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Minorities and Mistrust:
The Cushioning Impact of Social Contacts and Institutional Fairness

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Abstract

Previous research concludes that immigrants and minority members, as well as all residents of more diverse contexts, display less generalized trust. Such findings suggest a harsh trade-off between diversity on the one hand and social capital on the other. In contrast, we gauge the relationship between minority status and trust while considering three interaction variables. First, informal neighbour interaction cushions the negative impact of minority status. Second, a similar role is played by fair treatment by public authorities responsible for social and welfare state policies. Third, consistent with expectations we did not find a similar cushioning interaction of participation in organized settings. All in all, the empirical results encourage a more optimistic stance about diversity and social capital. The minority "culture of mistrust" is not cut in stone but has a potential to wither away as a consequence of positive experiences of social interaction and institutional fairness. Specifically, because these have a *particularly* positive impact on trust among minorities, the trust gap between immigrants and "the originals" is closed at high levels of these variables.

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Is diversity an obstacle for the generation of social capital?

The great enthusiasm that was once attached to the concepts of social capital and social trust has recently been defused by the problems of ethnic diversity and immigration. The question has been raised if increased community heterogeneity damages social capital. For example, a recent article concludes that "more extensive diversity in terms of nationalities within the community is significantly and negatively associated with social capital" (Coffé and Greys 2006, p. 1068). On a more general note, Anderson and Paskeviciute (2006, p. 786) argue that, "On balance most scholars of comparative politics view population heterogeneity in a negative light, arguing that it breeds conflict that is difficult to resolve and, as a consequence, political systems that are inherently more unstable."

Negative effects of heterogeneity on social capital and trust may operate at the individual level as well as the contextual level. At the individual level, members of ethnic minorities have often been exposed to distinct formative experiences. As a population incorporates a greater number of immigrants and ethnic minorities, the level of social trust may go down because people from different backgrounds have very different experiences and/or norms that relate to trust and trustworthiness. Of course, in principle this could both enhance and erode trust depending on how trusting immigrants and natives are respectively. However, the result is probably negative in most cases as immigrants and refugees arriving in a new country are more likely than the native population to have experienced oppression, discrimination and other types of hardship that are negatively related to social trust.[1] By the same token, immigrants and ethnic minorities—once settled in a new country—tend to be more vulnerable: they run a higher risk of becoming unemployed, they tend to live in the roughest urban neighbourhoods, etc. Especially if minority mistrust is passed on to new generations

through socialisation mechanisms, a “minority culture of mistrust” may arise. This culture may be hard to eradicate as it is rooted in the almost universally precarious situation and experiences of immigrant minorities.

Moving to the contextual level, it has been argued that also ethnic natives and majorities themselves are affected by diversity. Increasing diversity, the argument goes, not only changes the composition of the individuals that make up the population, but also alters the context in which everybody’s socio-political attitudes are formed. In a recent article, Robert Putnam has argued that at least in the short and medium run “immigration and ethnic diversity challenge social solidarity and inhibit social capital”. His empirical analysis of a large national sample of Americans shows people of all ethnic backgrounds tend to “hunker down” and become less trusting of other races and ethnicities (including people of their own race) if they live in more diverse neighbourhoods (Putnam 2007, p. 138) .

The underlying theoretical arguments are seemingly straightforward. People tend to meet, communicate with, and therefore trust and cooperate with people mainly from their own ethnic/religious group (Alesina and La Ferrara 2000a; Leigh 2006). A related argument is that because different ethnic groups may have different norms and values about the importance of trust and trustworthiness. The implication is that in a multicultural society it becomes more difficult to predict others’ behaviour, leading to a vicious circle of less social interaction and thereby less social trust (Alesina and La Ferrara 2002). Indeed, experimental work in non-cooperative game theory shows that contact and communication is important for establishing individual-to-individual trust (Sally 1995).

Further results come from research on how local communities handle "common pool resources" and are able to produce "public goods" (Ostrom 1990). While studies show that capacities to handle the "tragedy of the commons" problem are generally greater than predicted by standard game theory, it is uncertain whether this applies to ethnically diverse communities (Dasgupta 2005). These often seem to lack reciprocity norms, enduring networks, and interpersonal trust, which are needed to develop institutional arrangements for managing resources in a sustainable way (Ostrom 1990:36). In this line of (mostly economic) research, a recent paper reviewing the literature concludes that "the negative association between ethnic heterogeneity and public goods provision is widely accepted" (Habyarimana et al. 2006). Other scholars contend that the negative relation between ethnic heterogeneity and public goods production is "one of the most powerful hypotheses in political economy" (Banerjee, Somanathan and Iyer 2005). They add that this is not only the case in such obvious and extreme cases like civil wars but also under "normal" times (cf. Bjørnskov 2007).[2]

In summary, then, a potential conflict has arisen between two normative ideals – on the one hand the idea of multiculturalism meaning that groups of citizens have a right to develop and/or maintain distinct ways of life and ethnic/religious identity, and on the other hand the idea that societies depend on social capital (Newton 2007). Apparently, two rather liberal ideals may in fact be counteracting forces (Uslaner 2007). According to some critics, parts of social capital research now even promotes an outright apocalyptic notion of social development. From this vantage point, ethnic diversity is an unstoppable development leading to a decline of social capital, less economic development, malfunctioning democratic institutions, more crime, social anomie, personal unhappiness, and more (Hallberg and Lund 2005).[3]

Contribution and plan of the paper

Our purpose is twofold. First, we present some theoretical arguments for why the trade-off implied by past research may not be as harsh as it seems. Drawing on recent research, we argue that under the right circumstances contextual heterogeneity and individual-level minority status may not hamper social capital after all. Second, in an empirical analysis we use Swedish survey data to gauge the relationship between individual-level minority status and generalized interpersonal trust. While the analysis does not address all implications of the theoretical arguments, it demonstrates that the latter do have an empirical foundation. This challenges conventional wisdom and should hopefully stimulate further empirical work in other contexts.

Specifically, we consider the cushioning role of two groups of interaction variables. First, "bridging" formal and informal social interaction may cushion the negative impact of minority status on interpersonal trust. Second, a similar role may be played by perceptions of being treated in a fair and even-handed manner by authorities and public service organizations responsible for welfare state policies (Kumlin and Rothstein 2005; Nannestad and Svendsen 2005).

Overall, the theory and results will make us take a more optimistic stance than much of the research cited above. Contrary to what is suggested by results reported by for example Alberto Alesina (2000b) and Robert Putnam (2007), the minority "culture of mistrust" is by no means cut in stone, but has a potential to wither away as a consequence of positive experiences of social interaction and institutional fairness. As we will show, certain interaction variables have a *particularly* positive impact on trust among minorities. Thus, the

trust gap between immigrants and “the originals” is closed at sufficiently high levels of these variables.

Much of the emerging literature on social capital and (various types of) heterogeneity has approached the issue of diversity from a contextual point of view (but see You 2006). Similarly, there is a vast literature on the impact of heterogeneity on group conflict and prejudice (Hjerm 2007). In contrast, we focus the empirical analysis on the individual-level impact of belonging to an ethnic and/or linguistic minority. In concentrating on the individual level we leave aside for the moment the potential existence of any “rain-maker effects.” These refer to the possibility that things like social networks and fair treatment may have benefits not only for the individuals who experience them, but also for those residing in contexts marked by dense networks and fair treatment. On the other hand, the theoretical contrast between individual-level experience effects and contextual rainmaker effects should not be exaggerated. As we shall see, similar theoretical assumptions can be used to deduct related implications at both levels.

The moderating role of social interaction

The literature review conveys quite some scepticism towards the effects of diversity on trust. Underlying such scepticism is the basic assumption that individuals tend to have a greater understanding and affection for “people of their own kind.” Such informational and emotional deficits create a basic tendency to put greater faith in those who share the same ethnic background and affiliation as oneself. Equally important, however, such deficits are also thought to hamper social interaction with distrusted out-groups, and encourage interaction with the in-group. Thus, the less one understands and cares for a group of people, the less

likely it is that one meets, talks to, or otherwise interacts with members of that group. So the basic tendency that creates mistrust across groups also undermines increased social interaction as a potential remedy for its problematic consequences. Over time such psychological tendencies may be institutionalized in opportunity structures for social interaction, so that informal social networks and more formal civic organizations grow biased towards interaction with the in-group.

In recent years, however, some scholars have called into question the idea that minorities in a society are *necessarily* less trusting than the majority. Individuals and the contexts they operate actually do vary considerably in the density and character of social networks. Depending on the nature of such networks, ethnic diversity (at the contextual level) and minority status (at the individual level) could have rather varying effects on generalized trust.

Two simple distinctions are of importance here. One is the often made distinction between "bonding" and "bridging" (Putnam 2000). Bonding denotes in-group contacts and is thought to mainly reinforce in-group trust as well as out-group suspicion. Bridging, by contrast, refers to cross-cutting contacts, which are assumed to convey positive information, stimulate emotional sympathy for other groups, and have more positive effects on generalized trust (Kääriäinen and Lehtonen 2006; Svendsen 2006). Second, it is important to distinguish between "formal" and "informal" social networks. Formal networks are those built in organized settings such as clubs, churches, civic associations etc. Informal contacts, by contrast, are more random, spontaneous, and unstructured. The myriads of examples include lending the neighbour some sugar, chatting with the local store-owner, or nodding to a familiar face in the street.

Empirical studies seem to confirm that the nature of interaction matters. For example, Paxton's cross-national, macro-level panel results (2005) indicated that whereas trust is enhanced by membership in bridging associations—which are connected to other organisations and the surrounding society—exactly the opposite is true for membership in organisations where other members tend to be isolated and socially disconnected (see also Fennema and Tillie 2008). Such findings have a potential to stir even more pessimism about multiculturalism, as it is frequently assumed that members of minorities are especially prone to join bonding organisations where members have similar ethnic and religious affiliation. If true, the negative impact of minority status on generalized trust should be greater among individuals who are highly active in organised civic life. Minority members are more likely to participate in organized settings that are detrimental to generalized trust, thus magnifying the trust gap at high levels of formal social interaction.

Informal social interaction may often function differently. For a member of a small minority, it is hard to avoid encountering members of the majority, or of other minorities, in everyday life: at the store, at work, in the yard, when leaving children at the day-care centre, on the bus, in the street etc. Of course, this supply of plurality does not necessarily mean that individuals from different groups interact more with others. But if they do, their contacts will easily be of a cross-cutting nature. Members of a large ethnic majority, on the other hand, often stand a smaller chance of encountering members of other ethnic minorities. Those belonging to the majority have an easier time living their lives without really having to interact with "the others". If these assumptions are true, one would expect that informal social interaction has more positive effects on generalized trust among members of ethnic minorities, compared to members of the ethnic majority. As minority members increase their interactions with other fellow citizens, chances are higher that those interactions will involve interaction with

"others." Majority members, by contrast, will usually have to expand their networks much more before they come to include a person belonging to a minority group.

Of course, this prediction presupposes that informal interaction is less biased towards the in-group compared to formal, organized interaction. The validity of this assumption is likely to vary across countries and contexts. For instance, the prediction should be more valid where ethnic minority groups are small, thus making unstructured encounters with "others" more likely. By the same token it should be more valid where particular ethnic minorities do not dominate a certain geographical area or part of a city. Informal contacts are less likely to display bridging feature for residents of "Chinatown" or "Little Italy" type of areas, even though they are minority members in the society at large.

In support of these predictions, Marschall and Stolle (2004) studied the impact of neighbourhood-level ethnic diversity using a sample of Detroit residents form the early 1970s. A central finding was that higher degrees of neighbourhood-level heterogeneity and sociability had positive effects on generalized trust among blacks. The effects among whites were not significantly different from zero. These differences were attributed to a tendency that bridging social contacts have the greatest positive effects on trust, coupled with the fact that blacks tend to live in more diverse neighbourhoods compared to whites. Further, Marschall and Stolle measured the impact of both "formal" interactions as reflected by membership and activity in civil society organisations, as well as that of "informal" social networks with neighbours. Both types on interaction mattered—given that they occurred in a bridging setting—but the informal interaction turned out to be more influential.

The moderating role of institutional fairness

A further argument in this paper is that the perceived fairness of procedures and outcomes of certain political institutions may be as influential for trust as social interaction. Moreover, analogous with our assumptions about social interaction, we argue that institutional fairness both raises the general *level* of trust as well as closes the trust *gap* between the majority and the minority (Dinesen 2006; Freitag and Buhlmann 2005). The latter is thought to occur because institutional fairness has a particularly positive impact among minorities (Nannestad and Svendsen 2005).

A cornerstone of the institutional fairness perspective is that experiences and information affecting trust can only be imperfectly generated by direct social interaction among citizens. As pointed out by numerous theorists, the value of social contacts as an information source about the trustworthiness of others is limited by the fact that one can only have so many social contacts, which implies that these can only be generalized with great caution (Hardin 2002). Clearly, people are in need of additional information sources about what to expect from "the generalized other." This is where institutional fairness explanations enter. The assumption is that citizens learn lessons about the trustworthiness of people in their society by generalizing their institutional fairness perceptions. The argument is that institutional fairness factors have informational value about whether of not "other people in general can be trusted," given that institutions in turn structure a myriad of relationships and behaviours—not only one's own behaviour and relations (Rothstein and Eek 2006). Therefore, one may think of such experiences as "heuristics" for forming their system of beliefs about the general level of trustworthiness in their society (Scholz 1998).The concept of equal/impartial treatment is key in the institutional fairness approaches. The assumption is that if the state apparently treats me

with “equal concern and respect” (Dworkin 1977), that says something about the preferences and moral standing of the majority that has created, that support, and is affected by the institutions in question.

Empirical research on generalized trust is slowly warming to this approach. For example, Letki (2003; 2006), Kim (Kim 2005), (Dinesen 2006), (Freitag and Buhlmann 2005) and (Rothstein and Stolle 2008) find that the extent to which citizens are trustworthy and law-abiding is not much affected by the extent to which people live in a context marked by a vibrant civil society. Rather, what seems to matter is the extent to which central elements of democratic and bureaucratic institutions are perceived to perform well, as well as to the extent to which institutions perform well as measured by “objective” indicators.

A distinct set of studies have conceived of institutional factors in terms of *procedural justice*. If institutional procedures ensure that every citizen gets a fair and equal treatment with respect to existing rules, the argument goes, it makes more sense to assume that other citizens, and public officials are less involved in different kinds of dishonest behaviour. By contrast, seemingly unfair (i.e., unequal) procedures can be seen as an indication that a greater number of bureaucrats and fellow citizens are dishonest and not to be trusted. In this spirit, a series of studies have found a cross-country correlation between corruption and trust (Rothstein and Stolle 2003; Rothstein and Uslaner 2005; You 2006). Similarly, experiences with welfare state institutions seem to matter. Experiences with means-testing, discretionary “client” institutions have been reported to be detrimental to trust, whereas experiences of non means-testing, non-discretionary services tend to have positive effects. Likewise, individuals who perceive poor procedural justice in their dealings with welfare state services display lower trust (Kumlin and Rothstein 2005).

Another groups of studies suggest that also the fairness and equality of distributional outcomes may matter for trust (i.e., distributive justice). This link was for long neglected in the social capital research despite its rather obvious relevance. It is for example interesting that the steep decline in social capital that Putnam has reported for the United States took place at the same time as economic inequality rose sharply, but this is not mentioned as one possible cause for the "collapse" of social capital in his analysis (Putnam, 2000 #831, but see Larsen 2007). It seems reasonable to argue that in societies with large economic and social inequalities should not be a fertile ground for social trust. Rich and poor people would live very separate lives, their children would not go to the same schools, they would not visit the same hospitals or other similar facilities. In this situation, perceptions about whether one can expect to be treated fairly as en equal in various social and political relations are likely to grow more negative. Empirically, the evidence for a positive relation between social trust, social capital and equality is quite good (Casey and Christ 2005; Uslaner 2002; You 2006). Finally, a related argument here is that ethnic diversity as such does not hamper trust but may do so if coupled with residential segregation and high levels of inequality between groups (Uslaner 2007). Expressed differently, inequality only becomes truly harmful when combined with perceptions of injustice. In a study of rural India, Banherjee, Somanathan and Iyer (2005, p 639) argue that in diverse societies, distributional issues between groups are important "since the memory, real or imagined, of having been exploited can create a divide that will continue to hurt the economy many years into the future."

Finally, in support of both the procedural and the distributive fairness approach, You (2006) estimated multilevel models using World Value Study data from 80 countries. He shows that countries with low corruption, high level of income equality and stable democratic systems

display higher levels of generalized trust, and that ethnic diversity loses significance once these three institutional factors are accounted for. Moreover, of particular interest for this paper were a couple of significant cross-level interactions between contextual-level fairness and individual-level minority status: trust differences between members of ethnic minorities and others tended to be smaller in more equal and democratic countries.

We build on these scattered reports of interaction effects between justice and minority/heterogeneity variables. Specifically, we suspect that fairness variables may exercise a greater effect among minorities because minorities are evaluating institutional structures that have been created by, are supported by, and affect the majority group. Majorities, by contrast, are evaluating institutional structures that represent and affect mostly people from their own group. Hence, institutional experiences among minorities could be said to have greater "bridging" qualities and informational value as to whether most people can be trusted.

The Swedish case

All the proposed interaction effects in turn depend on context. For this purpose, some background information about the Swedish case is in order. Throughout the paper we consider the implications of this setting for the findings and conclusions.

On the face of things, Sweden seems a puzzling case. Although the country has become much more ethnically diverse over the last twenty-five years due to immigration, the level of interpersonal trust remains, in a comparative perspective, very high and it is also exceptionally stable (Rothstein 2004). Similarly, in contrast to the predictions made in some

studies (Alesina and Glaeser 2004), support for welfare state policies remains high and stable throughout a period of significant increase in ethnic, religious, and racial diversity (Svallfors 2006).

Specifically, demographic statistics show that during that since the mid-20th century and especially during last twenty-five years, Sweden has changed dramatically from being a very ethnically and religiously homogenous society to almost the opposite. In 1940, only one percent of the population was born outside Sweden (including people born in the other Nordic countries). This increased to about 7 percent in 1970 and then to 12 percent in 2005 (the EU 15 average is 10 percent). Counting also second-generation immigrants, around 20 percent of the population have of immigrant background. In addition, the composition of those with immigrant background has changed. In 1970, ninety percent of immigrants were born in Europe and sixty percent in one of the other Nordic countries (Sweden had a heavy work-force immigration from Finland during this period). In 1970, less than 0.2 percent of the population were born in Asia, Africa or Latin-America. It is maybe here we see the most dramatic change. In 2005, four percent of the population were born in these parts of the world, comprising thirty-five percent of people born outside Sweden.[4] Since the early 1970s, most immigrants have come under refugee status or as relatives to people already given residency. Another indicator of this change is that membership of Muslim congregations has increased from around 17.000 in 1985 to over 100.000 in 2005.[5] Most immigrants are concentrated to the larger metropolitan areas such as greater Stockholm and Gothenburg. At the political level, multiculturalism has been accepted by the (until October 2006) ruling Social Democratic party. At the rhetorical level, policies for the integration of immigrants have been ideologically manufactured as universal and inclusive while at the practical level of

implementation they have for the most part remained specifically directed to the needs of immigrants, thus contributing to their identity as immigrants (Dahlström 2004).

As explained below, a third of our sample are Gothenburg residents. It is the second largest city in Sweden with about 500,000 inhabitants located on the Swedish West Coast. According to a recent investigation, ethnically based residential segregation has increased between 1990 and 2002 and it is highly connected to economic inequalities. Moreover, according to this report, Gothenburg it is the most ethnically segregated city in Sweden (residential segregation). However, while immigrants are heavily concentrated to certain residential areas, they are not divided into specific areas by ethnicity. There is no equivalent to "China town" or similar ethnically "pure" enclaves. On the contrary, immigrants from specific countries/regions live mixed with other immigrants from many other countries/regions. Moreover, immigrants in Sweden comes are from many different countries and also from different parts of the world. Thus, when it comes to the type of informal contacts we describe above, immigrants are likely to meet immigrants from other countries to a large extent.[6] Also, at the time of data collection Swedes were in a small majority even in the most ethnically diverse area. Thus, ethnic Swedes are less likely than others to meet someone from another group as a result of unbiased, random social interaction. All these particularities will turn out important in out discussion of whether the association between minorities and mistrust is cut in stone or in fact a contingent phenomenon.

Data and measurement

We use a survey conducted in 1999 by the SOM Institute at University of Gothenburg.[7] The sampling area is Western Sweden (in Swedish the "Västra Götaland region"), a region which contains 1.5 of the 9 million Swedish inhabitants. Gothenburg, the second largest city in Sweden, is located in the region. About one-third of the random sample are Gothenburg residents. Past research concludes that the Western SOM surveys can be considered representative for the whole country with respect to levels of, and correlations between, a wide range of variables (Kumlin 2004).

The measure of minority status is a dummy variable which takes on the value 1 if the respondent, or one of the respondent's parents, grew up outside the Nordic countries (9 percent in the sample). The measure includes both first and second generation immigrants as the prediction that minorities display less trust partly builds on socialisation theory, where socialisation is a potential reason why minority cultures of mistrust may be present and resilient.

We focus on non-Nordics as the Nordic countries are consistently at the top of the social trust league in international comparisons. Therefore, although the indicator is surely rough, it is in the Swedish context able to tap whether the respondent has a background in a country where trust is significantly lower compared to the Nordic countries. Of course, in any country with lower aggregate trust levels, the measurement procedure would have had to be much more complex. Additionally, the dummy captures a mix of ethnic, linguistic, and racial differences vis a vis the ethnic Swedish minority, and correlates with the socio-economic problems that immigrants and minorities are typically faced with.

Still, the 9 percent coded as non-Nordics make up a very heterogeneous group. Unfortunately, the data only allow us to separate between those originating inside Europe (5.8 percent) and outside Europe (3.2 percent) respectively. Fortunately, analyses disaggregating the data along these lines still lend clear support to our conclusions, even in the face of sometimes seriously small N's.[8]

Descriptive statistics for other main variables are found in Table 1. The dependent variable is generalized trust measured along an 11-point continuous scale ranging from 0 ("people can generally not be trusted") to 10 ("people can generally be trusted"), where the mid-alternative was not explicitly labelled.

[TABLE 1]

Moreover, the equal treatment measure comes from a question battery with the following head question: "If you look back on your own personal contacts with public authorities and services during the last twelve months, to what extent do the following statements fit with your own experience." Here, we use the item "I was treated worse than most others." The response alternatives were "fits well," "fits rather well," "fits rather poorly," "fits very poorly," and "have not been in contact." The information was scored between 0 and 1 with no contact as a middle category, and with higher values denoting greater experienced fairness.[9] This item arguably has a potential to capture both procedural and distributive aspects of fairness and equal treatment. While this is a limitation in the analysis, our main concern here is not to separate between different types of fairness, but rather to compare fairness effects to

other independent variables. Moreover, previous research has shown that separate measures of these aspects nevertheless have a tendency to correlate strongly (Kumlin 2004), which strengthens our belief that the item in question capture fairness perceptions of outcomes as well as of procedures.

Informal social interaction is measured by an index measuring how often during the last 12 months the respondent "has socialized with neighbours" and "helped/received help from a neighbour." The index ranges from 0 ("never" on both items) to 1 ("several times a week" on both items). Finally, formal social interaction in organised settings is measured by a variable counting how many organizations that the respondent is involved in, defined as, at a minimum, holding membership (mean=2.5; SD=1.9).[10]

Empirical analysis

To find out how non-Nordic background¸ social interaction and institutional fairness affect social trust we now look at the six OLS regression models reported in Table 2. Model 1 establishes that respondents who grew up, or have a parent who grew up, outside the Nordic area are less likely than others to trust (-.99). Model 2 then shows that most of this effect (-.83) remains when controlling for organized civic activity, informal neighbour contacts, equal treatment, a host of socio-economic usual suspects (age, class identification, income, and employment status), as well as for left-right self-placement and subjective life satisfaction.

Model 2 yields some additional interesting observations. First, formal participation (.09) and membership in organized social life are positively associated with trust and this effect is

roughly matched by that of informal contacts with neighbours (.50). Both these effects, however, are smaller than the impact of equal treatment in contacts with public services and authorities (.96). This finding underscores the importance of the institutional fairness perspective as a general explanation for trust.[11]

[TABLE 2]

Based on Model 2 only, some would probably be tempted to conclude that minority status has an unavoidable negative impact in itself, regardless of actual socio-economic and other experiences in the new country. One version of this stance that we have discussed is that immigrants often bring a deep-seated culture of mistrust with them, much of which first-generation immigrants tend to transmit to the second generation. Another explanation in the same vein is that immigrants must necessarily deal with a foreign culture on a day-to-day basis, one which is unlikely to arouse affection or understanding. Therefore, according to this argument immigrants are necessarily less trusting than others.

Models 3-5, however, suggest that trust differences between minorities and others are not entirely cut in stone.[12] These models let the impact of minority status interact with social network variables (formal and informal), as well equal treatment. Consistent with our predictions, the trust difference tends to shrink at higher levels of informal neighbour interaction (1.06) and institutional fairness (1.14). Further, there is no significant interaction between the minority effect and formally organized participation in organisation. So while informal interaction and institutional fairness have *particularly* positive trust effects among minorities—thus closing the trust gap at high levels—this is not the case for formal civic participation. The potential explanation we have suggested is that minority groups may be

especially prone to formally organize themselves along minority lines, thus hindering the particularly bridging interaction that is thought to produce the other interactions. By contrast, informal social interaction and institutional fairness have particularly positive trust effects among minorities. Out hypothesis here is that informal interaction and institutional fairness—under the right circumstances—have particularly bridging qualities for minorities. Consistent with this idea, both these interaction terms have substantively important effects on the trust gap between non-Nordics and others.

Consistent with the prediction, then, the interaction coefficient for organizational memberships is clearly smaller than those of fairness and informal contacts. On the other hand, the former interaction is not negative either. This is interesting because if organized minorities engaged almost exclusively in bonding one could imagine that the interaction would even have come out negative. This would have indicated that bonding is so dominant among minorities that the trust gap grows even wider at high participation levels. But such an extreme version of our hypothesis is not borne out by these data. To reiterate, we instead find that while fairness and informal interaction yield particularly great trust benefits among minorities, the impact of organized participation is the same among minorities and the majority respectively.

Model 6 estimates the interaction effects involving fairness and informal contacts controlling for the whole gamut of variables. While the estimates for the interaction coefficients do not change any of our main conclusions, it should be noted that the fairness interaction falls just short of conventional levels of statistical significance. Still, we choose to interpret this interaction effect as the coefficient remains substantively strong and largely unaltered even in

the face of the considerably higher multicollinearity introduced by the simultaneous inclusion of several interactions.

It is important to bear in mind that these are cross-sectional data. This is not ideal as it is possible, or even very likely, that some independent variables are reciprocally affected by trust. For example, high trust may cause individuals to perceive more just treatment or to build more dense social networks. However, for two reasons we think these results are still interesting. First, the purpose is not to estimate the exact causal impact of any single independent variable on trust. Rather, we aim to get a handle on *differences* in relationships across groups. And as long as any problem of reciprocity is not systematically larger among one group compared to the other, such cross-sectional results are of interest. Second, we certainly do look forward to future studies relying on research designs better equipped to deal with causality. However, given the universal availability of cross-sectional data, and the phenomenal scarcity of panel data, we think it is sensible for research to proceed in this order.[1] We agree with Krosnick (2002) who argues that the typical progression of research programs on socio-political attitudes is exactly to start out with cross-sectional data and – to the extent that the cross-sectional data are supportive – later move on to panel, time series, or experimental designs, which can accommodate more complex assumptions.[13] It should be added that in addition to survey research (Nannestad and Svendsen 2005), there is now at least one experimental study demonstrating a causal link between perceptions of the existence of a high level of corruption in (local) government institutions and a low level of generalized trust (Rothstein and Eek 2006)

Before moving on to the concluding section, it is useful to illustrate the main arguments and findings graphically. To this end, Figures 1-3 show predicted value plots in based on the most

inclusive regression model (model 6, Table 1). Figure 1 plots predicted trust among the majority and non-Nordic minority respectively at different levels of experienced fairness.[14] At low levels of fairness, the trust gap is about two units along the trust scale; at high levels the gap has been reduced to about one trust unit. Furthermore, while fairness is predicted to have a positive impact among both groups the effect is stronger among non-Nordics thus diminishing the trust gap at high levels of fairness. This finding supports the theoretical assumption that experienced institutional fairness has particularly bridging qualities and implications for the level of trust among minorities.

[FIGURES 1-3]

Figure 2 does the same thing as Figure 1, but now with respect to the density of informal neighbour interaction. Here, it is shown that "neighbour contacts" is hardly predicted to have any impact at all on trust among the large majority. In contrast, among non-Nordics the regression slope is considerably steeper, which supports the notion that informal social contacts tend to have greater bridging content among minorities in Sweden. Of course, as we have emphasized, this pattern is hardly a natural law, but probably contingent on particular minorities not being overly geographically concentrated and dominant. As we have explained, the minority group in Sweden is composed of individuals from a plethora of countries and ethnic backgrounds. All these groups tend to live in the same neighbourhoods rather than claim particular areas for their particular groups. What is more, in 1999 Swedes were in a small majority even in areas containing the largest proportion of minorities.

Figure 3, finally, plots predicted trust differences among majority and minority, at three interesting combinations of procedural fairness and informal social interaction: (1) those who

experienced poor procedural fairness *and* never interact with neighbours, (2) those who score average on both fairness and social interaction, and (3) those who experienced excellent procedural fairness *and* interact with neighbours several times a week. Interestingly, at simultaneously high levels of both informal neighbour interaction and institutional fairness minorities are not predicted to be any less trusting than others. In fact, non-Nordics are even predicted to be somewhat *more* trusting than others, although the difference is very small and statistically insignificant.

Conclusion: A culture not cut in stone?

As Russell Hardin (2006) has argued, it is impossible to actually know anything specific about the trustworthiness of all individuals who comprise "people in general" in one's society. Still, as is well-known, people in different societies give on average very different answers to the survey question about generalized trust. From what sort of sources do people who answer this question get their information about how trustworthy other people in general in their society are? In reality, people will have to make do with whatever heuristics, imperfect information, collective memories and myths that are available to them since anything approaching "perfect information" is not available.

We have gauged the importance of three potential generators of trust: equal treatment in personal contacts with public authorities and services, informal social contacts, and activities in formally organized settings. Particular attention has been paid to effect differences between ethnic majority and minority members respectively. Taken together, the results lend support for our arguments and predictions. Informal social interaction and institutional fairness are not

only beneficial for general trust levels. More than this, in the Swedish context they seem to be *particularly* beneficial for minorities. Therefore, at the highest levels of informal interaction and fairness, trust differences between minority and majority are not be found. In this sense, informal social interaction and institutional fairness have a capacity to cushion against the "minority culture of mistrust" foretold in much previous research.

The cushioning function of these variables can be understood using the distinction between bridging and bonding. Specifically, equal treatment and informal social interactions may have particularly bridging qualities for minorities. When it comes to equal treatment, this is because minorities are experiencing institutions that presumably mirror the moral standing of "the others." The behavior of local school teachers, policemen, the social security administrators, the staff at the public health clinics etc, is an important source of information about the moral standard of the society in which one lives. As for informal social interaction, minorities are—under the right contextual circumstances—more likely than majority members to encounter "the others." The right circumstances include specific minority groups not being too large or dominant in particular geographical areas. Of course, we have only investigated the impact of informal social interaction in one context where we believe the circumstances are conducive to a cushioning impact. Future research, however, may fruitfully investigate how contextual variation in these respects affects these patterns.

Equally consistent with the expectations, we did not find activities in formal civil society organisations to have a particularly cushioning impact. The number of organisation memberships had both a weaker overall impact on trust, and did not have a stronger impact among minority members. Of course, we have argued that minority groups may be prone to organize themselves along minority lines, thus hindering quite some bridging interaction.

In sum, this paper delivers some much-needed good news for those hoping that social capital and diversity can be reconciled. In societies where “street-level bureaucrats” deliver services in a way that is perceived to be in line with standard requirements for distributive and procedural fairness, and were there are considerable possibilities for informal social contacts with “others,” increased ethnic diversity may not spell disaster for the regeneration of trust and social capital.

TABLES AND FIGURES

Table 1 Descriptive statistics for key variables

	mean	*SD*	*min*	*Max*	*N*
Generalized trust	6.42	2.39	0	10	3623
Equal treatment	.72	.25	0	1	3437
Informal neighbour contacts	.41	.28	0	1	3422
Number of organizational memberships	2.51	1.88	0	16	3647

Notes: Data from the 1999 West Sweden SOM Survey.

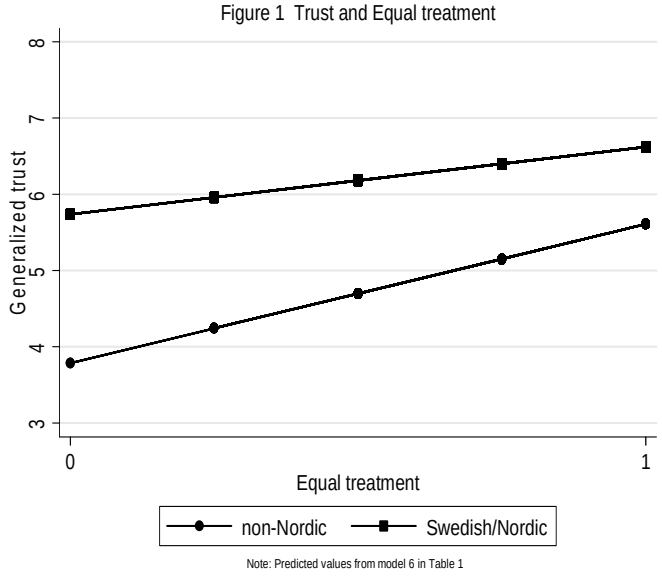
Table 2 Generalized trust (0-10) as a function of minority status, bureaucratic-institutional fairness, and informal neighbor contacts (unstandardized OLS estimates)

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Main effects						
Non-Nordic background	-.99***	-.83***	-.83***	-1.28*	-1.25***	-1.48***
Number of organizational memberships		.09***	.19***			.10***
Informal Neighbour contacts (0-1)		.50***		.79***		.40**
Equal treatment (0-1)		.96***			1.32***	.88***
Interaction terms						
Organizational memberships x Non-Nordic background			-.03			
Informal neighbour contacts x Non-Nordic background				1.06**		1.23*
Equal treatment x Non-Nordic background					1.14**	.94 (p=.152)
Controls						
Age		.004				.004
Education (1-3)		.32***				.32***
Middle class identification		.27**				.26**
Household income		.08***				.08***
Life satisfaction (1-4)		.63***				.63***
Left-right self-placement (1-5)		-.18***				-.18***
Unemployed		-.48**				-.48**
Adjusted R-squared	.01	.11	.03	.02	.04	.12

*p<.10 ** p<.05 *** p<.01

Comment: Data from the 1999 West Sweden SOM survey. N=2340 or more. The models also contain intercepts, the estimates of which are not displayed.

Figure 1 Trust and Equal treatment



Note: Predicted values from model 6 in Table 1

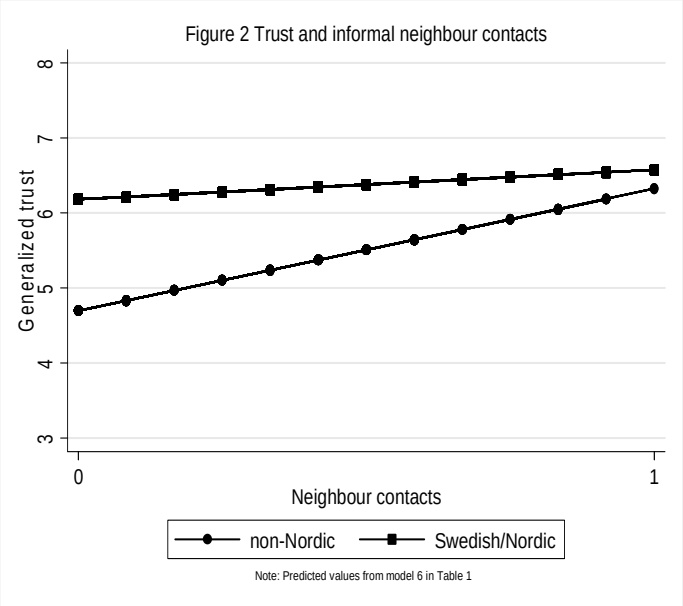
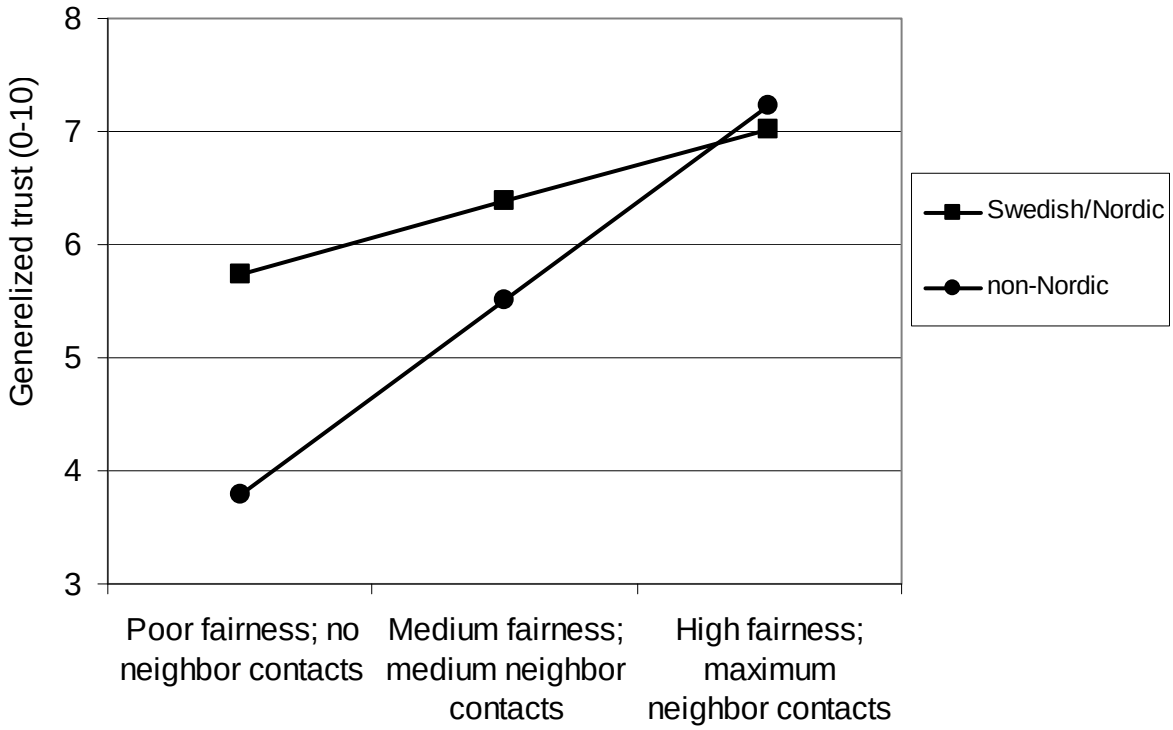


Figure 3 Predicted generalized trust at different levels of institutional fairness and neighbor contacts



Comment: Predicted values from model 6, Table 1.

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ENDNOTES

[1] However, Newton's (2007) overview of the field suggests that while minority status usually has a negative effect on social capital and trust, there are nevertheless notable exceptions Among Newton's examples are the Japanese and Jewish minorities in the US, and the Swedish-speaking minority in Finland

[2] However, it should be added that according to some recent analyses, there is very little to speak for the argument that multiculturalism would erode the political support for social policies (Banting and Kymlicka 2003; 2004).

[3] This discussion has also reached the public debate, see e.g., John Lloyd in *Financial Times* July 12, 2004 "Research shows disturbing picture of modern life"; and Financial Times "Leader," Oct. 12, 2006.

[4] Statistics Sweden, *Beskrivning av Sveriges Befolkningsstatistik 2005*. Örebro: Statistiska Centralbyrån 2005.

[5] Data from Swedish Commission for State Grants to Religious Communities, which is a civil service authority under the Ministry of Culture.

[6] ”Social rapport 2006“, issued by the Swedish National Agency for Social Affairs, Stockholm. See also Göteborgssammhällets utveckling 2007”, report issued by Gothenburg City Hal (Göteborgs Stad, Stadskansliet).

[7] The SOM studies are conducted by the SOM Institute, which is operated jointly by the Dept. of Journalism and Mass Communications (JMG), the Dept. of Political Science, and the School of Management at University of Gothenburg. The study is conducted in the form of a mail questionnaire. For more information, see Holmberg and Weibull (2002), and visit the institute's home page at www.som.gu.se. Since 1992, the SOM institute has also conducted a number of local and regional surveys, including an annual survey in West Sweden. In the early West Sweden SOM surveys, the sampling area covered Gothenburg and a smaller number of municipalities near the city. In 1998, the survey was expanded so as to cover the entire Västra Götaland region. This region contains 1.5 of the 8.9 million Swedish inhabitants. Gothenburg, the second largest city in Sweden, is located in the region. Our data comes from the 1999 version of this study (which is particularly useful for our purposes as it contains good measures of all our main concepts, including equal treatment). Questionnaires and return envelopes were sent to a random sample of 5900 individuals between 15 and 80 years of age, residing in the Västra Götaland region, out of which 3760 returned the questionnaire by mail (totally “blank” questionnaires, or those that answered only background questions, were not defined as valid responses). Thus, the response rate (RR2 as defined by the American Association for Public Opinion Research) was 64 percent. The data were collected between October 1999 and January 2000.

[8] For instance, a regression model analogous to Model 2, Table 2, reveals that non-Europeans are only insignificantly less trusting than non-Nordic Europeans -.34; p=.31) at the same time as both these groups are significantly less trusting than the Swedish majority (b= -1.04; and -.70 respectively; both significant at p=.001). Moreover, when it comes to interactive predictions, a series of regression models analogous to Models 3-5, Table 2, were run. These show that also the two disaggregated dummies interacted as they should with experienced justice, neighbor contacts, and organisational memberships. The one exception is that while experienced justice was significantly more consequential for trust among non-Europeans (b=.55; p=.023) compared to majority Swedes, a similar interaction could not quite be traced when a non-Nordic European dummy was used (b=. 11; p=.545). Finally, while informal neighbor contacts do cushion more than half of the negative impact of minority status as measured by non-European origin, this interaction did not reach statistical significance (p=.344). However, this is perhaps understandable in view of the small number of non-Europeans.

[9] We treat non-contact and don't know as neutral middle categories as both these categories function roughly as middle categories with respect to the dependent variable. In other words, although non-contact must be regarded as categories apart on a conceptual level, little empirical information is lost by including both as one middle category.

[10] More exactly, the measure includes the following types of organizations: professional organization, parents' organization, local folklore society, humanitarian aid organization, tenants' association/housing cooperative/home owners' association, sports/outdoor recreation association, immigrants' organization, consumers' cooperative, cultural society/music/dance, women's organization, local action group, environmental organization, automobile club, retirees' organization, political party (including women's or youth association), and "other" association.

[11] This effect comparison makes sense knowing that while the formal organization variable can in principle range up to 16, only a handful of respondents are members of more than 10 organizations. Most score much lower on this variables: 87 percent hold 4 or fewer memberships (mean=2.5; SD=1.9).

[12] For the sake of simplicity, Models 3-5 exclude the controls included in model 6. However, this does not affect results and interpretations in any important way.

[13] As Krosnick (2002:120) explains, "Nearly every causal hypothesis of significance in political psychology is tested initially using cross-sectional data. Such data are easily available to investigators." Krosnick (2002:144) further notes, "There is no doubt that cross-sectional data can be informative regarding the validity of a causal hypothesis. If an expected correlation fails to appear, this certainly casts doubt on the causal process that implied it […] once an initial convincing demonstration of correlational support is provided, it seems essential to move quickly on to employing either longitudinal data analysis methods […] or experimental methods."

[14] In both Figures 1 and 2, all other variables are set to their means, except neighbour contacts (in Figure 1) and experienced fairness (in Figure 2) which are set to zero.