIDE

There is widespread concern among scholars and in popular commentary that citizens have grown more distrustful of politicians, sceptical about democratic institutions, and disillusioned with democratic processes or even principles. Weakening political trust is thought to: erode civic engagement and conventional forms of political participation such as voter registration or turnout; reduce support for progressive public policies and promote risk aversion and short-termism in government; and, to create the space for the rise of authoritarian-populist forces. There may also be implications for long-term democratic stability as liberal democratic regimes

are thought most durable when built upon popular legitimacy. The trust divide has been most acute in countries highly impacted by the Global Financial Crisis such as Greece. Australia is exceptional in this regard given its experience of 25 years of economic growth suggesting that issues of governing competence rather than economic determinants are becoming more influential in shaping public opinion.

WHAT DRIVES DISTRUST? DEMAND AND SUPPLY-SIDE THEORIES

How you tackle the trust divide depends on how you define the problem and our data and literature review demonstrates that the problem is multi-dimensional requiring a broad range of responses. The literature can be loosely organised around demand and supply-side theories of trust.

Demand-side theories focus on how much individuals trust government and politics and explore their key characteristics. What is it about citizens, such as their educational background, class, location, country or cohort of birth which makes them trusting or not? What drives the prospects for political engagement and what makes citizens feel that their vote counts? Or that their active engagement could deliver value. Are citizens changing their outlook and perspectives which in some way is making them less trusting and willing to participate? **In general, our review of the literature suggests that the strongest predictors of distrust continue to be attitudinal and are connected to negativity about politics.**

In their seminal comparative work, Dalton and Welzel (2014) highlight the differences between allegiant and assertive civic cultures in Western-style democracies. These two models of democratic culture provide a useful way for characterizing our discussion about

makes citizens trusting or not. In the allegiant model political trust in the form of deference to political leaders and trust in the institutions of politics matters, as it provides the glue that holds together the political system. In the assertive model it is lack of trust that matters as it provides the energy and commitment for citizens to engage in political activity and to hold politicians to account.

In Australia we have found a mixed pattern of evidence in relation to both the allegiant and assertive models of democratic culture. The allegiant model is challenged in that deference to politicians appears absent and trust in institutions has weakened. Yet citizens still appear to value the overall stability of their political system even if lack of political trust means they lack confidence in its ability to deliver especially on more challenging policy issues. At present, sustained affluence matched with a decline in political trust, has led not to the critical citizens envisaged by the assertive model but rather to a culture of citizen disengagement, cynicism and divergence from the political elite. Most Australian citizens are very clear that they do not like the character of contemporary politics on display in Federal government and democratic renewal is required to address the democratic pressures that are threatening to undermine our core democratic values. We characterise this as a *divergent* democratic culture but not an assertive one.

Supply-side theories of trust start from the premise that public trust must in some way correspond with the trustworthiness of government. The argument is that it is the supply of government that matters most in orienting the outlooks of citizens. Direct experiences, social networks and exchanges within them, and messages offered by the press and social

media could play their part. It is common to consider whether it is perceptions of the *performance* of government, or its apparent *procedural fairness and quality* or whether there is something in the way that the trustworthiness of political institutions is *communicated* that matters most to trust.

REFORMS AND INNOVATIONS TO PROMOTE TRUST

There are exhaustive academic and practice-based literatures that address various aspects of the trust divide but the quality of implementation varies considerably and often undermines the original reform intent. In sum, the quality of democratic practice, as the Nobel Prize winner Amartya Sen has argued elsewhere, is the key measure of the quality of a democratic culture; “formal rules are not enough without good democratic practice”.

We also observe from our review of demand and supply-side interventions (see Table 1 for a selective sample) that it is unlikely that the trust divide will be solved simply by fiddling with the architecture of government or improving the behaviour of politicians or the media, it requires a broad range of responses underpinned by a renewal of our democratic fundamentals.

WHAT DO AUSTRALIAN CITIZENS THINK ABOUT REFORM?

The 2018 “Trust and Democracy in Australia” MoAD survey discovered a strong appetite by Australian citizens for a range of democratic reforms aimed at solving both supply and demand side trust problems. In particular, we found strong support for reforms aimed at holding politicians to account locally, reforming political parties, increasing participation by ordinary people in public affairs and making Parliament more representative of the society it serves.

NSW ICAC EXHIBIT

LESSONS FOR BRIDGING THE TRUST DIVIDE

Seven key lessons can be drawn from this review for the Democracy 2025 project:

- 1 Trust is a complex and potentially “wicked” problem with multiple causes.

Table 1: A selection of demand and supply-side interventions to address the trust divide

PROBLEM	INTERVENTION	DESIGN PRINCIPLES
<i>Demand side problems and solutions</i>		
Need for education to increase understanding and capacity of citizens	Better Citizenship education	Input through programs of “learning and doing” will build citizens who are confident and pragmatic enough to build trust
Citizens/stakeholders want more of a say as they become more challenging and critical	Quality participation	Contingent on the purpose of the engagement. Varied with different foci on hard to reach groups, deliberation and selection by sortition. Having a say in a decision increases the prospects of trust
Opportunities to exploit capacity created by new technologies	Internet politics	Build on surge and waves of interest to deliver rapid responses to public concerns and build trust
<i>Supply side problems and solutions</i>		
If government did the small things in service delivery well this would improve levels of trust to tackle bigger problems	Improve the quality of service delivery	User-centred design, use innovation and new technology to increase customer satisfaction and improve performance in measurable ways
Closed government, corrupt practices	Open government and indicative transparency measures	People trust processes that are clear, transparent and accountable. Focus on driving out the practice and even the appearance of corruption or malpractice
Representative democracy has lost legitimacy because of the financing of parties and elections and the representative failings and poor practices of elected assemblies	Improved citizen-party linkage	Regulation of election spending, reform of party system, change parliamentary practices
The way that political choices and decisions are presented through new and traditional media creates a climate of distrust	Communication dynamics	Encourage through soft regulation and influence support changes in communication to better manage tension between freedom of media and a better governance context

2 Solutions can be compromised by the way they are practiced. Far from promoting trust, paradoxically, the packaging of performance measurement interventions in, for example, the education and health sectors may have contributed to the emergence of populism and loss of trust by citizens. Hence trust building projects need to focus as much on the issues of democratic practice as principles.

3 Matching evidence to reforms requires political will and commitment hence trust building projects need to create the conditions for a brutally honest conversation about issues of public trust.

4 We need to build the evidence base and engage with reform practice. In the case of Australia, we have the advantage of survey evidence that tells us fairly clearly what kinds of reforms in general Australian citizens would like to see enacted. See Democracy 2025's Trust and Democracy in Australia. But turning those broad ideas into a practical program will not be easy.

5 We need to focus on ways of rebuilding five dysfunctional relationships in our political system: the relationship between politicians and citizens; the relationship between politicians and the public service; the relationship between the public service and citizens; the relationship between the media and politicians; and, the relationship between different levels of government, the private sector and the community sector.

6 We need to recognize that there is more to democracy than voting. It requires ongoing engagement with the citizenry and greater integration of representative and participatory forms of democracy. This includes recognition that politicians are the primary agents of citizen engagement but that it is easier, not to mention more efficient, to use stable, respected institutions to build trust.

7 We need to look beyond Commonwealth government, bring local democracy back in and recognize the potential power of the concept of subsidiarity for bridging the trust divide.

PREAMBLE

We have moved beyond the point of trust being simply a key factor in product purchase or selection of employment opportunity; it is now the deciding factor in whether a society can function. As trust in institutions erodes, the basic assumptions of fairness, shared values and equal opportunity traditionally upheld by "the system" are no longer taken for granted. We observe deep disillusion on both the left and the right, who share opposition to globalization, innovation, deregulation, and multinational institutions. There is growing despair about the future, a lack of confidence in the possibility of a better life for one's family. The 2017 Edelman Trust Barometer finds that only 15 per cent of the general population believe the present system is working, while 53 per cent do not and 32 per cent are uncertain. (2017 Edelman Trust Barometer, Executive Summary)

In recognition of the observation in the Edelman Trust Barometer that the majority of citizens in 75 per cent of the world's liberal democracies no longer trust their politicians and key political institutions, the purpose of this briefing paper is to provide members of the Board with a general understanding of how other democracies are seeking to bridge the trust divide.

The rationale for this paper proceeds from four empiric observations derived from our latest national survey conducted in July 2018:

1. we are witnessing a growing trust divide in Australia which has increased in scope and intensity since 2007 despite Australia avoiding the worst excesses of the Global Financial Crisis (see Figure 1);
2. how you tackle the trust divide depends on how you define the problem and our data demonstrates that the problem is multi-dimensional requiring a broad range of responses;
3. it is unlikely that the trust divide will be solved simply by fiddling with the architecture of government or improving the behaviour of politicians or the media, it requires renewal of our democratic fundamentals; and,
4. there are exhaustive academic and practice-based literatures that address various aspects of the trust divide but the quality of implementation varies considerably and often undermines the original reform intent. In sum, the quality of democratic practice, as the Nobel Prize winner Amartya Sen has argued elsewhere, is the key measure of the quality of a democratic culture; "formal rules are not enough without good democratic practice".¹

It should also be noted that our most recent survey was conducted prior to the Liberal leadership spill and the resulting Wentworth bi-election so the depth of public distrust in Australia may be deeper than we suggest. This is indicated by the 200,000 Australians that completed our on-line ABC survey *Democracy Interactive* in September 2018 (see: <https://www.abc.net.au/news/2018-09-20/in-a-nation-of-cynics-we-are-flocking-to-the-fringe/10281522>).

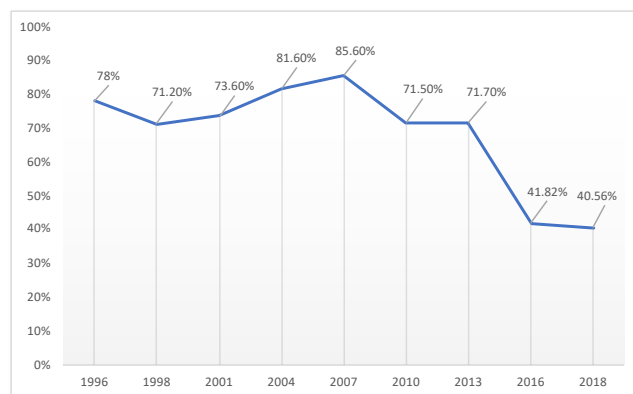


Figure 1: Democratic satisfaction in Australia 1996 to 2018
Q: How satisfied are you with the way democracy works in Australia?

1. See Amartya Sen (1999), *Development as Freedom*. Oxford: Oxford University Press.

The discussion that follows is organised into five sections. The first explores the nature and relevance of the trust problem in the context of the operations of contemporary democracies. The second outlines various demand and supply side theories that can help to explain what is driving trust or its absence and therefore provides clues as to appropriate remedial action. The third section turns more directly to the range of measures taken to promote trust in government and politics over the last few decades. In the fourth section we review the views of Australian citizens on various reform proposals. A final concluding section draws out some of the challenges for the Democracy 2025 project based on emerging insights from this review.²

1. UNDERSTANDING THE TRUST DIVIDE

If social trust captures relations between citizens; political trust goes more directly to the issue of whether citizens trust their political leaders when in government to do that right thing and “keep their promises in a just, honest, and efficient way”.³ There is widespread concern among scholars and in popular commentary that citizens have grown more distrustful of politicians, sceptical about democratic institutions, and disillusioned with democratic processes or even principles.⁴ Weakening political trust is thought to erode civic engagement and conventional forms of political participation such as voter registration or turnout,⁵ to reduce support for progressive public policies and promote risk adverse and short-termist government,⁶ and to create the space for the rise of authoritarian-populist forces.⁷ There may also be implications for long-term democratic stability; liberal democratic regimes are thought most durable when built upon popular legitimacy.⁸

The risks of democratic backsliding are regarded as particularly serious if public scepticism spreads

upwards from core institutions of governance to corrode citizen perspectives about the performance of liberal democracy and even its core ideals. Some fear a flagging civic culture may potentially contribute towards what many observers see as a liberal democratic retreat around the world.⁹ Many authors express concern that weak commitment to the democratic norms and rules of the game is one of the conditions under which democracies fail or even die.¹⁰

2. More detailed reviews of different aspects of the trust divide can be provided on request. For example, on different approaches to enhancing public participation see Mark Evans (2013), *Social participation: lessons from Europe*, Ministry of Planning, Brasilia/European Union.

3. Donald Kettl (2017), *Can government earn our trust?* Cambridge: Polity Press.

4. Russell J. Dalton (2004), *Democratic challenges, democratic choices*. NY: Oxford University Press.

5. For key literature see: Jan Van Deth, Jose R. Montero, and Anders Westholm (2007), *Citizenship and involvement in European democracies: a comparative analysis*, New York, Routledge; Russell J. Dalton and Marty P. Wattenberg (2000), *Parties without partisans: political change in advanced industrial democracies*, Oxford, Oxford University Press; Mark N. Franklin (2004), *Voter turnout and the dynamics of electoral competition in established democracies since 1945*, New York, Cambridge University Press.

6. Marc J. Hetherington (1998), 'The political relevance of political trust,' *The American Political Science Review* 92, 4: 791-808; Marc J. Hetherington (2005), *Why Trust Matters*. Princeton, NJ: Princeton University Press.

7. Pippa Norris and Ronald Inglehart (2018), *Cultural Backlash*, NY, Cambridge University Press.

8. Gabriel A. Almond and Sidney Verba (1963), *The Civic Culture*, Princeton, Princeton University Press.

9. See, for the key quantitative surveys internationally: Edelman (2018), *2018 Edelman Trust Barometer*. Retrieved 25 October 2018 from: <https://www.edelman.com/trust-barometer>; European Commission (2017), *Special Eurobarometer 461: Designing Europe's future: Trust in institutions, Globalisation, Support for the euro, opinions about free trade and solidarity*, retrieved from <http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/SPECIAL/surveyKy/2173>, 25 October 2018; Freedom House (*Freedom in the World Index*), retrieved from <https://freedomhouse.org>, 25 October 2018; the *Economist Democracy Index*, retrieved from <https://infographics.economist.com/2018/DemocracyIndex/>, 25 October 2018; Reporters without Borders (*World Press Freedom Index*), retrieved from <https://rsf.org/en>, 25 October 2018; the *Electoral Integrity Project*, retrieved from <https://www.electoralintegrityproject.com/>, 25 October 2018; the OECD's Trust in Government project retrieved from <http://www.oecd.org/gov/trust-in-government.htm>, 25 October 2018; the World Bank's *World Governance Indicators project* retrieved from <http://info.worldbank.org/governance/wgi/#home>, 25 October 2018; and, the *Varieties of Democracy project* retrieved from <https://www.v-dem.net/>, 25 October 2018.

10. See: L. Diamond & M. F. Plattner, eds. (2015), *Democracy in Decline?* Johns Hopkins UP; V. Mechkova, A. Lüthmann, & S. I. Lindberg (2017), 'How much democratic backsliding?' *J. of Democracy* 28: 162-69; R.S. Foa & Y. Mounk (2016), 'The democratic disconnect', *J. of Democracy*, 27 (3): 5-17; J. Kurlantzick (2014), *Democracy in Retreat*. Yale UP; L. Diamond (2015), 'Facing up to the democratic recession', *J. of Dem.*, 26 (1): 141-155; L. Diamond, M. Plattner, & C. Walker (2016), *Authoritarianism goes global*, Johns Hopkins UP; E. Luce (2017), *The Retreat of Western Liberalism*. Little Brown; B. Klass (2017), *The Despot's Apprentice*, Hot Books; Y. Mounk (2018), *The People vs. Democracy*. Harvard UP; S. Levitsky & D. Ziblatt (2018), *How Democracies Die*, Crown; C.R. Sunstein, ed. (2018), *Can it Happen Here?* HarperCollins.

Others counter that the picture should not be exaggerated, as anxiety about public trust in government usually ebbs and flows over the years.¹¹ In many discussions, it is often naively and automatically assumed that any erosion of social and political trust among citizens is inherently problematic, as it reduces the incentives for cooperation. Yet blindly trusting the malignant, taking the word of liars, or believing con-artists seeking us harm, would also be foolish and dangerous.¹² The twin enemies of democracy appear to be citizens that are either too cynical to engage or too naïve in providing support to the political system.

The Australian case is also distinctive in the sense that it is unusual to see such a crisis in political trust when the economy is performing so well. Despite 25 years of economic growth, the majority of Australians have little faith in the system of government being able to do anything about the big problems in their lives or those facing society more generally. We appear to be witnessing a vicious cycle of distrust and alienation from politics and the formal democratic process. Declining political trust undermines public confidence in the ability of government to perform its core tasks. It makes it more difficult for governments to address the big public policy problems of our times, impacts negatively on market confidence (note the fall in the value of the \$ during the leadership spill), undermines social cohesion and makes it more difficult for Australia to lead on key geopolitical issues.

2. WHAT DRIVES DISTRUST? DEMAND AND SUPPLY-SIDE THEORIES

Demand-side theories

There has been a sustained interest in what might be called a demand-side take on trust. This work

focuses on how much individuals trust government and politics and goes on to explore who they are. What is it about citizens, like their educational background, class, location, country or cohort of birth which makes them trusting or not?¹³ Connected to this demand-side concern is a focus on what drives the prospects for political engagement and what makes citizens feel that their vote counts, or their active engagement could deliver value.¹⁴ Are citizens changing their outlook and perspectives which in some way is making them less trusting and willing to participate? If trust is a relational concept, then what is it in the outlook or practices of citizens that could drive a willingness to give the government the benefit of the doubt as an observer or support a more time-consuming level of active political engagement?

In their seminal work, Dalton and Welzel (2014) highlight the differences between allegiant and assertive civic cultures in Western-style democracies (see Table 2). These two models of democratic culture provide a useful way for characterizing our discussion about makes citizens trusting or not. In the allegiant model political trust in the form of deference to political leaders and trust in the institutions of politics matters, as it provides the glue that holds together the political system. In the assertive model it is lack of trust that matters as it provides the energy and commitment for citizens to engage in political activity and to hold politicians to account.

In Australia we have found a mixed pattern of evidence in relation to both the allegiant and assertive models of

11. See: Pippa Norris (1999), *Critical Citizens*. NY: Oxford University Press; Pippa Norris (2011), *Democratic Deficit*, NY: CUP.

12. See: Russell Hardin (2006), *Trust*. NY: Polity/Russell Sage Foundation.

13. For a review of this literature see Levi, M and Stoker, L. (2000), 'Political Trust and Trustworthiness', *Annual Review of Political Science*, 3: 475–507.

14. The standard work here is Verba S., Scholzman K., Brady H. (1995), *Voice and Equality: Civic Voluntarism in American Politics*. Cambridge: Harvard. For a framework designed for reformers see Lowndes, V, Pratchett, L and Stoker, G (2006), 'Diagnosing and Remedying the Failings of Official Participation Schemes: The Clear Framework', *Social Policy & Society* 5:2, 1–11. For recent updates see: Evans, M. & Pratchett, L. (2013), 'The Localism Gap – the CLEAR failings of official consultation in the Murray Darling Basin', *Policy Studies*, 34, 5/6: 541–558 and, Dalton, R.J (2017), *The Participation Gap. Social Status and Political Inequality*. Oxford: Oxford University Press.

democratic culture. The allegiant model is challenged in that deference to politicians appears absent and trust in institutions has weakened. Yet citizens still appear to value the overall stability of their political system even if lack of political trust means they lack confidence in its ability to deliver especially on more challenging policy issues. At present, sustained affluence matched with a decline in political trust, has led not to the critical citizens envisaged by the assertive model but rather to a culture of citizen disengagement, cynicism and divergence from the political elite. Most Australian citizens are very clear that they do not like the character of contemporary politics on display in Federal government and democratic renewal is required to address the democratic pressures that are threatening to undermine our core democratic values. We characterise this as a divergent democratic culture but not an assertive one.

The 2016 "Power of Us" MoAD survey offers us some evidence¹⁵ on these demand-side factors from Australia. Figure 2 summarises the results of an ordinal logistic regression, where the diamond indicates the estimated coefficient and the width of the bars indicate the confidence intervals (if the dark grey bar does not intersect the zero line, the effect is significant at the 95 per cent confidence level). The data reveals that men

are more likely to be lacking in trust in federal government, as are those on lower incomes. People who are educated to degree level or live in a household where English is not spoken as a first language are more trusting. The expected finding also emerges that if you share an ideological preference with the ruling parties in government (in 2016 the Liberal/National coalition) this encourages a sense of trust.

In the main, the 2018 "Trust and Democracy in Australia" MoAD survey demonstrates a continuing pattern of democratic decline. Those more likely to feel satisfied with the status quo include those aged over 55 ("Baby Boomers"), those earning more than \$200,000 a year and those who vote for the National or Liberal Parties. They are also more likely to be male and an immigrant as those born overseas tend to be more satisfied with Australian politics than native born Australians. Generation Z is the most politically trusting cohort with highest levels of trust in political institutions. Generation X is least satisfied (31 per cent). However, women are now generally less satisfied with democracy and more distrusting of politicians and political institutions.

Notably the relationship between social and political trust is becoming more significant. Social trust

Table 2: The features of allegiant and assertive democratic cultures

ALLEGIANT	ASSERTIVE
Emphasis on order and security	Emphasis on voice and participation
Deference to authority	Distance from authority
Trust in institutions	Scepticism of institutions
Limited liberal view of democracy	Expanded democratic expectations
Limited protest/protest potential	Direct, elite challenging action
Traditional forms of participation	Mixture of traditional and new forms of participation

Source: Dalton and Welzel (2014)

15. See Stoker et al (2018, forthcoming), 'Political Trust and Confidence in Government Intervention: how politics is constraining public administration'.

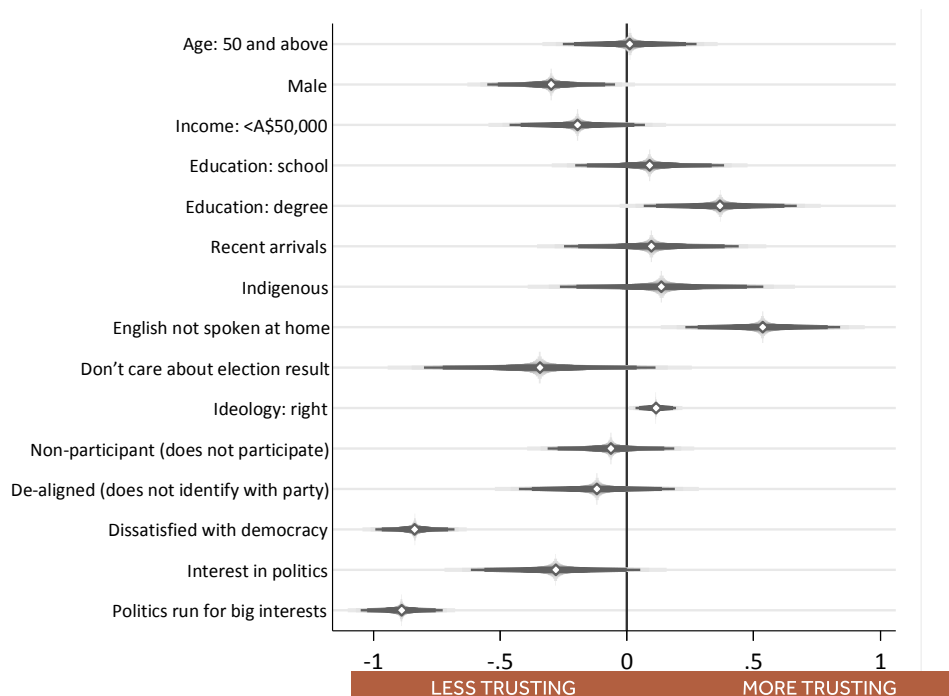
between Australians has fallen below 50 per cent for the first time to 47 per cent. Although a majority still believe that people in their neighbourhood would help others out – except for the very rich. We can identify a distinctive underclass of Australians who are completely disconnected from Australian democracy. This group of citizens make up almost 20 per cent of the electorate and are deeply distrustful not just of politicians, but of almost every major institution and authority figure listed in the survey, except for their local GP. When given 15 options to describe what they like about Australian democracy, including free and fair elections, their main response was 'none of the above'. This group of Australians has been left behind economically or are feeling very economically insecure, a significant proportion are on welfare or low incomes, and are increasingly politically alienated and angry just like Trump and Brexit voters.

Nonetheless, the strongest predictors of distrust continue to be attitudinal and are connected to negativity about politics.

These findings are broadly in line with those from other democratic systems. For example, a 2017 survey of 28 nation state members of the European Union (EU)¹⁶ found that:

- respondents aged 15-24 are the most likely to trust their national Government particularly compared to those aged 25-54 (44 per cent vs. 39 per cent).
- The longer a respondent remained in education, the more likely they are to trust their national Government (48 per cent with the highest levels do so; compared to 33 per cent with the lowest education levels).
- Managers are the most likely to trust their Government, particularly compared to the unemployed (53 per cent vs. 29 per cent).

Figure 2: The demand-side drivers of trust in federal government, ordinal logistic regression



16. European Commission (2017), *Special Eurobarometer 461: Designing Europe's future: Trust in institutions, Globalisation, Support for the euro, opinions about free trade and solidarity*, retrieved 30 October 2018 from: <http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/SPECIAL/surveyKy/2173>

- The less difficulty a respondent has in paying households bills, the more likely they are to trust the national Government (46 per cent of those with the least difficulties do so, compared to 21 per cent with the most difficulties).
- Respondents who consider they belong to the upper middle class are the most likely to trust their Government, particularly compared to those who place themselves in the working class or lower middle class (64 per cent vs. 32 per cent).
- Respondents who have a positive image of EU are more likely to trust their national Government (55 per cent vs. 23 per cent of respondents who have a negative image), as are those who tend to trust the EU (62 per cent vs. 21 per cent of respondents who tend not to trust in the EU).

Supply-side theories

There has been less work in advanced liberal democracies on supply-side theory that starts from the premise that public trust must in some way correspond with the trustworthiness of government. However, as we shall see supply-side theories are more evident in the study of development administration due to greater problems with corruption.

The argument here is that it is the supply of government that matters most in orienting the outlooks of citizens. Direct experiences, social networks and exchanges within them, and messages offered by the press and social media could play their part. It is common to consider whether it is perceptions of the *performance* of government, or its apparent *procedural fairness and quality* or whether there is something in the way that the trustworthiness of political institutions is *communicated* that matters most to trust.

Performance legitimacy comes from public evaluations of the government's record in delivering public goods and services like economic growth, welfare and security.¹⁷ If important, as commonly assumed, then public

confidence should relate to perceptual and/or aggregate indicators of policy outputs and outcomes, such as satisfaction with the performance of the economy or the government's record on education and healthcare.

Procedural legitimacy focuses on the way that office-holders are nominated to positions of authority, and the mechanisms of accountability for office-holders, whether citizens feel that these processes and mechanisms are appropriate, irrespective of their actions and decisions.¹⁸ These issues of legitimacy also extend to *the construction of representative politics*, the representativeness of those elected, the linking role of political parties, the funding of election campaigns and broadly the way that representative institutions work and operate in terms of their conduct of business and engagement with special interests and the general public.¹⁹

Finally, *communication* through the news media might shape public perceptions of government performance, with lack of confidence in government linked with exposure to negative news critical about politics, government, and public affairs, focusing on 'gotcha' scandals rather than substantive policy issues.²⁰ These concerns have grown in the age of fake news, social media bubbles, overseas meddling in domestic election campaigns, and suspicion of legacy journalism. Some argue that the media simply informs citizens or signals to them to pay attention to certain issues but on balance a review of available research indicates that the way that news is framed is having a negative impact and encouraging public distrust.²¹

17. Christina Boswell (2018), *Manufacturing Political Trust*. NY: CUP.

18. Tom R. Tyler and Rick Trinkner (2017), *Why Children Follow Rules*. Oxford: Oxford University Press.

19. On these issues see: Sonia Alonso, John Keane and Wolfgang Merkel (eds), *The Future of Representative Democracy*, Cambridge: CUP; Simon Tormey (2015), *The End of Representative Politics*, Cambridge: Polity; John Keane, (2009), *The Life and Death of Democracy*, London, Simon & Schuster.

20. See, for example, Thomas Patterson (1993), *Out of Order*. For an alternative view, see Pippa Norris (1999), *A Virtuous Circle*. NY: Cambridge University Press.

21. Zoizner, A. (2018). The Consequences of Strategic News Coverage for Democracy: A Meta-Analysis. *Communication Research*. Retrieved 31 October 2018 from: <https://doi.org/10.1177/0093650218808691>.

3. REFORMS AND INNOVATIONS TO PROMOTE TRUST

In this section we identify a group of reforms that respond more to demand-side theories and a group of reforms that relate more to supply-theories of what is driving trust.

If the focus is on demand-side explanations, then reforms would be targeted on those who are most likely to be lacking in trust or in need of engagement to generate trust within that group. Young people have in this context been a common target for measures that could be in part about trying to encourage trust through programs of citizenship education.²² In this sense it could be argued that MoAD has been in the trust-building business for a long time. Sometimes measures to increase trust through education programs can be targeted at certain ethnic minorities or new immigrant arrivals or those who are amongst the poorest in society.

Alongside citizenship education new opportunities to engage in governing decisions are a way of building trust.²³ Various forms of political participation but especially those that provide opportunities for deliberative engagement or participation through co-design by left behind or hard-to-reach groups (even selection of participants by sortition²⁴) are part of the repertoire of many advocates for change in liberal democracies and are seen now as even more vital as part of a response to a populist turn in politics (Evans

and Terrey, 2016).²⁵ However, although participation has become an essential ingredient in public policy decision-making and delivery in most liberal democracies, the problems of participation in practice are not widely understood. The conclusion from much of the academic and practice-based literature is not that more participation is needed but that better participation is needed (Evans, 2014).²⁶

The rapid response practices of internet politics might also be a way of building trust through which change can be achieved by different engagement practices. Younger citizens not only increasingly receive their news about formal politics online but many also practice participation through new advocacy organisations that use digital tools to challenge and change political and policy decisions.²⁷ It is notable, however, that digital democratic practice remains immature in all liberal democracies with governmental organisations, political parties and pressure groups struggling to find legitimate and effective ways of designing on-line deliberative engagement.

Responding to supply-side concerns

Taking a supply-side focus opens-up an alternative array of reform options.

22. See in the vast literature on this topic for example: Schulz, W., Fraillon, J., Ainley, J., Losito, B., & Kerr, D. (2008), *International Civic and Citizenship Education Study: Assessment framework*, Amsterdam, the Netherlands: International Association for the Evaluation of Educational Achievement (IEA); and, Torney-Purta, J., Lehmann, R., Oswald, H., & Schulz, W. (2001), *Citizenship and education in twenty-eight countries: Civic knowledge and engagement at age fourteen*, Amsterdam, the Netherlands: International Association for the Evaluation of Educational Achievement (IEA).

23. For a review of three decades of research and practice see Carole Pateman, one of the leading and founding figures in this debate, see Pateman, C. (2012), *Participatory democracy revisited. Perspectives on Politics* 10 (1): 7–19. For work on the varieties of democratic innovation that are available the seminal work is now Smith, G. (2009), *Democratic Innovations* Cambridge: CUP.

24. See David Van Reybrouck (2016), *Against Elections*, London: Random House.

25. See for this argument: Claudia Chwalisz, 'The populist signal', policy network, retrieved 25 October 2018 from <http://policy-network.net/publications/4918/The-Populist-Signal>; David Van Reybrouck, 'Why elections are bad for democracy', retrieved 25 October 2018 from: <https://www.theguardian.com/politics/2016/jun/29/why-elections-are-bad-for-democracy>; and, Tim Dunlop, 'Voting undermines the will of the people – it's time to replace it with sortition', retrieved 25 October 2018 from: <https://www.theguardian.com/australia-news/2018/oct/14/voting-undermines-the-will-of-the-people-its-time-to-replace-it-with-sortition>.

26. For a detailed account of different methods of public participation see: Involve Organisation (UK), (2005), 'People and Participation. How to put the citizens at the heart of decision-making', London, Involve. Retrieved 25 October 2018 from: <https://www.involve.org.uk/resources/publications/practical-guidance/people-and-participation>.

27. See Ariadne Vromen (2018), 'Political engagement in the Australian Digital Context', paper presented at Australian Senate Occasional Lecture series, August 17, 2018; and, Halupka, M. (2014), 'Clicktivism: A systematic heuristic', *Policy & Internet*, 6, 115–132.

Enhancing government performance

If the focus is on the performance of government to build trust one suggestion is that the best way forward is to do service delivery better. Public management reform advocates argue that “there’s a powerful – and positive – case that government officials can improve government’s standing by treating their citizens in trust-earning ways”.²⁸ These strategies might involve demonstrating good performance, creating positive customer experiences and transparently demonstrating the effort and commitment that goes into public service. Others might see improved digital capacity and service as a way of building trust in government²⁹ although some evidence suggests that it is possible to boost the standing of the agency involved but not necessarily government as a whole.³⁰ We recently conducted a national survey for Telstra on Australian attitudes towards digital public service production and we found that:³¹ there is a sustained willingness amongst the Australian citizenry to use online services and a preference for on-line services over other delivery channels; the public sector is still perceived to be behind the private sector on key measures of service delivery but Australian citizens want digital services and don’t really care whether they are delivered by public or private sector organisations; confidence in government to deliver effective public policy outcomes is very low but there is a belief that digitisation could be used as an effective tool for rebuilding trust with the citizenry; and, the vast majority of the Australian endorsed and expected the Australian Public Service to engage in experimentation and policy innovation.

28. Kettl, D. (2017), *Can Government Earn Our Trust?* Cambridge: Polity Press, p.120.

29. Parent, M., C. A. Vandebeek, and A. C. Gemino (2005), ‘Building citizen trust through E-government’, *Government Information Quarterly* 22:720–36.

30. Morgeson, F., VanAmburg and Mithas, S (2011), ‘Misplaced Trust? Exploring the Structure of the E-Government-Citizen Trust Relationship’, *Journal of Public Administration Research and Theory*, Volume 21, 2: 257–283.

31. Evans, M. and Halupka, M. (2017), Telstra Connected Government Survey: *Delivering Digital Government: the Australian Public Scorecard*, retrieved 30 October 2018 from: <https://insight.telstra.com.au/deliveringdigitalgovernment>.

Good Governance and integrity reform

If the concern is with process, whether citizens feel that decisions are taken fairly and appropriately there is a long-established tradition of using transparency in process as a way of demonstrating openness and promoting trustworthiness.³² There has been well established interest in other reforms aimed at tackling issues of corruption.³³ In combination, these integrity reforms are most popularly associated with the Good Governance agenda borne from the Washington Consensus which advocated the role of New Public Management ‘economy’, ‘efficiency’ and ‘effectiveness’ reforms as key policy instruments in market and liberal democratic transitions.

Integrity is the cornerstone of Good Governance. Fostering integrity and preventing corruption in the public sector support a level playing field for businesses and is essential to maintaining trust in government. ‘Integrity’ refers to the application of values, principles and norms in the daily operations of public sector organisations. Governments are under growing pressure from the public to use information, resources and authority for intended purposes. Achieving a culture of integrity requires coherent efforts to update standards, provide guidance, and monitor and enforce them in daily practice. It also requires countries to anticipate risks and apply tailored countermeasures.³⁴

32. For a critical look at this tradition see Christopher Hood (2007), *What happens when transparency meets blame-avoidance?*, *Public Management Review*, 9:2, 191–210, and C. Hood and D. Heald (eds) (2012), *Transparency: The Key to Better Governance?* Oxford: OUP.

33. For an interesting review of the history of such interventions which argue that the issue is more complicated than changing the incentives of agents prone to corruption see: Persson, Anna, Bo Rothstein, and Jan Teorell (2013), ‘Why Anti-Corruption Reforms Fail: Systemic Corruption as a Collective Action Problem,’ *Governance* 25 (3): 449–471 and Bo Rothstein (2018) ‘Fighting Systemic Corruption: The Indirect Strategy’, *Daedalus*, 147, 3: pp. 35–49.

34. See: OECD Integrity Framework, retrieved 30 October 2018 from: <http://www.oecd.org/gov/44462729.pdf>.

So what would Good Governance look like in the Australian context?:

1. the establishment of stable governing parameters (defined as clear institutional rules, the rule of law and security);
2. accountability routes to ensure that politicians, the judiciary and public servants are legally and politically 'publicly' accountable with regard to their conferred responsibilities;
3. transparency with regard to public scrutiny of governmental decision-making and operational delivery;
4. competence insofar as public servants should be proficient, expert and knowledgeable and have the capacity to discharge their responsibilities effectively, efficiently and economically;
5. pro-active anti-corruption initiatives; and,
6. the responsibility of all public organisations to deliver public value, i.e. that public intervention needs to be justified in terms of the social and economic benefits it delivers to the citizenry.³⁵

The OECD's integrity survey identifies eight important ethical measures to inform governance or what it terms the 'ethics infrastructure': (1) political commitment to integrity; (2) effective legal framework; (3) efficient accountability mechanisms; (4) workable codes of conduct; (5) professional socialisation of staff; (6) supportive public service conditions; (7) an ethics co-ordinating body; and (8), an active society performing a watchdog role (see Evans, 2012).

It is also worth noting the key findings from the 2017 OECD project, "Trust and Public Policy: How Better Governance can Help Rebuild Public Trust". The OECD found that two different but complementary components matter in understanding and analysing trust:

1. Competence or operational efficiency, capacity and good judgement to actually deliver on a given mandate.
2. Values or the underlying intentions and principles that guide actions and behaviours.

Responsiveness and reliability are critical dimensions of competence; with regards to values, citizens expect integrity, openness and fairness. The report identifies four policy levers as being particularly powerful in influencing trust:

1. Governments defining and adhering to integrity principles.
2. Seizing critical opportunities to demonstrate integrity in practice, such as large public infrastructure projects and major events.
3. Political leaders leading by example.
4. Ensuring common standards of behaviours at all levels, since state and local authorities often interact more closely with citizens than do central government civil servants.

It is evident from these findings that the current 2018–19 APS Review led by David Thoday must partly focus on how the APS can help bridge the trust deficit between government and the people and restore faith in our system of government. In addition to ensuring integrity in government, other reforms could include:

- Introducing new digital methods of governing that "enable" participation and improve the quality of services through *digital enablers*.
- "Empowering" citizens through the *co-design of projects & services*.
- "Engaging" citizens in policy development, delivery and learning through *digital enablers* (digital democracy).

35. For detailed analysis see M. Evans (2012), 'Beyond the integrity paradox – towards 'good enough' governance?' *Policy Studies*, 33, 1: 97–113.

In sum, “mainstreaming” a culture of “seeing like a citizen” in which public services become key instruments for trust building.

Representation

There is a sustained debate about party finance and a variety of reforms aimed at regulating campaign finance to ensure an equal playing field in elections.³⁶ There is also continued interest in whether political parties can continue to perform their *linkage role* between government and citizens³⁷ and a range of reforms in the construction of electoral systems, and registration regimes.³⁸ There is also considerable interest in how to reform *parliamentary practices* to make the process more open and accessible to citizens and more consistent with modern working practices.³⁹ And, of course in Australia there is a hotly contested debate about how we can make Parliament more representative of the society it serves and provide formal constitutional and political recognition to the historic claim of right of Australia’s first peoples.

Media reform

When it comes to reform over the practices of communication there are very complex issues raised over how to balance press media with issues about protecting citizen privacy, the right to reply and so on,

as the long-running saga of The Leveson Inquiry⁴⁰ in the UK indicates with respect to mainstream media. In the case of regulating the main, global social media outlets we are only in the foothills of how to think about reforms and giants such as Facebook and Google appear to face significant trust issues themselves.⁴¹ Some of the available evidence on public opinion on these issues are fascinating but a little confusing. A survey covering the 28 nation states of the EU⁴² reveals that citizens regularly come across fake news from social media outlets:

- Seven in ten respondents (71 per cent) are totally or somewhat confident that they are able to identify news or information that misrepresents reality or is false (*fake news*), while 26 per cent are not confident.
- More than eight in ten respondents (85 per cent) think that the existence of *fake news* is a problem in their country, at least to some extent. A similar proportion (83 per cent) believe that it is a problem for democracy in general.

Many citizens, as these two surveys might suggest, are confident in their own ability to detect fake news but less confident in the ability of others. The solutions offered are to put pressure on the social media outlets to weed out fake news, to provide more fact-checking sources and to consider more regulations in this area.⁴³

36. See J. Fisher and T.A Eisenstadt (2004), “Introduction: Comparative Party Finance”, *Party Politics* 10(6), pp. 619–626 and R.J La Raja (2008), *Small Change. Money, Political Parties and Campaign Finance Reform*, Ann Arbor: University of Michigan Press.

37. Dalton, R; Farrell, D and McAllister, I. (2011), *Political Parties and Democratic Linkage*, Oxford: OUP and Peter Mair (2013) *Ruling the Void: The Hollowing of Western Democracy*. London Verso.

38. For a comparative review see: S. Bowler and T. Donovan (2013), *The Limits of Electoral Reform* Oxford: OUP and Gerry Stoker (2017), *Why Politics Matters*, Second Edition, London: Palgrave Macmillan.

39. See these ideas developed in a carefully researched and argued report by Sarah Childs (2016) *The Good Parliament* that contains multiple reform ideas. Retrieved 30 November from: www.bristol.ac.uk/media-library/sites/news/2016/july/20%20Jul%20Prof%20Sarah%20Childs%20The%20Good%20Parliament%20report.pdf. There is an interesting 2018 initiative in the UK Parliament where a select committee used a Citizens’ Assembly to form its findings over the future of social care. Retrieved 30 November from: <https://www.hansardsociety.org.uk/blog/how-a-citizens-assembly-helped-select-committees-find-social-care-consensus>.

40. Retrieved 30 November from: <http://webarchive.nationalarchives.gov.uk/20140122144906/http://www.levesoninquiry.org.uk/>

41. Retrieved 30 November from: <https://www.adweek.com/brand-marketing/how-big-problem-it-google-and-facebook-consumers-don-t-trust-them-169108/>.

42. European Commission (2018), *Fake news and disinformation online* Eurobarometer Report. Retrieved 30 November from: <https://ec.europa.eu/digital-single-market/en/news/final-results-eurobarometer-fake-news-and-online-disinformation>.

43. See the report by the Expert Committee to the EU. Retrieved 30 November from: <https://ec.europa.eu/digital-single-market/en/news/final-report-high-level-expert-group-fake-news-and-online-disinformation>.

4. WHAT DO AUSTRALIAN CITIZENS THINK ABOUT REFORM?

The 2018 “Trust and Democracy in Australia” MoAD survey discovered a strong appetite by Australian citizens for a range of democratic reforms aimed at solving both supply and demand side trust problems.

Survey respondents were asked to rate to what extent they agreed or disagreed with a number of statements on the topic of democratic reform drawn from across the political spectrum and featuring in reform programs internationally. There was very strong support for democratic reforms that ensure greater integrity and transparency such as limiting how much money can be spent on election campaigning and how much political parties/candidates can accept from donors (73 per cent). There was also very strong support for democratic reforms that ensure greater political accountability of MPs and political parties to their electorates/members such as free votes in Parliament (60 per cent), the right to recall local members (62 per cent) and internal party reform that emphasizes community preferences (60 per cent). In addition, there was strong support for reforms that stimulate greater public participation such as the co-design of public services with citizens (71 per cent) and citizen juries (60 per cent). The least popular democratic reforms proposed were those that had to do with quotas for demographic representation (e.g. by age, gender, or ethnicity). Figure 3 overleaf shows how respondents responded to proposed democratic forms when broken down by political alignment. Labour supporters tend to favour more community-minded reforms. Labour and Liberal views on reform are remarkably uniform except on community-minded reforms. The greatest differences between parties can be found between the Liberals and Nationals on reform ideas.



Figure 3: Appetite for various democratic reforms by political party (NET agree)



CONCLUSIONS: LESSONS FOR BRIDGING THE TRUST DIVIDE

Trust is a complex and potentially “wicked”⁴⁴ problem with multiple causes

This brief surveyed the multifaceted forces that are in play when focusing on issues of trust in government in democracies. There are challenges in defining the appropriate normative stance of what level of trust or distrust is acceptable. There are considerable difficulties in developing an empirical understanding of what drives trust or distrust. The demand and supply side factors are numerous and in approaching reform options there is unlikely to be a straightforward linear causal path to move from defining the problem, understanding and explaining it and designing counter measures. The implication of this finding is to encourage an understanding of this complexity and the need to develop a multi-faceted strategy to tackle issues of trust.

Solutions can be compromised by the way they are practiced

The various solutions offered – whether for example, more participation or a stronger focus on government performance – can if put into practice in certain ways become a way of reinforcing problems rather than resolving them. A commitment to public participation that in reality is tokenistic and unwilling to share power can ultimately generate more cynicism and negativity among citizens.⁴⁵ Performance data- the bread and butter of modern government- carries costs as well

as benefits; as it focuses public attention on issues that governments may find difficult to address, thus encouraging lack of trust. Moreover, a performance culture can lead too often to exercises by which government officials try to manipulate the way that citizens judge their performance. Positive data is given prominence, less helpful data sometimes hidden. Messages about achievements are honed, lists of achieved targets met are broadcast and statistics to support are offered. Meanwhile on the ground, front-line public servants and many citizens find the claims of success contrasting with their own more negative experiences. Far from promoting trust, paradoxically, the packaging of performance may have contributed to the emergence of populism and loss of trust by citizens.⁴⁶

The implication of this observation for bridging the trust divide is that it needs to focus as much on the issues of democratic practice as principles. Part of the ambition of the project should be to establish mechanisms whereby good practice can be specified and elaborated and shared through learning mechanisms so that good practice becomes the norm rather than the exception.

Matching evidence to reforms requires political will and commitment

There is international interest in the issue of restoring trust in democracies. In the United States of America the Democracy Project has been established aimed at “rebuilding strong bipartisan support in defence of democracy at home and abroad” (see: <https://www.democracyprojectreport.org/>, retrieved 25 October 2018) and the EU as noted earlier in this report has ongoing work on trust concerns and how to respond

44. The term wicked means resistant to resolution in this case because of incomplete, contradictory, and changing requirements. See Head, Brian W. (2008), 'Wicked Problems in Public Policy' Public Policy, Vol. 3, No. 2, 2008: 101-118. <<https://search.informit.com.au/documentSummary;dn=662880306504754;res=IELFSC>> ISSN: 1833-2110.

45. See for evidence on this point: Lowndes, V, Pratchett, L and Stoker, G (2006) 'Diagnosing and Remediating the Failings of Official Participation Schemes: The Clear Framework' *Social Policy & Society* 5:2, 1–11.

46. See: Hood C (2006) 'Gaming in Targetworld: The Targets Approach to Managing British Public Services'. *Public Administration Review* 66, 515.

to fake news. But there are already signs of the difficulty of matching evidence to reforms. In the case of the report about the USA the recommendations focus rather narrowly on calling for more citizen education and the highlighting of good practices when the evidence from their own public opinion work suggests that the public think party finance, racism and other concerns are the key ones. The challenge is to get the buy-in of political elites to reforms but not in a way that denies what citizens are offering in terms of insights into the problems.

The consequence of this observation for bridging the trust divide is the need to create the conditions for a brutally honest conversation about issues of public trust.

We need to build the evidence base and engage with reform practice

In the case of Australia, we have the advantage of survey evidence that tells us fairly clearly what kinds of reforms in general Australian citizens would like to see enacted. See Democracy 2025's "Trust and Democracy in Australia". But turning those broad ideas into a practical program will not be easy.

We need to focus on ways of rebuilding five dysfunctional relationships in our political system

We can see the need to develop trust building programs directed to five key relationships.

The first is the relationship between politicians and citizens. How can we hold politicians to greater account for their behaviour? How can we reconnect the Federal Parliament with the ordinary citizen and make it more representative of the people it serves?

The second is the relationship between politicians and the public service. How can politicians and the public

service work better together to build trust with the citizenry? How can the APS ensure its independence?

The third is the relationship between the public service and citizens. How do we ensure that the public service places the citizen and community at the centre of policy development and service delivery?

The fourth is the relationship between the media and politicians. How can we hold the media to greater account for undermining public trust but ensure that they are able to continue to hold government to account?

The fifth is the relationship between different levels of government, the private sector and the community sector. How can we ensure that Australia builds an authentic system of collaborative federal governance based upon parity of esteem, recognition of the rights and responsibilities of all tiers of government and the business and community sectors and promote whole of government behaviours.

We need to recognize that there is more to democracy than voting

Bridging the trust divide requires ongoing engagement with the citizenry and greater integration of representative and participatory forms of democracy. This includes recognition that politicians are the primary agents of citizen engagement but that it is easier, not to mention more efficient, to use stable, respected institutions to build trust.

We need to look beyond the Commonwealth government, bring local democracy back in and recognize the potential power of the concept of subsidiarity for bridging the trust divide

Global trends highlight the growing importance of cities and regions in economic development and democratic governance. The international profiles of Sydney, Melbourne, the Gold Coast, the Pilbara and others are crucial to Australia's place in the world. More broadly, the quality of *places and communities* – their character and quality of life and environment – is a key building block of global competitiveness. First-class places and communities attract people with first-class knowledge and skills – the scarcest of resources.

The Commonwealth and States will always have an interest in outcomes at local and regional levels, but as governments they are not designed to be *place-based*. For the most part, they are obliged to focus on high-level issues and programs affecting disparate communities across large and diverse geographical areas. They are organized in functional silos and find it difficult to address complex, multi-faceted challenges facing particular regions or localities. Local governments, working with partners in government, business and civil society, can shape and manage communities and places to unleash their potential and enhance social and economic wellbeing.

Around the world, innovations in governance at the regional level feature prominently. In Australia, Commonwealth and State programs have promoted regional planning and economic development, and local government itself has established a range of regional organisations. But so far these efforts have fallen short of a more rounded effort to advance regional collaboration across a broader range of issues and programs. They need to be taken to a new level, recognizing the value of subsidiarity.⁴⁷

It is therefore time for local democracy to capture the Australian political imagination. *The citizenry is on its side*. Attitudinal survey data consistently tells us (in significant numbers) that Australians want to live in a democracy that is more open, local, and digital; where politicians can be held to account through their communities; and where citizens have greater say over the nature of service provision.⁴⁸

47. Subsidiarity is based on the notion that a central authority should only perform those tasks that cannot be performed effectively at a more immediate or local level. The closer you are to the service user, the more efficient and effective the delivery of the service is likely to be. Moreover, the deliverer of the service should have a better understanding of local needs and this should make interacting with government simpler for citizens. The concept is most widely applied in the European Union. Whilst subsidiarity has been canvassed in issues papers prepared for the reform of the Australian federation, this has been in terms of devolving certain functions to the States rather than to regions or communities, which is at odds with how it is understood elsewhere. See A.E. de Noriega (2002), *The EU principle of subsidiarity and its critique*, Oxford University Press.

48. For a more detailed exposition of this proposition see: *Local Government Professionals Australia* (2016), *Australia in a century of transformative governance: A federation for communities and places*, prepared by Mark Evans and Graham Sansom. Retrieved 30 October 2018 from: https://www.lgprofessionalsaustralia.org.au/uploads/3/7/4/2/37423121/lgprof_australia_federation_paper_march2016.pdf

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