Trust in the Digital Economy: Towards A Framework for Comparative Analysis

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Introduction: Trust and its Institutional Forms

It is common to observe both that trust is important to modern societies, and that there is a crisis of trust in contemporary institutions. Trust is an integral component of complex societies with market economies and a highly developed division of labour, but it is also something that is hard to understand or to quantify. Niklas Luhmann (1979, p. 4) has made the point that ‘a complete absence of trust would prevent one even getting up in the morning’, and virtually every normal activity we undertake, from driving a car to using a credit card to sending an email, requires from us a significant degree of – largely unconscious – trust in unknown others. Onora O’Neill has observed that ‘each of us and every profession and every institution needs trust. We need it because we have to be able to rely on others acting as they say that they will, and because we need others to accept that we will act as we say we will’ (O’Neill, 2010, p. 1).

In The Analects, Confucius told his disciple Tzu-Kung that ‘The requisites of government are that there be sufficiency of food, sufficiency of military equipment, and the confidence of the people in their ruler’. His further advise to Tzu-Kung when asked, ‘If one had to give up one of these three, which should one give up first?’ ‘Give up arms.’ Confucius added when Tzu-kung said, ‘If one had to give up one of the remaining two, which should one give up first?’

‘Give up food. Death has always been with us since the beginning of time, but when there is no trust, the common people will have nothing to stand on.’ (quoted in Ni, 2017, pp. 285-6).
Trust is what Pierre Rosunvallon has described as an *institutional economizer*, that ‘eliminates the need for various procedures of verification and proof’ (Rosunvallon, 2008, p. 4). It provides security and safety, enabling us to act, both in the present and the future, with a reduced sense of uncertainty, suspicion, or fear. Trust is both an *attitude*, that we have to people and institutions, and a *relationship*, between oneself and others, that is ‘based on the well-founded but not certain expectation that he/she/they will act for my good’ (Hosking, 2014, p. 28). Trust differs from belief, in that it is expected to be verifiable in the actions of people and institutions, and that we have recourse to institutionalised forms of redress in the case of breaches of trust. Rosunvallon also argues that it is a concept that is deeper than that of legitimacy, in that it reaches far more deeply into social relations than the political sphere.

The evolution of trust over time is tied up with the development of social and economic institutions. In economic institutionalism, as pioneered by Max Weber:

Institutions represent the structuring principles of collective value systems. Ideas and interests manifest themselves in institutions. If institutions represent the implicit and explicit rules of the game in a society, then they fulfil a constitutive and a regulative function, in that they define approaches to problems as well as offering and stabilising behavioural patterns. They limit the choices of the actor and form a frame of reference … Economic subjects optimise their behaviour according to these regulations. The formulation of interests, moulding of preferences, structuring of incentives, the perception of behavioural possibilities as well as the calculation of associated costs and benefits are embedded in institutional arrangements. Only the institutional context gives meaning to an individual economic choice within a social system (Nau, 2005, p. 131).
In economic terms, trust is what Kenneth Arrow (2013) termed an *invisible institution*, and what Douglass North (1990) terms an *informal institution*, or a ‘form of constraint that human beings devise to shape human interaction’. Informal institutions include the historically and culturally embedded customs, traditions, and conventions, shared norms and values, self-imposed codes of conduct, and what North referred to as ‘mental maps’, incorporating cognitive processes, belief systems, ideas and ideologies. The interaction between formal institutions and these informal institutions is critical to how different societies evolve distinct mechanisms for governing and regulation trust relations over time.\(^1\)

The structuring upwards of relations of trust to institutions is identified by both Ulrich Beck (2010) and Anthony Giddens (2010) as a feature of modern societies ‘characterised by a shift in the principle mode of organising social relations from an unexamined and habitual confidence to a more actively bestowed trust’ (Szerszynski, 1999, p. 241). Both Beck and Giddens see the rise of modernity as being linked to the growing role of expertise as the foundation of useful knowledge, as distinct from belief or confidence, but see late modernity being defined by growing contestation about the nature of expertise and the politics of knowledge. In this environment, trust needs to be actively won by citizens who are themselves increasingly reflexive in thought and sceptical about knowledge claims and appeals to authority:

The contested nature of expert opinion in all areas means that there is no relief from the necessity that the individual actively choose whom to trust. Under modern social conditions, trust which is not earned by the trusted and actively invested by the truster is mere compulsiveness … whenever people express trust … we seem to be faced
with two possible interpretations – either they are being reflexive, or they are being unreflexive. In each case of expressed trust, then, either such expressions are the result of the critical, reflective weighing up of evidence and counter-evidence, of argument and counter-argument, or they are simply survivals of the unexamined habits of deference towards authority characteristic of earlier eras (Szerszynski, 1999, p. 241-2).

As will be discussed below, a crisis of trust tends to have two elements. It points to a decline of trust in institutions, notably those of government and business, but also the media and social institutions such as churches and organized religion. It also tends towards a distrust of expert knowledge. Instances of corruption are notable triggers, as they often point to the subordination of knowledge to the service of vested interests. But there can certainly be a wider distrust of experts, not least when alternative forms of ‘truth’ are circulated in the public domain. We therefore find that the current crisis of trust has been associated with questions around whether we are increasingly in a ‘post-truth’ age (Waisbord, 2018).

**The Duality of Trust**

Trust has always involved what Rachel Botsman (2017, p. 20) refers to as a ‘leap into the unknown’. Trust towards others is ‘an intermediate state between knowledge and ignorance of others’ (Rosunvallon, 2008, p. 4). If we had perfect knowledge about the future, trust would be irrelevant; we do not trust the sun to rise in the morning, for example. But trust is also something that is earned and maintained over time through social action, and it can be – and frequently is – abused. Disappointment is an inevitable corollary of trust: as O’Neill (2010, p.
17) has pointed out ‘trust is needed not because everything is wholly predictable, or wholly
guaranteed, but on the contrary because life has to be led without guarantees.’

The dualism that surrounds question of trust parallels Michael Foucault’s observations about
truth, derived from a reading of Kant’s essay “What is Enlightenment?” (Foucault, 1984). For
Foucault, the defining feature of the Enlightenment for Kant was that it presented:

A “way out” … that releases us from the status of “immaturity.” And by “immaturity”,
he means a certain state of our will that makes us accept someone else's authority to
lead us in areas where the use of reason is called for. Kant gives three examples: we
are in a state of “immaturity” when a book takes the place of our understanding, when
a spiritual director takes the place of our conscience, when a doctor decides for us
what our diet is to be (Foucault, 1984, p. 34).

There is an ambivalence in the way out of this ‘immaturity’ that Kant identifies. At one level,
it proposes that people themselves need to adopt an attitude that is prepared to question
authority, and to be prepared to apply reason to challenge received wisdom. But this application
of reason has its limitations in that people are expected both to privately apply reason in this
way, but to do so in an environment where they are nonetheless prepared to accept
responsibilities and public duties. The examples Kant gives are ‘paying one’s taxes, while
being able to argue as much as one likes about the system of taxation, would be characteristic
of the mature state; or again, taking responsibility for parish service, if one is a pastor, while
reasoning freely about religious dogma’ (Foucault, 1984, p. 36).
Trust presents a similar balancing act, in that it is simultaneously accepted yet questioned by autonomous and reasoning citizens. People are expected to trust in institutions, expertise and in others in their community, without guarantees that such trust is warranted, or that it will be reciprocated. This is the challenge of generalized trust, or trust in strangers, which has a paradoxical element to it:

A certain amount of distrust in strangers can be healthy in many circumstances. However, when people are unwilling to cooperate with those they do not know personally, this may prevent a great deal of productive social interactions from taking place … Generalized trust is not based on actual knowledge of each individual’s likely trustworthiness so it must have other foundations (Scrivens & Smith, 2013, p. 35).

Three elements are critical to managing this paradox. The first is that of accountability. At its simplest, accountability refers to ‘the process of being called “to account” to some authority for one’s actions’ (Mulgan, 2000, p. 555). As Mulgan (2000, pp. 555-6) observes, such accountability has three features: (1) it is external, in that the account is given to a separate person or body to that being held accountable; (2) it involves social interaction and exchange, in both entities accept the appropriateness of the capacity to judge and respond accordingly; and (3) it implies rights of authority, in that those calling for an account are asserting rights of superior authority over those who are accountable, including the rights to demand answers and to impose sanctions. Critical to such accountability, particularly in the eyes of those outside of the direct relationship, is the question of credibility. Those individuals or entities that hold others accountable need to be seen to be capable of making independent judgements, those being held accountable need to be prepared to accept the consequences of a negative judgement, and sanctions need to be seen to be appropriate to breaches of public trust.
The second key element is that of transparency. The need for greater transparency as a resolution to problems of trust is often invoked. But in contrast to accountability, it has proven to be a difficult term around which to get an agreed definition. Drawing upon a multidisciplinary framework, Schnackenberg and Tomlinson (2016, p. 1788) have defined transparency as ‘the perceived quality of intentionally shared information from a sender’. Focusing upon the informational dimensions of transparency, they observe that the transparency of information provided by an individual or organization can be assessed on the basis of: (1) disclosure in a timely manner; (2) clarity and comprehensibility, particularly for the non-specialist receiver; and (3) accuracy and reliability. With regards to the relationship of transparency and trust, it is proposed that:

Greater transparency from organizations (in the form of greater disclosure, clarity, and accuracy) will facilitate higher stakeholder trust in the organization. This is because trust reflects a willingness to be vulnerable to a trustee based on confident positive expectations of the trustee’s intentions and behaviors … information quality (i.e., disclosure, clarity, and accuracy) shapes these expectations. Disclosure, clarity, and accuracy also enable accountability, whereby the organization can be rewarded for trustworthy behavior and punished for untrustworthy behavior; these factors also contribute to trust judgments (Schnackenberg & Tomlinson, 2016, p. 1797).

The third key element around trust is that of regulation or governance. At its simplest, regulation involves:
The sustained and focused attempt to alter the behaviour of others according to defined standards or purposes with the intention of producing a broadly intended outcome or outcomes (Black, 2002, p. 1).

Among the rationales for regulations are alignment of private economic interests to the broader public interest, market failure and externalities, protection of the public from actual or potential harm, and the promotion of other public policies (Freiberg, 2010, pp. 5-11). Since the 1980s, debates around regulation have increasingly merged into those surrounding governance. Key elements of this shift have included: recognition of the growing role of non-state actors; public-private collaboration; decentralization of regulatory responsibilities; the integration of policy domains; and the role played by ‘soft law’ and forms of regulation that do not entail direct coercion or sanctions, or what is termed command-and-control regulation (Lobel, 2012, pp. 66-68). Of particular importance in this regard has been the concept of responsive regulation. First proposed by Ayres and Braithwaite (1992), it introduced the principle of proportionality into regulation and closer alignment of regulatory interventions to intended outcomes. Civil and criminal sanctions are at the ‘top’ of the regulatory pyramid, but a variety of less coercive and legally-based measures are also identified, including warnings, enforceable undertakings, infringement notices, monetary penalties and the revocation of licenses (c.f. Freiberg, 2010, p. 98). While the turn to governance and responsive regulation has aimed to enhance the credibility of regulation by better aligning regulatory tools and outcomes, it is open to the criticism that it produces regulations that lack ‘teeth’ – a criticism that has been acknowledged by John Braithwaite as one of the architects of the responsive regulation model (Braithwaite, 2013).
The Digital Dimension

Questions of trust are at the core of the evolving global digital economy. The OECD has observed that ‘trust is essential in situations where uncertainty and interdependence exist … and the digital environment certainly encapsulates those factors’, and that ‘in this data-rich and hyperconnected environment, digital privacy and security challenges are also increasing and affecting trust and the potential of the digital economy to support economic and social prosperity’ (OECD, 2016, pp. 7, 15).

Issues around trust in the digital environment certainly run deeper than economic matters. The revelations in March 2018 that the political consultancy firm Cambridge Analytica managed to access the personal data of as many as 87 million Facebook users on the basis of an online quiz, and that this data was on-sold to third parties including Donald Trump’s 2016 US presidential election campaign, threw into sharp relief the political questions around trust in digital platforms (Flew, 2018). Subsequent appearances by the CEOs of the leading digital platform companies such as Facebook, Google and Twitter before committees in various jurisdictions have done little to quell concerns about diverse matters including: platform involvement in the spread of ‘fake news’ and the alleged manipulation of electoral politics; privacy breaches and data misuse; the abuse of market power and anti-competitive practices; failure to adequately monitor and restrict online hate speech, abuse and harassment; or to stem the promotion of online political extremism (Flew et. al., 2019). These are elements of what The Economist (2018) has termed the ‘global techlash’.

There is considerable evidence of a crisis of trust in digital platforms, and this is discussed below. But to focus only upon declining trust in digital ICT companies would be to miss the
extent to which new relations of trust are being forged in the digital economy. Consumers have radically extended trust relations to being driven in cars by unlicensed strangers, living in other people’s homes (and having other people live in theirs), meeting prospective sexual partners online, and so on. The ‘age of sharing’ (John, 2017) does involve a radical extension in the preparedness not only to trust strangers, but to trust the digital platforms than enable and broker these exchanges. Even when we complain about the misuse of personal data by the likes of Facebook, Twitter and others, it has not led to the wholesale abandonment of social media platforms. Rather, new debates are emerging around trust and the social responsibilities of digital platform companies, with particular reference to questions of accountability, transparency, and governance (Gillespie, 2018). In other words, longstanding debates about trust in social, economic and political institutions are being extended to the institutions of the digital economy.

**Documenting the Crisis of Trust in Institutions**

Evidence of a crisis in trust is pervasive. The Global Financial Crisis of 2008 and its aftermath exposed extensive wrongdoing by banks and financial institutions in many parts of the world. Moreover, the fact that many of these banks had to be bailed out with public funds in order to prevent the whole financial system from collapse reinforced the popular perception that the abuse of trust in the financial world was allowed to occur without consequences for most of those concerned. Declining levels of voting in liberal democracies with voluntary voting pointed to a decline in belief towards the major political parties, which has manifested itself more recently in the rise of populist political parties, movements and leaders (Muller, 2014; Moffitt, 2016). Inglehart and Norris (2016) found that 25% of European voters voted for new populist parties in the 2010s, as compared to 10% in the 1990s, and the rise of leaders such as
Donald Trump in the United States, election results such as the Brexit referendum, and the outcomes of the 2017 Italian elections indicate that such populism is now very much a part of the political mainstream. Evidence of the influence of wealthy political donors over political parties, examples of a ‘revolving door’ between political leadership and careers in corporate and other lobby groups, and a perception that major political parties are run by self-perpetuating elites, all contribute to this populist groundswell, which is unlikely to disappear soon (Eatwell & Goodwin, 2018).

With regards to the media, growing concentration of ownership, scandals such as the 2011 News of the World phone hacking scandal, and the sense that journalists are themselves political ‘insiders’ contribute to distrust of the media, tapped into by populist politicians such as Trump who accuse journalists and media outlets of peddling ‘fake news’. While digital and social media were once looked to as providing salvation from the mainstream media, the crises emerging at Facebook and other digital media platforms suggest that these companies are beset by many of the old problems that faced the media giants of the 20th century, as well as a set of new ones (Mosco, 2017; Napoli & Caplan, 2017). Coleman (2012) makes the point that trust in news is integrally linked to trust in government and social institutions more generally, for two reasons. First, and most obviously, citizens rely upon news media to accurately provide information and expose them to a diverse range of opinions, enabling them to make decisions and choices and engage with political and civic culture based upon the widest and most accurate range of information available. At a second, deeper level, trust in the media is about the sense that news producers and consumers have a shared sense of purpose and expectation about the role played by news in the wider society:
It involves shared expectations and values that constitute an ethically coherent and culturally convincing foundation for evaluating news performance. Just as we can only judge the performance of police forces or universities or banks if we have a normative sense of what they are supposed to do for us, the starting point of second-order trust in the news is an acknowledgement that the construction of cultural functions is always a matter of conjecture and contestation (Coleman, 2012, p. 36).

In the United States, the Gallup Confidence in Institutions survey has documented the extent to which Americans trust particular institutions a great deal or quite a lot. What it identifies is a general decline in trust in U.S. institutions, with the notable exception of the military. It shows the sharpest decline in trust in Congress, but also consistent declining trust in churches and organized religion, banks, the Presidency and the media. Trust in newspapers went from 39 per cent in 1973 to 27 per cent in 2017, and trust in television news from 36 per cent in 1996 to 24 per cent in 2017. Notably trust in news on the internet is lower than trust in other media, being at 16 per cent in 2017 (Gallup, 2018). This is consistent with findings in other countries. In Australia, the Roy Morgan Group’s Net Trust Score (i.e. those who trust a news source minus those who distrust it) was -44 per cent for social media in 2018, as compared to -13 per cent for newspapers and -16 per cent for television (Roy Morgan, 2018).

Insert Table 1

On an international scale, the Edelman Trust Barometer (2018) has become the major framework for understanding the crisis in institutional trust that underpins concerns about the future of news. Based upon a survey of over 2,000 participants in 28 countries, and drawing a distinction between those in the top 25 per cent of income and education levels (‘elites’) and
the general population, the Edelman surveys have found evidence of alarming declines in trust in business, government, NGOs and the media, particularly in the liberal democracies. The 2018 Edelman Trust Barometer found that more people distrusted than trusted the media in 22 of the 28 countries where the survey was undertaken. The highest levels of distrust were in Turkey, Australia, Japan, Sweden and the U.K., with the highest levels of trust being in China, Indonesia and India.

*Insert Figure 1*

A consistent finding of the Edelman surveys has been that ‘elites’ (the top 25 per cent) possessed higher levels of trust in institutions than the population at large. Trust in the media was 53 per cent among the ‘informed public’ in 2018, as compared to 43 per cent among the general population. It also fund that in the post-Trump United States, there is a major polarization in attitudes to the media, finding that only 27 per cent of Trump voters trusted the media, as compared to 61 per cent of those who voted for Hilary Clinton in 2016.

The term ‘media’ captures a number of elements, including traditional news organisations (print and broadcasting), journalists, and digital platforms. Importantly, it has found a significant rebound in trust in journalists, from 51 per cent in 2015 to 59 per cent in 2018, whereas trust in platforms fell from 56 per cent to 53 per cent over the same period. Edelman found journalists to be more trusted than platforms in 21 of the 28 countries surveyed, with only four (Brazil, Malaysia, Mexico and Turkey) showing a higher level of trust in news accessed from digital platforms.

*Insert Figure 2*
Can Surveys Adequately Capture Comparative Trust in Institutions?

In the Edelman Trust Barometer and other survey-based analyses of trust, there is a tendency to focus upon declines in trust in institutions, and those countries where trust levels are found to be low. We can hypothesize, for instance, as to why trust in the media may be low in Turkey, or overall trust levels being low in Russia. There are also narratives to be constructed around the decline in trust in the major liberal democracies, most notably the United States, which is the most surveyed country in this regard. But they tell us little about the countries where trust levels appear to be high, such as China, Indonesia, India, the United Arab Emirates or Singapore. Could it be, for instance, that survey respondents in China tell unknown pollsters that they trust the government because they are unsure about how their answers may be used? Could trust here be a proxy for confidence: if citizens trust the government to deliver a higher material standard of living for them, is that sufficient to trust the government, or the media, and to be less concerned about ethics of truth-telling or institutional independence? Answers to such questions are unknown, and possibly unknowable.

One important insight into how to understand such differences in conceptions of trust comes from institutional economics. Noting the definition of institutions as ‘the humanly devised constraints that structure human interaction’ (North, 1994, p. 360), it was observed that capitalist economies have a mix of both formal and informal institutions. Trust sits within the realm of informal institutions, or historically and culturally embedded customs, traditions, beliefs, norms and values, that serve to shape the matrix of formal institutions in a society – its rules, laws, constitutions, forms of regulation etc. – but are not reducible to them. If we therefore acknowledge that capitalism is as much a cultural system as it is an economic one,
working with institutional economist Masahiko Aoki’s definition of an institution as ‘a self-sustaining system of shared beliefs about how the game is played … [which] governs the strategic interaction of agents’ (Aoki, 2001, p. 26), but only to the extent that agents collectively believe in it, then we can start to understand why relations of trust can take different culturally embedded forms in different societies.

One example of this is the concept of guanxi (relationships) and their importance in Chinese culture and business. It has been argued that guanxi is largely a survival strategy for Chinese businesses to deal with endemic uncertainty about the application of legal power by the Chinese party-state, and that its significance would decline over time as China developed a rational-legal framework along the lines identified by Max Weber with the rise of capitalism in Western Europe (Guthrie, 1999). But what is apparent is that guanxi relationships have co-evolved with changing formal institutional structures, political systems, and business cultures. Whereas guanxi in the Maoist period may have taken the form of comradeship, and cultivating personal networks in order to access basic resources in the context of economic scarcity, guanxi today may be about using such networks for entrepreneurial advantage, to identify and exploit new commercial opportunities in the ‘socialist market economy’ (Chen, 1999). In this respect, guanxi is not a static phenomenon, nor one tied to any particular configuration of formal institutions or economic arrangements. Rather, it remains what Huang (2010) terms an ‘ideational system’ that acts as a mediating variable upon changing material practices, and how they shape and reshape communication and culture.

Applying this framework, we can see how a seemingly universal concept such as trust may be subject to different understandings in different national cultural contexts. Trust could mean predictability, or keeping one’s word. Trust in Chinese media may not be evidence of its
commitment to structural independence along the lines of the Western ‘Fourth Estate’, but may rather be taken as evidence of its knowability to its consumers. Experienced consumers of Chinese media learn to ‘read’ its texts in certain ways, and to the extent that their presentation is consonant with such readings, this renders them knowable, and hence trustworthy. This is in contrast to a model of the media derived from the ‘Fourth Estate’ ideal, where trust in the media is directly connected to the preparedness of journalists and media institutions to act as a ‘watchdog’, or a form of counter-power to corporate and government interests (Hampton, 2010). To the extent that media institutions are perceived to not be pursuing fearless and independent journalism, they are not trusted, and new calls emerge for ‘radical transparency’, as seen with the rise of online whistleblowing sites such as WikiLeaks, and claims that the internet needs to be used to build a ‘Fifth Estate’, that challenges the hegemony of the dominant media institutions (Flew & Wilson, 2012).

A Framework for Comparative Trust Research

A framework for comparative trust analysis that has relevance to media and communication and is applicable on a global scale will have three elements: the conceptual (why and how does trust matter in different contexts); the experimental (how can we develop empirical measures of trust that go beyond surveys); and the applied (how can we contribute to public debates about the regulation of institutions and organizations and the rebuilding of trust). These three elements are interconnected.

*Insert Figure 3*
At a conceptual level, we need to move from highly normative framings of why trust is important, to institutionally grounded accounts of how it is important. If we take the example of trust in air travel referred to in the introduction, the question is never simply one of placing our trust in the pilot, or in the airline. We are trusting in the effective operation of multiple institutional systems, and the conduct of people within those institutions, to deliver on the promise of safe flight. As any investigation of airline crashes reveals, the issue is rarely a simple one of pilot error or forces of nature. Many other intervening variables are found to operate, including the effectiveness and integrity of regulators, the attention – or lack thereof – given by the airline to matters such as plane maintenance or pilot training, the activities of those who monitor flights and manage air traffic control, the practices of airplane manufacturers, and so on. In other words, the trust is in a system, and it must be earned. In the case of the media, the contexts in which trust in certain types of journalism is important. Opinion journalism may be appropriate for political reporting as long as it is declared, but less appropriate for financial journalism, where factual information is vitally important for the effective operation of markets. In the case of financial journalism, preparedness to undertake informed critique of business leaders may be important: analysts of the Global Financial Crisis such as the economist Joseph Stiglitz (2011) have pointed to the ways in which business media became caught in a ‘bubble’ of reliance upon CEOs, government officials and economists whose arguments they lacked either the time or inclination to critically scrutinize.

In terms of experimental methods, there is a need to go beyond surveys, or at least to develop complementary research tools. For a variety of reasons, wandering the streets of Beijing with a clipboard asking people “Do you trust the government?” is unlikely to generate more than a pro forma response. Likewise, trust in the media is likely to generate a diverse range of responses depending upon what media one refers to. In Australia, the 2018 Roy Morgan Survey
found that there was a relatively high level of trust in the national public broadcasters (Australian Broadcasting Corporation and the Special Broadcasting Service), and a very low level of trust in Facebook. The latter response is noteworthy, as Facebook itself would deny that it is a media company in the sense that the other institutions are. Given that there is a strong focus upon the integrity of particular news brands that are seen as reliable antidotes to online ‘fake news’, one possible experiment would be to test responses to a particular piece of journalism where those who are surveyed do or do not know the source of the material. What behavioural economists refer to as revealed preference (Cartwright, 2018) may also be relevant here. In a country like China, where online shopping and electronic commerce are at very high levels, proxies to measure the degree of consumer trust in the delivery of goods and services could provide an alternative to survey methodologies. Social media may also be assessed as a source of trust or distrust. Web sites such as Leafed In (https://leafedin.org/) allow prospective purchasers of marijuana to have consumer information about distributors of cannabis and the product they sell based on user feedback, building upon the familiar model of sites such as LinkedIn.

Finally, there is a need to engage with policy forums where trust issues arise. The U.S. Congressional Hearings into alleged Russian interference in the 2016 U.S. Presidential Election have provided an occasion to interrogate digital platform companies such as Facebook, Twitter and Google about their trustworthiness in the management of user data and their ethics concerning privacy and security. These are trust questions that go to the core of the contemporary digital economy. It has become apparent that simply relying upon regulators to manage such questions on our behalf may be inadequate for two reasons. The first is that regulators may find themselves subject to political interference, or their agencies may be captured by vested interests. As Dave Karpf observed at the 2018 International
Communications Association annual conference around digital platform regulation in the U.S. “Which Trump relative would you like regulating Facebook?”. The second issue is that it is increasingly apparent that responsive regulation models and ‘soft law’ frameworks can only operate where the companies subject to such regulations have an organizational commitment to operate in an ethical manner. If such guarantors of trust do not exist within institutions and organizations, then scholars need to actively engage with the policy and political challenges of rebuilding trust.

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Table 1

| PERCENTAGE OF THOSE SURVEYED WHO HAVE A GREAT DEAL OR A LOT OF TRUST IN ... | 1973 | 1986 | 1996 | 2005 | 2010 | 2017 |
|-------------------------------------------------|------|------|------|------|------|------|
| Churches and organized religion                 | 65   | 57   | 57   | 53   | 48   | 41   |
| The Supreme Court                                | 45   | 54   | 45   | 41   | 36   | 40   |
| Congress                                         | 42   | 41   | 20   | 22   | 11   | 12   |
| The Presidency                                   |      |      |      |      |      |      |
| The military                                     | 63   | 66   | 74   | 76   | 72   |      |
| Big business                                     | 26   | 28   | 21   | 22   | 19   | 21   |
| Banks                                           |      |      |      |      |      |      |
| Organized labor                                  | 30   | 29   | 26   | 24   | 28   | 20   |
| Newspapers                                      | 39   | 37   | 30   | 28   | 25   | 27   |
| Television news                                 |      |      |      |      |      |      |
| News on the internet                             |      |      |      |      |      | 16   |

Source: Gallup Confidence in Institutions survey, 2018.
Figure 1

Media Now Least Trusted Institution
Percent trust in media, and change from 2017 to 2018

Distrusted in 22 of 28 of markets
Figure 2

Journalism More Trusted Than Platforms in 21 Countries

Gap in trust in journalism vs. platforms

| Country | % Trust in Journalism | % Trust in Platforms | Gap |
|---------|-----------------------|----------------------|-----|
| Global  | 59                    | 51                   | 8   |
| Germany | 61                    | 33                   | 28  |
| Ireland | 53                    | 32                   | 21  |
| Sweden  | 52                    | 30                   | 22  |
| Canada  | 66                    | 41                   | 25  |
| France  | 52                    | 40                   | 12  |
| U.K.    | 57                    | 40                   | 17  |
| Italy   | 53                    | 36                   | 17  |
| Greece  | 69                    | 42                   | 27  |
| Turkey  | 58                    | 37                   | 21  |
| Singapore | 69                  | 47                   | 22  |
| South Africa | 54              | 40                   | 14  |
| Spain   | 61                    | 49                   | 12  |
| Hong Kong | 74                  | 62                   | 12  |
| Japan   | 41                    | 37                   | 7   |
| Russia  | 58                    | 47                   | 11  |
| Poland  | 65                    | 51                   | 14  |
| India   | 62                    | 55                   | 7   |
| Indonesia | 62                 | 57                   | 5   |
| Malaysia | 63                   | 58                   | 5   |
| Mexico  | 68                    | 55                   | 13  |

Source: 2018 Edelman Trust Barometer. COM_MCI. When looking for general news and information, how much would you trust each type of source for general news and information? Please use a ten-point scale where one means that you ‘do not trust it at all’ and nine means that you ‘trust it a great deal.’ (Top 4 Box, Trust), question asked of half of the sample. General population, 28-market global total.

Journalism is an average of traditional media and online-only media. Platforms is an average of search engines and social media.
Figure 3

Conceptualizing trust: how and why is trust of value in different domains? (basic research)

Rebuilding trust: what are concrete policy/regulatory/legal initiatives that could contribute to the rebuilding of trust in social institutions? (applied research)

Measuring trust: are there ways of capturing trust relations that go beyond the survey methods of Edelman, Gallup etc? (experimental research)
One commonly used proxy for trust that has leant itself to cross-country comparisons has been that of social capital. Drawing upon the work of authors such as James Coleman and Robert Putnam, the OECD understands social capital to have four elements: (1) personal relationships; (2) social networks; (3) civic engagement; and (4) trust and cooperative norms that enable mutually beneficial cooperation. Trust in this regard is a collective good that reduces transaction costs, enables better management of common-pool resources, and enhances the legitimacy of social institutions (Scrivens & Smith, 2013).